



Most corporations in the world run 'diversity programmes', of which gender diversity is an important constituent. According to 'Board diversity and effective risk oversight at the board', a study done by Forum for Women in Leadership, only a few per cent of board positions in the country are held by women, and there is a dramatic decline in the contribution of women as they move up the hierarchy.

So how thick is the 'glass ceiling' in India Inc and what could be the reasons for the same? Poonam Barua, founder chairman, Forum for Women in Leadership explains, "The dismal figure of women on boards in corporate India is due to the fact that most boards in India are hesitant to move out of their comfort zones and board nominating committees are looking for directors who look like their 'clones'. There is little recognition of the economic and business value of having diversity and women on boards. At the same time, there is a false argument that is being recycled in corporate India that there are not enough women 'qualified' for board positions. The truth is that there are several women ready to be on boards — but the barriers for women to reach the male-dominated boards are too high — that deters their aspirations."

According to Anisha Motwani, director & chief marketing officer, Max New York Life Insurance,

● Out of 1,112 directorships of 100 companies listed on BSE of India, only 59 positions or 5.3 per cent are held by women. ● This percentage is not only lower than the percentage of women directors in countries like Canada (15 per cent), the US (14.5 per cent) and the UK (12.2 per cent), but also markets such as Hong Kong (8.9 per cent) and Australia (8.3 per cent), reveals a WILL-KPMG Report, 'In pursuit of balanced leadership: pioneering the path for corporate India'.

though not too many women form a part of Indian corporate boardrooms, she would not term the position as dismal. "While the number of women who work or enter into the corporate life has certainly increased over the years, often they tend to take a mid-career

WOMAN ON TOP?

According to a research report, firms with female representation on the board garnered sustainable profits as opposed to the ones with none. Yet, India Inc has a skewed gender diversity ratio. **Yasmin Taj** tells you why

break after six-eight years due to personal priorities. And not too many of them are able to cross this barrier and get back to an active second innings. However, the ones who do cross over this hump successfully and get back into the groove of making a career, stand a chance to climb the corporate ladder," she asserts.

However Vinita Singhania, MD, JK Lakshmi Cement is optimistic about this, "I am optimistic as today women in India are excelling in every sphere of life. The first citizen of the country is a woman; we have a woman as the leader of the ruling party as well as the leader of the opposition party. Even in the corporate world, there are a good number of women in leadership positions (for example: PepsiCo, ICICI Bank, HDFC Bank, Biocon, Thermax, Kinetic Engineering, etc) where women are in leadership roles. I do believe the

challenge would be not only in sustaining, but accelerating the momentum and creating a leadership pipeline, for the women to take on a leadership role."

As women in India continue to equip them with academic credentials and experience, matching male leaders in functional expertise and wisdom, the opportunity costs of hosting a skewed demographic structure at the leadership level are surging. What could be the impact on the growth of an organisation that has such a low representation of women on boards? Can there be any financial implications of this too? Barua claims that most companies failed in the global financial crisis of 2009-10 on male boards — and companies with women on boards showed no slowdown on revenues. "Clearly, not having women on boards is a critical enterprise-risk for a company — but companies in India are not taking a look at this critical non-financial risk of being slow-growth. Over 80 per cent of Fortune 500 companies have more than two women on board and over 90 per cent have at least one. Hardly 5-10 per cent of BSE companies have a 'professional woman' on boards — if we minus the women directors of family-owned businesses," she states.

Hence, if organisations as well as women

Rajiv Oza, director HR, Dr Reddy's Laboratories Ltd shares his views w.r.t the dismal representation of women in boardrooms.

- The dismal position of Indian corporates when it comes to having women board members is a reality. In India Inc, the reasons are more with the social system, which will take its own time to change;
- The impact of low representation of women at the board could be an opportunity missed. Women, being a big decision-maker in the consumer world, can impact the business strategies in a big way and
- A research report published by University of Nuremberg states that the board of companies having women have shown sustainable profits compared to the board having none.

leaders take the right steps, there is nothing that can stop them from making it to the boardroom; however, there needs to be a mindset change. yasmin.taj@timesgroup.com