



Gender Equality and Its Effects on Business

Women around the world have been struggling to make a name and acquire the same “status” as men. According to recent studies, in terms of economic equality, women are still 80 years behind men. Although women contribute more than \$28 trillion towards the global economy, companies are still often reluctant to offer them the same benefits that they do to men.

It is surprising to see the quest for gender equality still going on in our modern times. What makes it more surprising is the fact that the people we confide in, our politicians or decision-makers, are well-aware of this injustice and moreover illogical situation, but there is not much that we see them do to fix this situation.

We witness large scale conferences on platforms such as the United Nations, in favour of equal rights for women. At the same time however, we are still in anticipation of a concrete resolution. So far, there have been numerous conferences in support of gender equality, but foremost the conditions are still the same.

Recently, there has been news of different strategies such as the incorporation of gender equality in Sustainable Development Goals coming into play. It will potentially lead to an increase of 100 million women in the workforce. However, the outcome is of course subjected to and/or totally depending on the measures necessary to be taken to make it possible.

It is a great initiative, but there are a lot more hurdles that women must face to reach empowerment. According to its recent study, the World Bank (2019) has been able to identify more than 50 economies where women still face legal discrimination by the government mainly in Latin America, the Caribbean, East Asia & Pacific, Sub-Saharan Africa, South Asia, the Middle East and North Africa. Most women in such

states are not eligible for property rights, transferring citizenship to their children, or applying for essential identification without their husband's approval.

Women in Business

When it comes to the business industry, there are numerous case studies that justify and proof the need for gender equality or better said "Equality of Opportunity for Women".

According to the 2018 UN Women's flagship report, women all over the world earn almost 25% less than what a man makes by performing the same job.

However, if we look at the statistics more closely, we are also able to identify that women perform 62% of all the unpaid work throughout the world. On top of it, they contribute an average of 90% of their salaries directly at home to support their families. While these stats may send a positive message for their community, they don't prove their efficiency in the job market, or better said, their importance is not acknowledged. They are still a target of gender discrimination and given low priority in comparison to men.

If we talk about the "finance industry", there are a lot of women who have at least equal potential in comparison to most men we find on these jobs. Yet, the "unequal treatment" still exists. This discrimination not only indicates denial to provide fundamental equal human rights but is also proven to play a critical role in the loss that the industry faces. According to research, companies that promote gender diversification enjoy up to 15% increase in overall profits. Some fortune 500 companies follow this practice, and in comparison with others, having a talented female presence turned out to be a great investment. In the Netherlands a young female financial journalist wrote an interesting book where she proves based on studies and facts that in general women are better investors in the securities market than men.

Women vs Men

If we draw a comparison in the "business world", we can identify quite a lot of areas where women do equal work as men and even examples where they "so called" surpass men both in position and remuneration/payment. Studies suggest that factors such as health, education, and enthusiasm may be /are more common in women than they are in men. These are verifiable developments: girls overall do better at school. Again, studies suggest and encourage us to look at these factors; factors and opportunities that the entire world should capitalize on. An increase of capable females in the workforce will very likely lead to a rise in the overall productivity of the world.

Studies also suggest that working women not only do good for themselves; according to a study from the World Bank Group *"Equality of opportunity allows women to make the choices that are best for them, their families and their communities. However, equal opportunities in getting a job or starting a business*

do not exist where legal gender differences are prevalent. Legal restrictions constrain women's ability to make economic decisions and can have far-reaching consequences."

The structural barriers and discriminatory social norms make it more difficult for women to obtain a fair share. Governments must implement reforms to improve the conditions, and businesses also must adapt their regulations to provide equality of opportunity based on merits not gender.

Gender Equality in Practice

To eliminate the mentioned structural barriers and discriminatory social norms, real changes in practice must include the following policies:

Public policies:

- Redressing women's socio-economic disadvantages
- Addressing stereotyping, "stigma", harassment and violence
- Strengthening women's "voices" and participation in important processes of decision
- Introducing laws and policies to equalize women's status at work

Social policies:

- Provide access to social protection: healthcare services, family/child allowances and pensions
- Access to water and sanitization
- Reduce unpaid care work and expand choices (education and training)
- Joint titling and equal ownership rights for married women

The general policies to be applied by Governments and businesses alike should always:

- Eliminate the global gender gap in labour force participation and provide women equal employment opportunities
- Give access to women to quality and empowering jobs and value the work that women do
- Close gender pay gap and offer fair paid wages
- Provide maternity leave and childcare services, adoption of family-friendly policies
- Eliminate occupational segregation
- Making workplaces safe and free from violence and sexual harassment

Final Thoughts

It is imperative that women are given equal opportunities in the corporate world. It will not only help in business growth but will also play a significant role in the increase in the overall economy of the country.

It is proven that gender equality significantly contributes to advancing economies and sustainable development.

The private sector needs to ensure women earn as much as men and should open new opportunities to empower women up the chain. These initiatives will be advantageous for women at work but also for the companies. Companies must realize their potential growth prospects by becoming an essential medium of fostering women empowerment. Companies can greatly benefit from increased employment and leadership opportunities for capable women that leads to increase organizational effectiveness and growth. It is estimated that companies with three or more capable women in senior management functions score higher in all dimensions of organizational performance.

There are a lot of benefits in empowering women. It is a practical and seemingly logical approach that would benefit all the individuals who are directly or indirectly invested in a business. Women's economic empowerment boosts productivity, increases economic diversification, and income equality will lead to / add other positive developments.

As businesses let us all help build "Equality of Opportunity for All".

Sources

UNESCO First Annual Report Gender Equality: *UNESCO and the promise of gender equality: key actions of 2018 and 2019*. <https://en.unesco.org/news/first-unescos-annual-report-gender-equality>

Monica Villa. January 20, 2016. World Economic Forum Why Gender Equality Makes Business Sense <https://www.weforum.org/agenda/2016/01/why-gender-equality-makes-business-sense/>

Patsy Doerr, March 8, 2018. The Hill Publication: Gender Equality is good for business <https://thehill.com/opinion/finance/377391-gender-equality-is-good-for-business>

John McDonnell. February 19, 2019. Forbes Publication: Gender Equality is Smart Business <https://www.forbes.com/sites/forbesbostoncouncil/2019/02/19/gender-equality-is-smart-business/#721ad6b51f92>

Andrew Blackman. March 8, 2017. How to achieve gender equality in your Business. <https://business.tutsplus.com/tutorials/how-to-achieve-gender-equality-in-your-business--cms-28374>

HR Gazette. March 8, 2017. The Benefits of Gender Equality in the Workplace <https://hr-gazette.com/the-benefits-of-gender-equality-in-the-workplace/>

Harvard Business Review. March 3, 2020. HBR IdeaCast. Episode 726. How Workplaces - Not Women - Need to Change. A conversation with Netflix director of inclusion Michelle King on how to create gender equality in your workplace. https://hbr.org/podcast/2020/03/how-workplaces-not-women-need-to-change-to-improve-equality?utm_campaign=5b05615b2848a537e0021c54&utm_content=5e612746ac71dc000143f82f&utm_medium=smarpshare&utm_source=linkedin

Ted Talk. February 27, 2020. How to design gender bias out of your work place <https://www.youtube.com/watch?v=6U5JF89OUd0&feature=share>

UN Women. 2020. Gender equality: Women's rights in review 25 years after Beijing. Page 7.

<https://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2020/gender-equality-womens-rights-in-review-en.pdf?la=en&vs=934>

UN Women. 2018. Turning promises into action: Gender equality in the 2030 Agenda for Sustainable Development", UN Women's flagship report.

<https://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2018/sdg-report-gender-equality-in-the-2030-agenda-for-sustainable-development-2018-en.pdf?la=en&vs=4332>

<https://www.managementboek.nl/boek/9789021574998/blondjes-beleggen-beter-janneke-willemse>

World Bank Group. Women, Business, and the Law 2019. International Bank for Reconstruction and Development / The World Bank. Paper. Pages 7-11

<https://openknowledge.worldbank.org/bitstream/handle/10986/31327/WBL2019.pdf>

This publication is presented to you by the Dutch Caribbean Securities Exchange

