Empowering the Advancement of Women in the Workplace
This report is dedicated to our mothers who raised us to be who we are today...
and to our daughters who we hope will inherit a better working world than ours

Empowering the Advancement of Women in the Workplace
ACCA recognised early on that women are the backbone of healthy and prosperous economies as well as the foundation of equitable and thriving societies. We are proud to celebrate our first 100 years since we admitted our first female member in 1908, in line with our commitment to enabling equal access and opportunity for all.

In alignment with our core values championing opportunity and diversity, ACCA Malaysia is delighted to present our report on Empowering the Advancement of Women in the Workplace. This is an initiative by ACCA Malaysia to: one, evaluate the challenges encumbering women’s advancement in the workplace and two, articulate and advocate the measures needed to better foster equal and balanced opportunities for women to progress and fulfill their highest potential.

This report is especially timely given the current climate in Malaysia that supports women’s advancement. Notably, the Government is to be congratulated for its recent Budget 2020 that proposed key measures to encourage the recruitment, retention and return of women talents to the workplace. These measures will be of benefit to women talents, and are highly appreciated by ACCA Malaysia’s highly-qualified membership of whom 60% are women. Such supportive measures will also encourage more women to join the profession and increase the number of female professional accountants who are an asset to the economy and society.

As Malaysia becomes more sensitive and alert to issues of diversity and inclusivity, there is a tremendous opportunity to tap women’s talents to the fullest. We need a concerted and collaborative effort by all stakeholders - Government, policy makers, organisations and society – to play key roles in ensuring the continuing retention of women in the workforce and their unimpeded advancement to drive development.

ACCA Malaysia trusts that this report will be useful in providing insights into the policies needed to eliminate the glass ceilings and obstacles blocking women’s progress up the career ladder. We hope our report findings and recommendations will inspire our stakeholders and partners to work together to create a fair, more rewarding and secure workplace for all talent, irrespective of gender. By empowering women at the workplace, we can boost economic and social development to build a better and more resilient nation.

Thank you.

Datuk Alexandra Chin
Past ACCA President and Chair of ACCA Malaysia Women’s Network
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GENDER DISPARITY INCREASES AT MORE SENIOR ROLES

A majority of survey respondents, male and female, concurred that organisations are gender neutral when it comes to recruitment of new staff, awarding of salaries and benefits and access to promotion and professional development opportunities. However, this perception changes as both men and women progress through their careers.

PERVASIVE GAP BETWEEN THE PERCEPTION OF MEN AND WOMEN ON INITIATIVES NEEDED TO SUPPORT WOMEN’S CAREER ADVANCEMENT

This perception gap extends to even the interventions that are needed. Far fewer men than women believe that female employees face any gender-based inequality at work. Given that most people in senior leadership roles are still men, it’s difficult to see how gender parity can be accelerated when many of those in positions of influence do not see any inequality to begin with.

Call to Action

The findings of the survey were deliberated at a roundtable involving CEOs, HR Leaders, Senior Finance Leaders, Senior Government Representatives and Member of Parliament.

The participants at the roundtable expressed strong support for several key measures and interventions to be made by executive leaders to realise the potential of women leaders in Malaysia today.

1. Gender Equality
   - Embed gender equality as a core value by weaving inclusivity into all organisational programmes. This will change culture, mindsets and behaviours to better support women in the workplace.

2. Redesign Remuneration Package
   - Segment and redesign remuneration packages to fit different working arrangements. Link remuneration to output and outcomes rather than physical presence on-site and hours worked.

3. Flexible Work Arrangements
   - Improve the design and availability of Flexible Work Arrangements (FWA) to support working mothers. Superiors will need to be more supportive of colleagues who wish to go on FWA and develop appropriate career development opportunities and plans. FWA should also be available for men to enable them to contribute towards the responsibility of raising a family.
Leadership and Sponsorship Programmes
At more senior levels (Senior Management & Boards) leadership and sponsorship programmes that will enable women to overcome barriers in a male-dominated environment should be introduced. Conscious efforts and measures are also needed to ensure greater transparency and commitment towards fairer appointment, promotion, professional development opportunities and equal pay.

Government Policy
Policy intervention by government is needed which includes having strong legal protection for working mothers in terms of flexible work arrangements, maternity leave and women returning back to the workforce. To further stimulate adoption of such practices, tax incentives for companies that implement such defined programmes should be considered.

Strengthen Awareness and Protection against Sexual Harassment
While a significant percentage of organisation appear to have policies on sexual harassment, the findings in our survey suggest that more needs to be done in “walking the talk” in actively changing mind-sets and educating employees on what constitutes sexual harassment as well as the channels to report such incidences. It is timely for legislators to consider a separate sexual harassment legislation.

The top 3 barriers that women in Senior Management and Board face are:
- Family commitments
- Male-dominated environment
- Inflexible work arrangements

1 Out of 4 women have experienced or witnessed sexual harassment in the workplace. Only 43% of the respondent’s organisations have policies on sexual harassment. There are insufficient channels or formal mechanisms for reporting sexual harassment in the organisation as well as lack of education on these reporting mechanisms.

Most of the women who have taken a Career Break do it to Raise a family (41%), to have a better Work Life Balance (39%), and because of existing Inflexible Work Arrangements (20%).

67% have taken a career break or know someone who has taken a career break

38% of respondents faced difficulty re-entering the workforce

The issue that women in senior roles face are no different from those faced by women early in their careers

The top 3 barriers that women in Senior Management and Board face are:
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This report on **Empowering the Advancement of Women in the Workplace** is an initiative by ACCA Malaysia to evaluate the opportunities and challenges faced by women to advance in the workplace and the measures needed to better foster equal and balanced opportunity for women to progress and fulfill their highest potential.

**METHODOLOGY AND APPROACH**

The methodology and approach adopted for this research involved:

(i) A survey conducted from 11th to 26th February 2019, which obtained responses from 354 ACCA members and finance professionals, comprising men and women across different levels of management and industries (see profile in charts below).

(ii) A roundtable, comprising CEOs, HR Leaders, Senior Finance Leaders, Senior Government Representatives and Member of Parliament, to validate the survey findings, provide further perspectives and calls to action to address gender diversity and talent issues in the country.
The accountancy profession has over the years successfully attracted highly competent and talented women. Women members currently comprise approximately 60% of ACCA Malaysia’s current membership. On our agenda is to support women achieve better parity and leverage their talents to unleash greater economic and social development.

Various initiatives to empower Malaysian women to reach their full potential through rewarding careers in the workplace have been designed and put in place over the years. Yet, according to the Department of Statistics Malaysia\(^1\), the participation rate of Malaysian women in the labour force was only 55.8% in 2019 compared to 80.8% for men.

Based on Khazanah Research Institute (KRI) State of Households 2018: Different Realities Report\(^2\), 58% or 2.6 million of women who are not working cited the burden of housework as the primary reason they are not part of the labour force. In contrast, only 3.2% or 69,800 men share the same burden.

Further, in The World Economic Forum’s Global Gender Gap 2020 Index\(^3\), Malaysia ranked 97th among 153 countries surveyed for national gender gap on economic participation and opportunity. Among Southeast Asian countries, Malaysia ranked the lowest despite a slight improvement in its gender gap result compared to 2018.

The impact of raising women’s employment on the economy is significant. KRI estimates that raising women’s employment level by, say, 30% - a shift that will narrow but not completely close gender gap in labour force participation—would raise Malaysia’s GDP by around 7 to 12%.

These findings demonstrate the fundamental importance of talent diversity and gender balance at many levels – economic, business and societal.

In conjunction with 2019 International Women’s Day, ACCA Malaysia carried out a survey amongst its members and the wider finance professional community to identify the extent of gender bias in the workplace, the challenges to women in progressing their career and the efforts needed to enable women to rise to the top.

This report traces the opportunities and challenges faced by women in the profession across several dimensions:

1. Gender balance in the organisation
2. Retaining women in the workforce
3. Women in senior management and board; and
4. Sexual harassment in the workplace

These survey findings were then explored further at a roundtable comprising senior leaders from business, public sector and non-governmental organisations. The norms, perceptions and mindsets revealed by the survey findings were actively deliberated, which led to broad agreement on calls to action for Boards and Senior Management towards effecting a step change in empowering women at every stage of their career.

“Balance is not a women’s issue, it’s a business issue”

Datuk Alexandra Chin
Past ACCA President and
Chair of ACCA Malaysia Women’s Network

Footnote:
1. Department of Statistics Malaysia Portal
1. Gender balance in the organisation

Gender balance in the organisation is achieved when people are able to access and enjoy the same rewards, resources, promotion and opportunities regardless of gender. While some progress is being made in Malaysia, we are still a long way from achieving gender diversity and equality in organisation especially at senior management and board level. The survey looked at gender equality in organisations amongst professional women and opportunities and challenges faced by women to advance in the workplace.

Overall, the majority of survey respondents, male and female, concur that organisations are gender neutral when it comes to recruitment of new staff, awarding of salaries and benefits, and access to promotions and professional development opportunities (Figure 1).

FIGURE 1: The organisation I work for does not discriminate based on gender when it comes to hiring new staff, salaries and benefits, and promotions and professional development opportunities

| Hire new staff | 81% | Completely agree/ Somewhat agree | 81% |
| Salaries and benefits | 83% | 83% |
| Promotions & professional development opportunities | 81% | 81% |

However, this perception changes as both men and women progress through their careers. Women respondents are more likely than men to perceive discrimination with regards to appointments to higher-level positions in senior management (65%) and board (52%). Women believe that they are still under-represented on boards, despite various government initiatives to promote talented women, including quotas for women on boards (Figure 2).

FIGURE 2: The organisation I work for does not discriminate based on gender when it comes to appointment to positions in senior management and the Board of Directors

<table>
<thead>
<tr>
<th>Appointment to Senior Management</th>
<th>Completely agree/ Somewhat agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>77%</td>
<td>65%</td>
</tr>
<tr>
<td>Appointment to Board Director</td>
<td>62%</td>
</tr>
</tbody>
</table>

Gender discrimination rises
Importantly, none of the current initiatives to support women in the workplace were rated positively by more than half of the women respondents. This is a strong signal on the overall ineffectiveness of existing initiatives and raises the need for an extensive rethink both on the design and execution of initiatives to support women in the workplace (Figure 3).

**FIGURE 3:** Current initiatives to support women in the workplace

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Male</th>
<th>Female</th>
<th>Gap (percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A good maternity leave policy</td>
<td>59%</td>
<td>47%</td>
<td>-12%</td>
</tr>
<tr>
<td>Flexible work arrangements</td>
<td>52%</td>
<td>45%</td>
<td>-7%</td>
</tr>
<tr>
<td>A culture of social acceptance for working mothers</td>
<td>50%</td>
<td>43%</td>
<td>-7%</td>
</tr>
<tr>
<td>Career development opportunities/plans</td>
<td>48%</td>
<td>38%</td>
<td>-10%</td>
</tr>
<tr>
<td>Mentoring and leadership programmes</td>
<td>39%</td>
<td>31%</td>
<td>-8%</td>
</tr>
<tr>
<td>Competitive wage and other financial benefits</td>
<td>41%</td>
<td>26%</td>
<td>-15%</td>
</tr>
</tbody>
</table>

A consistent finding of our research was the sharp disconnect between how men and women perceive their organisation’s efforts in supporting women in the workplace. Men generally have a stronger perception on the effectiveness of existing initiatives. For example, 59% of men think that organisations offer a viable maternity leave policy, compared to only 47% of women who share the same view (Figure 3).

The majority of both women and men felt that competitive wage and benefits were not supportive of women in the workplace. This issue warrants further research to validate the extent of pay and benefit differences between genders, and the resulting impact on motivation and performance results. This issue represents the strongest disconnect with a 15% gap between the perception of men (41%) and women (26%) (Figure 3).

When asked what measures organisations should put in place to support women’s career advancement in the workplace, an overwhelming majority of female respondents (80%) rated flexible work arrangements as important. This was followed by having a supportive immediate superior (73%) and career development opportunities/plans (72%) (Figure 4).

Again the disconnect was the strongest on competitive wage and other financial benefits with 23% gap between the perception of men (44%) and women (67%).

**FIGURE 4:** What should an organisation put in place to support women in the workplace and women’s career advancement?

<table>
<thead>
<tr>
<th>Measure</th>
<th>Male</th>
<th>Female</th>
<th>Gap (percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexible work arrangements</td>
<td>61%</td>
<td>80%</td>
<td>(19%)</td>
</tr>
<tr>
<td>Supportive immediate superior</td>
<td>59%</td>
<td>73%</td>
<td>(14%)</td>
</tr>
<tr>
<td>Career development opportunities/plans</td>
<td>59%</td>
<td>72%</td>
<td>(13%)</td>
</tr>
<tr>
<td>Competitive wage and other financial benefits</td>
<td>44%</td>
<td>67%</td>
<td>(23%)</td>
</tr>
<tr>
<td>A good maternity leave policy</td>
<td>50%</td>
<td>65%</td>
<td>(15%)</td>
</tr>
<tr>
<td>A culture of social acceptance for working mothers</td>
<td>58%</td>
<td>63%</td>
<td>(11%)</td>
</tr>
<tr>
<td>Childcare support facilities or policies</td>
<td>52%</td>
<td>63%</td>
<td>(5%)</td>
</tr>
</tbody>
</table>
Call to Action: To support women in the workplace

1. Improve the design and availability of Flexible Work Arrangements (FWA) to support women challenged by balancing familial and work responsibilities. The provision of FWA is most crucial for mothers with young families and should be made available for any woman who is in need of it. Women should not be penalised for using these benefits. Critically, FWA should also be available for men to enable them to contribute towards the responsibility of raising a family.

2. Having a supportive superior is fundamental, regardless of whether FWA and other programmes are institutionalised. Direct managers and supervisors will need to be coached and evaluated on how to avoid a 9 to 5 culture and favour productivity over visibility.

3. Large public listed companies and government agencies should take the lead and set the tone by initiating and establishing on-site childcare and lactation facilities that effectively support working mothers.

4. Organisations should publicly disclose pay and benefit differences between men and women as well as between working mothers and childless women by levels.

5. Gender parity should be embedded as a core value by weaving inclusivity into all organisational programmes to change culture, mindsets and behaviours that support women at the workplace.

6. Go beyond policy articulation by enforcing and implementing diversity policies. Create awareness and educate by sharing and communicating the programmes provided, e.g. buddy system, mentoring, support and networking systems as well as real-life peer experiences. This informs incoming and existing women employees that a support system is in place and available.
2. Retaining Women in the Workforce

While qualified women may join the workforce in larger numbers at the beginning of their careers, at mid-path their numbers begin to decline as they quit formal employment. The survey looked at why women take a career break and whether career breaks had a damaging effect on women’s prospects for returning to work and advancing their career further.

This research looked at whether career breaks had a damaging effect on women’s prospects for returning to work and advancing their career further. While 19% or almost 1 in 5 of female respondents had taken a career break themselves, 53% knew of female friends, colleagues or family members who took voluntary career breaks suggesting that the prevalence of career breaks among professional women is indeed high (Figure 5).

Not surprisingly, the main reason that women take a career break is to raise a family (41%) (Figure 6), largely consistent with ACCA-TalentCorp Report on Retaining Women in the Workplace published in 2013.

A significant number of women also took a break to address work-life balance issues (39%) or because their existing work arrangements lacked the flexibility (20%) in order to balance their other life demands. Both these factors are possibly inter-related and reflective of changes in lifestyle expectations and demands of the millennials.

16% of respondents cited health reasons for taking a career break. This is not insignificant however portends a worrying signal that demands further research & investigation.

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Most of those who took a career break did so within the first ten years of their career, with more than one third taking it between 5 to 10 years after joining the workforce. The vast majority of the breaks were typically for short durations – 59% of respondents were away for less than one year (Figure 7).

Despite the short tenure of most career breaks, almost two out of five women (38%) found it difficult to re-enter the workforce after a career break (Figure 8). This is a significant issue that calls for senior leaders in HR to reassess HR strategies and marketplace intervention to reattract an already skilled group of female professionals back to the workforce.

Survey respondents were also asked to identify the top 3 most important measures that organisations should put in place to help retain women in the workforce. An overwhelming majority of female respondents (83%) think that flexible work arrangements including part-time work could help retain women in the workforce. Other popular measures include childcare support facilities and policies and career development opportunities (Figure 9).

This is in line with the fact that family commitments were the main reason women opted for a career break.
Call to Action: To improve retention of women

1. Strong tone from the top in implementing FWA with oversight responsibility by a C-suite executive. This tone from the top must be cascaded clearly and consistently over time to effect changes in culture and demonstrate the active living of such values. Being on FWA should not preclude anyone from leadership positions, even at the top.

2. Exercise flexibility and offer a “menu” of family-oriented FWAs, from measures such as working from home, sabbatical leave and extended maternity leave to simpler privileges like allowing time off to pick up children from school.

3. Extend FWA privileges to men as well so they can pull their weight more equitably in supporting their spouses and children.

4. Clearly articulate a remuneration philosophy that links rewards to outputs and outcomes rather than physical presence onsite and hours worked. Allow for differentiated remuneration and reward packages based on different FWA choices.

5. Increase the availability of childcare support facilities on-site. Where such facilities are not practicable, establish policies that provide financial support with respect to childcare.

6. Advocate for targeted tax incentives and grants from the Government that incentivise employers who implement FWA measures as well as childcare facilities benefit.
3. Women in Senior Management and Boards

Despite numerous case studies that point to the relationship between diversity and business performance, women participation at senior management and board is still relatively low. The survey looked at barriers and challenges faced by women to move up the career ladder, and what steps can be taken by government, organisations and society to promote more women to senior management and board positions.

The most significant barrier for women rising to the pinnacle of executive leadership, by an overwhelming margin, is family commitments (Figure 10). This demonstrates the considerable effect of the ‘motherhood penalty’ in Malaysia.

The male-dominated environment (58%) and inflexible work arrangements (56%) were also significant challenges cited by female respondents. The survey findings also revealed a pervasive gap between the perception of men and women on barriers to women entering senior management and board (Figure 10).

![FIGURE 10: Barriers to women entering senior management and boards](image)

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**FIGURE 10: Barriers to women entering senior management and boards**

<table>
<thead>
<tr>
<th>Barriers</th>
<th>Men (%)</th>
<th>Women (%)</th>
<th>GAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family commitments</td>
<td>76%</td>
<td>71%</td>
<td>-5%</td>
</tr>
<tr>
<td>Male-dominated environment</td>
<td>41%</td>
<td>58%</td>
<td>17%</td>
</tr>
<tr>
<td>Inflexible work arrangements</td>
<td>38%</td>
<td>56%</td>
<td>18%</td>
</tr>
<tr>
<td>Lack of policies to support women's career advancement</td>
<td>37%</td>
<td>53%</td>
<td>16%</td>
</tr>
<tr>
<td>Lack of social acceptance for women in leadership roles</td>
<td>30%</td>
<td>51%</td>
<td>21%</td>
</tr>
<tr>
<td>Lack of childcare support</td>
<td>37%</td>
<td>42%</td>
<td>5%</td>
</tr>
<tr>
<td>Lack of ambition</td>
<td>36%</td>
<td>33%</td>
<td>-3%</td>
</tr>
</tbody>
</table>

**MOTHERHOOD PENALTY**

The motherhood penalty is a term coined by sociologists who argue that in the workplace, working mothers encounter systematic disadvantages in pay, perceived competence and benefits relative to childless women.

While the concept originally referred to disadvantages between mothers and women who were not mothers, the concept remains applicable in a wider context given the social-cultural environment, supported by the findings of this research, where the largest factor for women taking a career break is family commitments.
**THE SLOW PATH TO THE TOP**

The slow path to the top is not just experienced by Malaysian women. A recent report commissioned by ACCA from King’s College London and the ESRC (Economic and Social Research Council) compared the career trajectories of UK men and women in finance and accounting. It found that, while the career paths of men and women in the sector initially progress in near parallel, the careers of women decelerated in middle management, due primarily to limited peer sponsorship and a lack of high-profile projects or opportunities in comparison to men. It is at this stage that women take an average of seven years longer to progress up to the next tier – executive level – than their male counterparts.

**THE IMPACT OF DIVERSITY ON PERFORMANCE**

According to the Securities Commission inaugural Corporate Governance (CG) Monitor 2019, women make up only 23.7 percent of the top 100 listed companies boards as of 2018 (2016: 16.6 percent). The percentage of women in boards of all listed companies in December 2018 was much lower at 15.69%. In terms of senior management, women occupy 28 percent of such position in all listed companies.

The CG Monitor 2019 further highlighted several pieces of research which found that women participation on boards and senior management led to improved company performance. In 2018, a study was conducted over 403 listed companies on the Main Market of Bursa Malaysia, which showed a correlation between a company’s overall return on assets with the number of women directors on its board – the more women on the board, the better the return on asset. For companies with 30% or more women on the board, an increase of up to 8% of the total return on assets of the company was observed.

The 2016 Credit Suisse Gender 3000 Report covering 3,400 companies worldwide, found that companies with at least one female director generated a compound excess return of 3.5% for investors over the previous decade. Companies where more than 15% of senior managers were women had a 50% higher profitability rate than companies with fewer than 10% female senior managers.

In 2018, McKinsey studied over 1,000 companies covering 12 countries and found that companies in the top quartile for gender diversity on executive teams were 21% more likely to outperform on profitability and 27% more likely to have superior value creation (McKinsey, Delivering through Diversity, 2018).

**THE 30% TARGET**

The Securities Commission Malaysia (SC) has set a target to have 30% women on the board of the top 100 listed companies by end 2020. The SC believes this target is achievable given that the participation levels is now at 23.7%. Assuming that the number of board positions remain constant, women need to hold another 54 board positions in the top 100 listed companies to achieve the 30% target.

As at 31 December 2018, there were 55 (male) independent directors who had served for more than 9 years on the boards of the top 100 listed companies. These boards should take the opportunity to refresh its composition to meet the challenges ahead.

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5. Commissioned by ACCA and conducted by King’s College London and the Economic & Social Research Council (ESRC) Research report “The Slow Path to the Top: The Careers of Women in Finance and Accounting”
6. The Securities Commission Malaysia (SC) Corporate Governance Monitor 2019
DOES A GLASS CEILING EXIST? DEPENDS ON WHO IS LOOKING!

Interestingly, nearly 60% of men said a glass ceiling does not exist (Figure 11), whereas nearly one-third of women said it does. The fact that another one-third of women neither agreed nor disagreed with the presence of a glass ceiling – is both significant and negative. Women should be able to definitively believe that it does not exist.

There is a vital need for those in positions of power to effect organisational and behavioural change through systemic, structural and cultural reforms to optimise women’s potential. This includes implementing leadership and sponsorship programmes and flexible work arrangements to enable more women to progress to executive positions. The roundtable discussion raised the need for sponsorship and not just mentoring, when superiors act as advocates for high-performing women. Interestingly, more men (39%) than women (29%) felt that appointment processes relating to executive positions needed to be fairer while more women respondents (32%) emphasised the importance of addressing pay equality at executive level. (Figure 12)

The roundtable revealed divisive views on whether the government should impose further regulations to mandate more women in senior management and boards. On the downside, additional regulatory and compliance measures could result in a box-ticking mindset and approach at the expense of delivering the desired results. On the upside, getting more PLCs to disclose their board-approved strategies to achieve targets for women representation at executive levels could be effective in keeping them honest and accountable. Regulators would need to engage companies to help them actually achieve the targets.
Call to Action:
To promote more capable women to senior management and board positions

1. Boards and senior management should be seen living the values of endorsing and promoting diversity of talent across all levels and dimensions, not just gender. The promotion of diverse talent should not be seen as a ‘box-ticking’ exercise but rather embraced for the performance enhancement prospects and because it is the ‘right thing to do’.

2. Redesign leadership and mentoring programmes to consciously promote diversity across relevant dimensions, not just gender. Ensure that high-performing women at middle management are provided with holistic support in acquiring the key qualities needed for senior leadership - executive presence and charisma; big-picture and integrated thinking; and ease with networking.

3. Integrate sponsorship into talent development and succession planning programmes of the company. Sponsors help drive their protégés career vision. They use their influence and networks to connect them to high-profile assignments, people, pay increases and promotions. Sponsors are directly interested in the upward movement of their protégé.

4. Global best practices that neutralise prejudices such as lookism and sexism should be adopted. The benefits and perquisites at senior management and board levels should be made more inclusive, moving away from classical approaches that favour men, such as golf club memberships, executive cars, etc.

5. Government should advocate and position diversity as a strategic issue that affects the entire economy and nation-building. To this end, organisations that champion diversity in substance should be recognised. This will raise the bar for diversity and inclusivity and encourage others to follow suit.
4. Sexual Harassment

Sexual harassment in the workplace affects the safety, security and emotional well-being of female employees. There is no point in creating opportunities for women to climb up the career ladder if basic rights against sexual harassment are not addressed. The survey looked at the prevalence of sexual harassment amongst professional women, how they responded in such situations and what remedial actions can be taken by the government and organisations to prevent it.

SEXUAL HARASSMENT

Definition of Sexual Harassment in Malaysia

Article 4 of the The Malaysian Code of Practice (Prevention and Eradication of a Sexual Harassment At Workplace, 2000) defines it as any form of “Sexual Advances” or Sexual Favours whereby submission to such conduct is made explicitly (actions) or implicitly (intention) and it is repeated and interferes with your job.

The Employment Act 1955 under Section 2, defines sexual harassment as any unwanted conduct of sexual nature, whether verbal, non-verbal, visual, gestural or physical, directed at a person which is offensive or humiliating or is a threat to his well-being, arising out of and in the course of his employment.

The last aspect in this study on factors affecting women’s advancement in the workplace was sexual harassment. Sexual harassment in the workplace affects the safety, security and emotional well-being of employees. From our review of available literature, there are not many studies which specifically looked at sexual harassment specifically in the professional workplace in Malaysia.

It has to be appreciated that the survey was targeted to professional women and men. Against this background, the incidence of sexual harassment in the workplace among professionals is alarming. More than 1 out of 4 women reported that they have either experienced or witnessed sexual harassment at work (Figure 13).
The last aspect in this study covers sexual harassment in the workplace amongst professionals. It is alarming to note that more than 1 out of 4 women have either experienced or witnessed sexual harassment at work (figure 13).

84% of the survey respondents took some form of action to report the harassment, both through formal and informal channels. The two most common actions involved informing a friend and a family member (37%) as well as informing the immediate superior (37%) (Figure 14).

29% of women confronted the abuser, demonstrating courage and strength to stand up against such behaviour. However what is of concern is that only 18% of women informed HR and another 12% reported the incident to authorities. This signals an appallingly low level of trust in reporting such matters to those empowered with the responsibility to investigate and take the appropriate action in such cases.

40% of those surveyed said that they are unaware of any company initiatives to address sexual harassment in their workplace. Such a high percentage, is clearly unacceptable and raises the need for organisations to do more to improve how it safeguards its employees as well as how it communicates these measures to them (Figure 15).

Of those who were aware of their company’s initiatives to combat sexual harassment, the percentage of those in public practice was far lower (53%) than in corporates (70%). This demonstrates a stronger need for leaders of public practice firms to improve their measures with regard to protecting against sexual harassment.

Alarmingly, none of the measures that organisations have in place to address sexual harassment received more than a 50% response - suggesting a weak culture and environment in dealing with a fundamental violation of human rights. Only 43% of respondents could cite the existence of a policy on sexual harassment, while 28% were aware of a clear process for reporting sexual harassment. Very few respondents could speak of the existence of training on sexual harassment for all employees or mandatory training during orientation (10%) (Figure 15).

If sexual harassment is to be effectively curtailed, these numbers have to be far higher.

84% took some kind of action
Call to Action:
To more effectively address sexual harassment and create a safer workplace

1. Boards and senior management should bring about a cultural and mindset change to strengthen awareness and protection against sexual harassment. A healthy organisational culture values openness and provides safe channels for everyone to speak out with anonymity, confidentiality and adequate protection. Leaders are urged to be persistent as culture change takes years. Tone from the top and engaging employees at all levels is vital to embedding a values-based culture. It is also imperative to educate and communicate constantly on sexual harassment to bridge awareness gaps e.g. circulating a video on acceptable and non-acceptable behaviours to all employees.

2. Human Resource Leaders should reform organisational processes to avert toxic sexual behaviour and offences. These include establishing and executing a comprehensive onboarding programme that defines acceptable and non-acceptable behaviour, drafting a well-thought out reporting process on sexual harassment, and circulating email blasts once an issue has been reported and investigated, and perpetrators disciplined to deter future offences.

3. Strengthen the legal environment. Malaysia does not currently have a separate Sexual Harassment Act. Sexual misconduct is however covered in the Employment Act, which defines the boundaries of acceptable and unacceptable conduct. However, given the increasing incidences of sexual harassment, both in the workplace and elsewhere, it is timely for legislators to consider separate sexual harassment legislation which addresses the safety of all employees in the workplace.

4. Create the right supportive processes and mechanism, e.g. establishing a support group or network where people feel safe to speak out without penalty. A group setting could foster empathy and confidence, and could alleviate cultural antipathy towards speaking out and rocking the status quo. A more open culture will empower employees to reject what they define as unprofessional behaviour that violates their comfort zone, well before it escalates into observable sexual harassment.

5. Business leaders should engage with other stakeholders on the issue as it is the collective responsibility of all sectors to speak out and take action against sexual harassment. Ideally, the values and culture of protecting sexual and gender rights should be inculcated in youths from school.
Conclusion

Progress on gender diversity in the workplace faces significant cultural and structural impediments. Significant gender gaps exist in the assessment of progress made to date as well as the effectiveness of existing interventions. Disconcertingly, gender discrimination is seen to rise with seniority.

FWA, having supportive immediate superiors, targeted development and mentoring programmes, eradicating cultural bias and ensuring equal pay represent solutions towards greater retention of women in the workplace and enable their advancement to executive positions.

However, improvements are needed in both the design and execution of these initiatives if meaningful progress is to be advanced.

Boards and senior management have to set a strong tone from the top. They need to play a more active role in elevating the discourse on diversity as a strategic issue in this country – at micro and macro levels. The values and culture of the organisations they lead need to visibly demonstrate that diversity matters.

Finally, the Government plays a key role in driving the nation’s talent and diversity agenda. The need to revamp or introduce new legislations, guidelines and incentives are key to prepare and build Malaysia’s talent pipeline required for the future.

“We believe that it’s every organisation’s responsibility to support diversity and to review and revise the way they support and open up opportunities to women”

Helen Brand
Chief Executive ACCA
Acknowledgement

ACCA would like to thank all invited guests who participated at the roundtable and contributed insights to the report.

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<tr>
<th>No</th>
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<th>Designation</th>
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<tr>
<td>1</td>
<td>Aisah Eden</td>
<td>Executive Vice President</td>
<td>Sarawak Energy Berhad</td>
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<td>2</td>
<td>Arun Menon</td>
<td>Managing Director</td>
<td>Ipsos Malaysia</td>
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<td>3</td>
<td>Chong Sook Leng</td>
<td>Head of Human Resource</td>
<td>Tokio Marine Malaysia</td>
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<td>Devanesan Evanson</td>
<td>Chief Executive Officer</td>
<td>Minority Shareholders Watch Group (MSWG)</td>
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<td>5</td>
<td>Dr Marcella Lucas</td>
<td>CEO</td>
<td>LeadWomen Malaysia</td>
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<td>Edward Ling</td>
<td>Country Head</td>
<td>ACCA Malaysia</td>
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<td>7</td>
<td>Grace Chan</td>
<td>Senior General Manager of Group Human Resource</td>
<td>Berjaya Corporation Berhad</td>
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<td>Partner</td>
<td>Deloitte SEA</td>
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<td>Sarawak Energy Berhad</td>
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<td>President/CEO</td>
<td>Institute of Corporate Directors Malaysia (ICDM)</td>
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<td>Sivakumeren A Narayanan</td>
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<td>Yang Berhormat Nurul Izzah Anwar</td>
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<td>YBhg Datin Mornifairos</td>
<td>Executive Vice President, People Leader, GHC</td>
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<td>YBhg Dato' Hamidah Naziadin</td>
<td>Group Chief People Officer</td>
<td>CIMB Group Holdings Berhad</td>
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<td>Managing Partner, Audit &amp; Assurance</td>
<td>Baker Tilly Malaysia</td>
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<td>Group Head Internal Audit</td>
<td>Malaysia Airlines</td>
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<td>YBhg Datuk Alexandra Chin</td>
<td>Chair</td>
<td>ACCA Malaysia Women’s Network</td>
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<td>27</td>
<td>Yee Wing Peng</td>
<td>Country Managing Partner</td>
<td>Deloitte Malaysia</td>
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Note: The participants's designation and organisation are at the point of the roundtable in March 2019.
To the men who throughout generations, have advocated for and empowered women in their professional career advancement.

Empowering the Advancement of Women in the Workplace
About ACCA

ACCA (the Association of Chartered Certified Accountants) is the global body for professional accountants. We aim to offer business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management.

Founded in 1904, ACCA has consistently held unique core values: opportunity, diversity, innovation, integrity and accountability. We believe that accountants bring value to economies in all stages of development. We aim to develop capacity in the profession and encourage the adoption of consistent global standards. Our values are aligned to the needs of employers in all sectors and we ensure that, through our qualifications, we prepare accountants for business. We work to open up the profession to people of all backgrounds and remove artificial barriers to entry, ensuring that our qualifications and their delivery meet the diverse needs of trainee professionals and their employers.

We support our 219,000 members and 527,000 students in 179 countries, helping them to develop successful careers in accounting and business, with the skills required by employers. We work through a network of 110 offices and centres and more than 7,571 Approved Employers worldwide, who provide high standards of employee learning and development. Through our public interest remit, we promote appropriate regulation of accounting and conduct relevant research to ensure accountancy continues to grow in reputation and influence.