Social Innovation Analysis on Women Back to Work: understanding barriers to mid-skill re-entry

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Introduction

In Salerno, Italy, a 40 year old woman goes for a job interview as a cashier in a supermarket. The discussion about her skills lasts for only three minutes. The other questions are all about whether she will be able to manage the job properly, given that she has a young child. She reluctantly asks for flexibility regarding her availability, resulting in her being offered the job at a lower seniority and salary level.

Her story exemplifies the many we identified in our Social Radar exercise on mid-career female workers in vocational professions returning to the workplace after a break. Across countries and cultures, women often say they find it difficult to go back to work, whatever the reason for the break: to raise a child, care for an elderly relative, or recover from illness. Anxiety about returning[1] to work can often manifest in applying for lower-level roles[2], perpetuating the gender pay gap.

What is the Social Radar?

The Social Radar is a human-centric scanning mechanism which allows us to identify who is falling out of the workforce and why. We do this by monitoring weak signals and cutting-edge trends that impact underserved populations regarding access to work. Starting in January 2021, the first run of the Social Radar identified at-risk youth who are struggling to stay in either education or employment. Women Back to Work is the underserved population that has been identified in this second cycle.

The Social Radar process starts by gathering data (publicly available, our own proprietary, academic and social perception). In the first stage, it explores 15 predictive factors that determine if a person is at risk of falling out of the labour market: age, gender, national origin (related to ethnicity or migration), geography (local economic conditions), sexual orientation, household composition (e.g. single parenthood), education and skills, work experience, length of unemployment, health status, mental wellbeing, culture (related to norms on e.g. gender, family and social behaviour), personality, attitudes and beliefs, and job-seeking tactics and strategies.

Based on these predictive factors, a long list of possible challenges is distilled and sense-tested with a variety of stakeholders. This long list is then calibrated down using our proprietary set of five filters: 1) future orientation, 2) innovation potential, 3) scale and scalability, 4) current landscape and solutions and 5) potential for the Innovation Foundation to add value.

The challenge is particularly daunting for the specific groups of women on whom this paper focuses: lower to middle-skill level and mid-career, and those who work in sectors that are rapidly being automated. They often feel more pressure to find a job quickly, and their work environments tend to be less flexible than for higher-skilled workers. Moreover, data on the challenges facing these women is scarce, impeding the development of solutions.

These women also lack targeted support mechanisms, such as the well-known returnship programs offered by some multinational companies: dozens of women reportedly apply for every open spot at General Motors[3] and Goldman Sachs[4], but very few such programs exist for vocational roles or in developing countries. This is an indication that women in this demographic are less valued by employers as an essential part of the workforce.

While the challenges faced by women returning to work predate the pandemic (see figure 1), Covid has changed the picture in many ways. It wiped out years of progress on women's participation in the labour force, which had previously been growing steadily – across OECD countries, from 49.5% in 2000 to 53.9% in 2019. Unlike previous recessions, in many countries, notably Sweden, Finland,

or Mexico, more women than men dropped out of work. Reasons include more women[5] working in vulnerable economic sectors and women predominantly[6] being expected to take care of children when schools closed. Indeed, women with children under 12 are the group that dropped out most frequently.[7]

About
70%
of women who have experienced job-related disruptions during the pandemic are concerned their career growth may be limited as a result.

Source: Deloitte
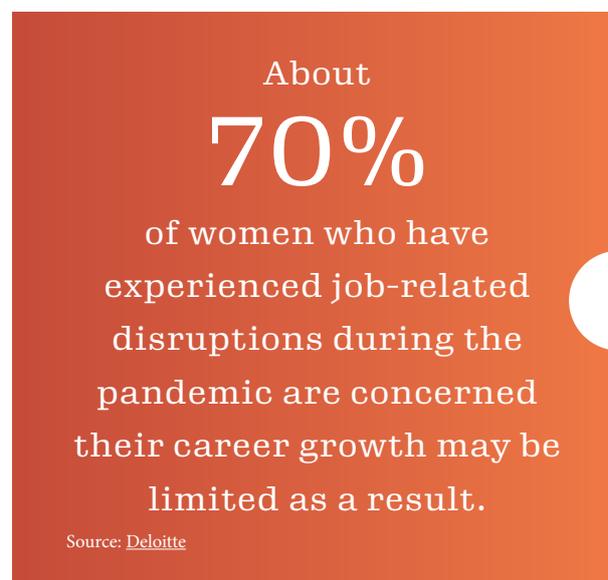
With many women who quit or lost their jobs during the pandemic now feeling pessimistic[8] about their career prospects, this paper explores the challenges faced by mid-career women in vocational professions who would like to go back to work but are underserved by existing supportive mechanisms.

The challenges cover a range of issues that can be grouped under three related headings: cultural bias, systemic challenges, and workplace stress and prejudice. We identified these issues through a combination of research and analysis of publicly available data as well as evidence from social media listening we conducted in Italy, Spain, Sweden, Mexico, South Africa, and Japan between June and November 2021. The final section distils three key questions to inform further research in the field and the social innovation projects to be undertaken within the Innovation Foundation to develop solutions for this group of women.

Figure 1: Women are more disadvantaged through caring responsibilities

Labour force participation rate of persons aged 25 to 54 by household type
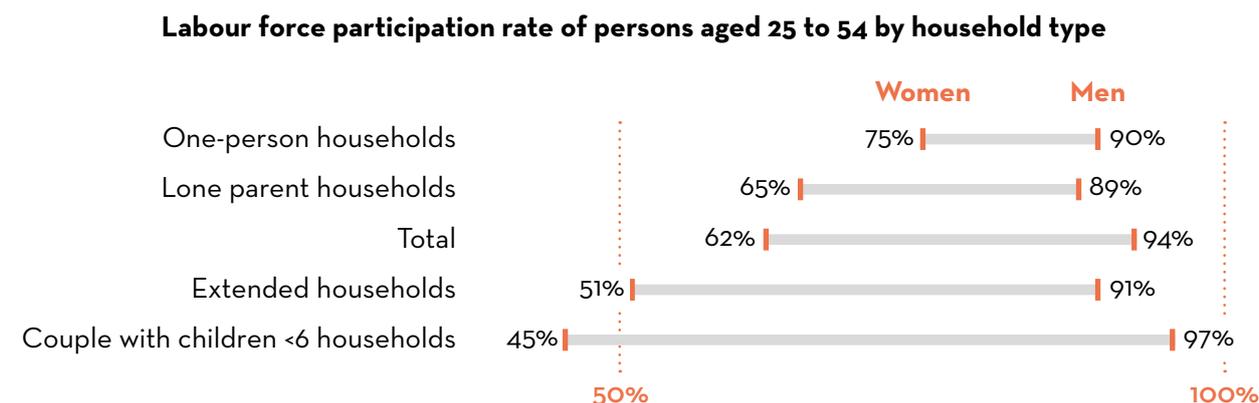
Related SDG indictor: 8.5.2 - Unemployement rate, by sex, age and persons with disabilities.
Source: Totals are ILO modelled estimates for 2019 and breakdowns are population-weighted aggregates based on the latest available data for 108 countries.

Source: https://ilostat.ilo.org/how-women-are-being-left-behind-in-the-quest-for-decent-work-for-all/

Cultural biases

Norms about women's and men's roles in society create barriers to employment that predominantly[9] affect women across the board. While these barriers are higher in some countries than others, across cultures women are generally expected to take on a larger share of unpaid home chores and caregiving responsibilities, and are guided towards less economically attractive jobs.

In every OECD country, women spend a higher percentage[10] of their total work time on unpaid activities such as household chores (see Figure 2): in France, for example, women spend around 56% of their total work time on chores, compared to 37% for men; in Spain, those figures are 63% and 38%; in Mexico, 58% and 21%; in Japan, 45% and 9%. The gap is narrowest in Sweden (45% vs 35%) and widest in Turkey (69% versus 16%).

The pandemic has worsened the situation. In dual-career couples with children aged under 10, mothers were more likely[11] than fathers (53% vs 37%) to say they took on three or more additional hours of daily household chores due to Covid. Fathers were more likely (23% vs 18%) to say that the amount of time they spend on chores had not changed.

Figure 2: Time spent on unpaid work by men and women

% of total work time spent on unpaid work

Gender: ● Male ● Female

Countries (top to bottom): Sweden, Denmark, Estonia, Finland, Norway, Canada, France, Slovenia, Netherlands, United States, Belgium, Germany, Hungary, Spain, Lithuania, United Kingdom, Poland, Australia, Latvia, Luxembourg, Italy, New Zealand, Austria, Ireland, Greece, Mexico, Portugal, Korea, Rep., Turkey, Japan
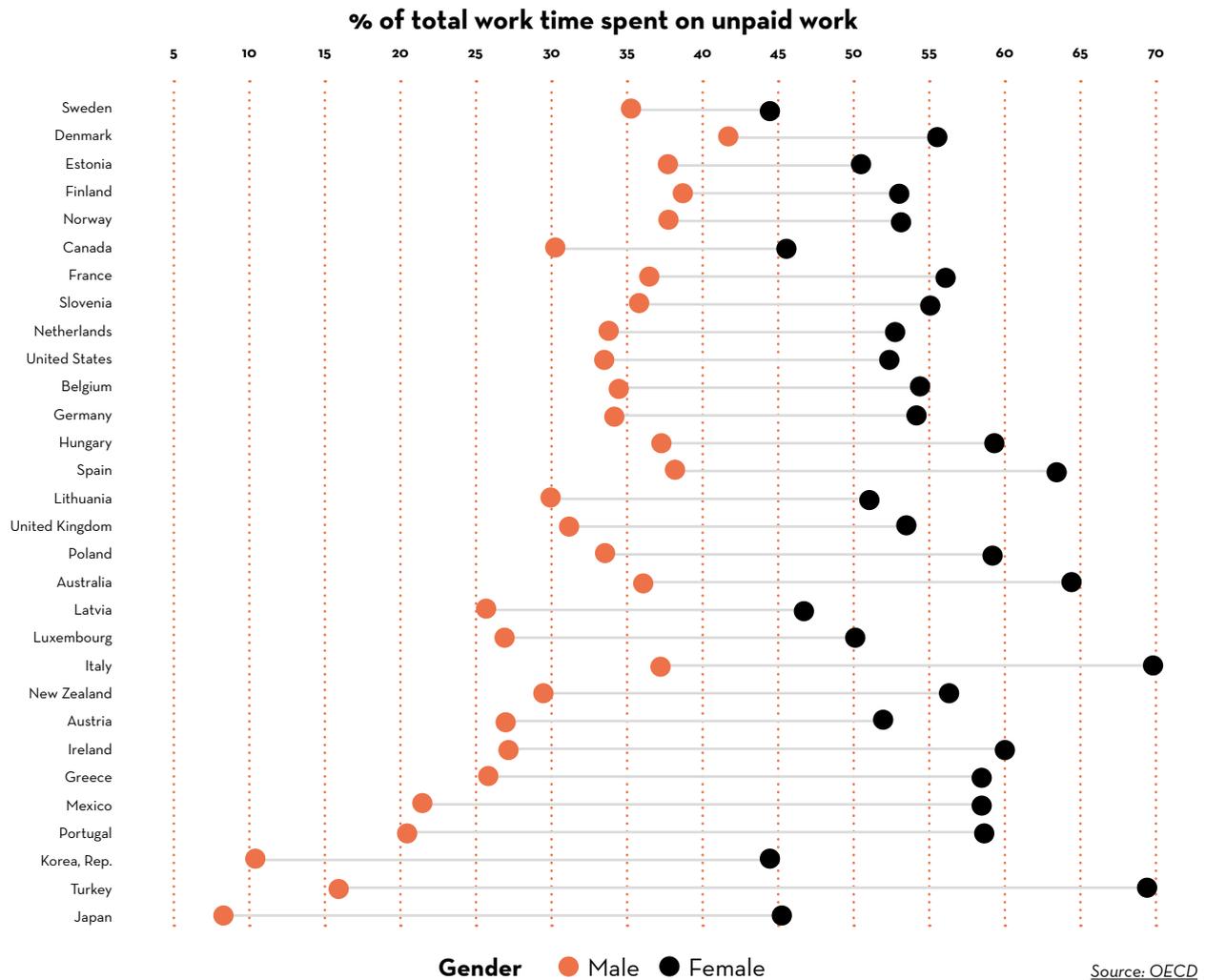
The uneven sharing of unpaid domestic workloads puts more pressure on women in the workplace. For example, mothers with children under 10 are more likely[12] than fathers with children under 10 to say they are thinking about reducing their working hours (17% vs 13%) or quitting work altogether (23% vs 13%). During the pandemic, mothers in paid employment were 23% more likely[13] than fathers to experience burnout due to increased workload.

Uneven division of household tasks is also a major driver of women taking a career break and working part-time. Even in Sweden, which has relatively strong policies on workplace gender gaps, women are more likely to work part-time[14] – which leads to lower lifetime earnings and social and retirement benefits.

In the social media listening, it was evident across all countries that the burden of domestic work falls mostly on women's shoulders. Users in Spain noted that middle-aged women, especially, are hindered from returning to work by caregiving expectations. In Japan, social media conversations pointed to a growing awareness of the negative impacts of deeply rooted traditions on unequal division of household responsibilities. The countries in our listening exercise with the highest rates of gender-based violence, Mexico and South Africa, saw the least ideological debate about gender roles.

However, few of the discussions connected these challenges directly to systemic challenges, i.e. the way work is organized and structured which leads to a negative bias towards career breaks. This indicates a great need to enable women to follow more positive pathways when returning to work.

Systemic challenges

Economic biases also underpin many of the systemic challenges for women in the overall labour ecosystem, including lower pay, more vulnerable employment and barriers to returning after a career break. On average, the occupations dominated by women have lower salaries[15] – women earn less than 80 cents[16] for every dollar men do – and are more susceptible[17] to economic shocks. Official statistics are likely to understate the extent of the gender divide, as women are also overrepresented[18] in the informal sector where these problems are greater.

Mothers are especially vulnerable to systemic biases: a woman's pay drops[19] further with each child, while men's pay increases with fatherhood. Single mothers are especially vulnerable to long-term unemployment in countries, such as the US[20], where the cost of childcare can exceed wages from a low-income job. In Mexico, our social media listening found women saying they can go to work only if their own mothers are able to take care of their children. In Italy, mothers spoke of too-simplistic expectations about returning quickly to work after maternity leave.

Lack of flexibility in job opportunities also holds back women who have caring responsibilities from returning to work. According to a survey in the US, women place more importance on work-life balance, flexible working arrangements and work schedules than they do on salary when choosing a new job. Among women who have taken a career break and wish to return to work, 78%[21] say they are looking for positions with increased flexibility.

Women with small children are willing to forego

37.9% of their salary

to avoid irregular, inconsistent work schedules.

Source: Deloitte

However, such positions are in short supply. One survey found that more than half of women had tried to negotiate a more flexible schedule with their boss, but only 32%[22] succeeded. In Europe and the US, studies show that employers in sectors dominated by women tend to offer less flexibility[23] in working schedules, to male and female workers alike.

The search for more flexibility often leads women to choose part-time jobs, which generally involves downgrading. When they switch to part-time, women lose between 12% and 32% of hourly earnings. Data from the UK suggest that only 6% of roles advertised at a salary of £20,000 – still less than two-thirds of the median wage – offer the possibility of working on a part-time basis, and this falls to 2% for roles paying £100,000. Women returning to work often face the assumption that their skills have deteriorated[24], adding to the risk of downgrading. 3 in 5[25] professional women returning to work are recruited for lower-skill positions.

Remote working is another way in which women seek flexibility as they are more likely[26] than men to say they want to work from home. However, in practice, this can be difficult to balance with the higher expectations of domestic chores. According to McKinsey, 79%[27] of men said they had a positive work-from-home experience during the pandemic, compared with just 37% of women. Women were more likely to report stress[28], depression and long working hours when they worked from home during the pandemic — especially if they have children. They also experienced a larger decrease in productivity[29] while working from home.

In our social media listening exercise, women mentioned both the upsides and downsides of remote work. In Japan, some expressed the view that remote working made it easier to cope with a highly demanding work culture. Women in Italy spoke especially positively about the idea of remote work, while noting that it is not yet widely available in their country – perhaps indicating unrealistic expectations based on lack of actual experience. Overall, only 3% of posts mention remote or hybrid working possibilities, which suggests that it is not yet a realistic option for many women to consider.

Lack of consistent scheduling is an overlooked challenge. The most important factor for women with parenting responsibilities is avoiding irregular, inconsistent schedules set at the employer's discretion. Women are willing to give up a staggering 37.9% of their income to avoid this type of situation.

Table 1: Flexibility preferences of women

	Willingness to pay for flexible schedule	Willingness to pay to work from home	Willingness to pay to avoid irregular, inconsistent schedules
Women with children under 4	1.6%	15.4%	37.9%
Women without children under 4	1.7%	8.4%	29.8%
Men with children under 4	1.8%	8.0%	24.4%
Men without children under 4	3.6%	10.3%	29.0%

Note: Data collected based on an experiment with call centre workers in the United States. Willingness to pay is the share of pay workers are willing to forego.
Source : https://pubs.aeaweb.org/doi/pdfplus/10.1257/aer.20161500 (page 3753)

More broadly, our listening exercise found women in Italy and Spain commenting about the lack of flexible and part-time working options, combined with the heavy workload in service-sector jobs. In Sweden, women feel that they have plenty of part-time working options, but they worry about the impacts on their salaries and pensions. In Japan, concern about downgrading was focused on return from maternity leave – many mothers report that they are asked to go back to work in a lesser role or at a lower salary.

Digital transformation is accelerating the pace of change in skills required by the labour market, creating another barrier for women who want to return to the workforce after a break. 54%[30] of employers currently require reskilling. Social welfare benefits can play an important role in giving women the space to upgrade their skills during a career break, though research finds[31] that this is effective only in contexts where the labour market is flexible. In countries with low labour mobility, higher benefits tend instead to increase the duration of unemployment and lower the likelihood of a new job proving a good match.

Our social media exercise found limited awareness of the threat of automation – it was not a commonly cited worry, with only users in Japan discussing it to some extent. However, there is high awareness about the increasing demand for STEM skills. Targeting reskilling programs at women on career breaks could help them to re-enter the workforce with confidence, while supporting employers to navigate a rapidly changing skills landscape.

Prejudice and stressful work environment

Both cultural and systemic biases manifest within the workplace environment, with women tending to experience more stress and challenges than men in the same jobs.

For many women, the workplace can be a toxic and unhealthy environment. Sixty percent of women have experienced[32] "unwanted sexual attention, sexual coercion, sexually crude conduct, or sexist comments" in the workplace. Three-quarters did not alert their employer, suggesting lack of confidence that the issue would be dealt with.

Some women face compounded challenges. Women of colour are more likely than white women to say they feel the need to adapt[33] their appearance, way of talking and expressions in the workplace. After experiencing how remote working in the pandemic lessened these concerns, 97%[34] of black respondents in the US said they preferred a fully remote or hybrid workplace.

LGBTQ+ women[35] are four times more likely than their straight colleagues to experience microaggressions at work, while a study[36] in the US suggests that sexual minorities are less likely to be employed or to have health insurance than their straight peers.

Women are more likely than men to experience burnout from work. Before the pandemic, 19% of women and 15% of men said they had taken time out from their career for mental health reasons. After the pandemic, more women are thinking about quitting work: one in three, according to McKinsey, up from one in four. Return from burnout can be complicated. Studies suggest that if an employer knows that an applicant has suffered from mental illness, they are less likely[37] to choose that applicant over one with an otherwise identical CV and no previous illness or with a gap due to physical injuries.

Our social media listening exercise showed widespread concern about prejudice and stress, from harassment of pregnant workers in Italy to concerns about the unemployment rate of LGBTQ+ women in Spain and black women in South Africa. Japanese women pointed to negative work culture as a reason why mothers were quitting office-based jobs. In Sweden, women expressed concern about the high social expectations they face to be successful in all areas of life. In Mexico, the issue of burnout was linked to sexual and psychological harassment.

The analysis indicates that while specific issues may differ across countries, there is cross-cutting concern about the need to provide a workplace environment that is safe, welcoming and empowering for women – especially those who are anxious about returning to work.

Conclusion: Three key questions

The pressures to address barriers for mid-career women in vocational professions have been mounting and were exacerbated by Covid-19. While there is a lack of data to illustrate the extent of the problem, from the scan we see three critical areas emerge that merit further exploration.

First, there is a clear need for the right type of predictable flexibility in vocational positions. This is a key priority for women returning to work and more important than remote work or part time work. Second, women often seek to change careers following a career break. For this demographic, pivoting into a role that better meets their expectations is difficult due to biases and structural challenges. Third, women in this demographic need to better understand the job landscape to better match their skills with employers' expectations.

These findings all support our hypothesis that mid-career women in vocational positions are an unseen and underserved population with a high potential to engage more effectively in the world of work. We believe that this would ultimately benefit them, their families, their communities, and employers as a whole. The insights from this scan will inform the Innovation Foundation's research agenda and the design of the social innovation projects on the topic of Women Back to Work as we enter the build phase in the second half of 2022, and ultimately move into scale in 2023.

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