

# INDUSTRY 4.0: INCREASING WOMEN'S PARTICIPATION IN THE WORKFORCE

*In this article, the author refrains from repeating the obvious in terms of statistics and problems on the ground. As a business person and an industrialist leading both national and international operations and investments in a male-dominated sector, and also a firm believer in civil society and its transformative power, the author attempts to explain the challenges related to women's participation in the workforce based on her perceptions and experiences. As a keen follower of global trends and an active member of various global, regional industry and civil networks, the author holds the view that with the advent of the Fourth Industrial Revolution, current inequalities will become exacerbated if we do not start acting smart now.*

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TURKISH POLICY  
QUARTERLY

Summer 2016

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**G**ender inequality is still one of the most persistent, widespread, and pervasive forms of inequality across the globe.

Women's participation in the workforce is an alarming area, where numbers indicate high unemployment and overrepresentation of women in mostly low-paying, low-ranking, and under-resourced jobs. It is worth noting that although the G20 countries collectively constitute 85 percent of global gross domestic product (GDP) and 75 percent of global trade – even across G20 countries and beyond – women are paid less than men, do most of the unpaid labor, are over-represented in part-time work, and are discriminated against in the household, in markets, and in institutions.<sup>1</sup>



Turkey's performance on a global scale presents a gloomy picture. According to the World Economic Forum's (WEF) Global Gender Gap Report 2015, Turkey ranks 130th among 145 countries and is the lowest-performing country from the region on the Economic Participation and Opportunity sub index.<sup>2</sup> Also, in unpaid work, Turkey has the third largest difference between women and men, following Mexico and India.

Put simply, in a world of abundant constraints, this means that half of the population is underutilized or abandoned, and as a result, sustainable long-term growth is inevitably jeopardized. Existing reports, studies, and various platforms emphasize this reality and strive to work towards alleviating the gender gap through joint efforts.

In this article, I will try to refrain from repeating the obvious in terms of statistics and problems on the ground related to women's participation in the workforce. I will leave that to academics, experts, and practitioners to discuss. However, I am a business person and an industrialist leading national and international operations and investments in a male-dominated sector, and also a firm believer in civil society and its transformative power. I will try to present my stance on this issue, and explain the challenges we face based on my perceptions and experiences.

<sup>1</sup> Shawna Wakefield, "The G20 and Gender Equality," *Oxfam International*, 14 July 2014, <https://www.oxfam.org/en/research/g20-and-gender-equality>

<sup>2</sup> The Global Gender Gap Report 2015," *World Economic Forum*, 19 November 2015, <https://www.weforum.org/reports/global-gender-gap-report-2015>

As a humble follower of global trends and an active member of various global and regional industry and civil networks, I hold the view that the current inequalities will not disappear, but rather risk being exacerbated in the future if we do not act smart starting now. We have entered the Fourth Industrial Revolution. It has already become a buzzword in business circles, yet it is difficult to say with utmost certainty if there is a common understanding of

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what it entails, or if there is clarity about implications and repercussions in various industries. However, one thing is certain; it will completely transform how we see the world, the global economy, and society in an unprecedented manner. It will disrupt conventional business models, blurring the lines between the digital and physical. Industry 4.0 is expected to have more far-ranging consequences due to its speed, scale, and impact, which sets it apart from its precedents.

Labor markets will be impacted as well. It is predicted that the nature of work will change, with many routine manufacturing and service jobs to disappear. Experts in the field even warn that we will have to prepare to coexist and collaborate with machines in the decade ahead. As an outcome of these developments, the gender gap might increase as in some industries jobs traditionally held by women might become obsolete, and new jobs requiring different skillsets might offer new opportunities.<sup>3</sup> Therefore, it is very important to analyze the trends and try to make projections with the limited knowledge we have in order to design the future now.

According to the World Economic Forum's (WEF) Future of Jobs report, “65 percent of children entering primary school today could ultimately end up working in completely new job types that do not yet exist.”<sup>4</sup> And with more jobs expected to be created in science, technology, engineering, mathematics (STEM), and IT, the gender gap in the workforce could widen since women tend to avoid STEM jobs and opt for office and administration, which are most vulnerable to displacement by robots.<sup>5</sup>

<sup>3</sup> “The Future of Jobs: Employment, Skills and Workforce Strategy for the Fourth Industrial Revolution,” *World Economic Forum*, January 2016, <http://reports.weforum.org/future-of-jobs-2016/>

<sup>4</sup> World Economic Forum (January 2016).

<sup>5</sup> “Annual Meeting of the New Champions 2016 The Fourth Industrial Revolution and Its Transformational Impact” Tianjin, People's Republic of China 26-28 June 2016, *World Economic Forum*.

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It is evident that automation in jobs will mostly impact routine jobs which do not require creativity. Therefore, creative thinking and an entrepreneur mindset should be encouraged in the population. An atmosphere conducive to women entrepreneurs should be created and the percentage of women entrepreneurs should be increased. Unfortunately, occupations, such as engineering – which are central for the industry – are still viewed as male-dominated areas. The same holds true for vocational and technical training. Although the laws encourage gender equality on paper, in practice, the discriminatory practices towards women continue from entry level to C-level suite.

To tackle this issue, incentive mechanisms should be redesigned. It is clear that for younger generations of girls and boys alike, traditional methods of education will not yield the desired results. The key to cultivating an innovative mindset is not dictating templates but rather empowering students to learn. We must particularly aim to teach them to learn and equip them with the necessary tools for the top three skills that will be needed in 2020, namely complex problem solving, critical thinking, and creativity.<sup>6</sup>

At Kale Group, we believe in new technologies, digitalization, augmented reality, artificial intelligence, etc. But we believe more in people. For us, the key asset is people and providing them with the right tools so that they can reach their full potential. In our view, technology is an enabler and an accelerator. It should be used intelligently to enhance the lives of people. It is a fact that with advances in technology there has been an incremental increase in productivity. Therefore, it is imperative that people or the workforce be equipped with the skills of the 21st century to be fully prepared for the profound changes to come. And it is even more critical that women, who make up half of the population, are not left behind. Only by mobilizing the entire population and integrating women into the workforce, can creativity, innovation, and productivity flourish.

The coming drastic changes could offer us a golden opportunity to bridge the gender gap. We should prepare to take advantage of this new window of opportunity. For various reasons, internal as well as external, Turkey has been a latecomer to the

<sup>6</sup> “The Future of Jobs: Employment, Skills and Workforce Strategy for the Fourth Industrial Revolution”, *World Economic Forum*, January 2016, <http://reports.weforum.org/future-of-jobs-2016/>

prior industrial revolutions. Therefore, we must be even more flexible and agile in order to ensure that we do not miss the Fourth Industrial Revolution but jump on the bandwagon at just the right time. To achieve this, social consensus and cooperation between concerned parties is essential. The entire country should act in unison with the government, private sector, academia, and civil society to achieve the common objective of increasing national, social, and economic welfare to embrace the industrial revolution. One thing is certain; this cannot be achieved by excluding women from the workforce.

I liken women entrepreneurship to solar energy. We do not need to cut trees, drill, pollute the environment, or increase carbon emissions. It is readily available. Society can ubiquitously benefit from this energy. For Turkey to escape the middle-income trap, it must be able to create a brand new narrative to further its progress towards prosperity and stability. It is impossible to design and achieve a success story by keeping

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21 million women at home, excluded from the workforce in a population of 78 million. A country with a female workforce participation of 31 percent, where women account for only eight percent of entrepreneurs, is destined to remain a mediocre country at best, which keeps us from the league of nations we aspire to be part of and the new world order that is being shaped right now.

Starting today, we must increase collective efforts to raise awareness and encourage more girls to enroll in STEM studies in Turkey. Technology is important but social support mechanisms are just as vital. Establishing a mentor-mentee solidarity mechanism is effective since it acts as a bilateral learning process for both the mentor and the mentee. Lifelong learning should also be promoted. People at all levels will need to continue learning and acquiring new skills throughout their lives. Also, it should not be forgotten that retaining skilled people is as important as recruiting them. Therefore, it is essential that the current mismatch between technology and the Turkish education system is addressed urgently and as effectively as possible through changes in curriculum, and perhaps more importantly by changing attitudes.

Over the last few years, the G20 has become the primary platform for discussing global economic and financial matters. As such, economic policies that empower women and increase women's participation in the economy was one the focal areas

during the successful G20 Presidency of Turkey. Turkey has pledged to continue to develop and monitor the implementation of this commitment during its presidency of the G20 in 2015 and beyond.

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I had the privilege of assuming the Presidency of the Steering Committee of the C20 (Civil 20), an official engagement group of G20 during the Turkish Presidency of the G20 in 2015, which raised my awareness of the practices on the ground, and made me more conscious and responsible for possible remedies related to the employment of women. Also, as Vice President of the Union of Chamber and Commodity Exchanges of Turkey, the Women Entrepreneurs Council, and the Istanbul Chamber of Industry’s first female parliamentary president, I realize that there are specific areas that require urgent action, which are to increase the representation of women on company boards, encourage STEM in the education system, support access to financing, and promote more active roles for women in the supply chain.

It is important to underscore the obvious once again. For Turkey to prosper and write a success story, it is critical that women participate fully and effectively in the economy. In this new success story, the focal point should be industry and Turkey needs to unlock its full potential to reap the benefits. The keys to success are two-fold: producing value-added high technology products and increasing women’s participation in business. In the transition to Industry 4.0 and a knowledge-based society, those countries which enforce inclusive and innovative policies will leapfrog forward and achieve outstanding performance.