WOMEN IN MANAGEMENT IN INDIA: STATUS, ISSUES AND SOLUTIONS

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Abstract

This article reviews current status of women and their rise to managerial and leadership positions in India. We identify issues pertinent to women's leadership from research and best practices in Indian, US and global companies, and discuss the gap between current research and present realities specifically as it relates to an Indian context.

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Little research exists to document the issues concerning women business leaders, despite growing numbers of women in the managerial ranks. Given the socio-cultural context of women's historical roles, importance of family and recent entry into the formal work sector, it is understandable that both research and practice related to women's leadership is still in an early stage of development.

The experiences of U.S. multinational firms and IT firms suggest that an explicit tracking of the participation of women in the workforce, and at different levels and in different parts of the organization, can pinpoint gender gaps. A review of secondary sources suggests company policies and practices in India are analyzed under three broad categories: recruitment targets, retention through activities such as networks and mentors, and flexible work arrangements and work family policies.

Increasing the number of women in business leadership roles in India will take concerted and strategic effort. Recommendations offered include convening national associations and industry forums to share best practices, working with academic research centers to gather data, and establishing public private partnerships to address the need for educational participation and capacity building.

While women have made great strides in recent years in India, women's entry and advancement into business managerial and leadership positions is a relatively new phenomenon. However, given India's tight talent-market, high attrition, and need for professional and world class management skills at all levels, some attempt is being made to understand the potential rewards for gender diversity in companies.

We close with a summary of key findings and recommendations.

The Context of India

Women are increasingly assuming leadership positions in the corporate world too apart from political leadership and there are notable examples of those who have shown true perseverance and determination to break the glass ceiling.

Women entrepreneurs presently comprise about 10% of the total number of entrepreneurs in India, with the percentage growing every year. Interestingly, women entrepreneurs have moved from the earlier leadership role of being forced to lead an organization due to the death or incapacity of the primary male owner, to choosing to establish businesses to meet their career goals.

We now provide an overview of research on U.S. women business leaders in order to cite precedence and a comparative framework for women in India.

What We Know About U.S. Women Business Leaders

A review of the research on women and leadership in the United States yields a consistent picture. On one hand, women have made steady progress in a number of measures, including labor force participation, employment growth in higher paying occupations, and gains in real earnings recent workforce participation statistics indicate that 59.4 percent of women are in the workforce and they represent approximately 47 percent of the labor force. Women hold 50 percent of managerial, professional and related occupations.

While these statistics indicate some degree of progress, they are countered by a number of figures that suggest that women are still facing numerous barriers. If we examine the highest echelons of the corporate sector (C-suite positions such as chairman, chief executive officer, chief operating officer), only 6 percent are

women only 2 percent of CEOs of *Fortune* 1000 companies are women. In terms of their representation on boards of directors, the most recent statistics show women holding only 17 percent of board seats (Catalyst, 2008). These numbers highlight the fact that in spite of advances, women are not represented in top leadership positions to the extent that they should be. Women still face a glass ceiling at the highest levels of organizations and the challenges of navigating a labyrinth (Eagly & Carli, 2007) at all stages of their career.

Why Aren't There More Women at the Top?

A number of reasons are offered for the scarcity of women in top leadership position like stereotyping which leads to resistance to women's leadership, discriminatory treatment that contributes to differential outcomes for men and women, the challenges of dealing with persistent double binds and the demands of work-family integration.

A number of studies have confirmed that when we consider who is a leader, the image that emerges is influenced by a widely shared set of unconscious and conscious associations. In the management literature, there has been an implicit link between masculinity and leadership. Behaviors traditionally associated with effective leadership (autocratic behavior, directiveness, task-orientation, problem-solving ability) are unconsciously attributed to men. In contrast, stereotypical behaviors associated with women are high people-orientation, sensitivity and emotionality. As a Catalyst study (2005) found, men are described as "taking charge" while women are seen as "taking care." The challenge facing women is that these "stereotypical assumptions and thinking often form the rationale to withhold opportunities from women" (Giscombe, 2007).

Women actually face a set of conflicting messages. If they act in ways that are expected or that are consistent with the gendered stereotypes that constrain their careers, they are not seen as leaders. If they act in ways that confound or are in conflict with gendered stereotypes, they are also penalized. These clashing messages represent double binds that women must navigate as they manage their careers. Eagly and Johannesen-Schmidt (2001) describe a no-win situation for women leaders: Conforming to their gender-role can produce a failure to meet requirements of their leader role, and conforming to their leader role can produce a failure to meet the requirements of their gender role. In either case, women are perceived as not having what it takes to inhabit powerful jobs. Women's ability to engage in self-promotion is one example of a double bind. Those in leadership are expected to engage in some level of self-promotion; this practice is used to convey status and competence .But women who engage in self-promotion may also be perceived as pushy and aggressive, and may actually be harmed by the same behavior that would enhance the perception of men's leadership.

Women are also impacted by the demands placed on them as predominant actors in two domains-both work and home. Women continue to be the ones who interrupt their careers, take more days off, and work part-time. As a result, they have fewer years of job experience and fewer hours of employment per year, which slows their career progress and reduces their earnings. While we see the number of hours that men spent on domestic work increasing, women are still the primary inhabitants of the "second shift". On top of the actual hours that are dedicated to managing work-family demands, women are also impacted by gendered expectations about how much they should

be doing in the home. Researchers note that decision makers may assume that women have domestic responsibilities that would prohibit them from taking advancement opportunities. These assumptions mean that women are not offered key opportunities that are perceived as demanding; in fact, their names are taken out of consideration in early stages of the decision making process about who will gain access to critical career-enhancing opportunities.

Do Women Fare Better in Other Countries?

If we expand our scope beyond the United States and look at the position of women globally, the picture does not get much better: barriers to women's entry into senior management, otherwise known as the "glass ceiling," exist across the globe, and it is worse in some areas of the world than others. Women are 43% of the European workforce, yet they are still woefully underrepresented in senior management positions. In the United Kingdom, women represent approximately 30% of senior managers. In a study of 500 senior women and 132 senior men from 20 countries across Europe, Catalyst (2002) found that the barriers reported by respondents were remarkably similar across the different regions of Europe. A large percentage of respondents indicated that the top barrier to women's advancement in organizations was stereotypes and preconceptions of women's role and abilities. As Nancy Adler aptly observes: About the single most uncontroversial, incontrovertible statement to make about women in international management is that there are very few of them (Adler, 1994).

Research on Women Managers in India

There is a real dearth of research on women managers in India. Popular literature and anecdotal data suggest that they face the same glass ceiling issues cited above that women in the US and globally face. The

extant research has provided an overview of challenges facing Indian women and looked at role stress, perceptions of advancement, and impact of gender on power. Women constitute less than 7% of senior management leaders in India. A large percentage of the women who make it to the top are the inheritors. Less than 2% of all listed Indian companies have professional women CEOs. Less than 1% of total professional CEOs in India are women. According to the findings of a 2005 survey of 149 companies by the Confederation of India Industry, only 6% of the total numbers of employees in medium and large scale industries in India constitute women, with 18% in medium and 4% in large companies. Further, study findings indicated that 16% were at junior managerial level, 4% each at the middle and senior levels, and almost nonexistent in organizational leadership positions. Redileon, an executive search firm, found in a study that almost 85% of the women managers are in supporting roles such as HR, public relations, and customer service. The biggest barriers to a woman's career were stereotyping and preconceptions of women's roles and abilities along with absence of bottom line management (Goyal, 2007).

An examination of board participation in India also yields grim news. Over 77 percent of the 200 largest companies in the world, as ranked by Fortune, had at least one women director on their board as of 2006. Yet, according to the Redileon study, only 26.1 percent of the listed companies (392 of 1,500 firms) have a woman on their boards. Out of the 278 directors on the BSE Sensex companies, there are only 10 women directors. The low participation rate of Indian women on corporate boards is yet another indicator of the weak involvement of women in visible leadership positions (Goyal, 2007)

Overall, there has been limited theoretical and empirical research on the status of

women, their experiences and perceptions, managers' attitudes, barriers to advancement, and company policies and practices. In the next section we explore several of the socio-cultural reasons explications for the lack of substantive empirical research on women in India.

The Cultural Context for Research on Women Managers in India

An understanding of the cultural context of India provides deeper insights into the socio-cultural reasons for the current status of women and low proportion in management and board representation. Understanding this context will offer some perspective on why there are so few academic studies on women's leadership in India.

Cross-cultural research studies, such as the GLOBE program, show that Indian society is characterized by a low degree of gender egalitarianism (Gupta, Surie, & Chhokar, 2002). Indian society has traditionally been male-dominated, and a majority of national and social heroes in India have been men. A large majority of women are homemakers, and put their first priority on home-making and child-rearing roles, even as a growing percentage of women are now joining the workforce. Traditionally, having female children was considered undesirable, resulting in incidents of female feticide and infanticide, and adverse female-male gender ratios in the population. An Indian woman commonly followed the wishes of her father as a daughter, the wishes of her husband as a wife, and the wishes of her sons as a mother. women forums in rural and urban areas, special incentives for the education of the girls including noon meal programs, and growth in the employment opportunities for educated women such as in the call centers. Yet, in the upper and middle class, it is still common for women to give up their jobs after marriage, or after the birth of their first child.Women remain clustered in traditionally feminine occupations such as teachers, nurses, and clerks (Chhokar, 2007).

Philosophical and Organizational Responses in India

In this context, Mehra (2002) identifies three schools of thought on women managers in India. The first school labels women in management to be part of the "boys club" - these women adopt a masculine style of management, take on tough assignments, are assertive and dominating, and sacrifice their family lives. This school holds that women can be effective managers only by behaving like male managers. The second school assumes that both men and women can be equally effective managers, but holds that women have special needs - such as maternity leave, flexible work arrangements and relocation to their partner's place. The third school posits that women bring special talents and skills to management, including their more interactive, intuitive, and cooperative style of leadership, and the organizations that are sensitive to gender in management are likely to benefit from this diversity.

Gupta (2008) identifies three generations of attempts to address the issue of under-represented women in management and leadership in India. The first generation of issues was defined by the lack of managerial opportunities for women, because of an assumption that they were only capable of holding stereotyped jobs. The second generation issue was the oppression of women using subtle barriers, even in the face of equal opportunity policies. These barriers included a paucity of mentors and role models and traditionally male work norms such as long and rigid hours. The introduction of flexible work hours and other gender-sensitive policies allowed women to enter

non-traditional jobs and sectors. Yet, the percentage of women in the management positions has remained very low. In the upper and middle class, it is still common for women to give up their jobs after marriage, or after the birth of their first child.

A third generation of issues has now emerged. In response to the shortage of managerial and leadership talent, many multinational enterprises, leading domestic firms, and family businesses are beginning to re-evaluate their policies. Gupta (2008) reports that women managers in India are opposed to the idea of women-specific policies - such policies are seen to demean the accomplishments of the women who have made it to management and leadership positions based on merit. Anecdotal evidence points to the issue that women-focused policies have resulted in a growing new perception amongst Indian men that the gender sensitization policies are not necessary, thus raising the specter of affirmative action "backlash" similar to what has occurred in the US. Therefore in some leading firms of India, the emphasis has been on designing policies that address the need for varying work-life balance over the careers of the employees - women as well as men, managers as well as non-managers. Interestingly, men have become increasingly active users of the flexible work arrangements, and of the options to work from home for one or more days a week (Gupta, 2008). This change corresponds to existing literature which suggests that addressing gender equity also impacts organizational effectiveness (Kolb et al, 1998).

Additional Organizational Initiatives and Best Practices in India

Global companies and multinationals have clearly recognized the business case for the important role of women as customers, employees, and investors, and are making strides by appointing a greater number of women executives in senior positions. They also point to research results from SHRM (Society for Human Resource Managers) that indicate that diverse and inclusive organizations show characteristics of improved problem solving, creativity and innovation. Some of the US multinationals have taken initiatives to bring in gender equality and provide equal opportunities for women: most notable among these would be IBM, Citigroup, Shell Group, Unilever, GE Corp., E.I. DuPont, which are many times identified as among the best employers worldwide.

The reported activities appear to fall into three broad categories: recruitment targets, retention through activities such as networks and mentors, and flexible work arrangements and work family policies. Some of the US multinationals in India are giving specific mandates to head-hunting firms to fill middle and senior management roles with women candidates; among them are American Express, Accenture, and IBM. Many also provide referral programs and target women only colleges for recruitment. Coke has a program which recruits women for front end sales functions, and a policy that one of four short listed candidates for senior level recruitment has to be a female. Others such as GE and Motorola provide organizational networks and mentor programs; Sapient uses a role model program to highlight successes of senior women managers. Flexible work arrangements and work family policies also provided by Motorola, Accenture and GE as homes offices are connected to allow new mothers to continue work. GE, Motorola, Cisco and Ford have crèches on campus or partner with outside day care centers. Some have major diversity and leadership development programs which include objectives and metrics to identify, promote and include women as candidates for leadership positions.

Some of the leading Indian companies have begun taking notice of the initiatives of the US multinationals in India, and have designed their own initiatives. HSBC makes a conscious attempt to build a strong female executive pipeline by effectively using the graduate campus trainee program and building databases of successful female candidates in the industry at all levels. They report that getting an understanding into women's issues allows an organization to retain the much needed, efficient, talented and relatively stable women employees who could have otherwise left, if an all inclusive workplace environment were not offered. Hindustan Lever Limited (HLL) officials track the growth of business leadership trainees by gender and have seen dramatic growth in the numbers of women. This tracking is part of a conscious attempt by the company to increase the number of women leaders that they could groom for the future. They also report women-friendly work policies including a sabbatical policy — where women managers can take a sabbatical of up to five years (can be taken in two intervals).They also provided an opportunity for women to operate on a part-time/consulting basis during their breaks in positions that allow that flexibility.

A company with a high profile for women leaders is ICICI. Six of the women in Business Today's List of the 25 most powerful women in India are leaders in the company and over 20 women employees are in senior management positions. Interestingly, they identify gender neutrality and meritocracy as key reasons for this. They also report a long history of equality; three of five board members are women and have been with the company over twenty years. They do provide a year off for women post maternity leave, with their job held for their return. They also strive to accommodate transfer requests by women if husbands are posted elsewhere, and the organization has an excellent sexual harassment policy.

The Special Case of IT in India

In the Indian IT industry, women now account for close to 30% of the total workforce and this is expected to go up to 45% by 2010. What is noteworthy is the steady rise of the figures. The figure, according to the Registrar General of India, as in 1981 was 19.7%, which rose to 22.7% in 1991, further rising to 25.7% in 2001.

Recent figures gauged by Nasscom (the trade body and chamber of commerce of the IT-BPO industry in India with more than 1200 members, of which over 250 are global companies from across US, UK, EU and A-Pac.) claim that the percentage of women workers in the IT and ITES sectors in India has risen by almost 18% in the last two years. What's more, as per experts, the number of women technicians is likely to rise to 50% by 2010. With women having such a large representation in these industries, companies would need to build systems to attract and retain women. The study also revealed that the number of women employees, has gone up from 12-15% to 35% for those companies initiating leadership development programmes. It has also resulted in the increasing number of women joining organizations at the entry level. The same study reveals that maintaining work-life balance alone is not the key priority for senior women executives in corporations; instead, their focus is also on a level playing field for equal opportunity to move into leadership positions.

Leading information technology companies such as Satyam Computer are actively seeking to recruit women; while it has a female workforce of about 20%, the percentage at the leadership level is around 7%. These information technology firms provide for flexible work through part time

work and arrangements to work from home. Infosys with women approximately 30% of work force has built a satellite office in Bangalore for pregnant women and young mothers to spare them the commute to the main office on the outskirts of the city. Infosys has recently also established a Women's Inclusivity Network to examine issues that women face in the organization. Wipro Technologies, the first company in India to offer telecommuting facilities to women, reports an attrition decline due to extended maternity leave and flexible timing options. Likewise, Tata Consultancy Services (TCS) offers reduced hours and extended maternity leaves.

At a recent industry forum initiatives were identified to address the need to recruit and retain women: a mentoring committee, research committee, and scholarships for women, amongst others.

Conclusions and Recommendations

While some initiatives exist in Indian multinationals and corporations, most appear to lack strategic and inclusive goals and objectives. While recruitment strategies are critical for attracting women, retention and advancement policies and programs require more in depth research and integration into business plans to show more than incremental advances for women into leadership. Within India, two very recent forums (Confederation of Indian Industry & NASSCOM Leadership summit) have addressed women's initiatives. More public platforms that enhance corporate awareness and share best practices and strategies will increase the visibility and top management's commitment to take a leadership role within their companies, industries and sectors. Given the socio cultural context of women's historical roles, importance of family and recent entry into the formal work sector it makes sense that both research and practice related to women's

leadership is still in an early stage of development.

To meet the challenges of skilled worker shortages, there is now an increasing emphasis on training, mentorship, and enabling social attitudes, family systems, and organizational structures for women in management. Diversity as a business proposition has been recognized by globally competitive companies. The ability to draw upon a truly diverse workforce is fast becoming a key differentiator of truly global companies, as women's representation in the workforce has been identified as a factor enhancing a company's bottom line as well as globally competitive position as employer of choice. Research that clearly identifies the needs of women managers in India in order for companies to recruit, retain and advance them is urgently needed. Rigorous empirical research would provide information and guidance to help increase their representation in the overall labor force and in upper levels.

The experiences of US multinational firms and IT firms suggest that an explicit tracking of the participation of women in the workforce, and at different levels and in different parts of the organization, can pinpoint gender gaps. Some of the gender gaps may reflect subtle assumptions and effects of traditionally masculine organizational norms and policies. In this case, women would need training, role models, case studies, and mentors to be able to navigate and negotiate organizational conditions for their success. Similarly, organizations would need to hire consultants, work with academic research centers specializing in gender in organizations, and designate gender focal points, in order to unearth systematic and taken-for-granted policies that have subtle discriminatory effects. Industry associations may also play a productive role by helping to share best practices

among organizations within the same industry. Finally, national level women's associations may help cross-fertilize knowledge across industries.

Other gender gaps may reflect broader effects of lop-sided participation of women in higher education and in organizations. Here, the organizations would need to engage in capacity building initiatives, such as the recent Indian School of Business Goldman Sachs initiative to provide educational scholarships to women. Independent initiatives are likely to be costly, therefore partnerships among public, private, non governmental, media, and academic sector would be desirable.

By addressing these two types of gender gaps, considerable progress is likely to be made in the representation of women in the managerial and leadership positions in organizations. Women should have the freedom and opportunity to assume these positions, if they so choose. Beyond that one would need seismic shifts in some of the cultural expectations around gender to see women taking on leadership in proportion to their representation in the population. The separation between home and work, which also exists in the US and Europe, is even more acutely experienced in India because of socio cultural gender norms. Given this historical legacy in a collectivist culture, this process of shifting cultural expectations of and for Indian women is unlikely to be easy or quick. Understanding the interrelationship between the business, ethical and social interrelated mandates within India is imperative as the agenda is shaped. Desirable and culturally appropriate solutions must be researched and discussed in corporations and academia in order to move the agenda forward.

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