The Business Case for Investing in Women’s Employment in Iraq

COMPANY INSIGHT

Nafith Logistics Co.
Supporting Women in Non-Traditional Roles
FOREWORD BY THE WORLD BANK GROUP

The International Finance Corporation and the World Bank are working with local partners to remove barriers to women’s participation in Iraqi workplaces and build a community of companies that are dedicated to hiring, retaining, and promoting women.

Even before the pandemic, there was an urgent need to level the playing field for working women in Iraq. The labor force participation for women in Iraq in 2017-2018 was 12.6 percent compared to 72.8 percent for men, whereas it is over an eight-year average (2010-2018) 12 percent for women compared to 77 percent for men. That is one of the widest gender gaps in the world – and it has deep social and economic implications. We at the World Bank Group recognize that access to economic opportunities is essential for allowing both men and women to live dignified lives and become active social agents. Attracting, retaining, and promoting women is also good for companies. It allows them to harness talent, making them more productive and competitive.

In the bigger picture, raising female employment also contributes to economic growth and supports poverty reduction. Our recently published State of the Mashreq Women Flagship Report found that if Iraq raised its female labor force participation rate by 5 percentage points in 2025, its annual economic growth rate would increase by 1.6 percentage points by 2035. Amid the ravages of COVID-19, boosting female employment would act as a catalyst for Iraq’s economy, making it stronger and more inclusive. That is especially important given that years of conflict have already hampered economic growth in Iraq.

As difficult as the pandemic has been, it has allowed us to re-imagine workplaces and to reflect on what those mean for Iraq’s women. We have been inspired to see the agility of some Iraqi companies, many shifting to more flexible, home-working and family friendly work modalities, thereby creating inclusive work models that are responsive to the needs of women.

Under the Mashreq Gender Facility’s activities in Iraq, we have launched a series of company insights to showcase Iraqi companies that have created gender-responsive workplaces which support women and men. The company insights feature companies that are promoting greater inclusion of women in their workforce in three thematic areas:

- Supporting women in non-traditional sectors, as Nafith Logistics Company is doing;
- Promoting women in leadership positions based on Ashur International Bank for Investment’s experience; and
- Fostering family-friendly policies for women in the workplace as exemplified by Zain Iraq.

We hope these company insights will inspire and encourage other businesses in Iraq to develop more gender-aware environments based on insights into workplace models that work. Our utmost gratitude goes to the three companies that were profiled in these company insights for generously sharing their data and good practices, and for championing this important agenda. We also extend our gratitude to the governments of Canada and Norway for supporting the Mashreq Gender Facility (MGF), under which we are launching these company insights. The MGF is a five-year initiative to support the governments of Iraq, Jordan and Lebanon in their efforts to create a more enabling environment that contribute to increased female labor force participation.

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WOMEN IN NON-TRADITIONAL ROLES IN IRAQ

Historically, social norms in Iraq have constrained the range of employment options available to females. Women face considerable obstacles to securing their own source of income. At home, many females face pressure to focus on domestic duties and raising children, especially without effective childcare services across the country. At the workplace, Iraqi women often face gender-based discrimination – both when applying for jobs and seeking promotions. These challenges apply with special force in traditionally male-dominated fields like logistics, which have overwhelmingly employed men over women for many decades.

Nevertheless, women are gradually overcoming these barriers and finding work alongside men. Even though 49% of girls in urban areas remain enrolled at school until the age of 17, female labor force participation (FLFP) stood at 12.6% in 2020; by contrast, labor force participation levels reached 72.7% for males in Iraq. Women play an even less prominent role at a corporate decision-making level, with just 2% of Iraqi firms including a leading female manager (World Bank, 2019). Undoubtedly, these statistics reflect an imbalanced female-to-male ratio in terms of labor force participation. Yet it is noteworthy that these data also indicate marked progress towards greater female involvement – in 2017, the nationwide FLFP was just 11.2% for Iraqi women (World Bank, Data Portal). A crucial factor behind this trend is widespread economic need in Iraq, where decades of successive wars have triggered interrelated crises of housing, education, health care, and stable employment. Faced with these challenges, women are increasingly seeking jobs to provide economic security for themselves and their families.

As female presence grows in the workplace, Iraqi women tend to hold more jobs in the public sector than in the private sector. Current statistics indicate that 89.6% of employed Iraqi women are working in the public sector, with just 9.4% working for private companies (Republic of Iraq, Ministry of Planning, Central Statistical Organization, 2017-2018).
Government institutions likely appeal to female employees more as they offer long-term job security and a safe work environment. Iraqi women enjoy far lower FLFP rates in historically male-dominated industries within the private sector. One example is Iraq’s transport and logistics industry, whose persistent gender disparity appears increasingly out-of-step with global trends. One survey found that 60% of supply chain organizations had established goals to increase female representation with “targeted initiatives to recruit, develop, retain and/or advance women in supply chain work” (Gartner, 2021).

To that end, forward-thinking Iraqi companies have a crucial role to play in supporting women to take up and succeed in non-traditional roles – an umbrella term used in this company insight to include all sectors and positions in which women are traditionally under-represented or excluded from in Iraq. The sample size however is not statistically significant and cannot be used to draw definite conclusions but rather provides anecdotal evidence on the topic of this study.

**COMPANY BACKGROUND**

Established in 2014 in Iraq, Nafith Logistics Co. (Nafith) operates from the banks of Shatt El Arab River, within Umm Qasr Port in the Governorate of Basra in Southern Iraq. In Basra, the company provides essential logistics services that aim to streamline cargo transport connecting the hinterland to the ports. Nafith also operates in Jordan, Oman, and the United Arab Emirates, with a total of 375 employees across all four countries. Already, Nafith has invested approximately US$12 million in its Iraqi operations; building on encouraging signs, the company’s directors have revealed imminent plans to expand the range of professional services further.

In Iraq, Nafith’s corporate culture distinguishes itself by promoting a gender-diverse workplace. Females make up 14% of Nafith’s current Iraq-based employees – noticeably higher than the company’s overall FLFP rate of 10.6% across all four countries. The Basra office’s female staff members occupy various senior roles within the company: 27% are administrative managers, 19% are operations supervisors, and 45% are operations managers. Tellingly, more than 60% of female employees hold operations positions in Nafith’s Iraq branch – a clear departure from traditional roles for women, which tend to be confined to administrative roles. This company insight explores how Nafith’s Iraq office has institutionalized corporate structures that support women working in non-traditional roles, allowing them to achieve their full potential.

**WHY NAFITH LOGISTICS CO.?**

The World Bank Group (WBG) had conducted several interviews with leading Iraqi private sector companies that could be the subject of this study. Based on a selected set of criteria such as company policies and availability of quantitative HR data, company gender diversity efforts on relevant topics, previous experience with the WBG in particular the IFC Gender team, size of the company. Nafith Logistics proved to be a prominent Iraqi private sector company that has made great strides towards gender diversity, in particular supporting women in non-traditional roles. As such, Nafith Logistics was selected to be the subject of this company insight.

**HOW NAFITH LOGISTICS CO. SUPPORTS WOMEN IN NON-TRADITIONAL ROLES**

Ms Nourah Mehyar, CEO of Nafith, has passionately and determinedly advocated for gender diversity and inclusiveness throughout the organization. Ms Mehyar has worked with Nafith’s board to institutionalize various policies that empower female employees throughout the company. Nafith’s key tool for mainstreaming gender diversity is the Gender Equity Development Model (GEDM). The GEDM is a corporate structure that defines the role of each Nafith employee – from senior manage-
ment to the general workforce – in promoting gender diversity and encouraging women to join the company (See Exhibit 1). By creating a constant feedback loop, the GEDM ensures that all Nafith personnel know how to integrate gender equity policies into their daily workflow, while also being able to flag challenges in implementing the policies as they arise. Nafith’s board continuously updates the GEDM based on practical experiences from the company.

The Gender Diverse Recruitment Policy ensures equal employment opportunities for male and female job applicants. Under the policy, Nafith has included female supervisors on the company’s recruitment and nomination committees and ensured that all HR team members develop a true diversity lens through effective training (including on conscious and unconscious biases). Nafith also reviewed and adjusted all company job descriptions to eliminate gender bias from each position’s terms and expected duties. In addition, Nafith has implemented the Equal Opportunity Employer Policy, which actively supports traditionally marginalized groups in the logistics sector, including women.

Encouragingly, Nafith employees endorse the company’s gender equality in recruiting and promoting staff. According to Nafith, a 2021 staff survey revealed that 79% of participants believed Nafith’s work environment (1) provides equal opportunity for men and women to obtain a promotion or training and/or (2) maintains a desirable level of employee motivation. Moreover, Nafith’s recruitment and promotion trends reflect the improved processes, given that female representation has risen to 18% in the company’s operations department.

**Exhibit 1: Nafith Gender Equity Development Model**

The GEDM corporate structure has enabled Nafith to pursue several initiatives aimed at providing a welcoming, safe, and productive workplace for Iraqi women. The company has appointed specific senior staff members as Organizational Champions, tasked with disseminating information to all staff about the company’s gender diversity policies and ensure compliance with them.

**Fairer recruitment and promotion procedures**

In creating a more gender-diverse workplace, Nafith has faced resistance to hiring and promoting female employees. Within the company, some middle management employees opposed recruiting women to work in Nafith’s operations team, raising concerns about the female candidates’ skills and capabilities. In response, Nafith instituted several company policies and tools aimed at minimizing gender bias during the recruitment and promotion processes.

**Addressing social stigma through Family Friendly Policies**

To recruit more female employees, Nafith needed to address deep-seated social stigma against Iraqi women working in non-traditional sectors like logistics. The 2021 Nafith Employee Survey revealed that current female employees had been reluctant to work in the operations team. This hesitancy stemmed from cultural restrictions, by which women working in male-dominated industries are often shamed by their fami-
lies and communities (62%, see Exhibit 2). Of course, this finding does not account for women who never applied to work with a company like Nafith, worried that they would face societal judgement.

Nafith has tackled social stigma through a community awareness initiative, aimed at demonstrating that the company offers a safe and inclusive workplace. The company has appointed specific employees as Nafith Organizational Ambassadors, who publicly disseminate knowledge about the logistics sector and correct any prevailing misconceptions about it. The Nafith Organizational Ambassadors engage the local community, sharing their work stories and real-life experiences with colleagues, relatives, and friends. In this way, Nafith’s community awareness strategy encourages local women and their families to consider the logistics sector as a viable employment option for females.

The company offers further support to women who have demonstrated an active interest in working with Nafith. All female job candidates can bring a family member to their interview with Nafith; during employee orientation, the relative can tour the company premises and confirm that it provides a safe working environment. Under the Family Friendly Engagements policy, Nafith covers the daily transportation cost of one family member per employee in case some women would like to be accompanied to work on public transport.

Providing a Safe and Respectful Workplace

Nafith acknowledges that, even though the company promotes progressive attitudes to gender diversity, female employees may still face resistance and discrimination. The company’s Human Rights Policy requires that all Nafith employees respect and value people from all backgrounds, including women. The company has also instituted a Grievance Policy that addresses issues like workplace harassment, occupational health and safety, supervisor conduct, and unfair changes to employment conditions. Under the policy, Nafith’s management and HR teams encourages employees; both females and males to participate in a fair and confidential dispute resolution mechanism.

THE BUSINESS CASE FOR EMPLOYING WOMEN IN NON-TRADITIONAL ROLES

Already, Nafith has reaped tangible commercial benefits since promoting female employment and gender diversity in a traditionally male-dominated workplace. These improvements include attracting more qualified employees, improving staff retention and attendance rates, and offering stronger customer service levels.

Wider talent pool

Recruiting more women has given Nafith access to a wider talent pool than previously, allowing the company to benefit from highly qualified female staff members. According to Nafith’s service team, the company’s increased diversity has introduced various perspectives, experiences, and opinions, enabling staff to share ideas and come up with original solutions. For instance, one female supervisor created an innovative solution for truck oper-
ators with erroneous data on their port permits. Her approach involved supporting the operators to contact port administration instantaneously to clarify the faulty information and decide whether an electronic rectification would be possible. The new policy helped to reduce losses previously made by the trucking companies, who used to lose an operating day waiting for their permits to be rectified. This example demonstrates how Nafith has enjoyed commercial benefits from hiring a more gender-diverse team, which a Harvard Business Review (HBR) study identified as key driver for corporate success (HBR, 2019).

Enhanced staff retention and attendance

Since hiring more women, Nafith has had greater success in retaining staff and reducing expenditure on recruitment and improving knowledge retention. In 2020, Nafith’s turnover rate was 6.5% in 2020—a marked decrease from the company’s turnover rate of 16% in 2017. Nafith’s staff retention levels compare favorably with industry standards, being well below the logistics sector’s global turnover rate of 25% (DC Velocity & ARC Advisor). An International Public Review Management (IPRM) study found that higher rates of female employment tend to encourage women to continue working in a company, which reinforces Nafith’s overarching aim of creating a more gender-diverse work environment (IPRM, 2017). Employee retention enables Nafith to retain valuable knowledge and maintain the relationships that staff members have built with clients. Maintaining institutional knowledge is especially important in Iraq’s logistics sector, where information and data are scarce. This makes staff knowledge one of Nafith’s most valuable assets.

Nafith management also reported that staff attendance rates had improved by more than 50% since the company actively pursued a gender-diverse recruitment strategy. According to senior figures, this trend reflects stronger feelings of inclusion and belonging among employees. Nafith’s decrease in absenteeism—from 13%, in 2017 to 6%, in 2020—is above the baseline established by one Deloitte study, which indicated that greater inclusivity in the workplace can increase staff attendance (Deloitte, 2013).

Improved staff performance

Nafith’s female employees have offered the company a greater range of perspectives in handling customer requests than existed before. The company’s gender diversity and inclusion policies have enabled Nafith to become more innovative in problem-solving. For example, female staff have spearheaded new communication techniques to Nafith’s truck control service, which regulates the entry and flow of trucks into the ports. Previously, some truck operators had felt that Nafith’s customer service team did not take complaints seriously; recently, however, those same customers approved of female Nafith employees’ responsiveness and cooperativeness. This experience aligns with international research: a 2016 study by Sodexo found that growth was 13 percent higher and gross profit 23 percent higher for gender-balanced teams (i.e. those with a ratio between 40-60 percent) (Sodexo, 2016).

Nafith has also improved productivity levels since diversifying the company’s workforce. According to management, female staff members in the operations team have significantly outperformed their male counterparts in terms of completing transactions. Indeed, this improved output has encouraged Nafith to consider hiring more women for the operations team, with a view to achieving gender equality.
WHAT’S NEXT FOR THE COMPANY

Nafith is determined to continue to pave the way for hiring, retaining, and promoting women in Iraq’s logistics sector. Long term, the company aims to achieve a 1:1 women-to-men ratio within its operations team. The company’s leadership has pledged to continue listening to its female employees and strengthening their visibility, ensuring that Nafith remains a leading industry figure for supporting female role models in Iraq.

Nafith is currently entering a second phase of achieving the company’s gender diversity targets in the Iraq branch. The second phase aims to:

- increase the percentage of female employees on the operations team from 18% to 25%;
- invest in skills development by supporting for female employees, including training sessions on management and life-skills training; and
- pursue efforts to enhance community understanding of gender equality and the value of involving women meaningfully in the workplace.

LESSONS LEARNED

Based on Nafith’s experience in promoting gender diversity, the company offers the following lessons for other companies aiming to integrate more women in non-traditional jobs and roles:

- Institutionalize gender diversity. Nafith has implemented various policies and corporate structures that ensure support for women working in non-traditional roles becomes part of the company, as opposed to a temporary management decision.
- Recruit talented women by making them feel comfortable. Nafith has unlocked various commercial benefits from improving gender diversity by addressing barriers to females joining the company. Nafith is currently reaping benefits from investing in female staff members’ comfort, such as paying transport costs for a relative to accompany women to work. This upfront expenditure promises to yield returns on investment as a more gender-diverse workplace increases long-term productivity and innovation.
- Speak with your company’s community. Nafith has invested heavily in reassuring the local community that women can safely and effectively work in non-traditional roles, such as in Iraq’s logistics sector. This approach has reduced social stigma against female employees and encouraged more women to apply for roles with Nafith.
- Include men in gender diversity projects. Nafith management realized that the company would be more cohesive if male staff members understood the tangible benefits of hiring more women than before. Men have been shown data, such as shared KPIs, demonstrating that Nafith’s female employees contribute strongly to the company’s overall performance.

90% of employees would recommend employment in the logistics sector to their female relatives and/or acquaintances who are seeking employment.

2021 Nafith Employee Survey

“Based on my own experience, gender diversity is vital not only for our own people but also for our client services and, thus, for our business.”

Mohammad Maher, Project Manager at Nafith Logistics Co. since 2005
Nafith has taken bold steps towards improving gender diversity in a very challenging context. The logistics sector – already male-dominated by global standards – has traditionally struggled to attract female employees in Iraq, where social conventions often preclude women from working in non-traditional roles. The company invested time, effort, and financial resources in making female employees and potential recruits feel more comfortable about working with Nafith. Crucially, this gender diversity campaign extended to allaying fears of those females' family and community members, removing a once-formidable barrier to female job applicants. Today, Nafith's female staff are doing more than pulling their weight – they are driving innovation and excellence as the company grows.

**CONCLUSION**

**SOURCES**


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