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Women Are Returning to the Workforce. Here's What They Need to Stay.

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Companies must leverage flexibility to attract and retain professional women as labor force participation rises.

For the better part of the past three years, professional women have been challenged with significant [gender equity](#) setbacks. [Our last analysis of women in the workforce](#) revealed a dismal state; in 2022, female workforce participation was at its lowest in 33 years. Women were burning out and leaving the labor force at far higher rates than men. As a result, many experts predicted a long road to recovery—but women are proving them wrong.

Throughout early 2023, positive trends in the U.S. labor market brought glimmers of hope for the return of women in the workforce. A resurgence is now in full swing, far exceeding cautious expectations. But as business leaders deliberate return-to-office mandates and hybrid policies, reversals in remote work arrangements may come in contention with the very catalyst for this critical rebound.

The State of Women in the Workforce in 2023

As women re-enter the workforce at impressive rates, their post-pandemic resurgence has unexpectedly surpassed that of men. Despite having a longer road to recovery, women are reaching record highs in labor force participation—NPR reports [77.8%](#) of women between 25 and 54 are in the workforce as of July 2023. Notably, over 80% African American women within that age range are actively working or seeking work.

This massive turnaround mirrors the rebound in overall workforce participation. By May 2023, the [U.S. Bureau of Labor Statistics](#) reported the return of labor force participation to pre-pandemic levels for prime-age workers. In fact, the participation rate reached its highest in over 16 years. The strength of the labor market has, to an extent, eased concerns about an impending recession—and as women return to the workforce, renewing and growing their purchasing power, there is potential for [further economic growth](#).

For women, the candidate-driven market has played a significant role in their rebound. As employers continue to face the reverberations of [the Great Resignation](#) and struggle to attract talent, women have gained leverage in workplace negotiations. What they're seeking comes as no surprise. Following their pandemic-era struggles with childcare—which continues to be a barrier for [36%](#) of women, compared to 19% of men—women are prioritizing flexibility.

Flexibility as a Catalyst

The remarkable return of women to the labor force comes with an even greater element of surprise: Leading the way are [women in their 30s](#). Whereas this demographic has traditionally scaled back their professional work to care for children, the rise of remote and hybrid roles has empowered caregivers to sustain their career trajectory. For many women with flexible work arrangements, motherhood and professional growth can be synchronous journeys without a hefty toll of childcare costs.

Women's increased labor participation isn't the only upside of companies going virtual. Moving forward, remote work could reduce the prevalence of career gaps for mothers, allowing for continual upskilling and more promotions. This will also enable women—who currently hold [less than 32%](#) of top executive positions—to access more C-suite positions faster. Furthermore, this game-changing development could accelerate efforts to close the [gender wage gap](#).

Many employers have recognized that flexibility is far more feasible and affordable than once believed, and it creates a win-win for their organization and employees. Unfortunately, corporations are now pushing toward a return to onsite work, which could threaten the recent progress of women in the workforce.

Pressures Mount for Employers

As businesses continue their own post-pandemic recovery, employers are facing pressure to boost productivity. [Reuters](#) reports investors are scrutinizing company outlooks as profits decline, all while economic challenges like inflation persist. For many employers, a return to the office can appear as a reliable solution.

A core driver of return-to-office mandates is lack of trust. A [Microsoft survey](#) found 85% of leaders struggle to have confidence that hybrid employees are working productively—and yet keeping a closer eye on virtual workers creates a self-fulfilling prophecy. According to [Harvard Business Review](#), online monitoring causes employees to take more unapproved breaks and work at a slower pace. Regardless, policies developed in response to deteriorating trust could force women out of the workforce as quickly as they jumped back into it.

In truth, flexibility offers more positives for employers than negatives. [Deloitte](#) reports two-thirds of women with flexible work, compared to only 19% of women without, plan to stay with their company for over three years. Increased retention and reduced turnover costs are certain to drive growth—and enabling more women to take senior positions can [boost profitability](#).

Ultimately, it's clear that enhancing flexibility is both beneficial for employers and necessary for the positive momentum of women in the workforce.

Maintaining Positive Momentum

The continued gains of women in the workforce depend on more than remote and hybrid work arrangements. Women, particularly mothers, require flexibility of time—a workplace perk that remains somewhat novel. Currently, the [vast majority](#) of women agree that asking for more flexible hours negatively affect their odds of promotion and can overwhelm their workloads.

Innovative solutions may be key to driving the mutual success of companies and their much-needed female workers and leaders. Businesses are increasingly experimenting with flexible start and end times—allowing women to easily fit appointments and school pickups and drop-offs into their schedules—as well as compressed work weeks and fully open schedules.

Companies that require in-office work can also become destination employers by mastering accommodation. Marriott International and Tyson Foods are excellent examples—they offer [onsite daycare](#) at their headquarters, while [UKG](#) offers stipends for childcare and extracurricular activities. Flexible work-from-office days are also a popular solution for hybrid teams.

By offering new forms of flexibility, employers can increasingly attract and retain female professionals while cultivating the long-term success of women in the workplace.

How is your organization seeking to improve flexibility and further gender equity in the workplace?