



Women and Sustainability Series

Employing Women Responsibly: The Emerging Market Context

March 2011

About the Women and Sustainability Series

This paper is part of a BSR research series on women and sustainability that demonstrates how investments in women—in the work force, supply chain, and communities, and as consumers—are beneficial for business. The Women and Sustainability Series was authored by Amaya Gorostiaga, Kara Harnett Hurst, Jennifer Schappert, and Racheal Yeager.

Additional resources can be found at www.bsr.org/women-sustainability.

About BSR

A leader in corporate responsibility since 1992, BSR works with its global network of more than 250 member companies to develop sustainable business strategies and solutions through consulting, research, and cross-sector collaboration. With offices in Asia, Europe, and North America, BSR uses its expertise in the environment, human rights, economic development, and governance and accountability to guide global companies toward creating a just and sustainable world. Visit www.bsr.org for more information.

Executive Summary

Fair and equal formal-sector employment represents the most powerful contribution to gender equality that a company can provide. This brief is intended to identify the unique challenges and opportunities to employing women in the emerging market context, and to provide recommendations to help companies improve their ability to attract and retain women in those markets.

The brief is organized as follows:

- » **Challenges in the Emerging Market Context:** Explains how the challenges facing female employees in emerging markets differ from those in developed markets.
- » **Recommendations:** Offers five detailed recommendations, with company examples, for near- and medium-term action.
- » **Call to Action:** Summarizes recommended next-steps for companies to increase employment and improve retention of women in emerging markets.

We hope the guidance provided in this brief will empower more companies across all industries to hire and retain women in emerging markets around the world.

Introduction

Studies continue to demonstrate the critical and increasing role of women in economic development and post-recession recovery.¹ Much of this is due to the prevalence of women accessing education and participating in the formal labor forces of emerging economies. For example, in Brazil, 60 percent of adult women were involved in some sort of employment in 2009, and the literacy rate equaled 90 percent. In Russia and Vietnam, women's participation in the adult labor force reached 50 and 49 percent, respectively (which exceeds participation rates in the United States, France and the U.K.).² Globally, women are approaching 50 percent of students enrolled in postgraduate courses, with notable increases in participation rates in the Middle East and Asia over the last 10 years.³

As multinational companies continue to operate and expand in emerging markets, women represent an important group of potential employees. Labor scarcity represents one of the greatest challenges facing multinational companies in emerging markets, and women represent a substantial, educated, and untapped segment of the workforce. In addition, because local companies often are reluctant to hire women, global companies willing to do so likely will achieve a competitive advantage.⁴ In high-skilled employment, women represent an untapped source of managers and high-level staff. Numerous studies⁵ have demonstrated financial returns for companies with higher percentages of women at senior management levels or above; these findings also likely will hold true in the emerging market context.

Women are Good for Business

1. Women comprise a substantial segment of the workforce.
2. Women are among the highest educated people in emerging economies.
3. Women represent an untapped source of labor in gender-stereotyped industries and therefore can be a source of competitive advantage.
4. Women represent an untapped source of managers.

Why Are Challenges Exacerbated in Emerging Markets?

1. Low status of women
2. Traditional female roles
3. Lack of government regulation and enforcement
4. Safety concerns

The graph to the right shows the gap between higher education levels among women (blue) and managerial positions (orange) in emerging markets.

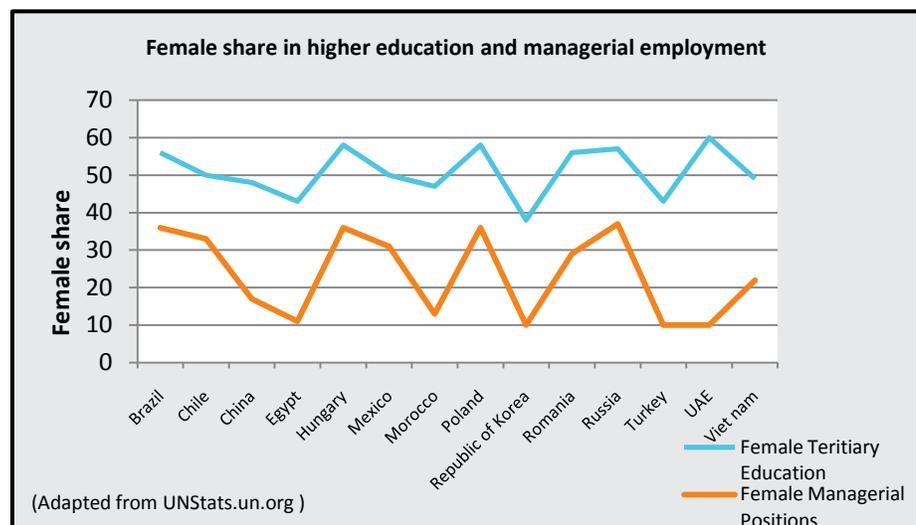
However, despite notable advances in education and workforce participation, prospective female employees in emerging markets continue to face an array of social, educational, and workplace barriers to entering the workforce and staying there. These challenges often are similar to challenges experienced by female workers in developed nations, but are enhanced by culturally ingrained restrictions on women, lack of adequate government regulations, poor enforcement of women’s legal protections and benefits, and broad safety concerns. Businesses that do not understand and adequately respond to these unique challenges may find themselves unable to attract and retain vital female talent.

Research by BSR and other organizations has identified challenges and potential investments for women working in global supply chains. This brief focuses on direct female employees in high- and low-skilled positions who are employed by multinational companies operating in or expanding into emerging markets. The document was informed by interviews with BSR member companies in the consumer products, oil and gas and mining, and pharmaceuticals industries, as well as by experts on gender issues from UN Women and the Organization for Economic Cooperation and Development.. BSR also conducted a review of existing research.

Challenges in the Emerging Market Context

Despite notable advances in education and workforce participation, women in emerging markets continue to face a deeper array of social, educational, and workplace barriers than their counterparts in developed countries to entering and staying in the workforce. Some challenges are similar across employment levels, while others are segregated by the level and type of employment. While many of these challenges are not unique to the emerging market context, the difficulties are exacerbated in emerging markets due to the four main factors explored below.

1. Low status of women. Women and girls are regularly denied equal opportunity, equal compensation, and equal recognition. Family- and community-based power dynamics continue to restrict women’s decision-making, property-ownership, and access to legal redress. In the workplace, these societal dynamics can manifest themselves as job-role segregation, reluctance of local male management to promote women, reluctance of women to seek promotion, or more serious issues such as sexual harassment.



The low representation of women in managerial and legislative positions persists despite educational advancements. The graph above illustrates this discrepancy between 2002 and 2009. During that timeframe, women made up 40 percent to 60 percent of students enrolled in post-secondary education, while their representation in managerial positions trailed by some 20 percentage points. This discrepancy is notable in its consistency across a diverse group of countries; the graph shows the same trend in China, Egypt, Poland, and Mexico.

2. Traditional Female Roles. As in more developed markets, women in emerging markets are expected to maintain traditional family roles after they enter the workforce. The low status of women can lead to hostility by male partners, and a resistance to “partnership” in the household when both men and women are working. Women in emerging markets also often face fewer support systems from government and employers, such as healthcare and maternity leave. Societal norms also have prevented the development of private support services⁶. For example, it is often assumed that childcare will be managed by the mother or her immediate family. As a result, daycare centers usually are less commonly available, and may not exist at different price points.

Similarly, society often pressures or restricts women from pursuing education in particular fields or employment in certain industries. This is illustrated by the fact that in emerging and developing markets, women’s employment is highly concentrated in the agriculture and service sectors. Globally 46 percent and 35 percent of women are employed in the service and agricultural sectors. Conversely, only 18 percent of women are employed in industry⁷.

3. Lack of government regulation and poor enforcement of regulations that do exist. Some emerging-economy governments have established legal regulations to protect women in the workforce that are comparable to those present in developed nations. The regulatory framework may include provisions for equal pay for equal work, nondiscrimination, maternity leave, punishment for sexual harassment, and childcare subsidies or provision. The first challenge is that these laws may be tied to specific contexts or industries. For example, childcare provision laws in India are explicitly tied to the size of the organization (e.g. more than 500 workers) in order to target labor-intensive industries where female workers dominate, such as garment manufacturing and call centers. This leaves women who work for smaller offices or companies without legal protection, even though they may share the same needs for assistance.

A second issue is the lack of enforcement by countries of the laws on the books that protect women. Where enforcement is lacking, local human resources (HR) staff may consider the laws less relevant. Finally, in some countries, adequate protections for female employees may not be legislated. In these cases, companies should attempt to meet global standards in their employment of women, such as those stipulated by the International Labour Organization; the organization’s [“ABC of Women Workers’ Rights”](#) is a useful reference.

4. Safety Concerns. While safety is an issue that affects women globally, women in emerging markets often face a higher risk of violence. For example, a World Health Organization study in Bangladesh, Brazil, Ethiopia, Japan, Peru, Namibia, Samoa, Serbia and Montenegro, Thailand, and the United Republic of Tanzania, found that between 15 percent and 71 percent of female respondents reported physical or sexual violence by a husband or partner⁸. Compounding this problem are the facts that formal counseling systems or adequate grievance mechanisms may be limited. Within this context, harassment within the workplace is a risk that should be examined, especially for women in lower-wage positions.

Another area of particular concern is transportation. Working women in emerging countries often have fewer options than their colleagues in developed nations for

getting to and from work safely which may result in women who lack private transportation to opt out of the workforce. Women working late hours or living considerable distances from their place of work are often required to walk home from a bus or train stop in the dark leading to increased risk of sexual or physical assault. Women earning lower wages and living in or near slum areas are at higher risk, since these areas tend to be less accessible by public transport and are dark at night due to lack of publicly-installed electricity. Additionally, women using public transportation are often at risk of sexual assault or theft from other passengers due to the crowded nature of the transportation⁹.

In all, women in emerging markets face many of the same challenges as women in developed nations. These challenges can be heightened by lack of societal and regulatory support. In this context, existing diversity and inclusion policies likely will remain relevant, but may require additional provisions and benefits to serve female employees in emerging markets more efficiently.

The following section details BSR's recommendations for how companies can improve policies and practices to attract and retain female talent to both low- and high-skilled positions.

Recommendations

Two themes persisted during BSR's conversations with member companies. First, companies voiced frustration in the lack of female applicants in emerging markets who possess appropriate skill sets and necessary experience levels. BSR member companies lamented high turnover rates among female workers in emerging markets, as well.

As outlined in the preceding section, women in emerging markets face unique challenges that may not be recognized by existing diversity and inclusion policies or employee engagement practices. These policies and practices may not be reaching to the field level, and local cultural or regulatory contexts may further frustrate women's efforts to seek and hold employment. In this section, BSR suggests a series of actions companies can take to meet the unique needs of their female employees in emerging markets.

RECOMMENDATION 1: PROMOTE EQUAL ACCESS TO WORK AND PROMOTION

Company Investment: Comply with global and national labor and human rights standards

The first step for any organization in supporting female employees globally is to comply with global and national labor and human rights standards that apply to women. This includes promoting equal pay for equal work, supporting equal professional opportunities, and protecting the health, safety, and well being of female workers. Laws pertaining to wage, maternity leave, and benefits will vary by country and should be upheld accordingly. Companies also should uphold the four key International Labor Organization gender equality conventions, and the Convention on the Elimination of All Forms of Discrimination against Women. The Women's Empowerment Principles put forth in 2009 by the United Nations Development Fund for Women (UNIFEM) and the UN Global Compact outline standards also should be upheld by all organizations globally, irrespective of conflicting customs or inadequate laws.

Many helpful resources are available for download and purchase:

- UNIFEM/UNGC co-publication "[Women's Empowerment Principles: Equality Means Business](#)" lays out broadly accepted standards;
- Calvert's [Gender Equality Principles](#) program illustrates examples of how companies are putting the principles into practice; and,

"We conducted a global study across our company to determine what workers wanted. We found that the top two worker demands were consistent globally. Workers want professional development and promotion opportunities. Beyond these two, however, workers' expectations and wants varied from country to country."

*HR executive,
pharmaceutical industry*

- The ILO has a number of resources on [equal pay for equal work](#), [women in manager positions](#), and [general challenges and solutions to establishing gender equality in the workplace](#).

Even when a corporation has a strong history of non-discrimination and gender equity, it is essential that the corporation’s HR department communicates such principles and takes steps to ensure that they are upheld throughout country offices and operation sites. In an interview with UNIFEM, one representative explained the importance of reaching beyond HR to both local and foreign managers. Managerial training on equal opportunity, inclusion, and nondiscrimination, as well as safety and freedom from violence will help promote global standards at the local level. In addition, companies can and should take active steps to monitor against discrimination in employment or promotion, and should ensure that their corporate codes of ethics are upheld globally. Conducting semi-regular HR assessments also may help promote good practice.

Company Example: Hc Energía Group Gender Equality Standards

Hc Energía Group, located in Spain, implemented a Collective Agreement and Concilia Plan to promote gender equity in the workplace. The standards guarantee equal pay, professional advancement opportunities, and recruitment preferences for women. Discriminatory practices are banned and enforced through prevention and intervention protocol. Flexible work options are provided to all employees.

Source: UNGC/UNIFEM, “UN Global Compact Commemorates International Women’s Day 2009: Advancing Women in the Global Marketplace”, 2009.

A multinational mining company interviewed found that when women were employed in groups, turnover was reduced. The HR representative explained that at one site, the company had a “larger portion of women in the fleets. Consequently, there was a larger support network and the company retained those women longer.”

RECOMMENDATION 2: EXPAND THE ROLE OF HR TO REACH GLOBAL OPERATIONS MORE EFFECTIVELY

Company Investment: Include HR and gender in new market assessments

Understanding local context ensures that a corporation is recruiting women in an effective manner, communicating appropriately, and providing adequate support to female employees. A designated person or people in HR can play a role in supporting fact-finding and risk assessments for employment in these new and existing markets. Applying a gender lens to such exercises can help companies ensure they are able to recruit and employ women as effectively and fairly as they recruit and employ men.

Company Investment: Expand employee engagement objectives to global level

Employee engagement has become an effective measure of employee satisfaction, but is often only measured at the headquarters level. Global or local HR staff can help expand this reach by conducting focus groups or surveys with employees or by conducting interviews with NGOs with expertise in women’s employment to ensure that the needs of female employees are being met. HR representatives also can expand engagement objectives by organizing activities that target female staff. If a multinational corporation does not have a local HR team, it can consult local experts or HR consultants to help.

Company Investment: Boost HR and managerial support in the field

Once the needs and expectations of local employees are understood, corporations can develop systems to meet them. In developed countries, the role of HR has expanded beyond ensuring compliance with national and local labor laws, recruitment and hiring, conflict resolution, and employee support services; HR departments frequently now take on enhanced roles to support skills training,

professional development, employee volunteering programs, and employee engagement.

However, in field offices or operations, HR still often is reduced to a minimal role. This is particularly true among local offices with a limited number of employees and resources. By enhancing local HR department responsibilities to mirror those at headquarters, companies will increase benefits for all local employees. Integrating women's needs into these responsibilities will help recruit and retain female employees more effectively. One caveat: Local HR staff members may require training sessions to learn some of the additional responsibilities and to improve understanding of non-discrimination and gender gaps in the workplace.

RECOMMENDATION 3: PROMOTE LEADERSHIP AND SKILLS DEVELOPMENT

Company Investment: Provide locally based internships

While women are achieving educational credentials in numbers that rival male peers, the women often are discouraged from seeking degrees in nontraditional fields such as science, business management, or engineering. One way to encourage more women and girls to pursue these areas of study is for companies to partner with locally based universities or secondary-schools to offer internship programs. These programs could provide technical training such as IT skills, as well as on-the-job training in hard and soft skills such as communication and management.

Company Investment: Create Women's Leadership Networks

Many companies have talented female employees at all levels of management across global operations. Despite the fact that they are working in different departments across different work sites, these women can provide support and mentorship to each other, and to new female employees at managerial levels in emerging markets. Creating a network for female company leaders can help promote leadership, professional advancement, and can serve as an internal support mechanism for participating women.

Company Example: HP Women's Leaders' Summit

HP, headquartered in California, organized a summit to address the larger-than-average management gender gap in its Europe, Middle East and Africa business units. The summit brought together 150 women leaders from across HP business groups to develop shared recommendations for improvement.

Company Investment: Provide On-the-Job Training

In traditionally male-dominated industries, advertising that a company is an equal opportunity employer may be insufficient to encourage women to apply. But in order to attract female applicants, companies also should provide and advertise on-the-job training, especially for low-wage positions. For example, UN Women found women were far more likely to apply for positions for which job training would be provided upon hire.¹⁰

RECOMMENDATION 4: BOLSTER EMPLOYEE BENEFITS TO MEET LOCAL NEEDS

Company Investment: Ensure female employees receive paid maternity leave

Multinational corporations can attract and retain female workers by ensuring that mothers are provided paid maternity leave. Maternity protection for employed

"The question that you need to be asking is where all of the senior [female] executives are. Some companies have been operating in emerging markets for 50 to 100 years and do not have a single female senior executive."

--Senior Manager, Human Resources, BSR Member Company

women promotes the health of the mother and ensures job security while a woman convalesces and bonds with her baby after giving birth. Many national laws require maternity leave, but many companies fail to provide compensation during the provided leave. Maintaining global standards on maternity leave will improve benefits to women; it also may give those companies that offer maternity leave a competitive advantage against those employers that do not.

Company Investment: Provide childcare services or subsidies

The availability of quality childcare also may impact a woman's decision to keep working or opt out of the workforce all together¹¹. Some companies with high numbers of female employees—such as garment factories and IT call centers—provide on-site childcare. For companies with fewer employees, other options may be more appropriate. Companies could provide subsidies to share costs of childcare. They also could offer information about available services to new employees who may not be aware of existing resources. Companies sharing office space or retail areas with several other companies could provide financial incentives for the creation of a shared private childcare center, which workers pay to use.

Company Example: IBM Global WorkLife Fund

IBM, headquartered in New York, created the WorkLife Fund to support employees globally by subsidizing dependent care services for both children and elders. The fund was created with the specific intention of increasing women in the global workforce. It is implemented in key IBM office locations around the world, and specific investments are determined based on needs assessment results.

Source: Hein, Catherine and Naomi Cassirer, "Workplace Solutions for Childcare", ILO, 2010.

Company Investment: Provide employee transportation to and/or home from work

In the case of transportation, companies can get involved to guarantee the safety of those employees—female and otherwise—who must travel to and/or from work. One large international non-profit in Nairobi, for example, bought a large van and offered transportation to its entire staff. This practice also commonly is offered by large companies in their headquarters locations, where shuttle buses take employees to and from public transportation hubs. These models can be replicated as appropriate in emerging market locations.

Company Investment: Invest in health and nutrition for low-wage workers

A worker's access to health care and adequate nutrition can impact productivity directly. These issues are enhanced for women, who often feed themselves least when the family is struggling. Companies that employ low-skilled workers should consider options to enhance health information and care available to workers, and should provide nutritious meals at a subsidized price to employees whenever possible.

RECOMMENDATION 5: DEVELOP A CORPORATE CULTURE THAT IS FRIENDLY TO WOMEN

Company Investment: Institute flexible work schedules globally

Flexible work schedules have been demonstrated to increase women's productivity and retention in developed markets¹². A TK survey by U.S.-based Flexible Resources Inc., found that 64 percent of 500 female respondents either had quit or were planning to quit their jobs due to the lack of work-hour flexibility¹³.

Flexible work arrangements also can be deployed in emerging markets. For example, enabling female employees to take calls from home past a certain hour and offering pregnant women or women with children the option of working from home one day per week may increase worker satisfaction and retention rates.

BSR Member Example: Flexible Work Schedules

One large multinational retail corporation operating in India has developed a culture favorable to women by allowing employees to work from home when a child is ill. The company's female employees also may accept calls from home in the evening. Finally, recognizing the often difficult commute to work, the company allows pregnant women the opportunity to work from home whenever needed.

Company Investment: Address cultural barriers

Company offices abroad often are a mixture of local and expatriate staff. When expatriates are in executive or managerial roles, miscommunication due to cultural differences can impact the satisfaction or comfort of all employees, and impacts on female employees can be disproportionate. Companies can promote cultural education and encourage informal conversations with local staff to promote understanding and avoid these uncomfortable situations. In particular, teaching managers (and other workers) about appropriate conversation topics with women and appropriate methods of communicating with women is essential to building a positive work culture.

Call to Action

Attracting and retaining female talent at all skill levels will be critical to sustainable corporate growth in emerging markets.

This brief is intended to provide an introduction to key challenges facing existing and prospective female employees, and to suggest actions that companies can take to combat these challenges.

In addition to the recommendations above, we urge companies to consider the following calls to action:

Look internally: Find out what your existing employee demographics and global HR policies are.

- » Obtain gender-disaggregated data on direct employees, management, and board members.
- » Assess existing gender wage gaps.
- » Catalog leadership and professional development opportunities offered to female staff.
- » Document HR policies pertaining to women, and assess their potential application in global operations.

Do your homework: Gather information to inform your investment decisions.

- » Familiarize yourself with gender contexts in key emerging market operations locations.
- » Benchmark best practices in globally implemented diversity and inclusion policies.
- » Consult existing guidelines on fair employment of women, such as the Global Reporting Initiative and International Finance Corporation practitioners guide, "[Embedding Gender into Sustainability Reporting](#)."
- » Identify a champion to manage policy development and global rollout.

- » Set overall objectives and obtain senior-level buy-in.

Get external input: Engage key stakeholders at the global and local levels.

- » Talk to female employees about their concerns and aspirations through site-based focus groups.
- » Engage global NGOs and other organizations with expertise on women's employment, such as [Catalyst](#), the [International Labour Organization](#), and [Public Services International](#).
- » Interview local NGOs for insight into culturally or geographically specific challenges and solutions.

Put mechanisms in place for change: Create standards and systems to enable change.

- » Make necessary improvements to global diversity and inclusion policies.
- » Devise guidelines and training modules for local office and site management.
- » Create a global women's leadership network, with participation from women in management positions and above.

Speak out about your commitment to improving employment standards and opportunities for women globally: Motivate others to follow your lead or collaborate with you.

Employing women directly is one way for a company to support women's empowerment. See more ideas at www.bsr.org/women-sustainability.

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