

Making the case for having more women in the workforce

Women's participation in the workforce has been discussed at great length through the years. From their participation in general to the challenges in retaining them and the percentage of women assuming leadership positions, the issue is prevalent across the globe, and Malaysia is no exception.

A regional report on gender diversity by specialist recruitment provider Kelly Services revealed that Malaysia is the standout performer in the Asia Pacific (APAC) region in supporting gender diversity at senior levels in the workplace.

According to the white paper 'Making the business case for gender equity', Malaysia emerged as the top performer in the region with 28% female senior managers, compared to Hong Kong at 23%, Singapore at 21.5%, China at 21%, and India at 9%. Japan had the lowest percentage of female senior managers at 8%.

Kelly Services' senior vice president and general manager for EMEA and APAC regions, Natalia Shuman said, "The findings show that Malaysia is the regional leader in gender diversity at senior levels as compared to other leading APAC economies, which is highly significant as there is clear evidence that gender diversity delivers measurable, positive performance outcomes for businesses."

Gender equity at the workplace, according to the report, is not a feel-good, reputational issue or about being seen as doing the right thing. It is about competitiveness, productivity and performance, as significant gender inequities in workforces could adversely affect productivity and innovation.

Kelly Services (Malaysia) Sdn Bhd's managing director, Melissa Norman, said, "The report's data delivers a compelling message for Malaysia's hiring managers: gender diversity has direct consequences on a company's bottom-line."

"Where there are significant gender inequities in workforces, productivity and innovation lag and a company's bottom-line is negatively impacted. With gender equity, workforce, productivity and innovation thrive."

The report stated that businesses get better results with a diverse workforce as oppose to a homogenous one. It cited various publications and surveys that stated how positive outcomes can be generated through a diverse workforce.

IMF, for example, was cited as suggesting that companies with female managers could be better positioned to serve women-dominated consumer markets and those with gender-diverse boards could

Gender equity in the workforce is not just a window dressing; it actually offers a strong business case for organisations



Where there are significant gender inequities in workforces, productivity and innovation lag and a company's bottom line is negatively impacted. With gender equity, workforce, productivity and innovation thrive."

— Norman

enhance corporate governance, as they provide a wider range of perspectives.

The key here is gender diversity, as the report stated, "No one can categorically say that having women in leadership causes better results. However, the numbers indicate that having both men and women in leadership delivers results for the bottom line."

According to the report, a McKinsey study estimated that Malaysia's GDP could increase by between RM6 billion and RM9 billion with the increase in the participation of women in the workforce.

The 'Women Matter: An Asian Perspective' report stated that companies are losing out on two key sources of competitive advantage—having the best talent in an age of talent scarcity, and capitalising on the particular performance benefits that women in leadership positions bring to an organisation—if they do not increase the number of women in senior positions.

Outside Asia, another one of McKinsey's reports, 'Diversity Matters', based on a research which

looked at metrics such as financial results and the composition of top management and boards for companies in Canada, Latin America, the United Kingdom, and the United States, also pointed in the same direction.

The main takeaway from the McKinsey study is that diversity is a competitive differentiator shifting market share toward more diverse companies.

The white paper by Kelly Services also included an interesting section on the common myths surrounding working women. These myths represent the way women are perceived in the workforce, which the report said are "barriers to overcome if the business case for changing this is to be made".

One myth is that women will always put their family first and therefore will not be able to give the kind of commitment that is expected of them. While it is true that women are expected to give 100% in both the home and their workplace, the issue of work-life balance is not just a women's issue.

Interestingly, the report revealed



women outscored men to the highest degree—taking initiative and driving for results—have long been thought of as particularly male strengths."

In a broader context, in Malaysia, gender diversity is not only an issue affecting senior managerial or leadership level, but goes across the labour market in general. Last year, Bloomberg quoted Women, Family and Community Development Minister Datuk Seri Rohani Abdul Karim as saying, "We are losing the asset."

She said this in relation to the Malaysian workforce losing its female talent to family and child care, with about two-thirds of women citing family as the main reason for leaving their jobs. In 2012, Malaysia had the lowest rate of women participation in the labour market in South-East Asia, according to data compiled by the World Bank.

The significant loss in the Malaysian workforce was also highlighted by founder and principal fund manager of Malaysia-based Corston-Smith Asset Management Shireen Ann Zaharah Muhiudeen in an interview with Forbes Asia.

"In Malaysia, women are a very high percentage of university graduates. Most of them do go into the workforce but then it slowly falls off. This is generally due to family reasons. Previously, it was very common for in-laws to look after the grandchildren while the parents go to work."

"But this multifamily concept isn't as prevalent as it was in the past. Additionally, it has been more difficult to get help at home recently due to the lack of local help. Most Malaysians have to depend on foreign help and this is of course subject to changing circumstances and conditions," she said.

To encourage women to return into the workforce, Prime Minister Datuk Seri Najib Razak has offered tax incentives to companies that establish nurseries and allow flexible work arrangements. This is seen as part of the government's initiatives to spur economic growth in its aspiration for Malaysia to become a high-income nation by 2020.

There is a pressing need to keep the women in the workforce, as government figures stated that women accounted for 68% of public university enrolment for the 2013/2014 academic year. "We need these people. We need the brains. We want to utilise all of them," Rohani said. MSME

that men are starting to perceive time away from family as a major issue, and are more likely to leave an organisation for the lack of flexibility in working arrangements.

Another myth highlighted in the report was that women are less capable leaders, which is why they are under-represented at a senior level. The report said that despite the belief that people get promoted based on merit, the concept on merit is itself a subjective one that is prone to biases.

"The many different biases we are susceptible to as human beings come into play when we consider who is more 'capable' or more competent for a leadership role," the report said.

Consulting firm Zenger Folkman, in its 2012 research found that women, as leaders, were rated significantly higher in 12 of 16 crucial skills, which included, among others, building relationships, collaborating, practising self-development, solving problems and analysing issues.

Zenger and Folkman were quoted as saying, "Two of the traits where