

Women in Corporates Roles in India

For Prelims: India Employment Report 2024, <u>Unemployment</u> rates, Institute for Human Development (IHD), <u>International Labour Organisation (ILO)</u>, <u>Labour Force Participation Rate (LFPR)</u>.

For Mains: India Employment Report 2024: ILO, Major Issues Related to Unemployment in India.

Source: TH

Why in News?

A recent report titled **"Women in Leadership in Corporate India"** by networking platform has shown a persistent **underrepresentation** of women in leadership positions across Indian corporates.

The percentage has remained stagnant below 30% for a considerable period.

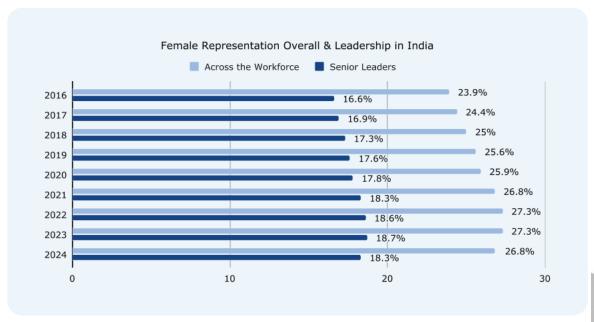
LinkedIn

- LinkedIn is a business-oriented social media platform, launched in 2003, that focuses on professional networking.
- Unlike general social media sites like Facebook or Twitter, LinkedIn focuses on career-related aspects.
- The data is based on LinkedIn members in India, where the firm has over 100 million people registered

What are the Findings of the Report?

- Stagnation of Women Representation in Corporates:
 - Women representation across the workforce and in senior leadership positions is below 30% all the time, and is on a declining trend post-pandemic.
 - This can be attributed to the slowdown in fresh hires of women for leadership roles.

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Female representation across the entire workforce and percentage of women holding Director, VP, C-suite or Partner positions. (Please note that data for 2024= up to January)

- Women in Leadership Lowest, Moderate and Highest in Sectors:.
 - Lowest Representation: Construction, Oil, Gas, and Mining, and Utilities (11%),
 Wholesale and Manufacturing (12%), and Accommodation and Food Services (15%).
 - Slightly Better (12%): Wholesale, Manufacturing
 - Moderate Representation: Technology, Information & Media, Financial Services (19%)
 - Highest Representation: Education (30%) and Government Administration (29%)
- Breaking the Law:
 - Reports show that laws such as the <u>Companies Act</u>, <u>2013</u>, which mandates women directors on company boards, are not being followed strictly.
 - Between April 2018 and December 2023, 507 companies were fined for flouting this norm.
 Of them, 90% were listed companies.

India Employment Report 2024 by the International Labour Organization (ILO)

- The female labour force participation rate in India was 24.5% in 2024, a slight increase from 23.3% in 2019 (lower than the global average of 47.2%).
- Women in India are more likely to be employed in the informal sector, with 86% of working women in informal employment compared to 82% of men.
- The <u>Covid-19</u> pandemic has disproportionately impacted women's employment, with women 1.8 times more likely to lose their jobs compared to men.
- Women also face significant challenges in re-entering the labour force after the pandemic, due to increased care responsibilities and gender biases.

Labour Force Participation Rate

- It is the section of the working population in the age group of 16-64 in the economy currently employed or seeking employment.
- Persons still undergoing studies, housewives and persons above the age of 64 are not seen as a part of the labour force.

What are the Factors Contributing to Lower Representation of Women in Corporates?

- Unconscious Bias: Deeply ingrained societal biases and stereotypes about women's abilities, leadership styles, and career ambitions can lead to unfair assessments and limited opportunities for advancement.
- Reduction in Work-from-home Options: The reduction in the availability of hybrid or work-from-home roles may have contributed to the stagnation, as these arrangements often facilitate the participation of women in the corporate workforce.
- Work-Life Balance Challenges: The disproportionate burden of domestic and caregiving responsibilities that often falls on women can make it difficult to demonstrate the same level of commitment and availability as their male counterparts.
- Safety Concerns: Migration and safety concerns further limit women's access to employment.
 Inadequate urban infrastructure, along with safety issues in public spaces, can discourage women from seeking and retaining jobs, particularly in urban areas.
- Lack of Mentorship and Sponsorship: Women often have less access to influential mentors and sponsors who can advocate for their career progression and help them navigate the corporate landscape.
- Limited Representation in Leadership: The scarcity of women in senior leadership positions creates a lack of visible role models and makes it harder for women to envision themselves in these positions.

International Labour Organisation (ILO)'s Framework for Bridging the Workforce Gender Gap

- Closing the Pay Gap:
 - Enforce laws ensuring equal pay for work of equal value.
 - Implement salary transparency measures to expose and address pay discrepancies.
 - Utilise objective criteria for job evaluation that are not biassed by gender stereotypes.
- Deconstructing Occupational Segregation:
 - Dismantle preconceived notions about the suitability of certain jobs for specific genders.
 - Promote women's participation in traditionally male-dominated fields like <u>STEM</u> (Science, Technology, Engineering, and Mathematics).
- Fostering a Safe and Inclusive Work Environment:
 - Implement strong legal frameworks to prohibit gender discrimination and harassment.
 - Example, India's the <u>Sexual Harassment of Women at Workplace</u> (<u>Prevention, Prohibition and Redressal</u>) Act, 2013.
 - Raise awareness about gender bias and create a culture of zero tolerance.
- Promoting Work-Life Balance:
 - Provide adequate maternity and paternity leave policies to support parents during childbirth and early parenthood.
 - Design social protection measures that support working families, including affordable childcare options.
- Valuing Care Work:
 - Invest in creating quality care jobs with fair wages and decent working conditions.
 - Strengthen regulations for care professionals, who are predominantly women.
 - India needs to ratify the Domestic worker convention of <u>ILO</u> (Domestic Workers Convention, 2011 (No. 189)) and frame domestic law accordingly.
- Crisis Resilience for Women's Employment:
 - Develop policies that safeguard women's employment during economic downturns, such as targeted training programs or financial support.

What Measures can be Adopted to Enhance Gender Diversity in Corporate Leadership?

Flexible or hybrid work policies:

 This is important for retaining women, especially at the junior and middle management levels, as this is when they often have to balance career aspirations and family commitments.

'Skills-First' Approach to Hiring:

- Adopting a 'skills-first' approach to hiring, rather than making gendered
 assumptions about a prospective employee's capabilities, can help reduce biases and
 promote meritocracy.
- This involves **focusing on the candidate's relevant skills, qualifications,** and experience, rather than relying on gender-based stereotypes.

Promoting Diversity in Senior Leadership:

- The government can promote **diversity in senior leadership** through initiatives to raise awareness of **board diversity** in listed companies.
 - As an example, the **Japanese Ministry of Economy** collaborated with the Tokyo Stock Exchange to introduce the "**Nadeshiko Brands**" program.
 - This **highlights companies that encourage women's empowerment and leadership** as attractive investment opportunities.

Establish Networking and Support Groups for Women:

- Creating a Strong Network: These groups for women professionals can foster connections and collaboration, empowering women to navigate the path to leadership.
- Peer Learning and Support: Through these, women can share experiences, learn from each other's successes and challenges, and build a strong support system.

Mentorship and Networking Opportunities:

- Providing mentorship and networking opportunities for women can help them navigate the corporate ladder more effectively.
- Experienced female leaders can guide and support aspiring women, sharing insights and strategies for career advancement.

Shared Parental Leave Policies:

- These can promote a more equitable distribution of caregiving responsibilities between men and women.
- Paid paternity leave policy, especially in the private sector, can help promote a more equitable distribution of caregiving responsibilities between men and women.

Conclusion

The stagnation in the representation of women in corporate leadership roles in India is a concerning trend that requires concerted efforts to address. Implementing a multifaceted approach, including policy changes, organisational reforms, and cultural shifts, is essential to enhance gender diversity and unlock the full potential of women in the corporate sector.

Drishti Mains Question:

Despite numerous efforts and policies, the proportion of women in the workforce in India has remained stagnant. Analyze the causes of this stagnation and propose steps that can be taken. (250 words)

UPSC Civil Services Examination, Previous Year Questions (PYQs)

<u>Prelims</u>

Q. Disguised unemployment generally means (2013)

- (a) large number of people remain unemployed
- (b) alternative employment is not available
- (c) marginal productivity of labour is zero
- (d) productivity of workers is low

Ans: (c)

<u>Mains</u>

Q. Most of the unemployment in India is structural in nature. Examine the methodology adopted to compute unemployment in the country and suggest improvements. **(2023)**

PDF Refernece URL: https://www.drishtiias.com/printpdf/women-in-corporates-roles-in-india

