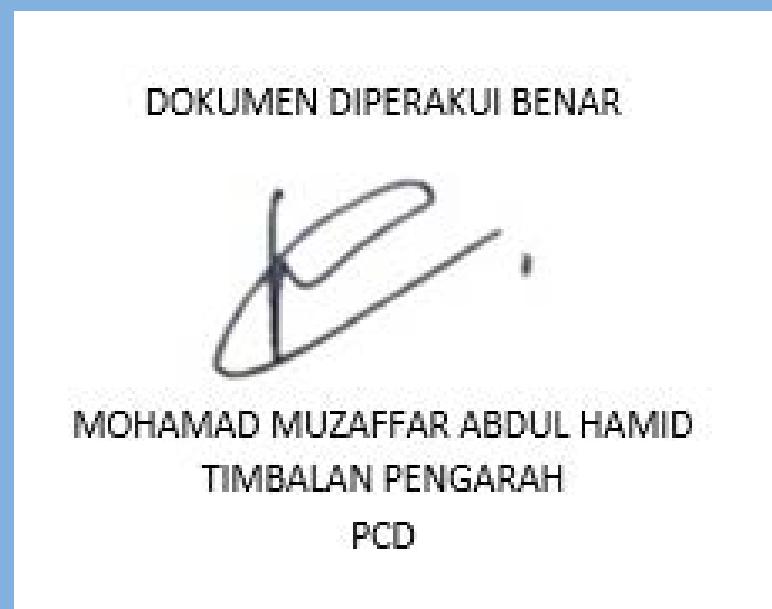


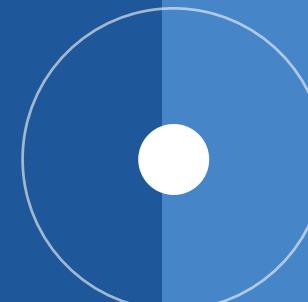
# IMPROVING MALAYSIA'S IMD COMPETITIVENESS RANKING FOR THE WOMAN IN MANAGEMENT INDICATOR



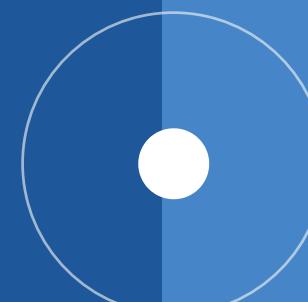
DR. MOHHIDIN OTHMAN

# OBJECTIVES

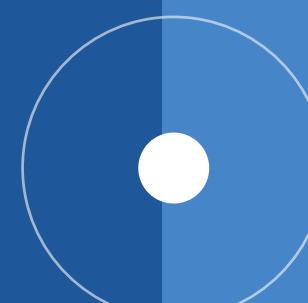
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To highlight Malaysia's current ranking for woman in management in the WCY 2020 IMD



To analyze the reasons or drivers that have determined the current position



To recommend initiatives that can help Malaysia to improve on its current ranking on this indicator and consequently its overall competitive ranking

# BACKGROUND



GENDER INEQUALITY AND UNDERUTILISATION OF FEMALE TALENT ARE DEEPLY ROOTED AND WIDELY SPREAD IN MANY PARTS OF ASIA, DESPITE THEIR ENORMOUS ECONOMIC STRIDES IN THE PAST FEW DECADES.

WOMEN IN ASIA HOWEVER, HAVE NOT GAINED SUFFICIENT ATTENTION UNLIKE THEIR COUNTERPARTS IN THE WESTERN COUNTRIES. GENDER INEQUALITY AND UNDERUTILISATION OF FEMALE TALENT ARE COMMON IN MANY PARTS OF ASIA.

MEANWHILE, WOMEN IN MALAYSIA HAVE BEEN ACTIVELY CONTRIBUTED TO THE DEVELOPMENT OF THE COUNTRY SINCE ITS INDEPENDENCE IN 1957.

# The Grant Thornton International Business Report (IBR)(2019)

**33%**

Women Positions in Businesses as senior management in Malaysia

**90%**

Businesses in Malaysia have at least one woman in senior management

**87%**

As shown above is the global percentage. A figure which has held steady since last year.

# The Top 3 Senior Management Positions Filled Up By Woman



# According To The Grant Thornton International Business Report (IBR)(2019)

**Malaysia has the highest number of businesses with women as chief operating officer in the ASEAN region**

**28%**

From Last  
Year's 11% Report 2019

**In public sector, Malaysia have basically reached the targeted of 30% decision making position or 1,511 of female officers compared to male officers 2,541.**

**AT  
37.24%**

Woman in the Senior  
Decision Making Position

# WCY 2020 report

**WCY report indicated that Malaysia only ranks number 50 in term of female share of senior and middle management with 20.41% as compared to Latvia which ranks number 1 with 43.22%.**

WCY Criteria	3.4.11 Women in management	2020/2016 Value	<b>20.41%</b>	2019 Value	<b>20.41%</b>
Factor/Sub-Factor	Management Practices	2020 Rank	<b>50</b>	2019 Rank	<b>50</b>
Economy Ranked #1	<b>LATVIA</b>		2020 Value	<b>43.22%</b>	

# WCY 2020 report

Despite of these encouraging patterns mentioned above, WCY 2020 report indicated that Malaysia only ranks number 50 in term of female share of senior and middle management with 20.41% as compared to Latvia which ranks number 1 with 43.22%.

On the contrary to IBR report, previous study by iPrice (2018) found that men held 91% of C-level positions (founders, directors, chiefs, c-level) while only 9% were held by women.

The disparity in Malaysia is much larger when compared to her closest Southeast Asian counterparts such as Singapore(21), Thailand (34), Indonesia(41) and Philippines(46). Philippines had the highest number of women in C-level positions at 23% and 21%.

Furthermore, studies by the International Finance Corporation of the World Bank Group (2019) also showed that women struggle with the stereotype that they are less capable leaders when compared to men.

# INTERNATIONAL SCENARIO

## WOMEN IN MANAGEMENT

2018

Female share of senior and middle management (% of management)

Ranking

%

1 LATVIA	43.22
2 ICELAND	43.05
3 UKRAINE	41.06
4 USA	40.47
5 RUSSIA	39.75
6 POLAND	39.52
7 SWEDEN	39.35
8 BULGARIA	39.28
9 BRAZIL	38.72
10 SLOVENIA	38.22
11 LITHUANIA	38.16
12 KAZAKHSTAN	37.06
13 HUNGARY	37.05
14 PERU	36.75
15 AUSTRALIA	36.63
16 MONGOLIA	36.02
17 MEXICO	35.59
18 CANADA	35.52
19 ISRAEL	34.54
20 FRANCE	34.50
21 SINGAPORE	34.49
22 HONG KONG SAR	34.30
23 UNITED KINGDOM	34.22
24 SOUTH AFRICA	33.93
25 IRELAND	33.51
26 NORWAY	33.47
27 BELGIUM	33.45
28 ESTONIA	33.24

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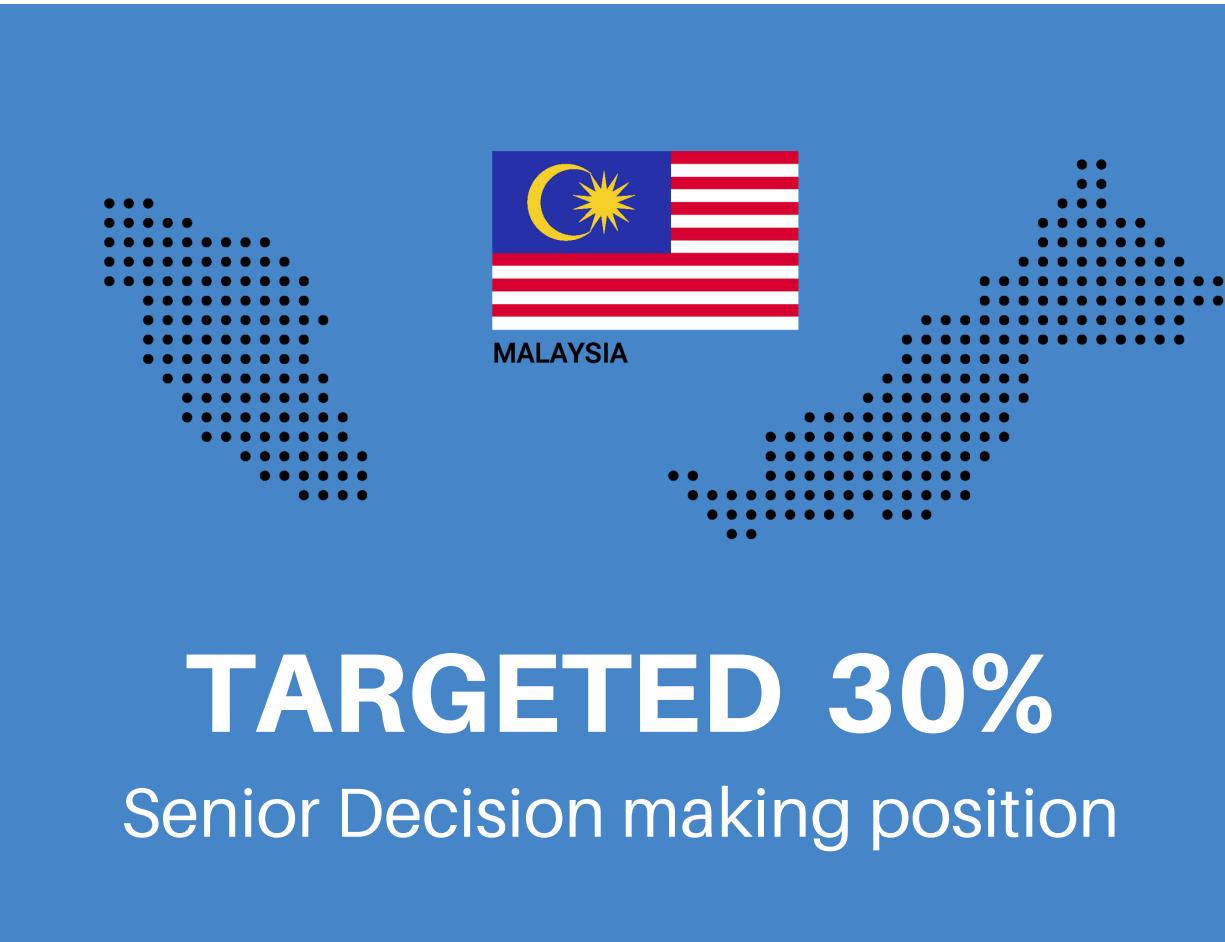
1857

1856

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1854

1853



**1511**

Female officers

**2541**

Male officers

## PERATUS PENJAWAT AWAM WANITA TAHUN 2013 HINGGA 2017

Tahun	Peringkat Perkhidmatan	Lelaki	Perempuan	Jumlah	% Perempuan
2013	Sokongan (Gred 1-40)	389,523	414,632	804,155	51.56
2014	Sokongan (Gred 1-40)	387,038	430,328	817,366	52.65
2015	Sokongan (Gred 1-40)	366,218	396,563	762,781	51.99
2016	Sokongan (Gred 1-40)	362,509	394,435	756,944	52.11
2017	Sokongan (Gred 1-40)	357,300	398,444	755,744	52.72
2013	Pengurusan & Professional (Gred 41 -54)	125,756	205,557	331,313	62.04
2014	Pengurusan & Professional (Gred 41 -54)	136,824	243,675	380,499	64.04
2015	Pengurusan & Professional (Gred 41 -54)	174,081	327,872	501,953	65.32
2016	Pengurusan & Professional (Gred 41 -54)	174,327	328,938	503,265	65.36
2017	Pengurusan & Professional (Gred 41 -54)	170,371	325,207	495,578	65.62
2013	Pengurusan Tertinggi (Gred Jusa C dan ke atas)	1,732	880	2,612	33.69
2014	Pengurusan Tertinggi (Gred Jusa C dan ke atas)	2,559	1,260	3,819	32.99
2015	Pengurusan Tertinggi (Gred Jusa C dan ke atas)	2,611	1,413	4,024	35.11
2016	Pengurusan Tertinggi (Gred Jusa C dan ke atas)	2,608	1,441	4,049	35.59
2017	Pengurusan Tertinggi (Gred Jusa C dan ke atas)	2,581	1,440	4,021	35.81

# Analysis

Criteria	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Min	Max	Delta	Data Type	Description
Female labor force	54	55	54	53	54	52	52	50	52	55	50	55	5	HD	Percentage of total labor force
Access to financial services - gender ratio	44	-	-	45	-	-	46	-	46	46	44	46	2	HD	Difference between the female and male access to a bank account or mobile-money-service provider
Women in management	47	47	48	49	47	44	-	-	50	50	44	50	6	HD	Female share of senior and middle management (% of management)
Labor productivity (PPP)	47	46	46	45	45	45	43	44	44	44	43	47	4	HD	Estimates: GDP (PPP) per person employed per hour, US\$
Labor force (%)	48	49	44	43	41	43	44	42	45	44	41	49	8	HD	Percentage of population
Overall productivity (PPP)	42	42	43	41	41	40	38	38	38	40	38	43	5	HD	Estimates: GDP (PPP) per person employed, US\$
Financial card transactions	39	43	46	42	43	43	45	38	44	42	38	46	8	HD	US\$ per capita
Access to financial services	38	-	-	36	-	-	36	-	36	36	36	38	2	HD	Proportion of adults with a bank account or mobile-money-service provider

The IMD ranking for this indicator over the last 10 years

## BUSINESS EFFICIENCY, WOMAN IN MANAGEMENT - RANK CONSISTENTLY BELOW 50 (2011- 2020)

Malaysia have not made a significant improvement based on this indicator. Trend analysis over a 10-year period (2011-2020) shows fluctuation, signalling some improvement in certain years, in particular in 2016 (44) but subsequently showing a decline in ranking over the last 2 years period (2019 & 2020).

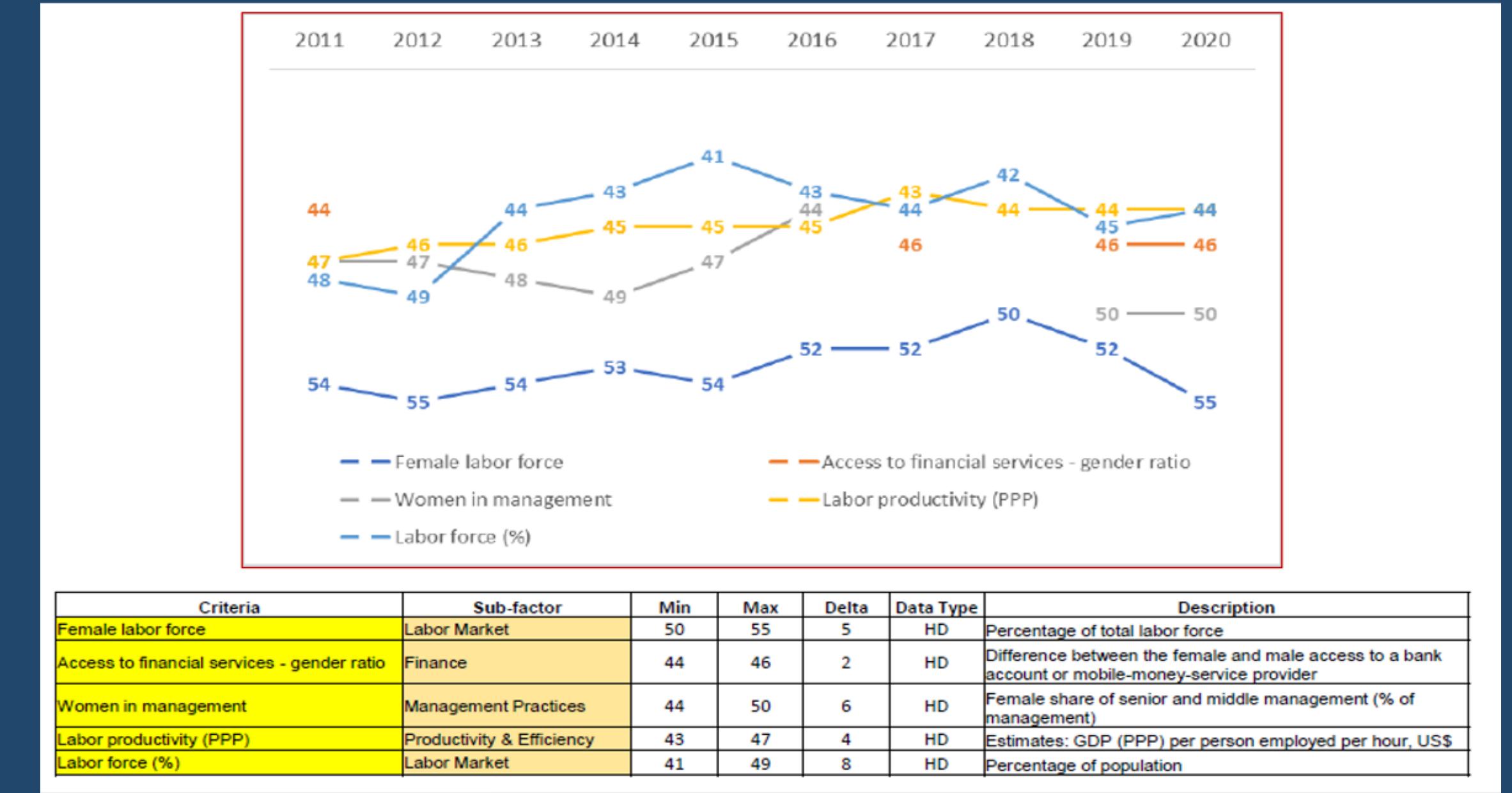
# Definition

## WOMAN IN MANAGEMENT

There are 337 criteria in WCY 2020, only 255 of them are being used in determining the overall competitiveness score and ranking.

Hence, the IMD ranks a country's competitiveness against 255 criteria over 63 economies. One of which is the

Woman in management which is defined as female share of senior and middle management (% of management).



This indicator is a criterion under the management practices. This particular factor is part of the criteria under the business efficiency pillar which consistently ranks below 40 from 2011 to 2020

# Analysis

## DATA SOURCE

Interestingly, in determining Malaysia's ranking (50 of 63 countries in 2020) the IMD has used 2016 provisional data or estimates. The hard data used by IMD for this indicator was indicated as sourced from ILO. If locally source, presumably from the Ministry.

The national data seemed to be systematically gathered and updated by KPWMK and make available for public by the ministry data unit. By right, IMD should be getting the latest data from the ministry, not the data from 2016 for the 2020 ranking. Hence, there is presumably an issue of relationship between the MWFCD and ILO/IMD in providing the latest data on share of woman in senior management position.

Other data source was gathered by KPWKM from the listed ministries, agencies, industry below:

All Ministries

Banking industry

SSM

MKD  
(Syarikat Menteri  
Kewangan  
Diperbadankan)

Bursa Malaysia

SME Corp

# Analysis

## MEASUREMENT ISSUES

Definition differs based on ILO, for example the existence of ISCO-08 and ISCO-88. The proportion of females in total employment in senior and middle management. It corresponds to major group 1 in both ISCO-08 and ISCO-88 minus category 14 in ISCO-08 (hospitality, retail and other services managers) and minus category 13 in ISCO-88 (general managers), since these comprise mainly managers of small enterprises.

In Hong Kong, Women in management refer to those employed women who were managers and administrators. The percentages refer to shares of females among all managers and administrators.

ISCO is one of the main international classifications for which ILO is responsible. It belongs to the **international family of economic and social classifications**. ISCO is a tool for organizing jobs into a clearly defined set of groups according to the tasks and duties undertaken in the job. Meanwhile, ISCO a system that can be used directly in countries that have not developed their own national classifications.

# Key Authorities and Regulators for Woman in Management

Key authorities and regulators	Related regulations and policies
1. Ministry of Woman, Family and Community Development.	<ul style="list-style-type: none"><li>• The government agreed to the implementation of a policy of at least 30% involvement of women at the decision-making level in the public sector. The government hoped the private sector and non-governmental organisations would follow suit.</li><li>• Item 8(2) of the Federal Constitution and the vision and mission of the MWFCD to achieve gender equality, the government agreed to establish a Cabinet Committee on Gender Equality.</li><li>• Creation of Gender Focal Point (GFP) in every relevant ministry and government agency. The GFP would act as the agent of the MWFCD in implementing programmes and projects at all government administrative levels so as to be in line with the intent to achieve gender equality.</li><li>• National Women Policy (2009-2013) intends to ensure the development and empowerment of women by mainstreaming women's interests in achieving their full potential in the planning and country development to achieve gender equality.</li></ul>
2. Public Service Department, Malaysia (JPA)	<ul style="list-style-type: none"><li>• Policy, Standard, Circular and Guidelines related to Public Service human resource policy.</li></ul>
3. Registrar of Companies	<ul style="list-style-type: none"><li>• It completes regulation and reporting of companies and their shareholders and directors and also administers government reporting of several matters which includes the annual filing of numerous documents.</li></ul>
4. Securities Commission Malaysia(SSM)	<ul style="list-style-type: none"><li>• Kod Tadbir Urus Korporat dan Kelab 30% Malaysia.</li></ul>
5. Ministries and departments	<ul style="list-style-type: none"><li>• Ministries and government departments have to play a leading role in policy development, monitoring and evaluation.</li></ul>
6. Statutory Bodies & Other Government Organisations	<ul style="list-style-type: none"><li>• Delivers government policies through their operations of services, programme or activities.</li></ul>

# THE TOP 5 RECOMMENDATIONS MAINLY DEALING WITH DATA AND DRIVERS OF THE RANKING CRITERIA SUITABLE FOR INTERVENTION ARE IDENTIFIED BELOW:

**57.5%**

Women Officers are in the majority group of the civil service (excluding police and military services) comprising the top management and the executive group. It is highly recommended the data in future to include police and military services as well.

## Standardise Collection Methods and Data Sources

Ensuring only one probably KPWKM as an official source managing data for IMD on this criterion. This will also enable the release of the updated version of data to IMD consistently yearly.

Public service Department (JPA) to continue enhancing policies related to working woman in public sector. Further improve the percentage of JUSA and TURUS posts for woman. The policy must go beyond 30% minimum allocation for woman.

Women's participation at the decision-making level by the number of seats in the board of Directors in 100 the public listed companies must be further encouraged as this will improved the statistics

In the private sector, the role of the Securities Commission through the Code of Corporate Governance and also by the 30% Malaysian club by implementing programme such as mentoring to prepare the potential women as members of the board. Among others Women Directors' Programme, which is a training program controlled by experts from the Malaysian Director Academy (MINDA) to the women's board members for the purpose of empowering women to be willing to carry out future responsibility

# IMPROVEMENTS ON THE DRIVERS OF THE FEMALE SHARE IN SENIOR AND MIDDLE MANAGEMENT

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1

Government and the public must adopt a policy of the most capable people must occupy positions related to business, government or research irrespective of gender. Malaysia need to work harder to close the gender gap

2

In Malaysia, the basic concept of equality before the law and equal protection of the law is contained in Article 8(1) of the Federal Constitution. The article generally prohibits discrimination against a person or class of persons, unless there is a rational basis for such discrimination.

3

To ensure that Flexible Working Arrangements (FWA) implemented since Mac 2015 will achieve the Work-Life Balance for woman. KPWKM must continue to support FWA to enhance productivity amongst woman

4

The Women Development Action Plan (WDAP) which set out the actions that need to be taken by the Government agencies, non-governmental organizations, private sector and civil society to achieve the objective and the mission of the National Women Policy must continue.

# IMPROVEMENTS ON THE DRIVERS OF THE FEMALE SHARE IN SENIOR AND MIDDLE MANAGEMENT

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5

In the private sector, women's participation at the decision-making level by the number of seats in the board of Directors in 100 the public listed companies must be further encouraged as this will improve the statistics.

6

For private sector, the government through Talent Corporation Malaysia Berhad (TalentCorp) must extensively execute the Career Comeback Program implemented since 2015 to encourage more women who have stopped working before this to return to careers

7

In the private sector, the role of the Securities Commission through the Code of Corporate Governance and also by the 30% Malaysian club by implementing programme such as mentoring to prepare the potential women as members of the board. Among others Women Directors'Programme, which is a training program controlled by experts from the Malaysian Director Academy (MINDA) to the women's board members for the purpose of empowering women to be willing to carry out future responsibility.

# IMPROVEMENTS ON THE DRIVERS OF THE FEMALE SHARE IN SENIOR AND MIDDLE MANAGEMENT

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8

Transformasi Nasional 2050 policy, (TN50, National Transformation 2050) a national development initiative that is spans 2020 to 2050 must continue to focus on women as promised. The important role of woman in public sector must be properly addressed by 2050.

9

Gender diversity has become an important factor to the potential investor before any investment decision is being made, therefore special attention must be made on this particular criterion.

# IMPERATIVE POINTS

1

Need to empower the rights of women and recognise the importance of their roles in both public and private sectors.

2

The private sector should emulate the Government's announcement and policies. To bridge this gap, businesses must first acknowledge the lack of women at top management levels as the real issue.

3

Set the target for public listed companies to have at least 30% women at board level by the year 2020. A similar target should be set by private sector if they are serious in reducing the gender disparity.

4

Existing leaders of businesses must take active steps in retaining women in every stage of the corporate ladder and create management positions, specifically for women.

# IMPERATIVE POINTS

5

As regard to the government's policy, many existing policies have been developed in relation to empowering woman in management, however sadly enough the progress has been patchy, and in some cases, the pace of change has not been compatible with the positive evidence.

6

Despite of a high number of talented woman STEM graduates, their number did not reflect the reality of their existence in the industry.

7

Creating a gender inclusive workplace means committing to a culture of support, safety, and acceptance thus making structural and cultural changes that demonstrate to that commitment ensuring diversity at every level within the institution. Organizations that are dominated by one gender only are not considered gender-inclusive.

8

The requirement of constant availability at the workplace is another aspect of working culture that can challenge an individual's ability to maintain a work-life balance. This have become a challenging issue for woman who wish to progress in their career while simultaneously able carry out family responsibilities.

# Conclusion

- ▶ Many governments across the world have implemented measures to address gender inequality in the workplace and have introduced equal opportunity legislation and created protections against any form of discrimination.
- ▶ In Malaysia Article 8 of the Federal constitution clearly prohibits discrimination. In public sector, government have gone further, leading by example, and have introduced policies and guidelines for meritorious employment, quotas and targets, and offer attractive maternity, paternity and child care provision.
- ▶ With the country's aspiration of becoming a developed nation by 2020 or perhaps 2050 now, women will be a major group influencing the development of a generation of Malaysians who are entrusted to achieve this task. Measures being initiated by the government to ensure women's participation in education and other key sectors for the country's development will enable them to showcase their capabilities in leadership roles to address the most pressing needs of women in Malaysia.
- ▶ Full support from superior and mentors has been by far the most important external factor identified. Hence, organization should be encouraged to assigned women's mentors to the aspiring woman, they may not be necessarily from the same workplace, but individuals the women considered most helpful as role models which could be from the industry or other identical establishments. Increasing opportunities to advance women's participation in top management should be among future challenges that need to be addressed by the Malaysian Government. The Ministry of Women and Family Development is in the best position to monitor the implementation of this policy.





## IT IS HARD TO BE A WOMAN

*You must think like a man,  
Act like a lady,  
Look like a young girl,  
And work like a horse.*

THANK YOU