

WOMEN ON BOARD: DON'T LET GENDER BE THE MEASURE OF THEIR POTENTIAL

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Abstract

“I measure the progress of a community by degree of progress which women have achieved.”- B.R. Ambedkar

Gender inequality prevails in India in every arena. May it be education sector, society, job opportunities, income, economic, cultural or legal issues, there is a gender bias in favour of men. This inequality is harmful for society and national growth. The representation of women, especially in corporate sector at top management level is insignificant. This paper tries to find out the status of women at top management level in India. An attempt has also been made to highlight the factors responsible for gender inequality in India and possible suggestions to reduce gender inequality.

Keywords: Gender Inequality, top management level, corporate sector.



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Introduction: Gender equality always has been an issue in India. Be it the labour force or top position in a company, women's representation is dismal. Though the literacy rate of female is increasing yet their role in GDP is still not recognized. Kotak Committee has recommended for at least one woman independent director on the board of the top 500 companies. The entry level picture of most of the companies is attractive having very good gender diversity. But as the ladder goes up, it becomes skewed in favour of men. As per data from the Global Gender Gap Report 2020 by the World Economic Forum, in India, only 8.9% of firms have female managers. In India, the financial literacy rate is 27% out of which women financial literacy rate is just 24% indicating a vast gap between male and female financial literacy. Gender disparity exists in every sector like education, social, financial, cultural, health, job opportunities, and so on. Gender equality is not a female fight; rather it is a human fight.

Objectives of the Study:

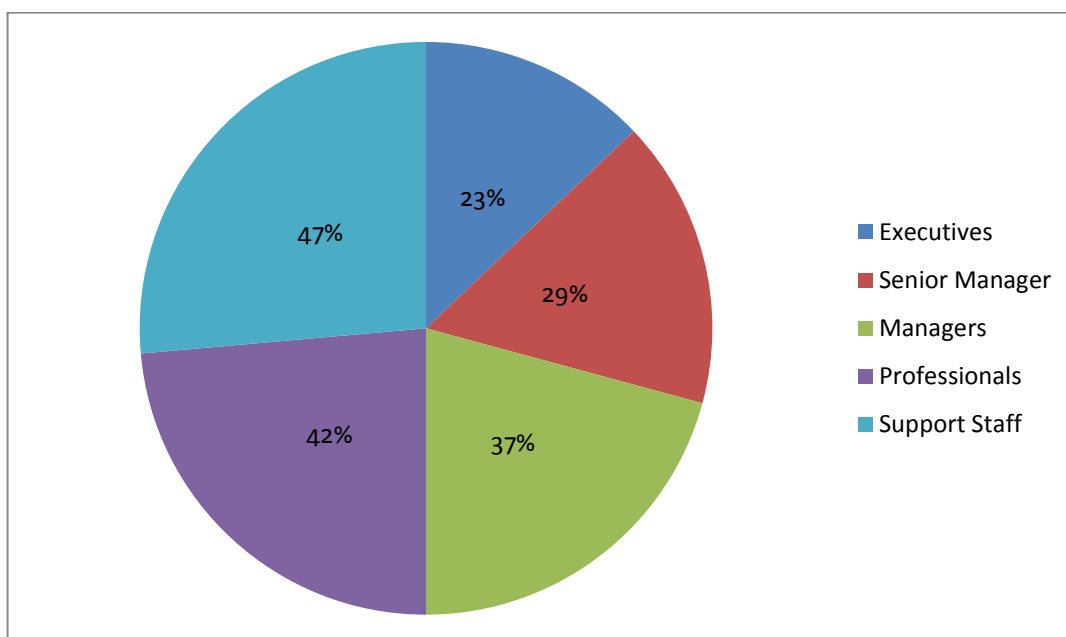
- 1) To find out the gender inequality status at top management level in India.
- 2) To find the out the factors responsible for gender inequality.
- 3) To suggests how to reduce gender inequality.

Gender Inequality in India: Gender inequality in India can be noticed almost in every sector whether Government or Non- Government. Gender inequality is the discrimination on the bases of sex. Considering women inferior as compared to men is called gender inequality. This discrimination is very common in economic, social, legal, cultural and political disciplines in India. In 2021, as per Deloitte Global Report, the percentage of women having board seats was only 17.1%. Though the number has increased by 9.4% as compared to 7.7% in 2014 as per the report titled **Women in the Boardroom**, yet the growth rate is still giving a dismal data. The under presentation of women at workplace is the area of concern for the organizations all over the globe but still the progress is not up to the mark. As per Human Development Report 2021-22, India has been ranked 132 out of 191 countries on the Gender Inequality Index. One more issue is related with tenure of women directors which has decreased globally from 5.5 years in 2018 to 5.1years in 2021. The Indian figure is slightly with five years in 2018 to 5.1 years in 2021. The developed countries like US, UK and Canada are on the same page of declining figure. "While the Indian regulators have set up a holistic framework to encourage the representation of women in key positions at corporate, the numbers suggest a significant gap between the ideated measures and ground realities. In 2021, women held only 10% of management roles and were only 5% of CEOs in India. With the continuing disruption and the current pace of change, the case for diverse boards that work with a unified purpose is becoming stronger than it ever was. It is time that gender diversity and gender parity get more focused attention from Indian corporations," says **Atul Dhawan, chairperson, Deloitte India**.

It has also been revealed in the report that the companies having women CEOs were significantly more balanced on boards (33.5%) than those having men CEOs (19.4%). Yet, only 6.7% of board chairs are women and 5% women are holding the CEO role. One another fact is that the seats across multiple boards are occupied by the same small group of women. The stretch factor matrix was used by Deloitte Global to examine the number of board seats held by an individual in a particular market. The results showed that the stretch factor for women in 2021 was 1.30 and for men it was 1.20, indicating that the requirement of women

directors is higher than their available pool. (The higher stretch factor indicates that the greater number of seats on board is occupied by same directors). All these data indicate that the gender imbalance is also present at top management level. This skewness in favour of men can be observed all over the globe. The higher the position lesser is the number of women. **Mercer** conducted a survey in 2020 on over 1100 organizations across the world found a leaky pipeline for women in leadership:

- Executives: 23%
- Senior managers: 29%
- Managers: 37%
- Professionals: 42%
- Support staff: 47%



Forms of Gender Inequality: Gender inequality may be of different types, the main are following:

- **Social Inequality-** the Indian society is skewed in favour of male. Female feticide, dowry system, honour killing are still pertaining in India of 21st century. Men are considered as caretakers and free to move anywhere, anytime. Women do not have such freedom because of prevail social environment. But the question is who those bad elements are, creating an unsafe environment for girls and women...perhaps males!

- Economic Inequality- The financial literacy rate in female in India is very low. Indian women (even working women) are lacking economic freedom. Their salaries are taken or managed by their husband. It is very ironical that they (women) can earn but are considered inefficient in handling that earning by the male members of most of the families.
- Educational Inequality- Female literacy rate is also low as compared to male literacy rate in India hence proving educational inequality. Female of remote areas are deprived of educational opportunities even after 75 years of independence.
- Employment Inequality- Oxfam India's report 2022 shows that women are discriminated in labour market irrespective of having educational qualification and experience equal to men. The gender discriminating, societal attitude and employer's prejudices are responsible for about 100% and 98% employment inequality in rural and urban area respectively faced by women.
- Ownership Inequality- There is a vast gap between male and female ownership regarding land and/ or assets in India. There are only 14% female landowners out of which 10% own plots and 11% own agricultural land. It can be said that patriarchal system prevailing in India is a major factor behind this ownership inequality.
- Political Inequality- Women have not gained an equal footing in politics in India. Male dominated society always discouraged women telling that they do not belong or fit in the political arena. If some reservation is there for females and they are elected, their role is like dummy. Their husbands or male members of family attend the meeting or take decisions. India was ranked 135th in gender parity out of 156 countries in 'Gender Gap Report' by the World Economic Forum.
- Wage Inequality- Wage discrimination can also be seen in India. As per report of Oxfam India 2022, "Rural self- employed males earn twice of what females earn in rural areas. 91.1% of this gap in earnings between males and females is due to discrimination." Female workers are paid less in comparison of male workers doing same job in unorganized sector.

Causes of Gender Inequality: Discrimination is created by the society between male and female on the basis of gender and on the basis of skills and capabilities and this inequality starts from birth and continues up to workplace. All this adversely affects their cognitive

ability, creativity and capability and they cannot give their fullest in the society and workplace freely. Some main factors behind gender discrimination are:

- **Lack of Education:** The mindset and attitude of most of people is still biased in favour of male child. They discriminate between boy and girl regarding providing educational facilities and opportunities, because parents think that the girl would earn for her in-laws and husband while boy will earn for them. Moreover, it is thought that the boy will extend their family.
- **Social Factors:** India has not achieved 100% literacy (except Kerala) even after 75 years of independence. The gloomier picture is that female literacy rate (65.46%) is significantly lower than that of men (82.14%). This lag behind in education hinders their path of progress. Social structure in India also does not allow too much movability to women for the sake of job or career development opportunities. Women also have the domestic responsibilities in addition to the workplace. According to **Saundarya Rajesh**, Founder-President, Avtar, a diversity and inclusion strategy firm, "A typical Indian woman, on an average, spends 300 minutes more than a man every day attending to household chores." So, despite getting quality education in fields like science, technology, math, and business management, women professionals face hurdles in their professional journey, off-ramping due to the typical societal norms, causing disparity in workspaces, she adds.
- **Economic Factors:** Wage inequality between men and women is prevailing in unorganized labour market in India. Disparity also exists between men and women in terms of bank loan facility or access to micro-credit schemes due to lack of education and low level of property ownership. Professional inequality can also be seen in different sectors. For example, the issue of permanent commission in forces for females officers. Females have equal property rights under law but in India where patriarchy is there, the real picture is just opposite. Employment opportunities are not same for women and men, especially at higher positions.
- **Cultural Factors:** A key factor for boosting gender inequality is the preference for sons. They are considered as support and security for the old age. Some rituals are also performed by sons like funeral and afterlife rituals.
- **Legal and Political Factors:** Though law is there to protect rights of women, yet some legal lacunas also bring women on back foot. For example, rape by husband is

not considered as a crime. Moreover, the gradual process of courts also disheartened the sufferer women. It is also said that justice late is justice denied. 50% reservation in politics for women is also not digested by male dominated society. Elected women are practically used as dummies. Decisions are taken and meetings are attended by their respective husbands.

- **Social Evils and Crimes:** The social evils like dowry system, and crimes against women in society such as rape, sexual assault, cruelty by intimate partner, female feticide, etc. have widen the discrimination between male and female. Moreover, the society behave with the suffer women as they are the culprits.

What can be done to fill the Gender Gap?

Men and women are two equally important wheels of carriage of life. But the gender discrimination prevails almost in every sector in India. There is discrimination in salary (male are paid higher than female working on same platform) and opportunities in corporate sector. The women's participation is insignificant in all the three sectors of economy i.e. primary, secondary and tertiary. This could be because of the fact that the pool of available talent is still limited, says **Shalini Warriar**, Executive director, Federal Bank. "It is not possible for a company to pick up any woman from the organization and put her on the board," says **Aparna Jaswal**, Additional Director - Cardiology and Electrophysiology, at Fortis Escorts Heart Institute & Research Centre. Women first have to elevate themselves to reach that level. They have to rise to the occasion and make themselves worthy of being there, **Jaswal** adds. Women have to become more confident and self assured that they can take up top-tier role with very good performance. More educational opportunities should be provided to girls. NGOs can play an important role in imparting gender gap. These can help in changing mindset of parents through education, counseling and with various social programs, etc.

Conclusion: Tackling gender inequalities in leadership can help tackle gender inequalities elsewhere. The under representation of women on board position may be due to double burden of domestic responsibilities and work place, lack of female role models, gender stereotyped attitude, practical issues like maternity, child birth, and relocation with spouse, social, economic, legal or institutional barriers but women have to develop their potential and will power leaving aside these challenges and addressing the gender gap. The studies have also supported that more gender diverse boards have the potential to contribute to better corporate governance. In nut shell, it can be said that the celebration of women day and

campaign like ‘beti bachao, beti padhao’ are of any worth only when gender discrimination is eradicated from the country.

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