

# IMPACT OF INFORMATION TECHNOLOGY ON EMPLOYMENT OF WOMEN IN SAUDI ARABIA

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## ABSTRACT

The world across and in Saudi Arabia, women's roles, has been traditional. Saudi laws are based on the Shari'a, which besides giving much freedom to women guarantees a right to work as well, but practice stipulates that women should work in a decent, appropriate environment, that is, not mixing with men or being exposed to nuisance. Hence, gender segregation in professional jobs is prominently seen. The focus of this paper is on the use of information and communications technologies (ICT) to generate employment for women, particularly in a country like Saudi Arabia, where cultural barriers are present; attention is paid to explaining about the challenges for women's employment in Saudi Arabia and the best practice and strategies that can be applied by organizations in tapping a potential resource that is going unnoticed, and the efforts of the government of Saudi Arabia to promote the employment of women..

**Keywords:** Women, Information Technology, Impact, Employment, Saudi Arabia

## 1. INTRODUCTION

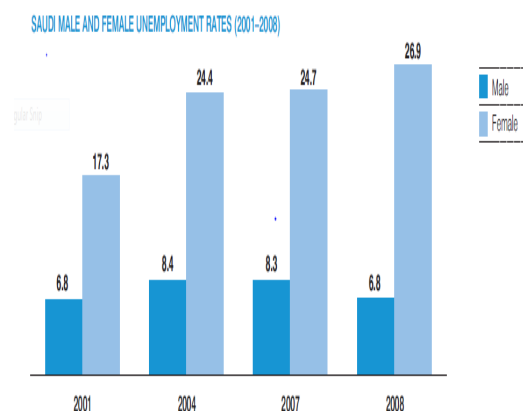
The world is going global, digital, herbal and spiritual. Over the past few decades the world has witnessed radical changes that have led to a quantum leap in many areas. Of these changes, the technological revolution is considered one of the most important in the world because of its impact on social, economic, cultural and educational conditions of different societies, including the Arab World. The 21<sup>st</sup> century dedication for the Information Technology (IT) revolution brought not only a paradigm shift in the business community, but also societal changes.

## 2. BACKGROUND: WOMEN EMPLOYMENT IN SAUDI ARABIA

Worldwide, and in Saudi Arabia as well, women's role has traditionally been that of wife and mother. The move toward greater female participation in the labour force has been met with doubt, moreover with debate, and even with antagonism. Saudi laws are based on the Shari'a, which gives great freedom to women, and guarantees a right to work, but stipulates that women should work in a decent, appropriate environment—not mixing with men nor being exposed to nuisance. Hence, gender segregation in

professional jobs is prominently seen. Despite the above fact, in practice nowhere does the labour law of Saudi Arabia mention it. The Unemployment rate for Saudi women is significantly higher than those of Saudi male which is evident from the Figure 1.

*The Unemployment Rate for Saudi Women Is Significantly Higher Than for Saudi Men*



Source: Saudi Arabian Monetary Agency (SAMA), Forty-Fourth Annual Report, August 2008, p. 242; PK, Abdul Ghatour, Job Seekers in Private Sector Urged Patience, Arab News, March 30, 2009 (for 2008 figures only)

*Figure 1*

Another issue and a legal constraint in KSA is that women are not permitted to drive, making it

difficult for them to commute to work without a male driver. Nevertheless, the trends that can be observed in recent days with regard to employment of women in Saudi Arabia are encouraging. Since 1992, women’s participation rate in the Saudi national labor force has nearly tripled, from 5.4% to 14.4%.

However, this represents one of the lowest levels of national female participation in the labor force in the region as per the Table-1: the UAE’s national female participation rate is 59%; Kuwait’s is 42.49%, Qatar’s is 36.4%, Bahrain’s is 34.3% and Malaysia’s is 46.1%. In addition, the 26.9% unemployment rate for Saudi females in the labor force in 2008 was nearly four times higher than that for Saudi males (Saudi Gazette, 2010).

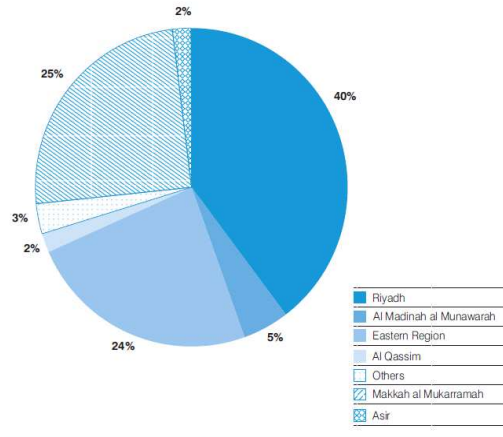
Table -1  
Women Participation in Employment, Regional Scenario  
Source-Saudi Gazette, 2010.

S.No	Country	%
1	UAE	59
2	Kuwait	42.49
3	Qatar	36.4
4	Bahrain	34.3
5	Malaysia	46.1
6	Saudi Arabia	14.4

University graduates comprise 78.3% of unemployed women and, of those; more than 1,000 have a doctorate degree. By contrast, 76% of unemployed men have only a secondary education or less: “In 2007, 93% of all female university graduates specialized in education and humanities, while a shortage of jobs in those fields has resulted in Saudis seeking work abroad. More than 300 Saudi female graduates have already accepted teaching jobs in Kuwait, Qatar, and Bahrain,” said Dr. Mona AlMunajjed, senior advisor with Booz & Company’s Ideation Centre in Riyadh.

The public sector is the largest employer of Saudi women, and women currently make up around 30 per cent of government employees. Around 95 per cent of working Saudi women is in the public sector: 85 per cent in education – in both teaching and administrative positions, six per cent in public health, and four per cent in administration.

DISTRIBUTION OF SAUDI FEMALE LABOR FORCE IN PRIVATE SECTOR BY REGION (2007)



Source: Ministry of Labor, SAMA, Forty-Fourth Annual Report, 2008, p. 239

Figure 2

According to figure- 2 only five per cent of working Saudi women is employed by the private sector and majority of them are working in urban area only, in the cities like Riyadh (40%) the capital of Saudi Arabia and Al Madinah (5%) another important holy city of Saudi Arabia. The majority work in a narrow range of jobs such as private business and banking.

The number of Saudi women working in the private sector, however, increased by 27 per cent over two years, from 40,000 at the beginning of 2006 to 51,000 at the end of 2007. The number of Saudi women working in the banking sector has increased dramatically by 280 per cent, from 972 in 2000 to 3,700 in 2008. Besides owning 60% of company shares in the kingdom; Saudi women collectively have \$25bn in bank accounts - money that could be invested in new businesses (Booze Report, 2010).

### 3. LITERATURE REVIEW

Technology makes human work easier and changes our daily life, creating a new civilization. The World is facing a new revolution known as the Information and Communication Technology Revolution (Gordon, 2000). According to Brooks, ‘technology may not solve all of our problems, but our problems cannot possibly be solved without the information of new technology’ (Phitchinis, 1983). Each coin has two sides and every innovation has two effects, positive and negative. It is obvious that technology has created many job opportunities but it is also debatable that technology has somehow caused redundancy.



A study in China reveals that employees seem to have undergone more negative impacts than positive. (Haug, 2009) is positive that the job opportunities created improve satisfaction, self-confidence, and greater variety and interest in the job. The jobs should be properly designed to get these benefits from information technology (Taylor *et al.* 1985).

On the negative side, the advent of high information has had a drastic effect on the environment of an organization, and especially in the organizations where woman work as employees. It has made the environment tough for them. In high technological organizations the job stress for employees is high, while decision authority in such organizations is lowest. The information technology has caused some health problems for the employees (Gudbjorg *et al.* 2002).

Lucey (2005:298) stated that there is some evidence that technology has a profound effect on the structure of organization. Wilkinson, (1982) pointed out that computers affect the structure of organization and managerial decision making and allow firms more choice for feasible organizational structure. Most people realize that computers will continue to have a significant impact on their lives (Hicks, 1993).

The main issue of whether information technology has increased employment is a subject of various researches. Although a majority of researchers are of the view that information technology has increased employment, there are still some researchers who state otherwise. A study conducted on the effects of information technology on German employment by Matzner *et al.* (1990) suggests that employment has decreased. The conclusion from the study is that, in recent times, the growth rate of productivity was almost always higher than that of output and, consequently, the volume of employment has decreased. A study in the Netherlands also suggests that technological advancement increases unemployment (Besselaar, 1997).

Another study in the UK suggests that high information-technology intensive organization increases employment. The study concluded that technological development is favorable for employment (Soete and Freeman, 1987).

#### 4. IMPACTS OF IT ON WOMEN'S EMPLOYMENT

Long ago, the pioneer electronic computer company of America (ENIAC) employed women as computer programmers (Light, 1999) but, today, women's employment scenario is changed, as (AAUW, 2000) reported that only 20 % of IT jobs are occupied by females. This lack of representation of females in the field of Information Technology has been studied by researchers (Evard, 1996; Furger, 1998; Huber & Schofield, 1998; Levin & Barry, 1997) to find the root causes of lack of interest of women in the IT field and it is found that educational experience, gender, age, and school settings were reported amongst the causes. Graham (2001) pointed out Information Technology is one of the barriers for women to find certain jobs.

Time commitment is one of the major causes for women not opting for IT professions. According to Rosenbloom *et al.*, (2005) extensive time commitment is required for IT professionals, and they reported that in 2002, 91 percent of female IT professionals worked full-time compared to 73 percent of non-IT professional females—39.5 hours compared to 36.2 hours. These propositions of long work hours discourage women from entering the IT field, particularly those with young children.

According to Gabrielle (2009) job demand, flexibility in work schedule, and health-related considerations are mainly evaluated for women to enter the IT profession. Flexibility in job environment, however, can reduce the stress of working part time, online from home using telephone, internet, laptop and other means of communications.

Conventionally, male occupations are allowed to women when there is a scarcity of male employees. This scarcity of male human resources may be due to a fast increase in market demand, or a decline in the occupation rank. Recently the rapid growth of Science and technology, computers and IT has increased the need for more skilled workers in the IT profession, so women are encouraged in order to meet the need (Gabrielle, 2009).

The above studies and the other vast information canvassed reveal that there are no studies taken up in this regard. Hence, there is an academic gap.



## 5. IMPACT OF INFORMATION TECHNOLOGY AND GOVERNMENT ROLE

The caring and childbearing role that women play assigns them a special function in most societies. The multirole that the majority of working women perform, in balancing home and a job, gives rise to a set of priorities that are generally quite distinct from those of working men. Yet, even these almost essential or universal experiences of women do not give an unquestionable legitimacy to claims for woman-specific orientations of technological change (Kothari, 1989).

The stress on social specificity has been particularly refreshing in the context of technology, a branch of applied science. With the continuous technological progress, particularly in the field of Information Technology, as computers and various IT applications started to show enormous influence on business productivity. Consistent with the new trends, the Kingdom of Saudi Arabia was one of the leading countries to adopt proactive plans and policies that included the implementation of the International Computer Driving License (ICDL) standard as part of the Kingdom's efforts to establish a digital society.

ICDL is an integrated program that enables individuals to acquire fundamental skills to use computers and basic applications. In addition, the program boosts efforts to improve productivity across all private and public sector organizations in the country as ICDL-accredited training courses were designed to empower employees through essential computer skills and knowledge.

Guided by the vision and directions of King Abdullah to build a society wherein all members are able to participate in nation building, the government started to develop strategies that encourage women's participation in the development process of the Kingdom. In line with this, the Council of Ministers issued a resolution to increase the employment of women in appropriate areas of both the public and private sectors, resulting in more Saudi women being integrated into the labor market through the efforts of a number of dedicated organizations.

One of the organizations firmly committed to support women's empowerment is the General Organization for Technical and Vocational Training, which has worked to increase the rate of involvement of women in the job market by providing them with various technical and

vocational training. In addition, the organization has also helped in developing e-recruitment programs that focus on finding suitable job opportunities for women. ICDL has guaranteed skills related to IT and computer applications, including file management, word processing, spreadsheets, databases, presentations, information and communications.

Indeed, the modern lifestyle has introduced new tools such as computers and the Internet that have opened a huge window of opportunity for Saudi women to become much more involved in the socioeconomic development of the country, without compromising cultural norms and religious beliefs.

The number of women who have gainfully taken advantage of the opportunity to work at home as freelance writers, translators, designers, or telecommuters by using their home office and home-based IT equipment to communicate and collaborate with their clients are increasing day by day.

The Ministry of Telecommunications and Information Technology and the Ministry of Labor are jointly making efforts to develop infrastructure facilities to boost the employment of women. The Ministry of Education is equally making efforts to provide computer education both at the graduate and post graduate levels, Saudi universities have also participated actively in the initiative, for several of them have already adopted ICDL in their educational curriculum. The Princess Noura Bint Abdul Rahman University, the first university for women in Saudi Arabia, was one of the leading universities to adopt the ICDL standard. The university has made ICDL accreditation one of the requirements for first-year preparatory study. The Girls Department of the King Saud University has taken similar measures to improve educational standards for women. The initiatives launched by major universities in the Kingdom are considered significant steps towards influencing other universities, institutes and academic organizations in Saudi Arabia to support the nation-wide women-empowerment initiative.

## 6. STRATEGIES

The total number of Saudi women is expected to exceed that of their male counterparts by 2010 when the Saudi population is estimated to cross 26 million. Despite all the efforts to promote the role of women in the society, their participation in development process is limited because of a



number of cultural and legal challenges, and constraints, including the private sector's failure to create sufficient opportunities for women employment. The ground reality for unemployment in general in Saudi Arabia is structural in nature.

According to Saudi Embassy report (2010) There is a skill gap between supply and expectation of the prospective employer, especially in the private sector and also non-acceptance of low-salaried jobs by Saudis, availability of cheap and large expatriates in labor market and decline in government job opportunities.

These ground realities can be overcome by means of intensifying efforts in two main areas:

1. To support the training and qualifying of job seekers with the purpose of enhancing their employability in the private sector by providing them with the necessary skills and improving their productivity.
2. To support recruitment of Saudis to motivate and enhance the ability of the private businesses to attract and hire job seekers in stable remunerative jobs.

Other specific issues regarding women employment are:

1. Non-mixing with men at the work place
2. Prohibition from driving
3. Increase of demand for multi-skills;

By keeping in view the global changes and challenges, the government of Saudi Arabia is making as many policies, strategies and plans as possible to encourage women's employment at the country level.

At the same time, the government is encouraging the private sector to tap untouched potential. The private sector has to formulate or integrate the HRM strategy with the corporate strategy, enabling techno-friendly job opportunities for Saudi women without disturbing the cultural and legal issues, that are possibilities, and the private sector can also take up the matter as corporate social responsibility in empowering the women through education and employment. The third issue is addressed by the government, and already the work left for the prospective employers in this regard is training and re-training, which once again must be addressed during formulation or integration and alignment of HR strategy to that of corporate strategy.

## 7. CONCLUSIONS

If we examine women's employment in Saudi Arabia, it has been really increasing day by day, because most of the organizations that are recruiting women employees are either using IT in their organizations or are exclusively employing women to take care of women customers. This practice does not prevent women employees from holding jobs, because employers will not interfere with the cultural norms (e.g., they will not mix with men in employment) in any way. In the cultural and legal context, no doubt the issue of prohibiting women from driving is a concern but, by respecting the culture "telecommuting, VPL (Virtual Proactive networks), chatting and work from home are the best options.

Technology makes human work easier and changes our daily life, creating a new civilization. The World is facing a new revolution, known as the Information and Communication Technology Revolution (Gordon, 2000). According to Brooks, 'technology may not solve all of our problems, but our problems cannot possibly be solved without the information of new technology' (Phitchinis, 1983). 'Technology destroys work skills and creates work skills, reduces employment and creates employment' (Phitchinis, 1983). How true these statements are, thanks to the IT revolution. For it is assuring employment to women, without disturbing the culture in Saudi Arabia.

There is great scope for an empirical study for prospective research scholars. There will also be good markets for consultants in formulating/integrating/aligning HR strategies to corporate strategies in Saudi Arabia, while considering women's empowerment in their CSR practices.

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