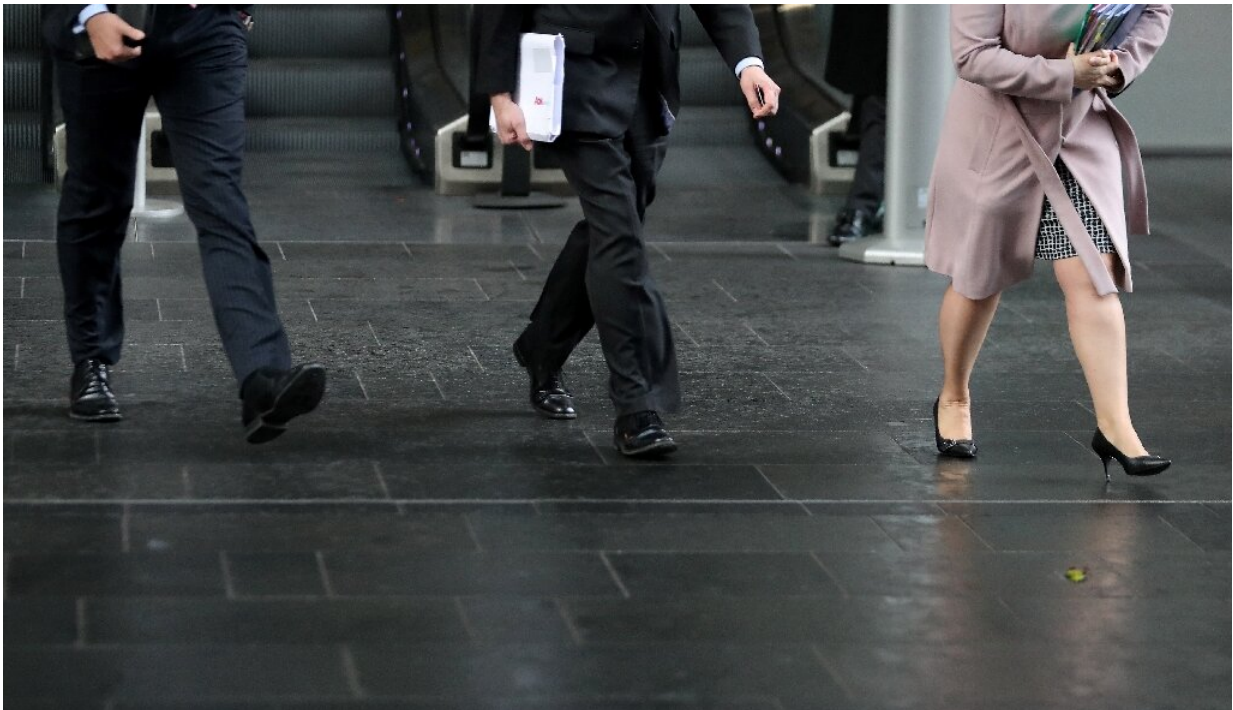


Gender diversity good for businesses and economies: UN

May 22 2019, by Nina Larson



A study has found that companies that improve gender diversity in their management report significant profit increases

Companies that improve gender diversity—especially at the top—perform better and rake in higher profits, while countries that increase women employment see better economic growth, the UN said Wednesday.

The UN's International Labour Organization found in a fresh study that companies that improve [gender diversity](#) in their management report significant profit increases.

"Gender diversity is a smart business strategy," according to the report, which based its findings on a survey of nearly 13,000 companies across 70 countries.

According to the survey, nearly three-quarters of companies that tracked [gender](#) diversity in their management reported profit hikes of between five and 20 percent.

And some 57 percent said growing the number of women at the top made it easier to attract and retain talent, while nearly as many said they saw improvements in creativity, innovation and openness, and an enhancement of the company's reputation.

The report also analysed data from 186 countries between 1991 and 2017, and found that increasing women's employment is associated with more [economic growth](#) at the national level.

'Bottom-line issue'

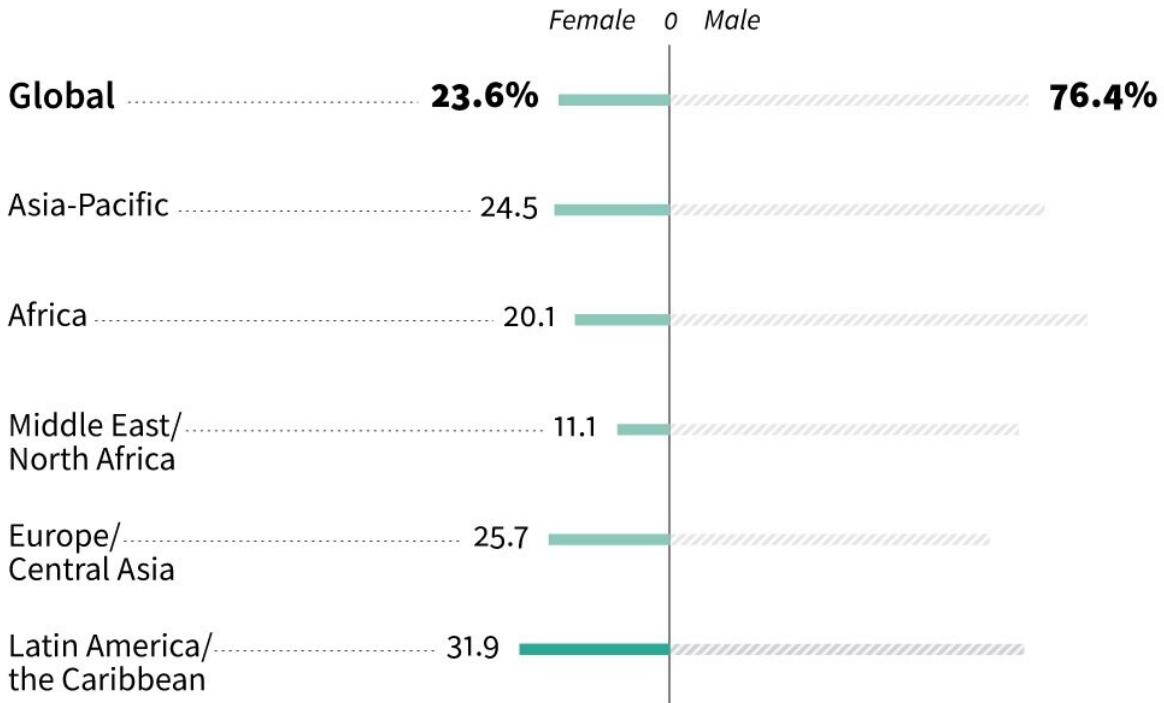
"These results are eye-opening," said Deborah France-Massin, who heads ILO's employers' activity bureau.

"Companies should look at gender balance as a bottom-line issue, not just a human resources issue," she said in a statement.

Gender balance in senior management is defined as 40-60 percent of either gender, and the ILO said the beneficial effects of gender diversity begin to kick in when women hold at least 30 percent of senior management and leadership positions.

Women on boards

% of female board chairs*



Source: International Labour Organization **Survey of 12,940 companies in 70 countries. No data given for North America* © AFP

The beneficial effects of gender diversity begin to kick in when women hold at least 30 percent of senior management and leadership positions, the ILO found

But it warned that nearly 60 percent of the companies surveyed acknowledged that they did not meet this target.

And in nearly half of the companies surveyed, women accounted for fewer than one on three of entry-level management recruits.

"The glass ceiling is still intact. There are some cracks in it but there is still some way to go," France-Massin told reporters in Geneva.

The situation obviously varies depending on the country and region where a company is based, with businesses in the Middle East and North Africa generally counting only around 10 percent women in management positions, the report showed.

While women's employment has grown worldwide in recent decades, they still remain 26 percentage points less likely to hold a job than men, ILO data shows.

And they remain far less likely to rise to the level of management or to sit on company boards.

"It is still quite clear that there are fewer women in (management) roles than in the workforce as a whole. And the higher you go up the chain of command in a company, the less likely you are to find women," France-Massin said.

Globally, only around 20 percent of [chief executives](#) are women, and the ones that do get to the top generally run smaller companies.

In addition to the [glass ceiling](#), France-Massin pointed to "glass walls", which tend to limit women who rise to [management positions](#) to the realms of human resources or administration, rather than areas like financial [management](#).

Diversifying [company](#) boardrooms can also be hugely beneficial to the bottom line, according to the ILO report.

And yet, [women](#) still hold only 23.6 percent of board seats globally, with as little as 11 percent in the Middle East and North Africa, it showed.

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