

# STATUS OF WOMEN WORKFORCE IN INDIAN CORPORATE SECTOR

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**Abstract:** Gender inequality, which is sometimes called sex discrimination, means receiving unequal treatment based solely on gender. Women are most commonly the subject of gender inequality in the workplace. The contribution of women in corporate sector is essential for the success and prosperity of nations across the world. In spite of many odds women across the globe continue to make incredible progress. However, the role of women in economic value creation has not been recognized universally rather they are playing a supportive role in economic value creation. The present paper focuses on the status of women workforce in corporate sector by emphasizing on gender inequality and the barriers for women in India to work.

**Keywords:** Women, gender inequality, income disparity, Indian corporate sector

## INTRODUCTION

Women have always helped men and the society, for achieving all-around development and progress, significantly both in domestic and social life. Again, in the occupational and professional domains, women have an ever-increasing participation in almost all fields of the broad economic sectors of business and commerce, professions, industries and services, at the levels varying from lower to higher hierarchies. Women have also entered the board rooms of many companies, of course in a limited way. The importance of women's participation in economic activities bringing women in reach of the development process is widely recognised as vital for the advancement and growth of women in India. History says women has participated in developmental activities but has remain un-recognised. In a country like India, agriculture continues to absorb and employ 2/3<sup>rd</sup> of the female work force but fails to give them recognition of employed labour (Ghosh and Ghosh, 2014).

Despite the fact that we're now in the 21<sup>st</sup> century, or that women all over the world are breaking new ground in every arena of life and work, there are some remarks and questions that most Indians take for granted in discussions centred around the Indian woman's role in society. As a matter of fact, every few months, the dismal status of women's participation in the Indian workforce makes headlines, only to be quickly swamped by the flurry of other news and information available in the market today. Still, even though the 2017 India Development Report from the World Bank ranks India a shocking 120<sup>th</sup> out of 131 countries in the world on female labour-force participation, across the world too, the share of women in the formal workforce, especially in senior positions, has continued to remain low. Out of 1,500 large public companies listed across 27 countries analysed by Quartz, 95% of companies are led by a significantly male-dominated management, with this phenomenon particularly evident across management levels at Asian companies. In India, women account for approximately 17% of senior management.

Gender parity has long been touted a feminist agenda with social justice an end in itself. However, more recently, the business case for gender diversity is gaining some prominence. The 2017 World Bank report goes on to make the macroeconomic case for increasing the number of working women in India by showing that an increase in the participation rate from the current 27% to 50% could boost India's overall growth rate by 1.5%. McKinsey Global Institute has done further research to show that in India, women's contribution to the GDP stands at just 18%, far behind China, where women contribute to 41% of the total GDP. Only Pakistan, where women contribute just 11% to the GDP, is behind India. If McKinsey's estimates are accurate, India can add a mind-boggling \$770 billion to its GDP annually simply by achieving gender parity in the workforce. No wonder then that the "Women First, Prosperity for All" theme dominated the proceedings of the Global Entrepreneurship Summit 2017. Research at an organisation level has so far been restricted to the developed economies and mostly at the senior management or board level. A Catalyst study in 2017 found that companies with the highest number of women in the top management perform better, both in terms of Return on Equity (ROE), which is 35% higher, and Total Return to Shareholders (TRS), which is 34% higher. Another study by Catalyst found that across five industries, companies with the most number of women board directors outperform those with the least, based on a 26% increase in ROIC. Similarly, a 2014 Gallup study of more than 800 business units from two companies representing two different industries -- retail and hospitality -- showed that gender-diverse business units had 14% higher average comparable revenue than those dominated by one gender. In India, there has been limited research and data surrounding the business case for diversity. In the case of customer experience roles, employers see tangible benefits in hiring women. In general, diversity and inclusion experts (not specific to gender diversity alone) have been making an increasingly convincing case with respect to hard business metrics such as revenue, profitability, productivity, customer satisfaction and retention, as well as with other critical parameters such as the quality of innovation, creativity and better decision-making, which are more intangible benefits.

## TREND OF WOMEN PARTICIPATION IN INDIAN CORPORATE SECTOR

Women make 70% of the purchasing decisions at home. Yet, women entrepreneurs get only 1% of the global procurement business. They are missing in the supply chain. They need to understand the needs of the market better (Elizabeth Vazquez, CEO of We Connect International). In 2012, an international consulting and management firm called Booz and Company released "The Third

Billion", a global ranking of the level of economic empowerment attained by woman on 128 countries. The indicators used included equal pay for equal work, non-discrimination policies, the male-female employee ratio, and equality in terms of female managers and senior business leaders. India rated quite poorly at spot 115. Gathering of quantitative and qualitative data from the six largest publicly-traded Indian software companies, provide insight into state of female employment in one of the most important and rapidly growing economic sectors in the country. Using NASSCOM's annual industry ratings from 2007-2012, the study has put together a list of the six software companies headquartered in India that appeared in the top five spots at least twice between the years 2007-2012. These companies are Tata Consultancy Services Ltd., Infosys Ltd., Wipro Ltd., HCL Tech Ltd., Tech Mahindra and Mahindra Satyam.

Women's participation in the organized workforce in India is lower than in the other countries due to historic, traditional and cultural reasons, says Subash A.K. Rao, director of human resources at Cisco's India arm. "They (the other countries) have had their women participate in the organized workforce earlier than us (Indians). It is a journey... and we are only going up." The percentage of women in multinational companies in India is just 25% compared with 42.9% in China, a study has found. In India, the percentage of women in junior management in the 11 multinational firms surveyed is at least 30, but drops to less than 10 at the senior level. In a study on four countries the Gender Diversity Benchmark for Asia was done, the proportion of women in multinationals across junior, middle and senior management levels was the lowest in India. The proportion of women employees in Japan and Singapore is 33.8% and 43.8%, respectively.

Women exit from corporate sector due to family pressure and child rearing which is one of the biggest problems, says Jessie Paul, chief marketing officer and a member of the diversity council at Wipro Technologies Ltd, the global arm of India's third largest software firm by revenues. "It is not so easy to come back after passing a long time at home. The other people (whom you worked with) would have reached a certain place" (Poornima Mohandas, 2009). Motherhood is traditionally the fulcrum of an Indian women's identity her highest achievement (Kakar 1988). It confers on her a sense of respectability and authority, thus strengthening her position in her conjugal home. Chaplin, (1985) stated that women rarely engage in paid employment as it is stigmatized as a sign of financial misfortune and a claim on their husband's bread winning capabilities. Fernandes, (2006) argues that due to restructuring and retrenchment many multinational companies are offloading complex managerial tasks to secretarial staff. In spite of having their management degrees many secretarial and administrative staff find it difficult to join the management track due to their lack of cultural capital. They remain in administrative jobs which are usually associated with short term contracts and often at risk of retrenchment.

## **THE BARRIERS FOR WOMEN IN INDIA TO WORK**

Bringing women into the workforce is a complex, multi-dimensional problem, and the following section captures some of the barriers for women in India to work:

### **1. Lack of agency in making career decisions**

Much has been written about the patriarchal culture of India, which is evident across most communities. For unmarried young girls, parents are still the decision-makers when it comes to education or employment, and most parents continue to view it their primary duty to get their daughter "married off", with employment, in general, and sales-related roles, in particular, only serving to complicate marriage prospects. In other words, for many women, crossing the hurdle of going against the family is just too much trouble.

### **2. Lack of sufficient role models amongst women a deterrent**

While it's a well-known fact that the large majority of Indian women are not the primary decision makers in the family, it's a lesser known fact that many of them do not view working as something aspirational nor of holding any personal significance. The primary reason for this is a lack of relevant role models for women, no matter what their background. The few well-known successful women seem too far away from their reality to serve as effective role models. Often, this lack of aspiration is dismissed as "but women don't want to work" and justified as a choice women make independently. However, more often than not, women are conditioned to think in ways that are aligned with the prevalent norms. To tackle this problem early on, many non-profit organisations such as Voice4Girls, Antarang Foundation, and DreamADream, amongst others, are giving young girls the opportunity to dream big by showing the benefits of agency and choice at an early age. However, this lack of aspiration and early thought conditioning towards working outside the home, especially in male-dominated fields, remains one of the biggest roadblocks in improving the participation of women in the workforce.

### **3. Lack of support systems**

Unsurprisingly, the lack of suitable support systems such as child-care or elder-care is one of the biggest barriers for women to work. Interestingly, families become more supportive of women working post-marriage and after having children, as it becomes an economic imperative at this point to have a second income for the household. However, in the non-agricultural sector, apart from jobs such as teaching, home-tuitions, and some factory jobs, it is not very easy for a woman to take up a regular, full-time job outside the house, given that the majority of the household and childcare responsibilities fall on the woman. As per a UN report, Indian women do more than 300 minutes a day of unpaid work compared to men. The silver lining in this is that come January 2019, the National Sample Survey Office (NSSO) will measure domestic work to better understand how women contribute to the nation's economy. Secondly, the Maternity Benefit (Amendment) Act, 2017, brought about a number of beneficial changes,

including 26 weeks of paid maternity leave and mandatory crèche facilities in establishments employing more than 50 employees. Implementation of the Act remains to be seen. Women do more unpaid work than men, minutes per day

#### 4. Lack of women-friendly employer policies

It is no surprise that there are not enough women in most job roles as organisations are not trying hard enough to make them work for women. Sexual harassment laws were often not explained clearly to women employees, and franchisee stores were not monitored regularly on their implementation of harassment policies. However, not all women are lucky enough to have someone mediate on their behalf. So, even as a number of employers are today investing in diversity consulting, with surveys such as “Best Companies for Women in India” finally providing data around this subject, it must be noted that these investments in inclusive policies and systems are largely restricted to large, formal sector employers.

#### 5. Lack of employable skills

Many Indian women, especially from marginalised communities, are married off at an early age, soon after they complete their schooling or graduation. Many of these women aspire to re-enter or join the workforce after they have their own families or their children have joined school.

### CONCLUSION

The first step towards building an equitable workforce is building awareness about job roles and opportunities amongst women and their families. This cannot be done without taking into consideration existing cultural practices. Once families realise that the woman of the house can be an active contributor, support typically increases. But that first step of sensitising parents, spouses, siblings, and the woman herself about the potential of women outside of the boundaries of the house is critical. An interesting recommendation, supported with evidence from the micro-credit sector, is the need to foster women’s social networks. Women are more likely to complete courses, take loans for business purposes and report higher household income and consumption when they bring a friend along. Investing in scalable behavioural change initiatives to break prevailing gender stereotypes at a national scale will call for some bold philanthropy. Secondly, partnering with forward-thinking employers to demonstrate scalable solutions is equally crucial. By working with progressive employers in high-growth industries and implementing specific interventions targeted at increasing the number of women, a wider case for employment of women can be established. This would require investment in ecosystem building activities such as research and measurement systems to build the evidence at an organisational level, not just at a macroeconomic one. Thirdly, investing in women’s employability to enter or re-enter the workforce and providing flexible opportunities for women acquire the necessary job-related skills, while keeping the various demands on their time in mind is critical. In a world where blended learning is fast becoming the norm, women are naturally placed to make the most of this trend. Finally, the wide gap in Indian women’s participation in the workforce only means that there will be a cost associated with bridging this gap. While this cost would ultimately need to be borne by the employers and the women (and their families) themselves, in the short term, this would require significant support from the government as well as philanthropic organisations -- both for advocating and creating policy and systems, as well as for implementing them. Women have equal opportunities to live productive and meaningful lives, earning the respect and credit that they are due, both in the workplace and in their communities. “Why?”, people may ask. The answer to this question is simple and aptly summed up in a popular tagline: “Because they’re worth it.”

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