

THE CASE FOR WORKPLACE GENDER EQUALITY

RISKS, OPPORTUNITIES AND ACTIONS FOR BUSINESS DURING AND BEYOND COVID-19

This brief provides evidence from the Asia-Pacific region on business outcomes of Workplace Gender Equality (WGE) and why, in the context of COVID-19, it is more important than ever to maintain the momentum of WGE. It also explores the major challenges and opportunities relating to WGE in the region, and practical actions that companies can take.

What is WGE?

WGE exists when everyone, regardless of gender, can **equally access and enjoy** resources, opportunities and benefits to thrive and progress in organisations.

A company committed to WGE holds itself accountable for eliminating **both direct and indirect discrimination** and builds an **inclusive work environment** and culture to achieve commercial outcomes.

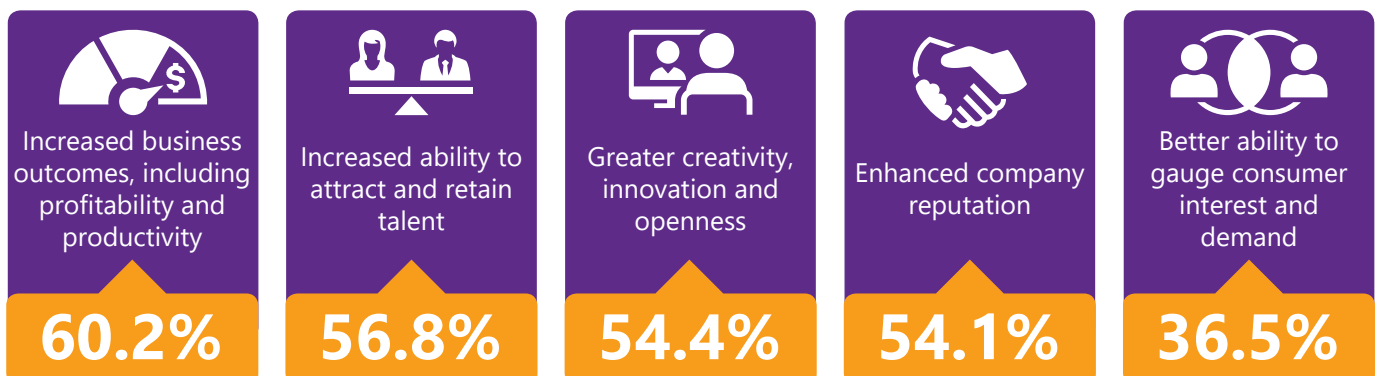
1 WGE IMPACTS ON COMMERCIAL OUTCOMES

In today's global economy, interconnected supply chains and competitive talent market, investing in WGE and creating an inclusive workplace are imperative for business success and sustainability. Decades of research have consistently shown that WGE:

- Improves commercial outcomes for organisations—including income, earnings and return on investment and company value
- Increases innovation and resilience and reduces risk
- Builds positive brands—attracting investors, consumers, partners and top talent
- Reflects the diverse marketplace and creates a competitive advantage

The analysis of a 2018 International Labour Organization (ILO) enterprise survey of 300-400 companies per country in the Asia-Pacific region found that over two-thirds of companies reported that **gender diversity initiatives enhanced business outcomes** in the region. Enterprises in the information and communications (73%), financial or insurance activities (71%) and education (70%) sectors were the most likely to report better business outcomes.¹

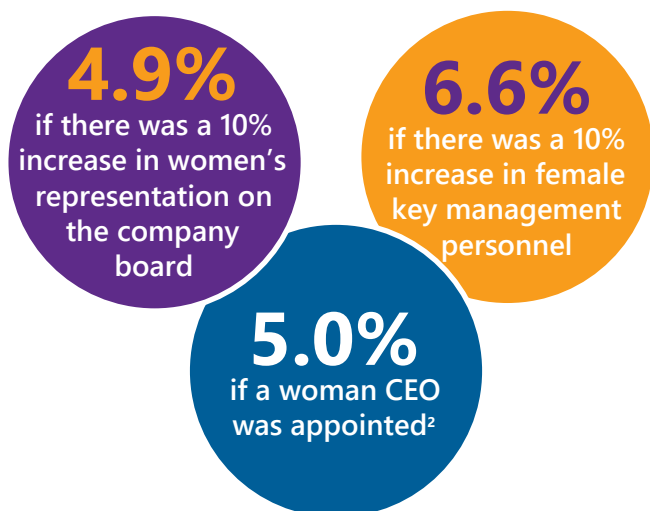
Most surveyed enterprises in the region agreed that gender diversity brings benefits to their businesses. The share of businesses reporting benefits is displayed in the graphic below. Additionally, about 28% of enterprises reported profit increases of 5-10%; 37% of enterprises reported profit increases of 10-15%; and 18% of enterprises reported profit increases of 15-20%.



¹ International Labor Organization (ILO). (May 2019). *Women in Business Management: A Global Survey of Enterprises*. Available here.

Global research on business impacts of diversity shows compelling results

A 2020 study of seven years of mandatory reporting data on WGE from more than 4,000 Australian companies found a causal relationship between increased women's representation in leadership and greater company performance. The analysis found the market value of ASX-listed companies increased by:



2 COVID-19: WHY INVEST IN WGE NOW?

Firms are facing unprecedented impacts on supply chains, markets and production methods, workforce engagement and safety concerns. A study of 66 major employers in four South East Asian countries found 21 firms reported the effect to their business as being catastrophic or severe, and 41 as being negative. A significant proportion of businesses reported that cash flow to maintain staff and operations is inadequate, demand is lower than normal and supply chain problems have had an impact.

As leaders, we can confidently say that WGE is the key ingredient for businesses to thrive and survive during unprecedented events. Having a diverse pool of talent has put us in a more stable position to sustain business operations and retain the top talent in the market.

MA AURORA "BOOTS" GEOTINA-GARCIA

Chairperson of the Philippine Women's Economic Network (PhilWEN) and Co-Chairperson of the Philippines Business Coalition for Women Empowerment (PBCWE)

How does gender diversity enhance commercial outcomes?

The improved commercial outcomes observed in companies arise in several ways, including:

- **A better understanding of customers** – Gender-diverse teams equip firms to understand the unique requirements and spending behaviour of women consumers and to serve them better to gain a competitive edge in the marketplace.
- **More innovation** – When women and men work together, they receive continuous visible cues that people are different, and those cues motivate employees to ask more questions, dig deeper and explore more options as they work on problems. Gender-diverse workgroups generate a wider range of innovative solutions than all-male or all-female groups.³
- **Increased retention** – Employees are less likely to leave if they feel engaged and supported, understand and are aligned with their employer and have confidence in their leadership.

Employees are suffering—and female employees are suffering more

The economic impacts of COVID-19 are disproportionately hurting female employees. This is consistent with previous recessions and pandemics, which also had a bigger impact on women with regard to economic security, formal employment, political representation and health and education outcomes.⁴

However, there are additional aspects of COVID-19 that are further exacerbating the impact on women. Key female-dominated sectors like tourism, retail and sales and manufacturing have been severely hit during lockdowns. Women are over-represented in temporary or part-time employment and are more at risk of losing their jobs than men. While this crisis has highlighted the importance of flexible working, it has also exacerbated women's *double burden* in balancing family, domestic and work responsibilities.

In May 2020, a study examined these issues for 600 private sector employees of large firms in Indonesia, Vietnam and the Philippines.⁵ Two important findings highlighted different impacts on women and men.

² Cassells, R. & Duncan, A. (2020). *Gender Equity Insights 2020: Delivering the Business Outcomes, BCEC|WGEA Gender Equity Series*. Issue #5, March 2020. Available [here](#).

³ From UNISA Business, Issue 14, 2019. *Gender Diversity, 6 simple switches to enact change*. Available [here](#).

⁴ Baird, M. & Hill, E. (2020). *IW, COVID-19 and Women's Economic Participation—A rapid analysis on COVID-19 and implications for women's economic participation*. Available [here](#).

⁵ Baird, M., Seetahul, S. & Hill, E. (2020). *The Philippines and COVID-19: Impact on the private sector*. Available [here](#).

Baird, M., Seetahul, S. & Hill, E. (2020). *Vietnam and COVID-19: Impact on the private sector*. Available [here](#).

Baird, M., Seetahul, S. & Hill, E. (2020). *Indonesia and COVID-19: Impact on the private sector*. Available [here](#).



A HUMAN RESOURCES LEADER FROM MYANMAR REPORTED THAT:

“Women working from home have more challenges as their family still expect them to be involved in household chores during office hours.”

First, in all three countries, household work increased during the crisis for women and men. However, the burden on women increased more overall. In Vietnam, nearly 80% of women respondents and 64% of men reported increased time spent on cleaning. In Indonesia, significantly more women reported extra time spent on cleaning, preparing food and shopping. The main reason in both countries was family being at home and the burden increasing. A survey of employers in South East Asia was also conducted.

Second, remote work arrangements were rapidly adopted by most companies in each country. Women were more likely to report achieving equal or greater levels of productivity during the crisis than men in Vietnam and Indonesia; in the Philippines, women and men reported similar productivity levels.

With 6 in 10 families losing income, economic and mental well-being for both female and male employees are clearly linked. In the three countries, the impact was most acute for workers in sectors hardest hit by the emergency quarantine, such as retail, education, manufacturing and finance. In those sectors, between 50% and 90% of respondents had their jobs suspended, terminated, or had a cut in hours or pay. In each country, between 35% and 50% of respondents also reported that COVID-19 had a negative impact on their mental well-being, with financial concern as the main reason.

Women are critical to economic recovery...



Women’s employment and economic participation are being disproportionately impacted by this crisis. We know women are essential for business recovery, as evidence from past crises and more stable times shows gender diversity helps firms adapt faster and more sustainably.⁶

3

WGE CHALLENGES AND OPPORTUNITIES FOR SOUTH EAST ASIAN FIRMS

Over the past four years, leading private sector employers have contributed to a robust data set for WGE.⁷

Across the region, women are under-represented in private sector management positions

Companies identify a *leaky pipeline* of women leaving before promotion, and ILO research from 2018 found that 60% of enterprises in Asia and the Pacific report that retaining skilled women is a challenge.⁸ Analysis of data from 40 large firms in the Philippines, Indonesia, Vietnam and Myanmar highlights factors impacting on women’s work satisfaction and retention. Satisfaction aligns with opportunities to learn and perform, and feel valued, supported and safe, and is driven by perceptions of fair pay and access to promotions. Women are concerned about career and family compatibility. Firms providing opportunity, fairness and balance of work and home will best attract, retain and promote female talent.

Flexible work options increase staff satisfaction

The double burden of work and domestic responsibilities leaves married women and caregivers less satisfied at work than other women and men. Access to genuine flexible work options improves experiences and perceptions that employees can balance career and family life, while workplace cultures that require presence in the workplace have a negative impact on perceptions. Workplaces that continue to encourage men to work flexibly and share care work will build better workplaces and a fairer society.

In the COVID-19 survey, HR leaders recognised the benefits of flexible working from the rapid adoption of work from home arrangements due to lockdowns, and plan to maintain and explore new flexible options.

⁶ McKinsey Global Institute (2018). *The Power of Parity: Advancing Women’s Equality in Asia Pacific* April 2018. Available here.

⁷ Investing in Women (2020). *Working Women in Southeast Asia* (Working Paper).

⁸ International Labor Organization (ILO). (May 2019). *Women in Business Management: A Global Survey of Enterprises*. Available here.



A HUMAN RESOURCES LEADER FROM A FILIPINO FIRM SHARED THEIR MEDIUM-TERM PLAN TO HAVE:

“additional deployment of work at home for employees. [We will] continue to improve IT infrastructure to support working at home [and aim to] increase productivity measures through on-line support and virtual training.”

Targeted training, sponsorship and mentoring programs outweigh catch-all courses

Offering generalised training programs has positive effects on women in lower-skilled sectors. However, the same courses can have negative effects on women in higher-skilled sectors without more targeted design and consultation. For example, consider sponsorship and mentoring programs, and offer clear explanations of benefits, goals and outcomes of targeted trainings. In the banking, professional services, real estate and retail sectors, women were more likely to value formal mentorship programs.

Employees engage with policies that have real outcomes

Providing information on policies without effective policy implementation can decrease satisfaction in

the workplace. Employees are influenced by real outcomes more than information, and identify gaps between policies and experiences. Safety in the workplace significantly influences satisfaction. Women who believe their firm would support them if they were sexually harassed are more satisfied in the workplace.

Increasing the number of women in senior roles improves gender balance for all levels

Research across South East Asia found enterprises with female CEOs were 5-16% more likely to have a gender-balanced workforce and board. Investing in Women’s analysis of HR and staff perceptions data from 40 companies in South East Asia demonstrated complementary findings—increasing the proportion of women in management yields benefits across the workforce. The most significant findings were:

- Staff are more likely to say they would recommend their firm to other women
- Worker perceptions of fairness in promotion and pay have improved (for both women and men)
- Women are more likely to agree that their assignments or projects prepare them for leadership
- Women are more likely to agree that their work and home life are compatible

4

PRACTICAL ACTIONS FOR BUSINESSES AND LEADERS THAT HAVE MEASURABLE IMPACT

Taking practical steps to address the gendered impacts of COVID-19, mitigate risks that arise and realise the benefits and opportunities presented at this unique time will be critical for a strong recovery. These actions, if taken by individuals at all levels within firms, will have measurable impacts that reinforce the inter-related commercial and workplace benefits of gender equality and build organisational resilience.

Take action as a LEADER to...



Demonstrate commitment and expectations of others.

Provide strategic context for gender equality as a commercial imperative.

Inspire change among peers, competitors and customers.

RECOMMENDED ACTIONS INCLUDE:

Committing to equality – Integrate gender equality into leadership and company COVID-19 responses, including via internal and public communications and/or commitments.

Role modelling – Model flexible and family-friendly ways of working. Show personal commitment to achieving gender equality in personal sponsorship

and mentoring. Reward leaders within the business on their contribution to achieving a gender-equal future post-COVID-19.

Sharing power – Ensure women are enabled to contribute their expertise in COVID-19 leadership decisions and response plans, with at least 40% representation of women in any related task force.

Take action in the WORKPLACE to...



Achieve gender balance at all levels.

Build for future success.

Realise commercial benefits.

RECOMMENDED ACTIONS INCLUDE:

Balancing crisis management – Ensure gender diversity in crisis management teams making decisions on strategic planning, resources, restructures and stand downs and layoffs.

Setting expectations – Raise awareness on the gendered impacts of COVID-19 on women's employment opportunities and the demands of their unpaid work with managers and senior leaders. Establish a non-discrimination and equal opportunity policy considering recruitment, sponsorship, training and development, promotions and ways of working beyond COVID-19.

Acting on evidence – Examine and share with leaders' data on recruitment, exits and promotions, to ensure women are not disproportionately affected. Monitor and analyse HR and staff perceptions data and company policies, to understand barriers to WGE through the COVID-19 response and recovery.

Preserving progress – Monitor the impacts of staff reductions or stand downs, and review and compare promotion, wage and bonus data for women and men for the 24 months following the crisis, to assess the impacts on women's workplace outcomes and roles dominated by women. Where negative impacts are found, take measures (e.g. promotion targets and development opportunities).

Minding the gap – Measure and address gender pay equity gaps between similar roles and overall.

Working flexibly, sharing care – Enable flexible work for all employees. Learn from recent remote working and encourage leaders to trust and support flexible ways of working. Recognise the increased care burden on women and encourage male staff to take their share of the care burden in their homes.

Interrupting bias – Understand and challenge gender bias in workplace segregation, recruitment, promotion, work assignments, training and mobility. Incorporate bias awareness into leadership and other training programs to enhance inclusive practices, especially during crisis periods.

Ensuring safety and support – Actively address sexual harassment and domestic violence as workplace issues, through policy settings and access to resolution and support services. Provide access to mental health support and sick leave arrangements. Ensure sexual harassment is not tolerated in the workplace and robust grievances/complaints procedures are in place and understood.

Developing diverse talent – Continue women's professional development opportunities during and after COVID-19, to ensure a pipeline of qualified women for management/senior leadership positions.

CONNECT WITH THE BUSINESS COALITIONS

THE PHILIPPINES



SCAN ME

INDONESIA



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MYANMAR



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VIETNAM



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