

PILOT STUDY: EXPLORING FIXED COSTS IN FEMALE HIRING

Abstract

One of the consequences of the Nitaqat program has been a sharp increase in female employment in the private sector. However, this increase has not spread evenly across firms, as some have continued to employ only males. We hypothesize that this may be due to fixed costs: firms must invest in the capacity to hire women, including adjusting the workplace to comply with cultural norms. The pilot will gather information on firms' assessments of these constraints. Identifying these factors will enable policymakers at MLSD to design policies that help firms make these fixed-cost investments. The goal is also to lay the groundwork for a full-scale RCT to test policies that alleviate these constraints and increase female employment.

Expected Impact

Help design cost effective interventions as a policy tool to achieve female employment targets.

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