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# **A Research on Performance of Korea's Female Manager Employment Quota System**

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**A Research on Performance of  
Korea's Female Manager  
Employment Quota System**



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# Contents

<b>I. Introduction</b> .....	<b>1</b>
1. Needs and Objectives .....	1
2. Review of Existing Studies .....	2
3. Analysis Framework and Research Methods .....	3
<b>II. Theoretical Discussions on Women's Participation and Achievements</b> .....	<b>4</b>
1. Background of the System Introduction .....	4
2. Theoretical Discussions on Women's Participation and Performance .....	6
<b>III. Women's representation in public office</b> .....	<b>7</b>
<b>IV. Analysis of Quantitative Achievements of the Female Manager Employment Quota System</b> .....	<b>8</b>
<b>V. Analysis of the Survey on the Qualitative Achievements of the Female Manager Employment Quota System</b> .....	<b>10</b>

VI. In-depth Interviews Discussing the Achievements and Development of the Female Manager Employment Quota System .....	11
VII. Conclusion .....	12
1. Policy Suggestions .....	12

# Tables

〈Table 1〉	Female government employees in central administrative agencies and local governments .....	8
〈Table 2〉	Estimation of the Effects of the Female Manager Employment Quota System .....	9

# Figures

〈Figure 1〉 Research Analysis Framework .....	3
〈Figure 2〉 Effects of Women's Entry into Public Office .....	6

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## I . Introduction

### 1. Needs and Objectives

With the efficient use of human resources (HR) emerging as a key factor for improving national competitiveness, the Korean government has made ceaseless efforts to ensure women's wider entry in public office. The current government has also being carried out diverse policies to create a family-friendly working environment, expand women's representation, and promote gender equality in HR operation via national agendas and guidelines for personnel management of female government employees. As part of its efforts to promote the initiative, the government has implemented a female manager employment quota system since 2002 in order to increase the number of female in manager position, thereby create an administrative culture and a working environment promoting work-family balance, and conduct gender equality-based HR policies.

This study is designed to look into the performances of the female manager employment quota system for expanding the employment of

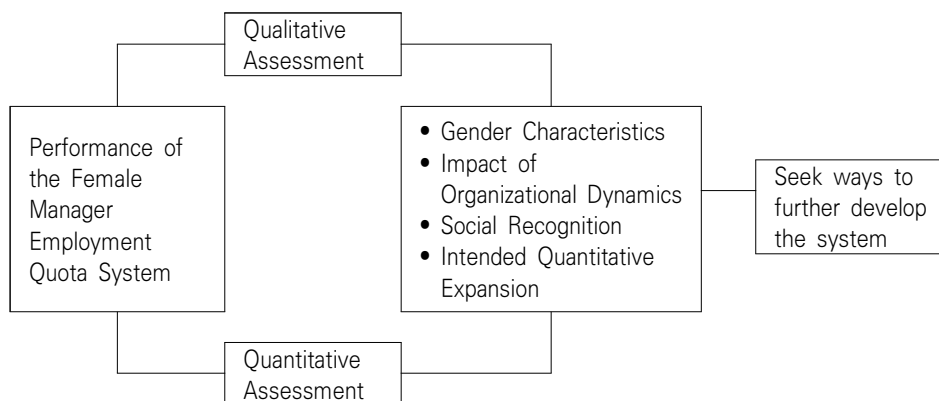
level 4 or higher female managers and to present ways to further develop the scheme. How significantly the number of female managers in public office has jumped was quantitatively assessed by using the Intervention-ARIMA model based on time series data in order to analyze the achievements of the system. A survey was also carried out to analyze qualitative achievements from women's wider representation in public organizations. Based on women's participation-related preliminary research studies, such qualitative achievements were defined and studied in the following three contexts: 1) women's gender characteristics (enhancing organizational competitiveness, refining a competitive organizational atmosphere, etc.); 2) impact on organizational dynamics (strengthening public ethics, improving members' recognition of gender equality, etc.); and 3) social recognition of women (raising women's representation in society, weakening the authoritarianism of public institutions, etc.). Based thereon, questions were prepared and analyzed, presenting policy suggestions.

## **2. Review of Existing Studies**

Preliminary research can be categorized into the following three types of studies: 1) pointing out gender imbalance in organizations and then presenting the female manager employment quota system as a way to improve such circumstances; 2) discussing the current status and issues of the female manager employment quota system in terms of the specific implementation of affirmative action; and 3) exploring the policy performance and mechanisms of the female manager employment quota system.

### 3. Analysis Framework and Research Methods

This study measures the performance of the female manager employment quota system both quantitatively (women’s wider participation) and qualitatively (the active establishment of women’s representation). We used the ARIMA-Intervention analysis model to analyze the degree to which quantitative goals (passive representation) were achieved and to identify whether a rise in the number of female managers in public office is attributable to the quota system. Then, a survey of government employees was conducted to identify whether the current quota system achieves practical objectives presented via existing literature, including the promotion of gender equality in public office and effects on organizational dynamics specified in gender equality-based HR management guidelines. In-depth interviews with level 5, 4, and 3 government employees were conducted to examine the achievements, issues, and future goals of the quota system and to ensure better qualitative analyses. Expert advisory meetings were also held to establish research directions, contents, and analysis frameworks, to create questionnaires, and to enable accurate assessments.



<Figure 1> Research Analysis Framework

## II. Theoretical Discussions on Women's Participation and Achievements

### 1. Background of the System Introduction

Social changes featuring low fertility and population aging have led us to pay keener attention to work-family balance. However, Korean women have continued to leave labor markets. With their level of education continuously improving, they have more actively participated in socio-economic activities. In spite of that, they are still suffering from the double torture of housework and child care, failing to re-enter labor markets. Against this backdrop, the private and public sectors have consistently worked hard to elevate women's social status and further facilitate gender equality.

In Korea, the Sexual Equal Employment Act (1987) and the Women's Development Act (1995) were established to promote women's labor force participation and to set up a legal framework for expanding the employment of female government employees. Considering social and legal trends, the Female Government Employee Quota System was implemented in 1998, introducing a 20% Quota for Women in Proportional Representation in 2000 and carrying out a Five-Year Plan to Increase Women's Management Positions in 2002 and the Gender Equality Employment Initiative in 2003. Recognizing the need for a paradigm shift in women's policy in 2015, the academic world, the government, and the National Assembly revised the Framework Act on Women's Development into the Framework Act on Gender Equality, changing the purpose and basic philosophy of laws from women's development to the realization of gender equality and reestablishing the concepts of gender equality. Via such an initiative, the focus of gender

equality policies shifted from developing women at an individual level to resolving the issues of gender discrimination, prejudice, and inequality (Gangwon-do Women and Family Research Institute, October 2015). With the expansion of women's policies, the female manager employment quota system has also been actively enforced, leading each Ministry to have more interest in employing more female managers and announcing its efforts to promote the employment of women in public office both internally and externally. The target government employees have consistently expanded to include public officials in special and contract services, strengthening indicators for administration capabilities and personnel management in government business evaluation.

It is generally deemed that female manager employment policies have produced positive results. Backed by the five-year plan to expand the employment of Women's Management Positions (2002 ~ 2006) whose aim is to increase the share of level 5 or higher female managers to 10%, the percentage of level 5 or higher female managers jumped from 4.8% in 2001 to 10.0% in 2007. The first five-year plan to expand the employment of Women's Management Positions (2007 ~ 2011) whose aim is to raise the share of level 4 or higher female managers to 10% played its due role in swelling the percentage of level 4 or higher female managers from 5.4% in 2006 to 8.4% in 2011. The second five-year plan to expand the employment of Women's Management Positions (2012 ~ 2017) whose aim is to raise the percentage of such female managers to 15% enabled the share of level 4 or higher female managers to climb from 9.3% in 2012 to 12.0% in 2015.

## 2. Theoretical Discussions on Women's Participation and Performance

The depopulation of female managers is symbolized by the word 'glass ceiling'. In connection therewith, Kanter (1977) argued that the share of women in an organization should be at least 15% to enable them to work efficiently (Choi Jung-won, Kim Won-hong, and Yoon Deok-kyung, 2005). Kanter's theory is deemed to fully provide a theoretical framework for the five-year plan to expand the employment of level 4 or higher female managers whose aim is to raise the share of such managers to 15%.

A theoretical background of the expansion of women's representation in public office can be identified in the following three contexts: 1) women's characteristics; 2) impact on organizational dynamics; and 3) social recognition of women.

The effects from Women's characteristics	The effects from Impact on organizational dynamics	The effects form Social recognition on women
<ul style="list-style-type: none"> <li>• Contribute to improving organizational competitiveness and performance</li> <li>• Introduce creative and diverse perspectives</li> <li>• Refine a competitive organizational atmosphere</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen public ethics</li> <li>• Create synergy via women's active participation in public office: women's empowerment and performance improvement</li> <li>• Enhance members' recognition of gender equality</li> </ul>	<ul style="list-style-type: none"> <li>• Reinforce the legitimacy of organizations</li> <li>• Weaken the authoritarianism of public institutions</li> <li>• Enable women's communities and civic groups to have representation in society</li> </ul>

(Figure 2) Effects of Women's Entry into Public Office

### III. Women's representation in public office

As of December 2016, female government employees in the Korean administration numbered 323,575, accounting for 49.8% of all public officials, up 4.6%p (50,939) from 45.2% (272,636) in 2007. Level 4 or higher female managers numbered 1,236, taking up 13.5% of all government employees. In terms of the share of female public officials, the Ministry of Education (69.9%) topped the list, followed by the Ministry of Gender Equality and Family (68%) and the Ministry of Health and Welfare (57.6%). On the other hand, the shares of female employees in the Ministry of Public Safety and Security, the Korean National Police Agency, and the Ministry of Justice were as low as 9.5%, 12.8%, and 15.3%, respectively. The percentage of female government employees significantly differed by the function of central administrative agencies.

Female public officials in local governments were found to number 106,012, accounting for 34.9% of all local government employees, as of December 2016. The number of female government employees in local governments rose significantly from 75,608 (27.7%) in 2006. The share of level 5 or higher female managers greatly jumped from 6.5% (1,199) in 2006 to 11.6% (2,535) in 2016. Their share in key divisions (planning, personnel management, auditing, and main teams in departments and bureaus) was estimated to reach 37.4% in 2016 and was found to be higher than 30%, except for the auditing team (26.6%). In terms of the percentage of female employees, the Busan Metropolitan Government (38.9%) topped the list, followed by the Seoul Metropolitan Government (37.9%), the Gyeonggi Provincial Government (37.2%), and the Ulsan Metropolitan Government (36.8%). The Gangwon Provincial Government ranked last with the lowest percentage of female employees (30.4%).

**<Table 1> Female government employees in central administrative agencies and local governments**

Position	Total	Women	% of women
Central administrative agencies	650,149	323,575	49.8
Level 4 or higher	9,189	1,236	13.5
Local governments	303,401	106,012	34.9
Level 4 or higher(as of 2015)	21,787	2,535	11.6

In the context of recruitment, women accounted for 41.7% (317) and 51.6% (1,933, as of 2015) of level 7 and 9 administrative employees, respectively, as of 2016. They took up 34.6% (administrative posts: 41.4%; technical posts: 12.8%), 36.7%, and 70.7% of Higher Civil Service Examination passers, Korean Bar Examination passers, and diplomat candidates, respectively, in the same year.

#### **IV. Analysis of Quantitative Achievements of the Female Manager Employment Quota System**

We estimated long-term time series changes from 1986 to 2016 via the Intervention-ARIMA model, with the result that the number and share of level 4 or higher female government employees were able to be identified relatively accurately. According to the model, the number and percentage of female public officials have consistently climbed, especially soaring since the quota system was introduced in 2002. The number and share of level 5 or higher female managers also showed the same pattern. However, the policies that were introduced in 2007 and 2012 to expand the target employees to include level 4 or higher female managers were found to have had significant effects only on the number

of level 5 or higher female managers. However, the 2007 policy had negative effects on the number of level 5 or higher female managers, showing that the expansion of the target employees to include level 4 or higher female managers might have played a role in reducing the number of the aforementioned level 5 or higher employees.

Estimating the number and share of level 4 or 5 female government employees from the end of 2017 to the end of 2026 via the model, the number and share of such employees are projected to jump in every area regardless of whether to maintain or abolish the system. However, when the system is maintained, the slope is predicted to be steeper, gradually widening the gap between forecasts. At the end of 2026, the gap is forecast to broaden significantly.

〈Table 2〉 Estimation of the Effects of the Female Manager Employment Quota System

Classification	Number of level 4 or higher female managers in public office		% of level 4 or higher female managers in public office		Number of level 5 or higher female managers in public office		% of level 5 or higher female managers in public office	
	Estimate	t-value (p-value)	Estimate	t-value (p-value)	Estimate	t-value (p-value)	Estimate	t-value (p-value)
I2002	8.419	t=2.518 (0.019*)	0.007	t=3.633 (0.001**)	45.522	t=3.777 (0.001***)	0.016	t=2.247 (0.034*)
I2007					-52.462	t=-2.910 (0.008**)		
I2012					46.676	t=2.543 (0.018*)		
AR(1)	-0.657	t=-3.899 (0.001***)	-0.727	t=-7.726 (0.000***)	-0.523	t=-2.872 (0.008**)	-0.56	t=-2.765 (0.011*)
AR(2)					-0.467	t=-2.506 (0.019*)	-0.431	t=-2.240 (0.035*)

\*\*\* p<0.001, \*\* p<0.01, \* p<0.05

## V. Analysis of the Survey on the Qualitative Achievements of the Female Manager Employment Quota System

A survey of female and male government employees was conducted to identify the recognition and achievements of the female manager employment quota system, producing the following results:

More than half of the respondents understood (positive opinion: 64.6%) and supported (positive opinion: 58.5%) the purpose and intention of the quota system but a relatively smaller number of participants effectively recognized (positive opinion: 32.2%) how the system operates. In connection with whether agency chiefs or organizations have made efforts to effectively carry out the quota system, more than 40% of the respondents replied positively, saying that the number of women in personnel committees has risen and that women have been given more opportunities for placement, promotion, and training. They think that a rise in the number of female managers has weakened bribe-sharing networking and improved organizational competitiveness. This is deemed to support the aforementioned theories of women's participation and related achievements. 51% answered that the current quota is appropriate while 38.8% of those replying that the quota is too low presented a 30% quota as an appropriate one. Flexible working systems, the improvement of childbirth/child care-related welfare systems, and the expansion of the system to the private sector were preferred most for the development of the quota system. A relatively higher percentage of survey participants expressed opposition to allocating a certain quota to all agencies. In summary, the female manager employment quota system, as well as giving equal opportunities to male and female employees, are found to

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have had positive effects on enhancing organizational competitiveness, refining the organizational atmosphere, and strengthening cooperation among female employees.

## VI. In-depth Interviews Discussing the Achievements and Development of the Female Manager Employment Quota System

We conducted in-depth interviews with level 5 or higher female and male government employees who are or will be directly affected by the female manager employment quota system in order to look into their recognition and assessment of the system as a whole. The results are as follows: They were mainly asked about ‘their knowledge of and needs for the system,’ ‘system effectiveness,’ ‘efforts to implement the system,’ ‘the appropriateness of the employment quota,’ and ‘system development plans.’ First, the majority of the respondents positively recognized the system as whole (objectives, needs, etc.) but females had a better understanding of specific measures than males. Second, they replied that the employment quota system is effective in ‘contributing to social integration’ and ‘raising awareness of gender equality’ but failed to deliver consistent opinions on ‘the role of the system in increasing citizens’ confidence in the government’ and ‘the spillover effects of the system on each area in society.’ Third, some of them were skeptical of the efforts of each Ministry to effectively carry out the employment quota system while others raised a question of whether current achievements are attributable to the quota system. Fourth, most survey participants replied that a rise in the number of female managers plays a positive

role in creating mentors for female junior staff, forming collaborative relationships, and reflecting women's opinions in decision-making processes. However, they did not provide consistent opinions on the effects of female leaders' fundamental characteristics on organizations and the role of the system in strengthening the reputation of organizations. Fifth, respondents did not present negative opinions on the current quota of 15% but some of them replied that quotas should be flexibly or more actively set, considering organizational circumstances. Lastly, all but one of the respondents acknowledged a need for the employment quota system and a majority of them answered that incentives are required for the effective attainment of quotas and that the system should expand to the private sector. However, they had differing views on specific measures ('whether to apply the system to the Senior Executive Service or the Open Position System,' 'making it mandatory to include a certain percentage of women in the personnel committee and the committee on promotion and assessment'), skeptical of the development of a training program to improve female government employees' capabilities as managers.

## VII. Conclusion

### 1. Policy Suggestions

#### A. Establishment of Female Manager Employment Quotas for the Next Five Years (2018 ~ 2022)

This study shows that the female manager employment quota system has positive effects on expanding the employment of promotion candidates and female managers in number and percentage. Therefore, more actively

setting employment quotas, the existing system should be continuously carried out.

Quotas for the next five years from 2018 to 2022 are estimated based on the compound annual growth rate (CAGR) of female managers for the five-year period from 2012 to 2016. As a result, the shares of level 4 or higher female managers in central administrative agencies and the Senior Executive Service are projected to jump to 23.5% and 8.2%, respectively, by 2022. More active quotas were presented by reflecting the government's policy efforts (1.2 times) therein, with the result that the shares of level 4 or higher female managers in central administrative agencies and the Senior Executive Service are forecast to climb to 26.7% and 8.8%, respectively, by 2022.

#### B. Strategy for Expanding Female Manager Employment Quotas

##### 1) Introduction of a Quota System for Accepting Women as SES Members

The female manager employment quota system has played a role in increasing the number of female managers but the share of women in the Senior Executive Service was as low as 4.9% as of 2016. Therefore, target employees need to expand to include not only level 4 or higher female government employees but also the Senior Executive Service. This will have effects on not only raising the share of women in high-ranking positions but also securing a bigger pool of promotion candidates, with the result that the number of levels 4 and 5 female public officials is expected to jump. Therefore, it is deemed to be necessary to allocate a certain percentage of women to the Senior Executive Service.

## 2) Allocation of 30% of Open Positions to Women

An open position system was introduced to enhance the competitiveness of the civil service. However, it has been consistently pointed out that the employment of private experts and women is far from satisfactory. Therefore, through regulations on the Operation of Open Positions and Job Posting and the revision of administrative rules, the use of female DB set up by the Ministry of Gender Equality and Family should be maximized, enacting a provision on the allocation of women to open positions.

## 3) Establishment of a New Regulation Making it Mandatory to Allocate 40% of Central Recruitment Process Committee Members to Women

A system needs to be set up to reflect women's perspectives in the process of employing government employees. 'Open Positions and Job Posting Operation Guidelines' should be revised to cause the share of women in the Central Recruitment Process Committee to be 40% or higher, effectively implementing regulations set forth in the Gender Equality Act and promoting equality prescribed therein. The aforementioned committee is in charge of managing the process of appointing staff to open positions in central administrative agencies.

## 4) Establishment of a Job Placement System that Reflects Women's Life Cycle

The current female manager employment quota system, whose focus is only placed on the removal of a glass ceiling, has limitations in resolving the issues of women who feel discriminated against in

promotion and placement. Therefore, it is necessary to establish a system that minimizes manpower vacuums via placement reflecting women's life cycle such as childbirth, child care, and so forth and helps women develop capabilities as professional administrators. Moreover, a job allocation system needs to be introduced to prevent women from being alienated from key posts (HR, finance, auditing, and other main teams) in the process of job rotation. At the same time, the Ministry of Personnel Management or the Ministry of Gender Equality and Family should be supported to control statistics on positions and placement by gender, reflecting them into HR management.

#### 5) Stricter Management of the Female Manager Employment Quota System

Whether each agency effectively uses or operates 'Balanced Personnel Management Guidelines' containing information on affirmative action for minority groups such as women, the disabled, local talents, and so forth should be continuously monitored, thereby improving its effectiveness. In the process of the Ministry of Personnel Management auditing HR management, whether to use the aforementioned guidelines should be carefully checked, offering incentives to out-performers for the purpose of encouragement. It is also necessary to create an environment where agencies whose employment performance is far from satisfactory or which fail to comply with the guidelines are urged to enhance their performance via budget cuts, consultation services, and so on.

### C. Establishment of a Civil Service Environment for Employing More Female Managers

#### 1) Establishment of Government Employee Management Systems that Reflect Childbirth and Child Care

In the context of increasing women's representation in public office, it is very important to improve HR and welfare systems and to secure related support systems. Regardless of gender and position, promoting work-family balance and securing replacements, as well as their needs, are positively recognized in terms of raising the number of female managers. Therefore, the active use of work-family balance systems, child care leave schemes, and child care facilities at the workplace should be encouraged via the establishment of a gender equality promotion culture at the workplace. It is also necessary to expand child care services and child care- and childbirth-related counseling services for government employees. What is more important is to review the upper/lower limits and baseline of child care leave benefits (40% of monthly wages as of the date on which child care leaves are initiated) and to expand such benefits in order to strengthen child care leave systems.

#### 2) Expansion of a Flexible Working System

Taking into account that some types of flexible working systems have yet to operate, system types should be diversified to enable the systems to be effectively used in accordance with individual circumstances (childbirth, child care, etc.), business by agency, and job characteristics. At the same time, reasons for not using some system types need to be identified, coming up with improvement measures.

Flexible working systems have been implemented to create a family-friendly service environment and promote work-family balance. However, the systems have not been fully used for fear of placing an additional burden on colleagues and being exposed to disadvantages for promotion and personnel management. To resolve such problems, an environment for the promotion of flexible working should be created, offering incentives to agencies that actively use the systems, providing consultation and job design services to under-performers, and additionally gathering opinions on reasons for avoiding the use thereof. In connection with placement by women's life cycle, information services also need to be delivered to lead them to use flexible working system.

### 3) Expansion of the System to the Private Sector

The use of female human resources in the private sector closely relates to the expansion of the number of female managers in the public sector because it has effects on improving the status of women recognized in society, securing role models, and establishing the value of gender equality. Therefore, rules and regulations should be revised to make current affirmative action for public institutions and private firms be used as mandatorily as the female manager employment quota system, presenting mid-to long-term goals for the industry as a whole, by industry group, and by individual company via tripartite negotiations among labor, management, and the government, individual discussions, and so forth.





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