

A Study of Women Workforce in Corporate Sector: With Reference Provision of Companies Act, 2013

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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 continued 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. According to NASSCAM, the ratio of men and women in Information Technology and Information Technology Enabled Services sector is 65:35 by the year 2010. The Watson Wyatt study says that the younger generation of women in India is expected to achieve educational parity with men by 2016. So corporate recruiters, are also enthusiastic to hire women for successful management practices and adopted a new provision for women representation on Board in Companies Act 2013.

Index terms— women, gender, inequality, income disparity, companies act 2013 and corporate world. A Study of Women Workforce in Corporate Sector: With Reference Provision of Companies Act, 2013

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The study also emphasized on the contribution made by the New Companies Act 2013 for empowerment of women.

1 Introduction

Women have always helped men and the society, for achieving well-rounded 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.

3 A) TREND OF WOMEN PARTICIPATION IN CORPORATE SECTOR IN

44 The importance of women's participation in economic activities bringing women in reach of the development
45 process is widely recognised as vital for the advancement and growth of women in India. History says women
46 has participated in developmental activities but has remain un-recognised. In a country like India, agriculture
47 continues to absorb and employ 2/3rd of the female work force but fails to give them recognition of employed
48 labour (Ghosh and Ghosh, 2014).

49 The Government of India declared 2001 as the Year of Women's Empowerment (Swashakti). The National
50 Policy for the Empowerment of Women was passed in the same year. According to a report by Thomson Reuters,
51 India is the "fourth most dangerous country" in the world for women, India was also noted as the worst country
52 for women among the G20 countries, however, this report has faced criticism for its inaccuracy. In 9 March 2010,
53 one day after International Women's day, Rajya Sabha passed the Women's Reservation Bill requiring that 33%
54 of seats in India's Parliament and state legislative bodies be reserved for women.

55 On March 9th 2010, one day after International Women's Day, Rajya sabha passed the Women's Reservation
56 Bill, ensuring 33% reservation to women in Parliament and state legislative bodies.

57 According to the findings of a new study by Grant Thornton, titled International Business Report, the position
58 of women in senior positions in the Indian work force fell from 19% in 2013 to 14% in 2014. What is even more
59 alarming the report notes , is that despite the increasing impetus to improve female participation in the work
60 force and address the lack of women at the top, half of all Indian business have no program to support or mentor
61 women nor do they plan one in the near future. The Universal Declaration of Human Rights, adopted in 1948,
62 enshrines "the equal rights of men and women", and addressed both the equality and equity issues. In 1979 the
63 United Nations General Assembly adopted the Convention on the Elimination of All Forms of Discrimination
64 against Women (CEDAW) for legal implementation of the Declaration on the Elimination of Discrimination
65 against Women. Described as an international bill of rights for women, it came into force on 3 September 1981.

66 Any distinction, exclusion or restriction made on the basis of sex which has the effect or purpose of impairing
67 or nullifying the recognition, enjoyment or exercise by women, irrespective of their marital status, on a basis
68 of equality of men and women, of human rights and fundamental freedoms in the political, economic, social,
69 cultural, civil or any other field.

70 2 Methodology

71 The present research paper is based on the secondary data. The data has been collected from, different annual
72 reports and other websites. The data covered is from 2004-05 to 2013-14. The data is analysed by using different
73 Table ?? Only five percent of working women in India make it to senior leadership positions in the corporate
74 sector, compared to the global average of 20 percent, said a study released by NDTV.

75 The gender-based research carried out by Anupriya Singh of Delhi-based Lal Bahadur Shastri Institute of
76 Management said there was "gender inequality" in placement of women in the corporate sector in India. According
77 to the study, women's representation at the board level was lesser at just two percent.

78 The study said that in India, women's strength in the labour force stands at 28 percent at the junior level,
79 14.91 at the middle level and 9.32 percent at the senior level.

80 From being the lowest in the list of overall women's participation in the workforce, India ranks at the top
81 in the dropout rate as well. The primary reasons for high dropout rate in India are child care and family
82 responsibilities, including care for the elderly. Women often succumb to the 'daughterly guilt' where they take
83 upon themselves the responsibility for the care of elders in the family and are thus forced to push their careers
84 behind as 'secondary', " Singh said. India is once again the worst performer in this regard, with 48 percent of
85 women dropping out between the junior and middle level, Singh said.

86 The research was carried out following the Companies Act 2013 -that made it mandatory for public and private
87 companies with a given yearly turnover to have at least one woman director -and now the SEBI's extended deadline
88 to enforce the same.

89 3 a) Trend of women participation in corporate sector in

90 India "Women make 70% of the purchasing decisions at home. Yet, women entrepreneurs get only 1% of the
91 global procurement business. They are missing in the supply chain. They need to understand the needs of the
92 market better (Elizabeth Vazquez, CEO of WeConnect International).

93 In 2012, an international consulting and management firm called Booz & Company released equal work, non-
94 discrimination policies, the male-to-female-male employee ratio, and equality in terms of female managers and
95 senior business leaders. India rated quite poorly at spot 115. Further, the International Labour Force recently
96 reported that the rate of female participation in the total labour force in India has fallen from 37% in 2004-05
97 to 29% in 2009-10, leaving India at the 11th lowest spot out of 131 countries.

98 Gathering of quantitative and qualitative data from the six largest publicly-traded Indian software companies,
99 provide insight into state of female employment in one of the most important and rapidly growing economic
100 sectors in the country. Using NASSCOM's annual industry ratings from 2007-2012, the study has put together
101 a list of the six software companies headquartered in India that appeared in the top five spots at least twice
102 between the years 2007-2012. These companies are Tata Consultancy Services Ltd., Infosys Ltd., Wipro Ltd.,
103 HCL Tech Ltd., Tech Mahindra and Mahindra Satyam. Women's participation in the organized workforce in

104 India is lower than in the other countries due to historic, traditional and cultural reasons, says Subash A.K. Rao,
105 director of human resources at Cisco's India arm. "They (the other countries) have had their women participate
106 in the organized workforce earlier than us (Indians). It is a journey... and we are only going up."

107 The percentage of women in multinational companies in India is just 25% compared with 42.9% in China, a
108 study has found.

109 In India, the percentage of women in junior management in the 11 multinational firms surveyed is at least 30,
110 but drops to less than 10 at the senior level.

111 In a study on four countries the Gender Diversity Benchmark for Asia was done, the proportion of women in
112 multinationals across junior, middle and senior management levels was the lowest in India. The proportion of
113 women employees in Japan and Singapore is 33.8% and 43.8%, respectively.

114 Women exit from corporate sector due to family pressure and child rearing which is one of the biggest problems,
115 says Jessie Paul, chief marketing officer and a member of the diversity council at Wipro Technologies Ltd, the
116 global arm of India's third largest software firm by revenues. "It is not so easy to come back after passing a
117 long time at home. The other people (whom you worked with) would have reached a certain place" (Poornima
118 Mohandas, 2009). Motherhood is traditionally the fulcrum of an Indian women's identity her higest achievement
119 (kakar 1988). It confers on her a sense of respectability and authority, thus strengthening her position in her
120 conjugal home.

121 Chaplin, (1985) stated that women rarely engage in paid employment as it is stigmatized as a sign of financial
122 misfortune and a claim on their husband's bread winning capabilities.

123 Fernandes, (2006) argues that due to restructuring and retrenchment many multinational companies are
124 offloading complex managerial tasks to secretarial staff. In spite of having their management degrees many
125 secretarial and administrative staff find it difficult to join the management track due to their lack of cultural
126 capital. They remain in administrative jobs which are usually associated with short term contracts and often at
127 risk of retrenchment. Companies incorporated under Companies Act, 2013 shall be required to comply with its
128 provision within six months from date of incorporation. In case of companies incorporated under Companies Act,
129 1956, companies are required to comply with the provision within a period of one year from the commencement
130 of the Act. Gender bias has been the problem not only in India, but even in developed countries like USA, UK,
131 Germany, etc. The present Act can give equal opportunities to female employees for betterment of humanity. To
132 reduce this gender bias a provision in law is not enough rather they should be treated in such a way so that they
133 can really add value to the company. So presence of women on Board of Directors appears to have a positive
134 influence on shareholder value at the global level. According to the Report of Research Organisation, 'Catalyst'
135 stated that companies with the highest representation of women Board Directors attained significantly higher
136 financial performance than those with the lowest representation of women board directors.

137 According to the Report published on Economic Times online edition on July 10, 2014 listed the name of several
138 companies and their recently appointed women directors and also mentioned that appointed women directors are
139 either too popular or a family member.

140 The Report published the Business Standard noted that only 4% of Indian company directors are women
141 according to a report. India has two companies in the Fortune 500, Reliance Industries and Indian Oil, but only
142 one of their Directors is a woman among thirty Directors.

143 According to the Report of Economic Times of India dated 07-07-2014, 904 listed companies were yet to
144 appoint women Directors. This non-compliance is a serious issue unless the Securities and Exchange Board of
145 India (SEBI) consider it seriously.

146 As India is one of the major and fast growing economies of the world, this initiative taken by Ministry
147 of Corporate Affairs for empowerment of women in the giant and pivotal corporate world, is indeed, highly
148 commendable. Thus, facilitating the lawful entry of woman to the Board of Directors of prescribed class of
149 companies is surely a bright and prudent decision for enhancement of the cherished contributions of women in
150 the economic progress and growth of the country.

151 The Companies Act, 2013 has Done its part by putting provisions but now it is up to these companies to use
152 these provisions in a constructive manner. One of such constructive way is to build a pipeline of women executive
153 Directors from within the rank along with rigorous mentoring programmes. The programme is initiated by
154 Shriram Capital, TCS, Aditya Birla Group, Vodafone and Capegemini as they are the members of the WILL
155 forum and have been putting high potential women executives to build their aspiration level for acquiring board
156 position. ¹

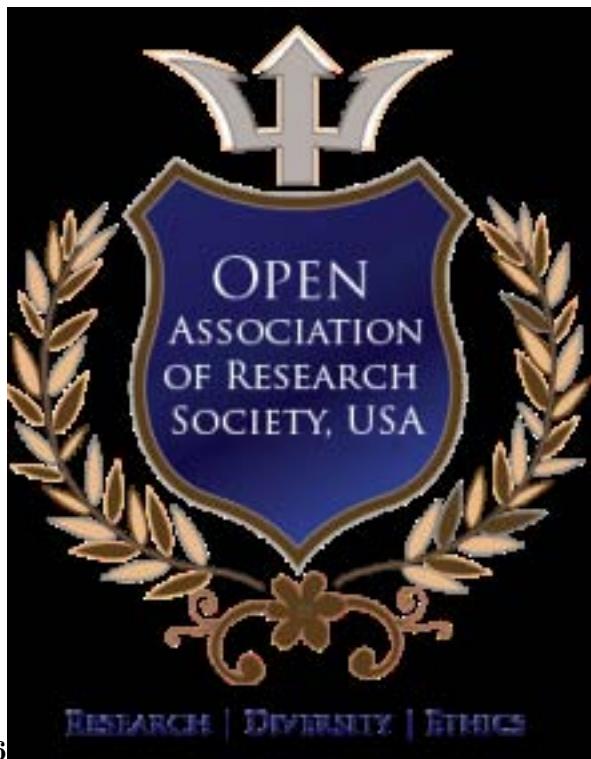


Figure 1: W) 2016 B

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Name of IT Industry	.1 : Representation of Women in Indian IT Industry	Number of Women on Board	Number of Women Holding Executive Management Position
Tata Consultancy Services Ltd	1/14	1/30	2/30
Wipro Ltd	0/12	0/23	2/23
Infosys Ltd	1/15	1/14	1/14
HCL Tech Ltd	1/19	0/18	0/18
Tech Mahindra	0/11	1/7	1/7
Mahindra Satyam	1/16	0/6	0/6

Source: NASSOCAM's Annual Report

Figure 2: Table 1

	201 Yea Vol Issu sion () Jou Ma and Res	Employment Measures Workforce (in thousands) a	Men	Women	Total
			3,36,592	1,29,678	4,66,270
Workforce		Participation	81.1 %	33.1%	57.8%
		of Pop- ulation	of Pop- ulation	of Pop- ulation	
		aged	aged	aged	
Rate (%) a		over 15 years	over 15 years	over 15 years	
Employment in Organised Sector (in thousands) b		45,784	10,716	56,450	
Gender Composition of Organised Sector (%) b		81%	19%	100%	

Figure 3: Table 1 . 2 :

3 A) TREND OF WOMEN PARTICIPATION IN CORPORATE SECTOR IN

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177 *The rate of female labour participation indicates the proportion of the female population above the age of 15
178 that supplies labour for the production of goods and services on the formal market in a given time period,*