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BURSA MALAYSIA "RING THE BELL"

KEYNOTE ADDRESS

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EXCHANGE SQUARE

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Tan Sri Datuk Amirsham Bin Abdul Aziz, Chairman of Bursa Malaysia

Esteemed Panelists:

Datuk Seri Tajuddin Atan, Chief Executive Officer of Bursa Malaysia

Datuk Yvonne Chia, Former Managing Director and Chief Executive Officer of Hong Leong Bank

Dato'Seri Johan Raslan, Senior Adviser and Executive Director of AMMB Holdings

Dato'Rohana Rozhan, Chief Executive Officer and Executive Director of Astro Malaysia Holdings

Distinguished guests,

Ladies and gentlemen,

Good morning and Happy International Women's Day!

It is my great pleasure to be here and to have rung the bell together with you for stepped up action on gender equality to drive economic growth and sustainable development.

This year's celebration of International Women's Day (which fell on March 8) is the first since the launch of the new 2030 Agenda for Sustainable Development. The new global agenda is based on 17 goals, including a stand-alone goal to empower women and girls and achieve gender equality (SDG 5) by 2030.

Through the new Sustainable Development Goals, governments and development partners and stakeholders around the globe have pushed into high gear to step it up for gender equality.

Businesses, large and small, are committing to and implementing shifts in culture and practice that foster greater equality and opportunity. Nearly 1200 business leaders around the world have demonstrated leadership on gender equality through the Women's Empowerment Principles (WEPs) that offer business guidance on how to empower women in the workplace, marketplace and community.

In Malaysia too, the business community is taking action. The private sector has acknowledged the gender imbalance on Malaysian boards and many companies have committed to voluntarily increase the number of women in decision making positions. Some of you are members of the 30% Club launched last year, and we are encouraged by the commitment and effort to undertake specific and targeted initiatives to broaden the pipeline of women at all levels. Such wilful action signals the conviction that gender equality can and does benefit everyone.

So we can start the conversation with a few givens:

1. You are already convinced that gender equality is good for the bottom line; that having women in the highest corporate offices is correlated with increased profitability, organisational excellence¹ and innovation².
2. You need no more persuading that increasing gender diversity and eliminating discrimination against female workers increases productivity, improves retention, reduces absenteeism and leads to better staff morale.
3. You are convinced that it is the right thing to do, to give equal opportunity to all and leave no one behind.

Yet, the fundamental question remains: why are we making so little headway?

A 2015 survey of 130 public listed companies by TalentCorp shows that there are only about 27% women in top management. In certain industries, such as financial services and fast moving consumer goods, women hold 30% of top management positions.

And the pipeline is weak as the numbers reduce from middle management to top management. Fifty-two per cent of women are located at the executive level, 40% at the senior and middle management level, and only 22% in top management. For women CEOs, this percentage shrinks to 5%.

The trend is the reverse for men: at the executive level, men comprise 48%; 60% at senior and middle management levels; and 78% in top management. At the CEO level, men are where women are not - at an astounding 95%.

¹ McKinsey & Company

² London Business School

And the numbers are changing at a snail's pace: Over a 10 year period from 2001 – 2010, women's share within the "senior officers and managers" bracket grew by a mere 3%. The Government of Malaysia, in an attempt to accelerate the uptake of women into top management set up a Women Directors Programme to groom women leaders for board director roles in public-listed companies. Between April 2012 and December 2015, it registered 1,093 women. Only 40 women have been successfully placed.

Why is this the case?

There is no single reason for this. In part, the problem stems from a lack of networks, and mentor and sponsor relationships. Women who work hard to get to the top find that when they reach the top management level, that more is needed to propel them to the CEO or board position, e.g., mentors who can coach them in areas where they don't have deep knowledge and provide professional and personal support as they develop their careers; and sponsors, i.e. senior leaders who sit at the decision-making table who are willing to advocate on their behalf; and it is networking that will get them noticed. While women are certainly not averse to being mentored or sponsored by men, and many are, there are often socio-cultural barriers that prevent women from forming those relationships.

Men on the other hand, seem to be aware from very early on that mentoring is required and tend to cultivate mentors from middle management onwards. Not only is finding a mentor or sponsor easier because there is an abundance of male role models in leadership positions, but forming these relationships may prove more seamless precisely because they are of the same gender. Elle Magazine had an interesting article some months back where they took photographs of board rooms and juxtaposed them against the same photos with all the men erased. It was a starkly lonely boardroom with a lone woman or two.

The lack of female role models also makes it difficult for women to find and settle into a leadership style true to their self-concept and which sits comfortably in the male dominated environment. Men, on the other hand have leader role models demonstrated more clearly for them.

This is especially challenging for women as the differences in women's style, communication, decision making, leadership values and focus are not as valued as those exhibited by men. For example, the emphasis many women leaders place on connection, empathy, emotional cue-taking, consensus-building, risk-taking, mutuality and questioning are often misconstrued as a "less-than" leadership style and perceived to be emotional, soft and unassertive. However, when women demonstrate the same leadership style as men, they are deemed to be aggressive and too masculine.

One way of tackling this problem is to recognise the value that diversity brings to corporate decision making and to organisational excellence and innovation and invest in it. This is beginning to resonate as global politics and markets shift and in our intensely networked world, skills previously less appreciated such as consensus-building, mutuality, emotional cue-taking and risk-taking become more highly valued. Another avenue is by setting up mentoring systems for women when they are executives and middle management, as well as gender-neutral networking programmes where women executives and middle management are exposed to the top leadership at an early stage of their career. Some female employees may not look forward to a day of bonding at the pool hall or the paintball obstacle course.

Boards must also consciously try to consider a female candidate whenever there is an opening on the board.

Another factor that contributes to the lack of women at the top is the fierce clash between life, family and work priorities. Women are still performing the majority of domestic and child care responsibility in the home, even when there are two spouses working full-time. Because women spend approximately 3 hours more than men performing unpaid care work, like cooking, cleaning, and caring for children, the elderly and the infirm, women still end up working longer hours than men do in general, with additional pressures and stresses from important responsibilities beyond the work place.

For some women, these care obligations force them to temporarily leave their jobs, thereby interrupting their career progression. On return, they are further penalised by promotion rules calling for lengthy consecutive years of service that do not take account of or respect the need for breaks for childbearing or other care work. According to a report conducted with over 800 women, 65% of women cited raising a family as the reason they left, while 38% say they did so to care for a family member. Some permanently leave the workforce thinning out the executive and middle-management cadres.

A common strategy companies are using to attract and retain highly skilled female professionals is by offering working women the option of flexible hours, telework or part-time employment. This is premised on a belief that women need this to effectively juggle both family-nurturing and nation-building responsibilities. And to a certain extent these policies help women to do that.

But what these policies don't do is empower men to share the responsibilities of the family. Strategies must be adopted to challenge the prevailing assumption that women alone should shoulder the greater burden at home. They also focus the solution on the gender relations and roles and responsibilities, rather than on the need to "fix women's problems".

A recent study³ found that mandated maternity leave was not correlated with more female leadership, but stronger paternity leave policies were. Supportive policies, which would include paternal leave, that spread the burden of care more evenly, will free women to return to work and ease back into their professional roles, or alternatively enable women to maintain their careers in a relatively undisrupted manner, and see more women making it to the very top.

To inspire you, and paint a picture of what is possible, I will share with you the story of Norway's **paternity** leave. Introduced in 1993, it builds on the idea that the mother and father should combine care for small children with a working career. Because its aim was to change the gendered division of work in relation to care for infants and toddlers,

³ Is Gender Diversity Profitable? Evidence from a Global Survey" <http://www.iie.com/publications/wp/wp16-3.pdf>

and strengthen the father-child relationship, the policy reserved 6 weeks (out of a total of 54 weeks' parental leave) for fathers. These days are non-transferrable to the mother, so fathers would either use it, or lose it. In order to qualify for parental leave, which includes the father's quota, one has to have been in the workforce for 6-10 months prior to the birth. The policy strongly encourages both parents to establish themselves in the labour market before having a baby as it is through paid work that parents earn the rights to take leave without losing their jobs.

While this might seem radical, we can choose to see this as an investment by the nation on several levels: it is an investment in gender equality; it is an investment in the wellbeing of the working generation that is caring for their children; and it is an investment in the next generation.

Finally, but certainly not least, adopt a zero tolerance policy. It may sound like a no-brainer, but driving out harassment and discrimination from within the organization improves productivity, boosts morale and shows female employees that they are valued members of the team.

Malaysia's achievements under the Millennium Development Goals have built a foundation for progress. Having accepted that gender equality is necessary for sustainable development, we must keep our eyes on the prize and steadfastly remove the remaining obstacles to ensure that Malaysia is on a fast-tracked path towards gender equality.

The vision of the new Sustainable Development agenda is that no one is left behind. We have 5478 days to go to achieve gender equality and empower women and girls by 2030.