

JANUARY 2015

# Promoting gender parity in the global workplace

Laura D'Andrea Tyson

Increasing the participation of women will lay a foundation for economic prosperity, according to Laura Tyson, University of California, Berkeley, professor and former chair of the US president's Council of Economic Advisors.

**Taking bold actions** now to increase the economic participation and advancement of women is critical to ensuring a strong foundation for rising prosperity in the long run.

Women account for half of the global labor supply and about 70 percent of global consumption demand. Greater gender equality in educational and employment opportunities fosters faster, more inclusive growth, not only because women are half of the world's population but also because they are more likely than men to invest in the human capital of their families.

Even though men and women are currently at or near parity in health and education throughout much of the world, women continue to lag behind men in economic participation and opportunity by 15 to 25 percent in even the most gender-equal societies. Globally, only about half of working-age women are employed, and they earn only about three-quarters as much as men do even when they have the same level of education and are in the same occupation. Women are overrepresented in informal, temporary, and low-productivity jobs with low pay and limited opportunities for advancement.

The growth benefits of unlocking the economic potential of women are substantial. In a recent report, the Organisation for Economic Co-operation and Development estimates that achieving gender parity in labor-force participation rates would increase GDP by 12 percent in developed countries over the next 20 years. The increase would be even larger in emerging-market economies.

The *Global Gender Gap Report 2014*, by the World Economic Forum, concludes that it will take another 81 years for the world to close the economic gender gap and realize the resulting growth benefits. But there are actions that can be taken now to accelerate the pace of progress.

Women must be accorded equal legal rights in land ownership and inheritance. Women must have the same educational opportunities as men do from literacy through postgraduate training. Discriminatory gender practices in recruitment, retention, pay, and in access to credit should be banned. Tax disincentives that discourage the labor-force participation of spouses should be eliminated, while tax credits, benefits, and employment protections for low-wage and part-time workers should be expanded. Families should have access to affordable childcare, early childhood education, and parental leave so that women (and men) can balance the competing responsibilities of work and family.

The business case for the advancement and promotion of women is compelling. Companies with more women in top management and board positions better reflect the profiles of their customers and employees and benefit from more diverse views. Best practices for achieving greater gender equality in the workplace include setting targets for the recruitment and retention of women and initiating affirmative searches to achieve these targets, tracking and eliminating gender pay gaps, and adjusting how jobs are structured and remunerated to enhance flexibility.

Ignoring half of the world's workforce means realizing only half of the world's economic potential. Policy makers and business leaders should act now to boost the participation, pay, and advancement of women in education and in the workforce. The results will be faster, more inclusive growth. Women's rights are human rights but they are also a key determinant of economic prosperity. □

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