Hong Kong’s Female Talent Pipeline
About the study

Hong Kong is known for being a business-first city, which is why it is so surprising that the female participation rate in the workforce is one of the lowest across Asia, standing at just 54%. Hong Kong is grappling with a unique set of social, economic and demographic challenges. Not only are we experiencing a declining birth rate, but we have a rapidly aging population, resulting in a shrinking working population.

According to a recent survey by the Hong Kong Census and Statistics department, approximately 40% of women drop out of the workforce due to caring responsibilities. A woman’s role is still seen as the primary caregiver in the family and for the millions of women who do work, they face a constant juggling act as they manage family commitments and some of the longest working hours in the world. Women are more adversely affected than men by ‘time poverty’ as the expectation to manage the household accounts for almost 3 hours of unpaid work a day in Hong Kong. For Hong Kong to continually progress, it makes good business sense to unleash the economic potential of more than half of the total population.

The Female Talent Pipeline is the most comprehensive study ever undertaken in Hong Kong, exploring female talent across multiple sectors. The University of Hong Kong, Faculty of Business and Economies and Meraki Executive Search & Consulting have committed to publishing this report annually to support the drive to embed diversity and inclusion into the heart of business. This study aims to give companies and employees the information they need to track their current progress, support the advancement of women in the workplace and improve the representation of female employees within their organizations.

Over 200 companies engaged in the study – more than a quarter shared their pipeline data (representing more than 200,000 Hong Kong employees in total), and completed a survey of their talent management practices. In addition, more than 100 women of all ages were surveyed on their views, and we interviewed business and HR leaders for further insights and practical application of key initiatives.

For more information, or to sign up to participate in the 2019 study, please visit www.wdpinternational.com

---

1 World Bank 2017: https://www.theglobaleconomy.com/Hong-Kong/Female_labor_force_participation/
3 Thematic Household Survey Report #56, 2015: Women on average spent more time (2.7 hours) on unpaid work (homemaking and caring activities), than men (0.8 hour), Pg 15 (link as above)
We are delighted to present the inaugural Hong Kong’s Female Talent Pipeline Study.

As an institution at the heart of Hong Kong we are committed to ensuring the ongoing progress of our city. At The University of Hong Kong, we see 54 per cent women at the undergraduate level, yet despite this abundance of talent, this study shows the female representation at senior management level in companies across the city, stands at only 29 per cent. Our seven year partnership with the team at Meraki Executive Search & Consulting on the Women’s Directorship Programme has contributed to our focus on women in leadership, and we are pleased to be extending the series to address the retention of female talent in the workforce through the Women’s Development Programme.

For the first time this report lays out in detail the female talent pipeline in Hong Kong. We now have a benchmark with which to track our progress. Clearly things need to change. Organisations need to take action to tackle the fall out of more than 24 per cent female talent from their ranks.

There is no one size fits all solution – each organisation needs to tailor its own resolution to this issue, taking into account the unique challenges faced within the corporate culture. But the underlying message of the study is that without real focus and a concerted effort, we will see no change.

More than half of Hong Kong organisations are not even tracking this type of pipeline data – we hope in future years that data tracking will be standard practice across every company. The first step is measurement.

Prof. Haipeng Shen, HKU Business School

The people of Hong Kong are dedicated, determined and ambitious – the possibilities of what we can achieve are endless. So holding back our city’s potential by stifling half of the workforce is nonsensical and must change. Agile working needs to be embraced, enabling employees greater say over how, when and where they work. We need to be courageous and open minded if we are to bridge the gap. An attitude of “that’s not what my experience has shown”, “that wouldn’t work in our company” or “that’s the way we have always done it” has no place in the modern world. Let’s live up to our potential and embrace the diversity of our city to enhance innovation and competitiveness.

We call on all business leaders and policy makers to take action today, to set Hong Kong on a positive path for the future. Huge thanks to all the companies who participated in this inaugural study – we are very grateful for your support in making change happen. The time for action is now.

Kirti Lad, Meraki Executive Search & Consulting

Many years ago we set out to embark on changing the face of the boardroom to better reflect the wealth of female talent in Hong Kong. However, the key challenge has always been the management of the talent pipeline from the grassroots level, to ensure that women in the workplace have access to equal opportunities as they advance in their careers.

This report lays bare the stark reality we face in Hong Kong, highlighting how women in droves opt out of the workforce at the mid-level upwards, resulting in a dearth of senior female talent. Clearly things need to change. If we continue the same pattern, we will end up with the same result.

We recognise that a shift in mindset takes time, but if we do not address the gender imbalance in the workplace now, then we stand to face an even bigger issue down the road. Without moving forward, as other countries make great strides around us, Hong Kong will slip further behind. Hong Kong is generally willing to break barriers and take risks – we are a city of great business minds, innovators and pioneers.
Key Findings

1) Systemic bias - Hong Kong accepts women’s underrepresentation

Hong Kong has a clear problem managing the female talent pipeline - the participation rate falls as seniority rises, by an average of 24 per cent. Yet, many companies in Hong Kong are blind to the problem, reporting they don’t have a problem managing the female talent pipeline. In reality, only 28 per cent of participating companies exceeded the mean across all levels of management. This is a sign of the systemic bias present in Hong Kong - there is an embedded belief it is acceptable for women to be so underrepresented.

In 12 per cent of cases, companies have less than 30 per cent female representation at senior management, expressing they had ‘no problem’ managing the female talent pipeline. They felt this was ‘a good and acceptable’ representation for their industry and in comparison to their competitors. These are alarming admissions, which were backed up by the findings from female Hong Kong employees, with gender stereotypes and unconscious bias reported as the top barrier to women achieving their career aspirations.

Key insight: Tackle Hong Kong’s systemic bias – bias is normal but not acceptable

The fallout of female talent through the pipeline not only represents a huge opportunity cost of lost talent potential and business disruption, but also through a lack of diverse perspective and viewpoints - often the key to game-changing and innovative thinking. The message must be shared; bias is normal, but it’s not acceptable. This needs to start at the top, to come from both men and women, and be reinforced at every level of the business.

Female participation rate falls as seniority rises

Women in the Hong Kong Workforce (2018)

28 per cent of participating companies exceeded the Hong Kong mean across all levels of management.

2) Diversity commitments and measurement

Staggeringly, more than half of the companies engaged in this study\(^5\) are not actively measuring and tracking female talent pipeline data. If you are not measuring it, you can’t improve it.\(^6\)

Formal commitments that have been made do not always translate to positive action. As one company (with over 1000 employees in Hong Kong) shared: “We have initiatives in place to advance career progression on paper, yet management lacks all interest in following through, so women quit.”

MNCs have a better handle on this issue than some of their local counterparts because gender equality is seen as a more pressing issue in the West (MNCs have on average a 9 per cent higher total female workforce representation rate). In the main, Hong Kong based companies are at the early stage of this journey, highlighted by the fact that of over 200 companies engaged in this study, just over a third tracked this data.

Key insight: Deliver on promises made

What companies say they are going to do needs to marry with their behaviour - otherwise they stand to lose their best talent.

This is particularly pertinent in Hong Kong as the study findings highlight that many are at risk of merely paying lip-service to the issue rather than deploying any meaningful transformations. The majority of companies involved in the study indicated they are focused on improving the gender balance (67 per cent) but many are only initiating tactical efforts versus a long term strategy that is necessary to drive change. Diversity and inclusion must be owned by the Chairman and CEO of the company and dealt with as a proactive business priority, therefore measurement is the essential first step on the road to change.

\(^5\) The study group reached out to over 200 companies with operations in Hong Kong, but discovered that more than half of them are not tracking their diversity data. 59 companies were able to supply complete data.

\(^6\) Paraphrased from Peter Drucker
Hong Kong’s Female Talent Pipeline

In 2016, there were 68,000 self-employed women in Hong Kong – a rising trend over the past decade [Hong Kong Women in Figures 2017].

The study clearly points to the fact there is no silver bullet to managing the female talent pipeline. The answer lies in culture and workforce behavioural change. The management of the female talent pipeline is a long-term commitment tied to real business outcomes, so ownership from senior management is essential.

The first step involves tracking the data and taking stock of the situation. A plan tailored to the individual business circumstances is required, taking into account the current working culture and environment, engaging every member of the workforce (this is a business issue, not a gender-specific issue). There are numerous initiatives (see recommendations page 12) that have been deployed by organisations resulting in keeping women engaged and motivated. These can be introduced depending on the need and appetite of the company in question.

**Leading practice example: KPMG**

KPMG is a large corporate making efforts to break the trend, reporting positive results from its commitment to improving the gender balance of its workforce. The company has introduced a raft of measures to address the diversity and inclusion of their global workforce, including flexible work arrangements, proactive career planning and objective identification of high potential, leadership and development training, international job swaps and employee engagement initiatives and this is paying dividends in Hong Kong.

“We actively identify our stronger talent and are putting in additional programmes in order to retain them – it just makes good business sense.” Grant Jamieson, KPMG.

**4) There is no one size fits all solution**

The study clearly points to the fact there is no silver bullet to managing the female talent pipeline. The answer lies in culture and workforce behavioural change. The management of the female talent pipeline is a long-term commitment tied to real business outcomes, so ownership from senior management is essential.

The first step involves tracking the data and taking stock of the situation. A plan tailored to the individual business circumstances is required, taking into account the current working culture and environment, engaging every member of the workforce (this is a business issue, not a gender-specific issue). There are numerous initiatives (see recommendations page 12) that have been deployed by organisations resulting in keeping women engaged and motivated. These can be introduced depending on the need and appetite of the company in question.

Companies that exceeded the average at all levels, report meaningful job scope and career planning (33 per cent) and flexible work policies (33 per cent) as the most effective tools an organisation can introduce to support and advance female talent. The remainder highlighted coaching, sponsorship and ongoing training and development.

As one participating company noted: “Career coaching and planning with real goals and stretch assignments are the most effective.”

---

7 In 2016, there were 68,000 self-employed women in Hong Kong – a rising trend over the past decade [Hong Kong Women in Figures 2017]
5) Hiring challenges persist at the senior managements levels

The majority (81 per cent) of companies in Hong Kong report no problem in hiring talent at the entry to mid-management levels, but have the greatest problem at senior management and the board (86 per cent). This is reflective of a smaller number of experienced candidates available in the marketplace as the participation level decreases.

As a result, the onus is on companies to significantly increase their hiring efforts to discover the female talent available in the marketplace, and to take a more progressive approach to promoting from within.

Key insight: Review talent management processes

Companies currently lose a high proportion of their female talent between mid to senior level management - mid-level (28 per cent) and senior management (45 per cent) represent the greatest retention problems for companies - only to then spend millions of dollars hiring senior female leaders in an attempt to plug the gap and inject some diverse perspectives / fresh thinking. Clearly, if you do not have a strong female pipeline, then you must search externally for talent that will help transform your firm.

Those companies with better female talent management pipelines recognise the need to change their promotion processes to enable women to access equal opportunities. If the talent is not available externally then retaining and stretching existing talent is the only solution. Tackling the issue of how talent is promoted is a business imperative, leaders need to recognise and address this issue now, before the gap gets any wider. Companies must review how individuals are assessed and how ‘potential’ is classified.

6) Hong Kong’s most gender balanced industries

Retail (at 79 per cent total representation), Consulting (62 per cent) and Hospitality & Leisure (61 per cent), represent the most friendly industries to women. Financial services (40 per cent), FMCG (42 per cent) and Industrial / Telecoms (43 per cent) represent the least gender balanced.

7) 92% of women in Hong Kong face barriers reaching their aspirations

No matter their age, women in Hong Kong report they face an uphill battle in the workforce.

Top barriers faced by women currently in work:
1. Gender stereotypes and unconscious bias
2. A lack of promotional opportunities within their companies / a lack of sponsors and champions
3. Family commitments

Top barriers faced by women currently not working (studying / full time mothers / career break):
1. Family commitments / expectations
2. Gender stereotypes and unconscious bias / A lack of self-confidence
3. A lack of opportunities within my industry
## Ranked by senior management female representation

<table>
<thead>
<tr>
<th>Industry</th>
<th>Total</th>
<th>Mid-Level Management</th>
<th>HK Senior Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>79%</td>
<td>75%</td>
<td>60%</td>
</tr>
<tr>
<td>NGO</td>
<td>54%</td>
<td>61%</td>
<td>60%</td>
</tr>
<tr>
<td>Consulting</td>
<td>62%</td>
<td>51%</td>
<td>42%</td>
</tr>
<tr>
<td>Hospitality &amp; Leisure</td>
<td>61%</td>
<td>50%</td>
<td>38%</td>
</tr>
<tr>
<td>Media</td>
<td>60%</td>
<td>64%</td>
<td>36%</td>
</tr>
<tr>
<td>Banking &amp; Insurance</td>
<td>56%</td>
<td>45%</td>
<td>32%</td>
</tr>
<tr>
<td>Technology</td>
<td>52%</td>
<td>32%</td>
<td>32%</td>
</tr>
<tr>
<td>FMCG</td>
<td>42%</td>
<td>38%</td>
<td>32%</td>
</tr>
<tr>
<td>MEAN</td>
<td>53%</td>
<td>41%</td>
<td>29%</td>
</tr>
<tr>
<td>Financial Services (non-banking &amp; insurance)</td>
<td>40%</td>
<td>27%</td>
<td>17%</td>
</tr>
<tr>
<td>Telecoms</td>
<td>43%</td>
<td>24%</td>
<td>15%</td>
</tr>
<tr>
<td>Other (including conglomerates)</td>
<td>68%</td>
<td>52%</td>
<td>10%</td>
</tr>
<tr>
<td>Industry</td>
<td>43%</td>
<td>14%</td>
<td>2%</td>
</tr>
</tbody>
</table>

## Ranked by female talent retention and progression

<table>
<thead>
<tr>
<th>Industry</th>
<th>Total</th>
<th>Mid-Level Management</th>
<th>HK Senior Management</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>NGO</td>
<td>54%</td>
<td>61%</td>
<td>60%</td>
<td>+6%</td>
</tr>
<tr>
<td>FMCG</td>
<td>42%</td>
<td>38%</td>
<td>32%</td>
<td>-10%</td>
</tr>
<tr>
<td>Retail</td>
<td>79%</td>
<td>75%</td>
<td>60%</td>
<td>-19%</td>
</tr>
<tr>
<td>Consulting</td>
<td>62%</td>
<td>51%</td>
<td>42%</td>
<td>-20%</td>
</tr>
<tr>
<td>Technology</td>
<td>52%</td>
<td>32%</td>
<td>32%</td>
<td>-20%</td>
</tr>
<tr>
<td>Hospitality &amp; Leisure</td>
<td>61%</td>
<td>50%</td>
<td>38%</td>
<td>-23%</td>
</tr>
<tr>
<td>Financial Services (non-banking &amp; insurance)</td>
<td>40%</td>
<td>27%</td>
<td>17%</td>
<td>-23%</td>
</tr>
<tr>
<td>MEAN</td>
<td>53%</td>
<td>41%</td>
<td>29%</td>
<td>-24%</td>
</tr>
<tr>
<td>Media</td>
<td>60%</td>
<td>64%</td>
<td>36%</td>
<td>-24%</td>
</tr>
<tr>
<td>Banking &amp; Insurance</td>
<td>56%</td>
<td>45%</td>
<td>32%</td>
<td>-24%</td>
</tr>
<tr>
<td>Telecoms</td>
<td>43%</td>
<td>24%</td>
<td>15%</td>
<td>-28%</td>
</tr>
<tr>
<td>Industry</td>
<td>43%</td>
<td>14%</td>
<td>2%</td>
<td>-41%</td>
</tr>
<tr>
<td>Other (including conglomerates)</td>
<td>68%</td>
<td>52%</td>
<td>10%</td>
<td>-58%</td>
</tr>
</tbody>
</table>

For more industry insights please visit: [www.wdpinternational.com](http://www.wdpinternational.com)
In depth findings - company size insights:

<table>
<thead>
<tr>
<th>Company size</th>
<th>Total workforce female rep</th>
<th>Mid-Level Management</th>
<th>HK Senior Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Small organisations &lt;50 employees</td>
<td>61%</td>
<td>64%</td>
<td>56%</td>
</tr>
<tr>
<td>2 SMEs &lt;500 employees</td>
<td>59%</td>
<td>57%</td>
<td>45%</td>
</tr>
<tr>
<td>3 Large organisations &gt;500 employees</td>
<td>52%</td>
<td>34%</td>
<td>22%</td>
</tr>
<tr>
<td>4 HK’s largest employers &gt;10,000 employees</td>
<td>48%</td>
<td>41%</td>
<td>37%</td>
</tr>
</tbody>
</table>

Female brain drain at large corporates

Large employers (companies with over 500 employees) see the greatest drop in representation - by more than half (from 52 per cent total -> 22 per cent HK senior management). Companies with more than 500 employees who report senior female talent being their greatest retention challenge (22 per cent of total survey population) demonstrate a 35 per cent fall in representation from total to senior management (54 per cent -> 19 per cent).

Multinational companies are typically ahead of the game in terms of their diversity focus – as a result they see a much higher female participation rate in their workforce than their local counterparts (58 per cent vs 49 per cent). However they experience a similar level of female talent fall out at senior management level (33 per cent vs 26 per cent) a decrease of 25 per cent and 23 per cent respectively.

Brain drain at large organizations benefits smaller outfits

As highlighted in the Top Finding #3 (see page 6), Hong Kong’s smallest employers (companies with under 50 employees) demonstrate the highest proportions of female talent across all levels of hierarchy. These companies are benefitting from the exceptional female talent we have in Hong Kong by offering tailored work solutions – enabling employees to have greater flexibility and control of their time, thereby attracting top female talent. Small employers also retain most of their female talent – particularly at the senior level. The representation of women in senior management is nearly on a par with the total workforce figure, the result of small companies retaining and promoting women through their ranks (total workforce 61 per cent -> 56 per cent of HK senior management).

Companies with under 250 employees report only a 13 per cent drop (from 51 per cent to 38 per cent). As a juxtaposition, Hong Kong’s largest employers (typically those who have made commitments to improving diversity in their workforce) also report more positive pipeline data (total 48 per cent -> 37 per cent HK senior management) although from a lower total representation level.

Women in senior management (2018) by company size
In depth findings - insights from Hong Kong Women:

Participant demographics – study population

Highly educated sample:
21% post graduate education, 58% with a university degree

Career stage:
- Students 20%
- Early career 10%
- Mid-career 32%
- Senior career 37%
- Retired 1%

Nationality:
40% were born in Hong Kong

Family status:
43% have children. Of those with children, 13% don't work, the other 30% are employed - half work full time and the other half are self-employed or work part time.

Women seek flexibility in their 30s onwards
This coincides with raising families. Those with children who are currently working (30 per cent), half of them who are working part time or are self-employed are those with young children. They are mainly employed by small-privately owned companies or family-owned entities. Those who are granted flexibility report being happy in their current roles. Others are worried about re-entry to the workforce as they face the ‘Motherhood Gap’ – those who have chosen to take time out of work to care for their children fear major barriers to re-entry.

Hong Kong women lack role models
59 per cent highlight they don't have any role models. Of those who do, 5 per cent cite family members, 6 per cent cite people they have worked with / former bosses, 3 per cent cite Asian women such as Anson Chan and Nora Wu. The others highlight mainly Western role models such as Emma Watson, Michelle Obama and Sheryl Sandberg demonstrating the opportunity Hong Kong has to inspire the vision and direction of aspiring female talent.

Despite this, Hong Kong women have big aspirations
More than half (64 per cent in total) aspire to senior management (26 per cent) or the board (38 per cent). 16 per cent report they are happy in their current role (more than half have achieved senior level management role).

9 out of 10 women face barriers reaching their desired position
The majority (92 per cent) of respondents report some form of barrier to reaching their career aspirations from gender stereotypes / unconscious bias to a lack of promotional opportunities, from family commitments to a lack of self-confidence (for more information see Key Finding #7 – page 7).

Pay gap and the motherhood penalty in Hong Kong
38 per cent believe the pay gap will have disappeared by 2045, with the majority expecting it to take more than 25 years. 10 per cent believe the pay gap will never disappear. As one respondent noted: “The world is slowly moving in the right direction and the youth of today won't tolerate being discriminated against.”

The motherhood penalty is very evident to Hong Kong women – many observe the need to choose between work and family, which backs up the findings from a number of Hong Kong focused studies such as the EOC Study and the HKF 2018 study. For those who have children there is also the sense of acceptance that they may need to take a pay cut, not get promoted, or may need to switch roles or industries to gain the flexibility they desire.

Greater opportunities in the future
Most agree (71 per cent) that women nowadays have greater access to opportunities than previous generations. There is a sense of optimism. The majority cite the normalisation of women working now.

---

8 The ‘Motherhood Gap’ is the term coined to define the choice faced by mothers – either women take maternity leave and return straight to work, or they take a break knowing their career may never recover.

9 53% of employers do not want to hire women with young children (EOC Study) this is quite clearly a major problem: https://www.scmp.com/news/hong-kong/politics/article/2136552/will-hong-kongs-problem-long-working-hours-ever-come-end

10 The HKF 2018 recent study demonstrated that as much as there is positive sentiment surrounding encouraging women's participation in the workforce, there is still the societal expectation that women should be the primary stay-at-home caregivers: https://www.humanresourcesonline.net/hongkongers-clashing-views-towards-women-at-work/?utm_campaign=20181031_hrdaily&utm_medium=email&utm_source=HR&utm_content=feature
Insights and perspectives from Hong Kong women:

**Improving the boardroom gender balance**

“Adopt compulsory quotas for a period of 10 years and the problem of gender diversity will disappear.”

“Impose a limit on how many mandates one iNED can take on in Hong Kong.”

“We need a greater focus on educating shareholders about the value of board diversity. The focus is often around educating the Board or those operating in the space, and yet shareholders are the ones who stand to benefit. Greater transparency and greater interest would exist as a ‘pull’ mechanism.”

**Reaching senior roles**

“Family background and parental financial status is critical to career success, even into your 40s. This has more impact than gender and I believe exacerbates yearly.”

“It is not that women have not reached senior management positions within the company, but most who have are superheroes with great experience and qualifications compared to most of their male counterparts.”

**Motherhood penalty**

“It’s more the ‘Parenting pay gap’, if a man took 10 years off to parent he would struggle with many of the same issues. Women are more likely to take the career break so that is how it manifests.”

“There is a huge lack of opportunities for working mothers in Hong Kong – very few companies offer flexibility and as a result many women have no choice but to opt out of the workforce.”
What can Hong Kong do?

“Gender equality is not and should never only be a women’s issue, but should concern and engage both genders.” — Carrie Lam, Chief Executive, Hong Kong SAR (Celebration of International Women’s Day 2018)

First and foremost, we must recognise that Hong Kong has a clear problem. This study (which represents approximately 5 per cent of the Hong Kong workforce) highlights an average decrease of 24 per cent female participation from entry to senior management.

Despite many companies reporting they have ‘no problem’ retaining or hiring female talent, the numbers show otherwise. Women are dropping out of the workforce from the mid-level onwards mainly caused by a lack of flexibility, opportunity and choice, as they try to marry their ambitions and societal expectations. Hong Kong’s working culture is not fit for purpose - women should not have to choose career over family, or vice versa as we near 2020.

Without government policies in place to lead the charge, business leaders need to take on the mantle themselves. There are a number of factors that will serve to accelerate the gender equality evolution; there is increasing investor interest in ESG (environmental, social and corporate governance) and gender-related commitments, inclusive firms continue to report superior performance, globally capital control is shifting towards women, and the war for talent is intensifying.

Hong Kong has a major opportunity on its hands with the wealth of female talent that is currently underutilised. However there is no one size fits all solution to managing the female talent pipeline. The key lies in recognising that there is an issue that needs to be addressed and taking stock of the situation before committing to action.

Recommendations:

Step 1: Track the data and mobilise the organisation

First and foremost, every organisation needs to be tracking the data of the female talent pipeline – at all levels and functions. Then informed decisions can be made, assessing how best the organisation’s talent situation can be tackled.

Step 2: Start small – introduce pilot initiatives, track progress and develop

The entire workforce needs to be engaged in the gender balanced mission. Senior ownership is vital, as the study demonstrates that change is driven from the top down, but a ground-swell of support is essential to driving a real shift in behaviour and corporate culture. Those in Hong Kong who have an engaged senior leadership team report better representation of women, particularly at the APAC team and board level.

There are numerous initiatives that can be introduced, below is a small selection:

- Unconscious bias training – the entire workforce needs to be made aware of biases and appropriate behaviour
- Formal diversity commitments – signal commitment to stakeholders and employees that the direction of travel is one of inclusion. For example, business leaders can get involved in the 30% Club Hong Kong
- Mentoring and Sponsorship programmes – to support and advance high potential (HiPo) talent
- Engage male champions of change – to model and encourage fair and inclusive behaviour – business leaders can join the Male Allies programme, part of the 30% Club Hong Kong
- Career planning and talent management focus – enable women to plan out their careers and to give them stretch assignments
• Introduce parental leave – shift the onus from the mother. Parents should have the right to choose who stays at home to be the primary caregiver to children.

• Introduce flexible working – open to both men and women

• Networks – create internal networks, or access to external networks

• Coaching – helping women to advance their careers

• Returnship programmes – encouraging and supporting women to return to the workforce and manage the transition

• Offer childcare support – whether in-house or via monetary benefits

• Change the hiring process – involve more diverse decision makers, ensure decisions are not made by a few key people alone. Challenge the job requirements, which skills are fundamental and which are not.

• Update talent management processes – women must have access to equal opportunities, review the objectivity of the system

• Be aware of workplace language – review job descriptions and career management plans – ensure the valuable skillsets are inclusive to all

• Raise the visibility of senior women – act as role models and mentors to others

• Measure and incentivise positive change – if necessary in your organisation

• Address the pay gap in your organisation – a recent Willis Towers Watson study\textsuperscript{11} highlighted Hong Kong women earn more than men before 20, but only half when they turn 60. Call for Hong Kong employers to share data – true extent of the situation isn’t known.

For more initiatives and leading practice examples, please visit: \url{www.wdpinternational.com}

**Step 3: Initiatives to introduce systematic change**

**The flex, review, reward method**

**Flex - Enhance flexibility and embrace agile working:**

Hong Kong companies need to enable their employees to have a wider range of choices in terms of when, where and how they work. The future of work isn’t just about flexible working, it’s about agile working. The outdated expectations of needing to be physically in the office at all hours, and the pressure to work 24/7\textsuperscript{12} need to be challenged, to create an inclusive, positive and healthy society and a forward-looking city.

The smaller the company – the more flexible and adaptable. Hong Kong’s larger employers need to take a leaf from the SME handbook and offer employees more control and choice over when, where and how they work. We need to eliminate the concept that if you work part time or flexibly, you are not fully committed to, or serious about your career. Opportunities will really only open up for women, when men also embrace the benefits of flexible working.

Most of the organisations with strong talent pipelines report adapting work to the individual circumstances of the talent involved.

\textsuperscript{11} \url{https://www.scmp.com/business/companies/article/2149404/pay-gap-hong-kong-women-earn-more-men-20-only-half-when-they-turn}

\textsuperscript{12} HK has the longest working hours in the world according to a UBS Study: \url{https://www.scmp.com/news/hong-kong/politics/article/2136552/will-hong-kongs-problem-long-working-hours-ever-come-end}
Review - Talent Management processes:

**Change the way we hire and promote – ensure women have an equal chance to advance**

Although women earn more bachelor’s degrees than men and enter the workforce in more numbers, they are simply not being promoted or hired at management level jobs in the same numbers as their male counterparts. Starting at the mid management level, companies report there are significantly fewer women with the right experience level to promote through the ranks or hire in from outside. Women need to be considered for opportunities early – tackling this issue at the grassroots level is essential.

Hong Kong companies must be cognisant of the need to specifically focus on women in order to make change happen – typically women require up to 30 per cent more time and engagement in order to feel confident enough to take on stretch assignments or to apply for a job. This is purely driven by societal framing, which starts at home and school and is deeply entrenched.

**- Support women in their careers – stretch them early**

In order to retain the most talented women in the workforce, organisations need to identify the HiPos early and work with them on what they want and need to succeed, in order to manage their careers over the long term. By encouraging job rotation, and enabling women to gain P&L experience earlier on in their careers, a stronger pipeline of women capable of taking on senior leadership roles in the future will be developed. Retention plans that focus on motivation, on-going training and stretch assignments, are reported to be the most effective.

**- Hire for potential**

Hong Kong companies need to be forward thinking enough to hire for potential and not just skill sets and experience. There will always be more male candidates who have the years of experiences and skills, but until we give women the chance to prove themselves, women will continue to miss out on opportunities by not being considered in the first instance, and therefore, the gender gap will continue.

Male candidates typically will actively put themselves forward for opportunities. Women do not put themselves forward enough, often qualifying themselves out of opportunities when they are in fact, in many cases, most competent to take on the role.

Typically, a lack of qualified female candidates when hiring externally is a by-product of lazy hiring processes, which only serves to perpetuate the problem. It does take more effort to identify exceptional female talent and convince women to move at senior levels compared to men, simply because they are fewer in number. The sooner this is acknowledged and steps are taken to compensate, companies will see the wealth of hidden female talent available in Hong Kong.

**Reward – Implement reward and recognition mechanisms**

Companies need to put in place reward and recognition policies for meeting gender transformation goals. This is aligned to measuring and incentivising change. Any form of major corporate strategic goal is typically incentivised – gender equality should be no different, and the most advanced firms have already realised this.

Once the behaviours and culture are in place then this becomes ‘normal practice’. Far from alienating men in the workforce, this should serve to bring them on the journey, enabling them to see the organisational benefits as well as personally benefit. This process is never about overlooking the merit of the talent in question, this recommendation is focused on driving and incentivising action by fixing attention.

**Diversity is only one part of the battle – the key is inclusion**

In order to perform effectively and make a positive difference to the bottom line, the people who make up the workforce (regardless of their gender, nationality, background, religion etc.) must feel as if they belong and their contribution is valued. At the end of the day the final goal isn’t simply gender balance – it’s engaged and motivated employees and more connected customers.
There is huge untapped potential within Hong Kong. We need to be more nimble in the way we approach work in order to adapt for the next generation of workers”

– Fiona Nott, The Women’s Foundation Hong Kong.

**Conclusion - Time for action**

If you want something changed or improved, first it must be measured – this is our call to action for all companies in Hong Kong to track their female talent pipeline data. This study will enable business leaders and decision makers to assess Hong Kong’s progress over time and to benchmark themselves within their industry (and other countries as the study expands geographically).

Hong Kong business leaders must be held accountable for a lack of women represented within the workforce – there are no more excuses. This is not an initiative that should be led by HR, or any one function within the business – inclusion needs to be a business priority led from the top with an accompanying shift in culture. As with any transformation, it needs to be owned and led by senior management. It’s worth noting that best-in-class companies are moving on from an era of over-focusing on women to ensuring they engage all employees in the inclusion mission.

Beyond the figures, Hong Kong’s pervasive working culture is not inclusive and arguably not as innovative as it could be. The boys’ club mentality is very prevalent, even in companies that report a greater gender balance. Most women still report they don’t feel they work in the inclusive environment they crave. With 9 out of 10 women highlighting numerous barriers to reaching their aspirations, we need to level the playing field. As the younger generation come through the ranks, they wish for a less traditional path to success.

Hong Kong companies need to embrace new perspectives and new ways of working in order to stay relevant. Otherwise, like all things that fail to evolve, they face dying out.
Contributors and supporting organisations:

Authors and Contacts:

**Meraki Executive Search & Consulting:**
Kirti Lad – Executive Director
Nick Marsh – Managing Director
Sophie Gray – Executive Director – study lead

**The University of Hong Kong:**
Prof. Haipeng Shen – Associate Dean (Executive Education)
Nan Xia – Assistant Director (Executive Education)
David Bishop – BBA (Law) & LLB Programme Director, Principal Lecturer
David Lee – BFin (AMPB) Deputy Programme Director, Senior Lecturer

Methodology:
The study had three components: an institutional survey, a female respondents survey and qualitative interviews. The study was conducted over the period of October 2018 until February 2019.

This report represents over 200,000 employees in Hong Kong from multiple industries, approximately 5% of the total workforce. According to the sample composition of the study group, the proportion of females in all Hong Kong organisations (in 2018) is 53%, with 41% holding a mid-level position, 29% holding a senior position and 21% serving on a board.

Of the 200 companies engaged in the study, 59 participated in the institutional survey, and over 100 women took part in the ‘Women in HK’ survey. In the qualitative sample, insights were collected from 13 HR professionals, 5 business leaders and 10 interviews with women based in Hong Kong.

The study was designed to research the proportions of the female talent across the management hierarchy within Hong Kong organisations. The study is intended to stimulate discussion and contribute to Hong Kong’s progress in gender equality. In future years the data set and market focus will be expanded to enable for regional comparison and greater statistical application.