ADVANCING THE WOMEN AGENDA
WHERE IS MALAYSIA AT NOW?

There is a risk that progress of women in leadership will stall if this agenda is represented as a box-ticking exercise. This is where some who champion advancing the women agenda are potentially undermining it, especially if they are framing it as an “us vs them” concern. Yes, it has been certainly noted in previous surveys that the leadership level is far for long. However, it shouldn’t be about rights for women by then wanting to have an equal board position.

The importance of advancing women in work and in leadership is that it is good for businesses (both men and women). Malaysia will not emerge a high-income nation if we do not optimize the female population, especially when the future is emerging as the more educated cohort. Developed countries typically have a FPR exceeding 60%. Hence, we certainly need to do so in terms of our country’s potential economic growth.

Further, it is also about leveraging on diversity in a diverse society in various aspects. Diversity is potentially a double-edged sword. It can bring a positive learning curve to the boardroom and as chief executive of a company.

Figure 1: Strong progress in female labour participation rate (FLPR) against 2015 target of 55%

WHAT CAN BUSINESSES DO?
Awareness of the facts is important as it allows companies to benchmark themselves against their peers. For example, oil and gas companies can’t use the excuse that it is a male-dominated industry for their lack of diversity when PetronasPetronas and other companies had led the way with more than 20% and 25% women on their board.

Peer engagement (or peer pressure) does help, as openly the experience of the 30% club in the United Kingdom, where women on boards have increased from 12.5% in 2010 to 26% currently.

PwC-PwC’s ‘Women in Leadership’ index revealed in 2010 that only 4% of directors of publicly listed companies was women. Malaysia is not yet fully leveraging on the strength of its natural diversity, especially as Malaysia from which women in business is a much higher proportion.

WHAT HAVE THE COMPANIES DONE?
The Prime Minister announced formal national policy targets for FLPR in the leadership in 2010 and 2015 respectively, has helped to elevate the agenda. While not a quota, targets require measurement and monitoring. Without meaningful targets, diversity typically doesn’t get done.

The Labour Market Survey has been followed up by regular engagement with corporate Malaysia (PwC). In particular, for women in leadership, the Government Commission has formally joined the target into the Malaysian Code of Corporate Governance, emphasizing the importance of brand diversity to strengthen governance and management of companies.

In 2013, Bursa Malaysia has followed up, in 2015, by requiring listed companies to disclose adherence to diversity policy covering management and employees, in addition to additional data on board and top management diversity through annual returns.

In previous surveys and bodes well towards more women in top management.

The Malaysian labour force is at 60:40 in terms of men:women, at the executive level, it’s already beginning to reflect itself in the boardroom and as chief executive of a company. Malaysia is not yet fully leveraging on the strength of its natural diversity.

This is progress from the low 20s estimated in 2008 for women in leadership. This is an indication of the momentum of advancing the agenda of women at work and in leadership.

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