

Digital Economy

Fact Sheet 3

Labour market – Digitalisation – Gender relations

Digitalisation has changed the labour market across all sectors and professions:

- » Robots and new machines have been taking over work processes in industry for some time. Employees often have to acquire new know-how to operate, maintain and monitor them.
- » Children are using digital media already at kindergarten age. Smartphones, for example, are now an everyday part of their lives. This demands corresponding competences from educators in their everyday pedagogical work.
- » In the wake of the COVID-19 pandemic, office workers have in many instances integrated video conferencing tools or the use of cloud systems into their everyday work and have acquired the corresponding skills (often self-taught).

These three examples could be supplemented by countless others. Meanwhile, the underlying transformation process is taking place in a labour market that is still strongly characterised by gender inequalities:

- » The majority of men and women work in different occupational fields, i.e. men often in technical manufacturing occupations, women in social or educational occupations (horizontal segregation).
- » Career opportunities are unequally distributed: Women are underrepresented in leadership positions (vertical segregation).
- $\\ \hbox{*} Women\ are\ also\ more\ often\ employed\ in\ mini-jobs\ and\ part-time\ (atypical\ employment)\ than\ men. \\ \\$
- » On average, women still earn less than men. In 2020, the income gap (gender pay gap) was 18 per cent.

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- » Future competences
- » Job evaluation as an influential factor



Digital transformation in itself does not solve gender inequalities in the labour market. However, it has the potential to improve equal capabilities – if this process is actively shaped.





COMPETENCES

Digitalisation-related competences are more than mere technical know-how.
They also include, for instance, the ability to adequately assess and classify information found online.

Gender competence refers to the ability to reflect on gender relations and to put findings from gender research, e.g. on technology-related stereotypes, into practice. These and other structural inequalities do not "automatically" disappear in the course of advancing digitalisation. Disadvantages might even increase:

- » Women are underrepresented in the digital industry. In addition, the proportion of female executives, especially in top management, is particularly low in the digital industry. At the same time, it is precisely this sector that is gaining in importance.
- » Part-time work is less common in this sector than in other professions. This has a negative impact on employees with private care obligations i.e. mostly women. Developments such as platform work in turn contribute to an increase in precarious, atypical employment relationships that promote traditional employment models with a male main breadwinner.
- » The gender pay gap could widen in the course of digitalisation: At 7 per cent, it is smaller in IT professions than in other professions thus precisely in a sector where the proportion of women in the workforce is low.
- » If, as is often the case, the keyword digitalisation is primarily used to discuss Industry 4.0, occupational fields with a higher proportion of female employees, e.g. in the service sector, tend to be overlooked. There is thus a risk that these employees will be left behind in the digitalisation process. Relief solutions, such as assistive technologies, have hardly reached the everyday life of employees in the care sector.
- » Digitalisation also enables more flexible times and locations for advanced vocational training. This offers people with care responsibilities (mostly women) more opportunities to acquire digitalisation-related skills and increases their chances on the labour market. However, purely digital formats also increase the risk of dropping out of these offers, especially for women. So far, there are no sufficient findings on why people drop out of such vocational training offers.

Digitalisation may certainly be an opportunity to create equal capabilities regardless of gender. The right course must be set for this. In this context, gender-responsive offers to acquire digitalisation-related competences are particularly important. At the company level, it is necessary to consciously shape transformation processes.

Gaining competences for the future - still a matter of gender

Education, training and vocational development must be reoriented towards the digitalisation-related requirements of the labour market. Gender affects access to (digital) technology and its use (e.g. because of different occupational fields). Gender also has an impact on the possibilities of shaping it (e.g. in digital professions where women are underrepresented). This can also be observed in the education system:

- » In school, gender issues are often not sufficiently reflected when it comes to STEM subjects. If teachers give less credit to girls' interest and performance in mathematics, this has a negative impact on girls' self-image. Teachers (and parents as well) have been shown to act according to gender stereotypes and tend to grade boys better than girls for comparable performance and abilities in STEM subjects.
- » Students in engineering (including computer science) are three quarters male, despite many programmes and initiatives. This is partly because subject and learning cultures in these fields are stereotypically male-oriented and there is little diversity in teaching methods. The situation is even worse in training occupations such as industrial mechanic or IT specialist. Here, the proportion of male trainees is at over 90 per cent.
- » Women in general take part in vocational trainings less often than men. This is due, for example, to childcare responsibilities which usually affect women more often. In addition, women also have to finance their own vocational training more often.



Supporting digitalisation-related competences - in a gender-responsive way!

In a digitalised labour environment, gender-equitable acquisition of competences is key. The Expert Commission for the Third Gender Equality Report recommends, among other things:

- » Gender- and digitalisation-related competences must be dovetailed: teachers in all areas of the education system must have **digitalisation-related gender competence**.
- » Instead of focusing on making women "fit" for STEM subjects and professions ("fix the women"), the structural framework of the education system must be changed ("fix education"). This can, for instance, be done by taking care obligations into account when designing the curriculum.
- » In vocational training, freely accessible offers (so-called **Open Educational Resources, OER**) are particularly interesting for women, as they often have to bear the costs themselves. These resources need to be researched and designed in a gender-responsive way, also in order to identify and remedy the reasons for the aforementioned higher dropout rates among women.
- » Education providers with a focus on the common good, who work in an equality-oriented way and focus on IT or programming languages, for instance, should be promoted. These offers provide women with **low-threshold access to the digital sector**.



Job evaluation as an influential factor for gender-responsive digitalisation

Decisions at the company level have a significant influence on gender equality in the transformation process. Here, decisions are made regarding the introduction of new technologies, for instance. This raises the question of whether employees of all genders are affected equally – both in a negative sense, e.g. when technology threatens to replace one's job; and in a positive sense, when it brings relief to everyday tasks and work. The participation of works councils and gender equality officers in corresponding negotiation processes can and should ensure that innovations take into account the concerns of all employees – regardless of gender.

The issue of job evaluation is also of particular importance. This is because gender-responsive job evaluation is the basis for equal pay for equal and equivalent work and can thus contribute to closing the gender pay gap. Digitalisation-related requirements must be determined and assessed irrespective of outdated perceptions of professions and activities or gender stereotypes.

There is often need for debate and adjustments:

- » For instance, employees in office occupations have for a long time been expected to use technical infrastructure and special programmes for example with the introduction of the personal computer. However, the individual and independent adaptations made in the process are not sufficiently reflected in job evaluations.
- » Similarily, in care professions, the increase in digitalisation-related requirements, e.g. with digital documentation, is not yet reflected in the collectively agreed job evaluations.

In Germany, there are already instruments (like the "eg-check", a set of analytical tools to test the equal pay of women and men in working life), with which companies can check their pay regulations with regard to gender-responsive job evaluations. With digitalisation, new references and questions arise with regard to competences and work processes. These may include:

» What are the concrete requirements of digitalisation-related competences for a specific job (regarding technical applications but also, for instance, data protection)?





- » Which digitalisation-related competences are additionally required of employees when new technologies are introduced in a company? Can all employees be trained accordingly regardless of gender stereotypes?
- » Are occupations that are mainly carried out by women rated lower overall than those that are mainly carried out by men e.g. because technology-related requirements are only included in the job evaluation for male-dominated occupations?
- » Are gender-stereotypical ideas of an "ideal choice of employees" reflected in job descriptions e.g. if specific physical requirements are part of the job description even though in fact they have already become obsolete due to assistance technology?

Promotion of and support for gender-responsive job evaluation

In order to support company activities for gender- and performance-responsive job evaluation in the digitalised world of work, the Expert Commission recommends, among other things:



- » A public contract should be awarded to **develop a performance- and gender-responsive job evaluation procedure** that takes into account the respective digitalisation requirements.
- » In the German Pay Transparency Act, the company reporting obligations with regard to equality and the auditing obligations with regard to the company's own pay regulations should be advanced and further developed. Regulations should, for example, demand certain standards for reports and auditing procedures, establish binding obligations, and also apply to smaller companies which are particularly prevalent in the digital economy.

The goal of independent economic security through equitable integration of women and men in the digitalised labour market also requires efforts beyond the company level as well as in many other areas. To achieve this, gender-related disadvantages in the labour market must be reduced by designing the framework conditions of work in a gender-responsive way.



Further reading:

- » Chapters B.III.3.1 and B.III.2 in the Expert Opinion part of the Third Gender Equality Report of the Federal Government, available (in German) at: https://www.bmfsfj.de/gleichstellungsbericht
- » Agency for the Third Gender Equality Report of the German Federal Government (2021): Shaping digitalisation in a gender-equitable way. Summary of the Expert Opinion of the Third Gender Equality Report of the Federal Government. Berlin: Agency for the Third Gender Equality Report. Download at: https://www.dritter-gleichstellungsbericht.de/de/topic/50.english.html
- » Pimminger, Irene/Bergmann, Nadja (2020): Gleichstellungsrelevante Aspekte der Digitalisierung der Arbeitswelt in Deutschland. Expert opinion for the Third Gender Equality Report of the German General Government.
- » Rüber, Ina Elisabeth/Widany, Sarah (2021): Gleichstellung durch Weiterbildung in einer digitalisierten Gesellschaft. Expert opinion for the Third Gender Equality Report of the German General Government.

Both expert opinions are available (in German) at: www.dritter-gleichstellungsbericht.de/de/top-ic/62.expertisen.html

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