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Towards increasing the Emirati women participation rate in the workforce







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### Abstract

One of the key objectives of the Dubai 2021 plan is to create "an inclusive and cohesive society". In particular, the UAE government has been keen, since the very early days of the union, to set a number of initiatives within the women empowerment agenda. However, in spite of the UAE ranking second highest among Arab countries in the World Economic Forum's Global Gender Gap Report (2017), there is still a lot of room for improvement. This is particularly the case regarding employment: even though Emirati women represent 70% (Gender Balance Council, 2019) of university graduates in the UAE, only 28% (Jeffery, 2018) of women participate in the workforce. This is much lower than the international average of 42% (World Bank, 2018). Successfully addressing this issue typically requires an agile type of government and policy making, defining agility in governments as the quality "needed to respond faster and in a more personalized fashion to rapidly changing citizen's needs" (MBRSG, 2019).

This paper identifies and examines the issues and sub-issues associated with the low participation of Emirati women in the workforce which are mainly related to: social pressure, lack of implementing supportive working policies and lack of childcare related incentives. It also provides an analysis of the root causes of the problem. The proposed policy solution options will provide a structured solution that could be implemented in a structured incremental policy plan by an agile government. The policy options proposed are based on best international practices and take into consideration efforts that has been made on the national level whether if it was in the form of a study or initiative.

Keywords: gender gap, policy, inclusiveness, employment, agile governance

### **1.0 Introduction**

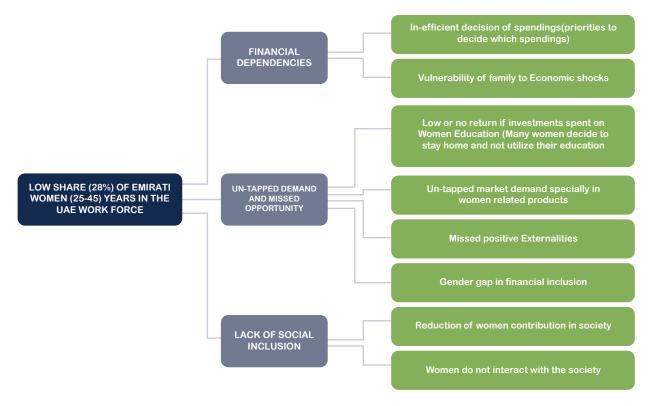
Statistics show that Emirati women are ambitious and have enormous educational achievements. With 77% of Emirati women enrolling in higher education after secondary school and Emirati women making up 70% of all university graduates in the UAE, and 46% in STEM. In addition, the UAE Gender Balance Council, since its establishment in 2015, has made progress towards implementing gender balance policies and legislation in support of the Gender Equality agenda under the United Nation Sustainable Development Goals (SDG). For example, SDG indicator 5.5.1 on proportion of seats held by women in national parliaments and local government was fulfilled by the UAE Gender Balance Council by passing legislations that impose a quota of 50% female in the Federal National Council (FNC). Another example, regarding SDG indicator 5.5.2 on the proportion of women in managerial positions, the UAE Gender Balance Council has supported legislation related to mandatory inclusion of women on Boards of Directors. However, despite all of these efforts and readiness, only 28% of Emirati women actively participate in the workforce, which is very low compared to the international average of 42% (UN, 2018). As one of the key objectives of the Dubai 2021 agenda is to create "an inclusive and cohesive society", clearly more needs to be done to bring women into the workforce and to eliminate waste and maximize the investments made by the government in women. The World Economic Forum forecast that it will take 99 years to overcome the gender gap in the technology industry, but the UAE could accelerate the process by activating capabilities through an agile governance system. The policy proposal of increasing percentage of Emirati women participation in the workforce is an incremental plan that responds to changes as it's been executed. It is mainly focused, not only on women, but also on how to maximize the utilization of such an important resource by the government. Moreover, most of the policy options are heavily dependent on employees' e-services and ICT connectivity such as remote offices and coaching sessions. All of these agile governance values are reflected and considered as an enabler to the execution of this policy proposal.

## 2.0 Why is a lack of female participation in the workforce an issue?

There is an international recognition of the importance of women empowerment and participation in the economy. Women typically account for half of a country's talent base, which leads to faster economic growth through boosting productivity and diversification of the economy. As per the World Bank and the UN, gender gap cost is estimated to be 15% of GDP (Kornrich & Furstenberg, 2012). Moreover, increasing the share of household

income controlled by women changes spending in ways that benefit children (Kornrich & Furstenberg, 2018; Gerndeman, 2018). Although inequality has been reduced in the working environment in the UAE through several national initiatives, as noted above, the percentage of Emirati women between the ages of 25 to 45 in the workforce is still low. There are three main issues associated with the lack of engagement of Emirati women in the workforce: financial dependency, negative economic impact, and lack of social inclusion (see Exhibit 1):

Exhibit 1: Identified issues and sub-issues of low share of Emirati women in the UAE workforce



**Source: The Authors** 

#### **Financial dependency**

The first issue that is linked to this topic is financial dependency of women to family. Studies showed that working women will take better decisions related to spending for the benefit of children. This is a missed opportunity for women who are not part of the 28% working Emirati women in the labor force. In addition, one can see working women are contributors towards facing any financial or economic shocks as a second income to home.

#### **Negative Economic Impact**

The second issue is a missed opportunity for women to contribute to economic growth. This is because of the un-tapped demand caused as a result of the low participation of Emirati women in the workforce. Enabling more Emirati women to work could raise the demand for specific products which may lead to an expansionary effect on the market. In addition, working Emirati women contribute to positive externalities, especially related to day care services and the creation of opportunities to other women in domestic labor.

Related to this loss of investment spent on women's education, specifically in government universities, where many women decide to stay home despite the education level reached. 77% of Emirati women enroll in higher education after secondary school and make up 70% of all university graduates in the UAE. 46% of UAE university graduates in science, technology, engineering and mathematics (STEM) are women (UAE Embassy in Washington, 2017).

Moreover, working Emirati women contribute to the financial system. "Financial inclusion has been broadly recognized as critical in reducing poverty and achieving inclusive economic growth. Financial inclusion is not an end in itself, but a means to an end— there is growing evidence that it has substantial benefits for individuals. Studies show that when people participate in the financial system, they are better able to start and expand businesses, invest in education, manage risk, and absorb financial shocks" (Demirguc-Kunt, Klapper, Singer & Peter Van Oudheusden 2014, p.3).

#### Wellbeing and social inclusion

The third issue is the lack of social inclusion of peers in the working environment, where women's social interaction might be limited when not working. Wider social interaction is important to boost self-confidence and to communicate any alarming issues such as domestic abuse.

Likewise, the social contribution of Emirati women is often a result of a wider social inclusion. Most volunteering initiatives are part of a corporate's responsibility in which employees participate in governmental initiatives such as the volunteer platform. All of these are missed opportunities for non-working Emirati women and to UAE society.

## 3.0 Why should this concern the Government?

In order to understand why the policy recommendations are made, we need to understand the levers which encourage the government to act. The reasons motivating government intervention can be summarized as follows:

1. The opportunity of creating positive externalities as explained from the issues and sub-issues above. There is an indirect positive impact on the economy as a result of Emirati working women. The economic impact can be due to the increased demand and creation of business opportunities.

- 2. There is a social impact specifically on children. Studies shows that apart from better direct spending decisions on children in the family by working women, children of working women, specifically young girls, tend to enter the workforce as well (Kornrich & Furstenberg, 2012; Gerndeman, 2018).
- 3. Emirati working women often depend heavily on domestic workers to take care of children while performing duties in the work-place. Therefore, Emirati children, especially of Emirati working women, have an identity issue where they cannot speak their mother tongue language which is Emirati Arabic. If the Emirati government wants to maintain cultural norms while also encouraging women to enter the workforce, they need to find a balance.
- 4. Finally, there are some related international indicators which the UAE reports to such as: The World Bank, Human Development Index (HDI) and especially the Sustainable Development Goals, notably Gender Equality, Reduce Inequalities and Decent Work and Economic Growth.

## 4.0 How has the Government empowered women to date?

Under the UAE Constitution, women enjoy the same legal status, claim to titles, access to education, healthcare and social welfare and the same right to practice professions as men, as well as employment:

- 66 Equality, social justice, ensuring safety and security and equality of opportunity for all citizens shall be the pillars of the Society." (UAE Constitution, Article 14)
- 66 All persons are equal before the law, without distinction between citizens of the Union in regard to race, nationality, religious belief or social status" (UAE Constitution, Article 25)

In addition, there is a strong political will to empower women from the leadership of the UAE since its establishment (UAE Ministry of State, 2018, p.5). Indeed, the UAE has been putting tremendous efforts towards female empowerment since the establishment of the country. This has been implemented in five phases:

- Phase 1: 1975 1985: Intellectual and social advancement (UAE Ministry of State, 2018, p.8).
- Phase 2: 1986 1995: Skills & capability building.
- Phase 3: 1996 2005: Empowerment of women.
- Phase 4: 2006 2018: Empowerment of society through women (Al Tayer, 2018).
- Phase 5: 2018 Current: Leading Emirati Women (Salama, 2018).

The journey of female empowerment in the UAE has witnessed the following milestones (UAE Ministry of State, 2018):

- 1971: Establishment of the United Arab Emirates
- 1975: establishment of the General Women Union Corporations
- 2002: National Strategy of Women Advancement in the UAE
- 2006: Family Development Foundation
- 2006: Gender mainstreaming initiatives in collaboration with UN Development Program
- 2007: Dubai Foundation of Woman and Children
- 2009: "Know your rights" project by the General Women Union Corporations
- 2012: Cabinet decision (enhancing the participation of women in the boards of directors of federal bodies, companies and institutions)
- 2015: National Strategy of the empowerment and leadership of women
- 2015: The UAE Council of Gender Balance
- 2018: UAE Cabinet passes laws and policies for women's empowerment (Salama, 2018)

There have been some efforts towards reserving some public facilities for female use only. For example, in the emirates of Abu Dhabi and Dubai, front seats on the public buses are reserved for women. In Abu Dhabi city, parking spaces are reserved for women and are indicated with pink color. This shows how the government is willing to prioritize women and further enhance the infrastructure for ease of movement and going to work for Emirati women.

### 5.0 Who are the relevant stakeholders?

#### This policy is targeting the following stakeholders:

Emirati women in the following categories:

- Pre-contemplation: Emirati women who have no interest in joining the workforce.
- Contemplation: Emirati women who are interested in joining the workforce but did not start yet.
- Preparation: Emirati women taken steps not within 4 months to join the workforce.
- Action: Emirati women recently joined the workforce within 3 to 6 months.
- Maintenance: Emirati women working from 6 months and onward.
- Family of Emirati women: who heavily influence Emirati women.
- Journalists and media influencers: to react positively towards working women in case of domestic accidents or incidents involving children.
- Gender Balance Council: to support and encourage activation of certain policies and legislation.
- Entrepreneurs: to invest in nurseries infused with Emirati culture and language.
- Government entities and private entities.

## 6.0 What are the main causes for the lack of female participation in the workforce?

There are three main causes for the lack of participation by Emirati women in the workplace - social pressure, work environment and child care. Simply, there are social issues that make entering the workforce challenging, concerns in the workplace that make continued participation more difficult and, significantly,

#### **Social Pressure**

Emirati women are influenced by their family in making decisions and choices, and this often leads to women being pressured by their family to deprioritize participation

in the workforce, especially if they have children (Dubai Women Establishment & PWC, 2018, p.22). Second, journalists and the media take strong negative stands on working Emirati women in the case of accidents involving family or children, which reinforces the significant social pressure women feel to conform.

#### **Work Environment**

There are a number of work policies that have an effect on the participation of Emirati women in the workforce. The main ones are simply a lack of flexible working hours and lack of flexible working locations - as Emirati women are primary caregivers to children and therefore have additional requirements on their time and where they can work from, these two issues are a roadblock to enabling women to enter the workforce. As well as this, there is often a lack of defined policies to support women in regards to development, for example with regards to skills training or career guidance.

#### **Child Care**

Finally, there are challenges surrounding child care incentives. Families want their children to be brought up with Emirati culture and language, but there are few daycare or nursery options that offer this. There is a lack of nursery allowance where education allowance is given to employees with children starting at the age of 3 or KG1/FS1. There is often a lack of on-site childcare, and finally there is a lack of professional nanny training despite the availability of this resource.

## 7.0 What is the high level objective of this policy?

Essentially, the aim of this policy is to increase the participation of Emirati women in the UAE work-force to at least the international standard (as a percentage of women in employment this equates to a goal of 42%).

## 8.0 What are the strategic policy recommendations?

There are three key high-level policy recommendations to effect greater participation of women in the workforce in UAE. These, along with a potential metric used to measure success, are:

- Create incentives based on Emirati women's requirements to join the workforce
  - number of government incentives focused on enabling women to join the

workforce, as well as number of women actively engaged in programs (Dubai Women Establishment & PWC, 2018, p. 24, 25, 106).

- Empower and support Emirati women in workplaces, specifically in leadership positions qualitative survey for women in senior positions (Dubai Women Establishment & PWC, 2018).
- Raise awareness on the importance of Emirati women to join the workforce, to wider society and specifically to Emirati families quantitative survey around expectations of women regarding employment.

## 9.0 What are the main preliminary policy instruments/ interventions to be considered?

- Raising awareness of the importance of Emirati women in the work-force, especially promoting women in high positions which are looked at as role models (Dubai Women Establishment & PWC, 2018, p. 104). This has been a good practice in the public sector where a number of role model exists leading to having 2/3 of public institutions in the UAE to be women.
- Allocation of budget for initiatives related to:
- Supporting women in the work-place (i.e. daycare, remote working, and training).
- Nursery allowances.
- Funding of entrepreneurs to start nurseries with Emirati infused culture.
- Revision and implementation of the Human Resources laws or creation of new laws related to incentivizing the working environment for Emirati women, such as: flexible working hours and achieving alignments with school requirements from parents, teleworking, clinic working hours and emergency cases.

## 10.0 How will these policy interventions create change?

The aim of these policies is to create the will and capability for Emirati women to join the workforce. A 'theory of change' has been developed, to capture what Emirati women

wants, resources needed, resulted output and desired impact; this is illustrated in the chart below (see Exhibit 2).

Those elements derived from the Theory of Change analysis are re-arranged in an incremental policy proposal that will be implemented in three phase (as seen in the chart below). In each phase a certain maturity level is achieved which will ensure the successful implementation of the following policy element. In addition, those are arranged in a manner to minimize risks and maximize benefits towards achieving the ultimate goal of increasing Emirati participation in the workforce, with minimum cost.

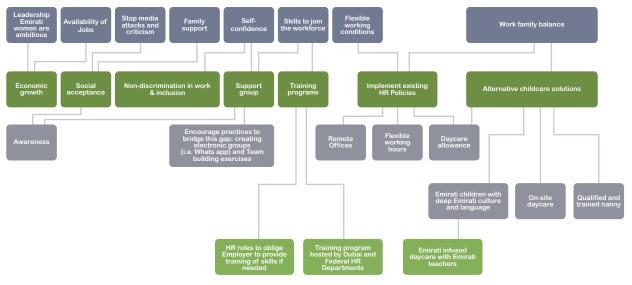
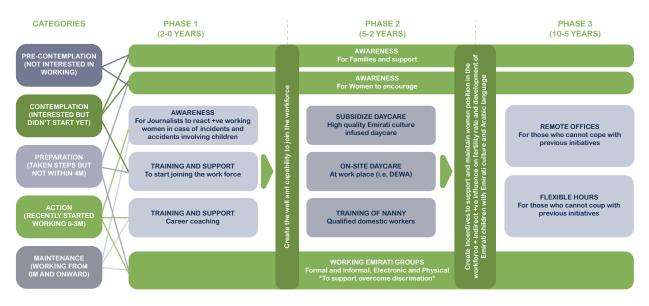


Exhibit 2: The Theory of Change

Source: The Authors





Source: The Authors

#### Phase 1:

There will be a continuous number of initiatives starting in Phase One which will remain during the whole policy implementation phase. These are:

- A continuous awareness campaign across the implementation period to ensure social and cultural change management as well as sustainability of these changes. The purpose of these awareness campaign is to get the buy-in from both the Emirati women in the Pre-contemplation and Contemplation categories, and the Emirati women Families who has a great influence on Emirati women.
- Creation of working Emirati women groups to overcome discriminatory challenges in working culture and to ensure inclusion in taking corporate decisions (which are often discussed in informal men groups/Majlis). The working Emirati women group can be established formally by entities or informally to include a variety of backgrounds. Moreover, it can be in the form of an online platform or be conducted in regular in-person meetings. This is targeting mainly women in the Preparation, Action and Maintenance categories.
- Raising awareness with journalists to support working women in case of domestic incidents, specifically incidents concerned with children of working mothers.
- Provide training and support for Emirati women to join the workforce and career coaching to ensure maintenance of Emirati women in the workforce.

#### Phase 2:

Second, the policy option will create incentives to support and maintain women's position in the workforce. Upon the success of the first phase, it is expected in this phase that more Emirati women are now shifting towards Preparation, Action and Maintenance categories. Hence, the demand for childcare facilities and options is sufficient to implement related policies:

- Ensure a generation of children with Emirati identity, by establishing Emirati culture focused daycare, with female Emirati teachers and Emirati media contents thus creating more new jobs for Emirati women. Subsidization might be required in this case specifically at the beginning of implementation until the demand is raised higher.
- Establishing on-site daycare, or close to working Emirati women.
- Training of domestic workers (nannies) to ensure the safe and proper raising of children.

#### Phase 3:

Finally, once the Emirati women job market is mature, more flexible working solutions can be implemented, such as flexible working hours and flexible working locations. These options can be only available for Emirati women who cannot cope with previous initiatives, in order to avoid the risk of abusing these flexible policy options.

## **11.0 Conclusions**

Promoting participation of Emirati women in the workforce is a key element for reaching the objective of the Dubai 2021 plan to create "an inclusive and cohesive society". This paper has identified the issues and sub-issues associated with the low participation of Emirati women in the workforce and its root causes. It proposed policy solutions that an agile government could implement to bring the participation of Emirati women in the workforce in line with international levels. Those agile policy solutions are only enabled by an agile governance system, to eliminate the waste of under-utilized resources of well educated, ambitious Emirati women in which the government has invested in during the development and education stages. The policy solutions are incremental and responsive to changes across all categories of women representing level of involvement in the workforce. Moreover, it was demonstrated that the policy is not only impacting women, but also the society and specifically families of Emirati women.

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