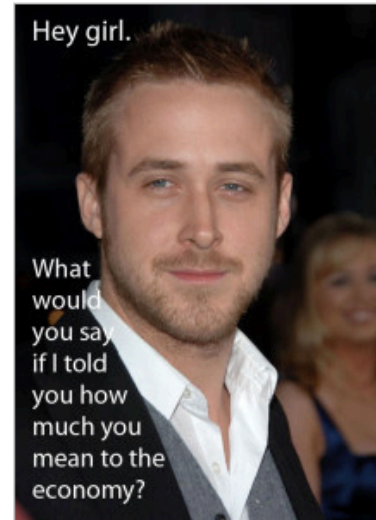


Working, Girl? The Economic Impact of Women in the Workforce

February 15th, 2013 By Mary Lorenz in BLS Reports, Economy, Insights & Trends

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As the number of women in the workforce declines, employers can and should work to reverse the trend.

So here's the good news: According to the BLS' new [databook on women in the labor force](#), women have made significant progress in the areas of educational achievement and earnings over the last 40 years. Take, for example, the following findings:

- From 1970 to 2011, the percentage of women with college degrees increased from 11 to 37, while the percentage of women who didn't graduate high school decreased from 34 to 7.
- In 1979, women working full time earned 62 percent of what men did; by 2011, the pay gap was much smaller, with women's earnings making up 82 percent of men's.

But here comes the not-so-great news (aside from the fact that there's still much progress to be made): While labor force participation is significantly higher among women today than it was in the 1970s, **it seems to have peaked at 60 percent in 1999**. By 2011, it was only 58.1 percent of women were in the labor force, and that was down .5 percentage point from 2010.

If the trend continues, it doesn't bode well for the future of the economy.

Two recent papers examining the impact of women in the workforce point to the vast importance of sustaining the growth of female workers. According to the recent paper from Booz & Company, [Empowering the Third Billion: Women and the World of Work in 2012](#), "if female employment rates were to match male rates in the United States, overall GDP would increase by 5 percent."

Conversely, if female employment rate continue to decline, the impact on the economy could be grim, according to a 2012 [whitepaper by economists James Stock and Mark Watson](#). The authors assert that the decline of women's participation in the workforce would contribute considerably to **slower GDP growth and deeper recessions, followed by slower periods of recovery**.

But the good news (again) is that employers can help to stop this decline by stepping up their efforts to recruit women – and that means **understanding how women search for jobs and what they look for in potential employers**.

THE HIRING SITE
February 15, 2013

A recent whitepaper from management professors Matthew Bidwell and Roxana Barbulescu, which examines the factors that play into **why women choose different jobs from men**, offers insight into how employers can improve the way they recruit women. Forbes' Lisa Quast **sums it up well** with the following tips:

- Implement practices that reduce conflicts between work and family demands (i.e. promote flexible work schedules, provide access to daycare, promote a **Results-Only Work Environment**, etc.).
- Change the way jobs are structured/described and roles/behaviors enacted to make them gender neutral. Jobs should de-emphasize masculine and feminine stereotypical attributes. Application and hiring information should be gender neutral.
- Make it easier for women to work in male-dominated companies/industries by adapting working styles to allow women (and men) to accommodate family demands.

