

● ● ● EMERALD POINTS

# GENDER EQUITY IN THE BOARDROOM

The Case of India

Payal Kumar  
Ganesh Singh



# GENDER EQUITY IN THE BOARDROOM

# ENDORSEMENTS

Appointing more women with the right personal qualities to private and public sector boards could strengthen corporate governance across India. This timely monograph examines the evidence, explores the barriers and suggests where action is needed. It draws upon interviews with board members, senior officials and others, and presents recommendations for policy makers and current and aspiring directors.

**Prof Colin Coulson-Thomas, *Director-General, UK & Europe operations, IOD India*** (Advisor to directors in over 40 countries to improve director, board and corporate performance)

Commendation to Professors Kumar and Singh for taking on the challenge to unearth the nuances surrounding the under-representation of females in the Indian boardroom. This is a very useful piece of analysis, highly insightful with clear policy and practice implications. It also reveals the missed opportunities to enhance economic and social contributions due to poor gender balance in the boardroom. A must read for all interested in the topic.

**Prof Pawan Budhwar, *Associate Pro Vice Chancellor International, Aston University, UK and Co-Editor-in-Chief, British Journal of Management***

Dr Payal and Dr Singh combine personal accounts from board members, senior officials, and aspiring corporate leaders with comparative data analyses of female board representation in India's largest corporations. Their book should be on the reading list of scholars, executives, and policy makers seeking to understand the patterns and central themes around women's accession to and experience on India's corporate boards.

**Corinne Post, *Professor of Management and Management Department Chair, Lehigh University, College of Business, USA*** (International scholar on women on boards)

Congratulations on this comprehensive, multi-methods study of gender equity on corporate boards of directors in India! Readers will be informed not only about the current representation of women on Indian corporate boards but will get a deeper look into the on-the-ground issues facilitating and constraining progress on board gender equity from interviews with board members as well as aspiring women leaders.

**Prof Diana Bilimoria, *Key Bank Professor and Chair of Organizational Behavior, Case Western Reserve University, USA***

This monograph provides insightful analysis based on interviews of board members, senior executives and aspiring woman leaders, on what thwarts women from reaching top positions in organizations and having equitable representation in the board. My congratulations to the authors whose key recommendations will contribute to shaping mindsets and catalyzing action towards wider female representation in the boardroom.

**Ms Rekha Sethi, *Director General, All Indian Management Association (AIMA), India***

This book rightly advocates the need to break barriers and initiate various positive steps, including creating a gene pool of woman leaders, and also encouraging HR policies that provide a fair and meritocratic system for the career advancement of women. An excellent book and a must read for Board members, CEOs and HR professionals.

**Dr Anil K. Khandelwal** is a former Chairman and Managing Director of Bank of Baroda and Dena Bank, and author of *CEO – Chess Master or Gardener*.

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# GENDER EQUITY IN THE BOARDROOM

The Case of India

BY

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INVESTOR IN PEOPLE

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## ABOUT THE AUTHORS

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**Dr Ganesh Singh** is a Professor and Programme Director – Foundation Course, AIMA-AMU PhD Programme in Business Administration at All India Management Association – Centre for Management Education (AIMA CME). He has extensive experience in teaching, research, training and consultancy in the field of organisational behaviour and human resource management. He has designed, developed and delivered numerous training and development programmes in the areas of motivational behaviour, emotional intelligence, stress and coping, managerial effectiveness, leadership development, executive coaching and mentoring, talent management,

human resource assessment, management across culture and comparative human resource management. He has participated in the International Teachers Programme (ITP) - 2015 organized by the International Schools of Business Management (ISBM) at the China Europe International Business School at Beijing & Shanghai.

# FOREWORD

COVID-19 has plunged the world into great turbulence and uncertainty, and this has severely impacted social and economic life. Yet while being closeted in our homes, this is also a time for introspection; there couldn't be a more opportune time to reflect on gender roles. In most societies, women and girls still perform the greatest share of unpaid housework and care-giving work, yet find themselves excluded from the labour workforce. From cooking and cleaning, to taking care of children and the elderly, women perform several times more unpaid domestic and care work as compared to men.

Unfortunately, the contribution of this unpaid care is never taken into account while calculating gross domestic product (GDP), and for this reason, women are shown to contribute only 37% of GDP, though they make up half the world's working-age population. As per an estimate by the Mckinsey Global Institute, unpaid work carried out by women currently amounts to \$10 trillion of output per year, which is approximately 13% of global GDP.

As we move ahead in the 2020s, leaders must make the task of building fairer and more gender sensitive societies integral to their goals of industry-building and nation-building, because men and women have an equally important role in ushering in social and economic transformation in their nations. Without the skills, competencies, ideas and perspectives of half the human population, outcomes will always be sub-optimal.

India faces immense challenges in this area. According to the Global Gender Gap 2020 Report released by World Economic Forum, India is ranked 112th out of 153 countries on the Global Gender Gap Index and the country is yet to close one-third of its overall gender gap. A report of the International Labour Organization suggests that India can add \$1 trillion to its economy by 2025 if this gender gap in the workplace is addressed.

Women continue to be under-represented in managerial and leadership positions. In terms of gender equity on corporate boards, despite several affirmative actions taken by companies for bringing gender diversity as provided by the Companies Act (2013) for women directors to be appointed to company boards in India, the presence of women on boards of publicly traded companies in India is below the international level of 14.7%. Given that India is one of the more progressive emerging economies of the world, it is important to assess why representation of women in the boardroom is so low.

It is heartening that BML Munjal University (BMU) and All India Management Association (AIMA) have collaborated to bring out research on this pertinent theme, and this is being published in the form of a book by Emerald Publishing Ltd. The authors, Dr Payal Kumar and Dr Ganesh Singh, deserve special appreciation for their efforts, along with the publisher.

The empirical analysis is of a high quality, and the book also features unique interviews with leaders of public and private companies as well as aspiring women leaders in India. The authors also offer meaningful insights and implications, and I am sure that the book would be of immense value to researchers, board directors, employers, policy makers and general readers alike.

Sunil Kant Munjal  
Past President – AIMA  
Chairman – Hero Enterprise

# PREFACE

Today, the world is going through a largescale turbulence due to a number of socio-economic, cultural, political and health issues. The fourth industrial revolution has brought in several technological changes. As a result, a complete digital transformation is taking place in almost all sectors. Women will certainly play a significant role as nature has given them a creative brain. It is indeed increasingly being felt that without including half of the world's talent pool, we will not be able to meet the requirements of the fourth industrial revolution, and develop our economies appropriately.

We believe that the world of today and tomorrow must be led by women and men equally. Since time immemorial, the patriachal mindset of people has weighed against the development of women in many communities and societies across the world. They are still treated as inferior than men in many ways. No doubt, there are several countries which have achieved remarkable success towards gender parity across health, education, economic, social and political systems. However, there remains much to be done. This book, written by Dr Payal Kumar and Dr Ganesh Singh, comes at an opportune time and brings out key issues with regard to gender inequality.

Women continue to perform the greatest share of unpaid work, which is often neither appreciated nor considered to be an economic contribution. Discrimination, violence and harassment of women in families, communities, social

institutions and workplaces still persist in many parts of the world. The gender wage gap remains a grave problem. Furthermore, women are also under-represented in managerial and leadership roles in organisations and in the boardrooms. Many such examples can be narrated.

With the fast changing world, the current younger generations hold far more progressive views of gender equality than ever before in the history of mankind. Various studies suggest that companies with more women at the top tend to achieve higher organisational and financial performance.

Keeping in view this broader perspective, this book examines Gender Equity in the Boardroom, with a special focus on situations prevailing in India, which is regarded as one of the fastest growing economies of the world by International Monetary Fund. The authors have conducted research to find out the plausible reasons as to why, despite an affirmative legislation in the form of the Companies Act (2013) which provides for compulsory representation of women in company boards in India, the boardroom representation of women consistently remains low compared to other countries.

This book becomes even more relevant as there has been no recent study to understand this phenomenon. Subsequent to a study on women on boards in India conducted by Standard Chartered Bank about a decade ago, this book based on the research findings makes an earnest attempt to find reasons as to why, since then, the situation has not improved much when it comes to representation of women on boards in India. In other words, what are the antecedents for so few women on boards in India?

The book comprises six chapters. Chapter 1 'Literature Review and Study Method' provides a literature review on studies related to gender equity in the boardrooms in Western and the South Asian countries. Chapter 2 'Thematic Analysis: Interviews of Board Members and Senior Executives' gives

insights based on personal narratives around the theme of women and corporate board membership. Chapter 3 ‘Thematic Analysis: Aspiring Woman Leaders’ provides insights based on personal narratives of mid-managers from Hero MotoCorp, one of the largest corporate organisations in India. Chapter 4 ‘Analysis of Female Representation on the Boards of Fortune India 500 Companies’ collates and analyses the data obtained through Bloomberg, to elicit the representation of women in Fortune 500 companies, the definitive ranking of India’s top companies. In the end, Chapter 5 ‘Conclusion and Policy Recommendations’ suggests future areas of research. It also spells out recommendations for policy makers, employers, board directors, etc. There is also an Appendix ‘Gender Equality in India and South Asia Region’ which brings out a comparison of selected gender gap indexes and scores.

We are very happy that All India Management Association, an apex body of management profession in India joined hands with BML Munjal University, an institution with a difference and known for its innovative pedagogy, research and enterprise environment to conduct a study on gender equity in the Indian boardrooms, which has led to the publication of this book. We are amazed by the wonderful creation of this book and compliment both the authors for their commendable efforts for an insightful analysis including recommendations and future actions on a very topical subject matter. The book will act as a key resource and reference for researchers, policy makers, board members, companies and general readers in India and the countries around the world.

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and  
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