The Secret to Asia’s Long-term Prosperity? Improving Roles for Women at Work
By David Arkless

No one can dispute the strides Asia has made in bringing strong economic growth to the region over the past five decades, lifting income levels and reducing poverty in country after country. And yet, Asia continues to stand out for the relative neglect it shows to its greatest under-tapped resource: women.

David Arkless argues that by taking a series of steps to unleash the economic, social and political leadership potential of women, Asia can best ensure its economic stability and long-term prosperity. FUELED BY RAPID MARKET GROWTH and an unprecedented population surge that has resulted in a labor force of record size, Asia is home to many of the world’s fastest-growing economies. Yet even in the wealthiest countries of East Asia, where innovation and education are seemingly fundamental principles, women still face barriers that often prevent them from achieving professional success and personal fulfillment.

At the same time, major corporations in the region are struggling to find and retain the talent that is needed for growth and development. It is clear that the bridging of these two issues is the remedy for economic stability and the long-term prosperity of Asia.

Asian women are among the most under-utilized assets in today’s labor market. Limits on women’s participation in the workforce across the Asia-Pacific region cost the economy an estimated $89 billion a year.1 Increasing the number of women in the workforce would not only stimulate greater economic growth; it would provide a model for gender parity in all regions of the world.

A multi-faceted approach is needed. It is not enough merely to rely on governments to set quotas and initiate legislation; nor is the implementation of women-friendly policies in the workplace going to immediately solve this issue. There must be an action plan from many angles, including a proactive approach from women themselves, which will fully ensure the increased presence of women in the labor force, along with the long-term prosperity of corporations within the region.

Unemployment rates in Asia tend to be the envy of the rest of the world. While the jobless rate in the United States is hovering around 9 percent and in the United Kingdom around 8 percent, China reports its rate this year at just over 4 percent, while Thailand, Singapore, Malaysia and Vietnam all have unemployment rates at or below 3 percent.2 So why, when it comes to women in the workforce, does the region struggle with issues of inequality? It is a combination of steadfast cultural perceptions, a lack of legislation and social programs, and archaic structural stereotypes that all contribute to women not having more of a presence in the Asian workforce.

In South Asia, women aged 15 and over make up only 36 percent of the workforce. In East Asia, that number climbs to 69 percent, one of the highest in the world.3 In contrast, the number of women in the US labor force is around 59 percent.4 It is when we take a deeper look into the sectors where women work that we start to see problems. Currently, women comprise about 50 percent of the agricultural workforce in East Asia. If you take into account the informal sector, where work isn’t declared and women are not protected by labor laws and employment benefits, that number rises to 65 to 70 percent, and a large portion of these women are illiterate.5

TALENT SHORTAGE
According to the 2011 Manpower Talent Shortage Survey, 34 percent of employers worldwide cite difficulties in filling job vacancies due to a lack of available talent, a 3 percent increase over last year. That number jumps to 45 percent when you focus solely on the Asia-Pacific region; 80 percent of employers in Japan alone reported difficulties filling positions. This makes sense considering there is a worldwide shortage of job-seekers with industry-specific training, both male and female, but it is an overwhelming issue in Asia. In China, there are millions of job-seekers ready and willing to work, yet very few of them possess the necessary skills. It seems that a natural solution would be to train more women in fields where demand for talent is high. However, a shift in distribution among industries must precede these efforts.

If women sought essential vocational training rather than taking the expected path into agriculture, for example, Asian companies would have a much easier time finding the right candidates and more women would enter the workforce. The talent shortage would eventually ease. Increasing the number of women in leadership roles is also critical as an engine of economic growth in a region where so many employers are frustrated by the lack of qualified talent. This talent gap will only widen in the future due to shifting demographic trends. With the overwhelming demand for talent far outweighing the supply in the region, presenting a better opportunity to over 50 percent of the potential talent pool only makes sense if companies wish to remain competitive.

Among the most difficult jobs to fill in the region are sales representatives, technicians and engineers.6 Economists estimate the number of service-sector jobs will grow by at least 500 million between 2004 and 2015, with the vast majority of them in Asia.7 Not rapping into the largely underutilized labor pool of women is a missed opportunity. This also comes at a time when Asia-Pacific companies are reporting optimistic hiring intentions for the third quarter, according to data the ManpowerGroup collected from 39 countries and territories around the world.8 Women can help fill these gaps in the labor force and ensure the future of the economy if they are given the proper training and opportunities, but several solutions are needed.

Companies need to recognize the advantages and long-term necessity of placing more women in leadership roles. By giving women equal pay and opportunity, along with a fair benefits package, a significant shift can take place throughout......
Asia. The earnings gap between women and men tends to be wider in Asian countries compared with the rest of the world. Within the Asia-Pacific region, women’s average wages in the manufacturing sector are less than 70 percent of men’s. South Korea has one of the largest gender wage gaps in the world; women make about 57 percent of what a man would make in the same position. Steps towards equality in the workforce must be taken now to strengthen the morale and foundation of women, because such a shift takes time, and qualified talent will continue to dwindle in the meantime.

However, a more innovative approach is essential in order to offer women these opportunities. While it is difficult for some corporations to give up the notion of the “standard,” five-day, 40-hour work week, this model is not practical for many modern women who must balance work and childcare responsibilities. More than 75 percent of Japanese women leave the workforce after their first child, when they feel forced to choose between career and family. This may account for why in Japan, only 1.2 percent of women hold senior executive roles in the private sector. We must amend outdated job structures and focus more on completing the actual tasks at hand, rather than punching a time clock. By giving women the tools to efficiently perform their duties, women can be more productive and continue to work. Working remotely can also be an option for many women who need to balance work and family responsibilities.

Another proactive approach is the forming of strategic partnerships within countries to help bridge the gender gap. ManpowerGroup has aligned itself with several important stakeholders in the region, including China’s Ministry of Industry & Information Technology (MIIT), with the goal of helping local businesses meet the workforce needs of China’s growing manufacturing sector. Together, they are tackling the issues of skill shortages, high-rising labor demands and increased labor costs. Meanwhile, ManpowerGroup’s new alliance with Microsoft is geared towards helping the younger generation seize opportunities for entrepreneurship. This is especially important for women in a region where men own most land and property; businesses run by women have always been a rarity.

GOVERNMENT’S ROLE

Government officials are starting to see that women are essential to the future of Asia, yet implementing legislation aimed at corporations is much easier than carrying out these policies. For instance, while governments can and should enforce anti-discrimination laws within the private sector, companies cannot be held accountable for not hiring enough women if women do not possess the necessary skills. Instead, governments need to implement more social programs in schools at an earlier age that emphasize the advantages of women taking a more business-oriented approach to their future. If women knew they could receive the tools and training to have a successful career in the private sector, they could start to see a huge change take place. This is also where women must buck the trends and stereotypes of the past. No longer do they have to settle for working in a dead-end sector. Career orientation in schools must start at a young age,
Still a man’s world: Japanese office workers heading home after a day’s work in downtown Tokyo. Rigid working schedules mean that three-quarters of Japanese women drop out of the workforce after their first child, when they feel forced to choose between career and family, a likely contributor to the fact that only 1.2 percent of women hold senior executive roles in the private sector.

Photo: Dai Kurokawa/EPA

Steps towards equality in the workforce must be taken now to strengthen the morale and foundation of women, because such a shift takes time, and qualified talent will continue to dwindle in the meantime.
when girls are just forming ideas about what they want in life, rather than in the later stages of high school, when those decisions may already have been made for them.

Other legislation that has spurred opportunity and entrepreneurship for women has to do with improved access to capital. Nepal recently implemented a tax exemption law aimed at enticing men to share property with their wives, daughters and sisters, thus increasing women’s land ownership threefold. This is especially important in an area where female land ownership is rare, making it virtually impossible for women to secure any kind of business loan because they lack collateral. The impact of these measures has been significant. In 2001, only 11 percent of households in Nepal reported that women owned some land, but this figure had risen to 25 percent of households by 2009.12

Governments can also play a key role in bringing more women into legislatures. Nepal’s 2007 Interim Constitution stipulated that at least 33 percent of candidates in parliamentary elections must be women.13 As a result, it is currently the only country in the region that has reached the 30 percent achievement mark for women in government. Many countries in Europe have also made strides by setting quotas for women in parliament, and now women in Norway, Belgium, Sweden and The Netherlands make up around 40 percent of their national legislatures.14 These countries realize the importance of women in government positions; their presence plays a key role in passing new laws on domestic violence, women’s rights and improving access to health care for the poor.

According to a recent UN Report, the average proportion of women in parliament in the four sub-regions of Asia now ranges from 14 percent in East Asia to 20 percent in Southeast Asia.15 While countries like Indonesia, the Philippines, India and Bangladesh can at least say they’ve had a female leader, there is still much more room for women in government and for boosting the number of female legislators. In Japan, women make up just 11 percent of the lower house of parliament, placing it 121st out of 186 nations in terms of female representation, according to a report published by the government’s gender-equality bureau earlier this year, which advocates setting gender quotas.16

A MATTER OF FUTURE SURVIVAL

Quotas within the public sector, combined with a plan from private corporations, will begin to spark the change needed. Bringing more women into the workforce today isn’t just the right thing to do for the sake of equality; it is a necessary and vital step for companies to thrive in today’s highly competitive market. Those that don’t will inevitably struggle in the long run. Adding more women to the workforce would increase economic growth, reduce poverty, improve health care and social programs and ensure greater social well-being across the region.

It is only when we begin to see these changes take place that society will follow by shedding outdated gender stereotypes. The role of women is not black and white; there doesn’t have to be a stark choice made between family and career. With the right approach from all the necessary stakeholders, women can greatly increase their already profound and prosperous contributions throughout Asia and beyond.

David Arkless is President, Global Corporate and Government Affairs, ManpowerGroup, London.