

# Spotlight

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While we just celebrated the achievements of women globally in the Women's History Month, there is still a lot to be done in terms of diversity in leadership positions, gender bias and pay parity in workforce

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**W**HEN FORMER BANKER Arundhati Bhattacharya was considered to oversee a bank's AGM balance sheet—a prestigious position indeed, she wasn't given the role as she "couldn't be expected to work late and stay overnight in the office" during the quarterly audits.

But through it all, she worked hard to prove herself. "Soon, my reputation began to precede me, people wanted me on their teams because they knew I would deliver," says the current CEO and chairperson of Salesforce India. Bhattacharya is a leading example of women shattering glass ceilings, busting myths, and driving change, as she became the first woman chairperson of a nationalised bank in India.

"Today, women are blazing trails in every field—be it science, technology, business, or politics. But they are still sometimes overlooked for certain opportunities because of inherent biases. This mentality trickles down into decisions even in a corporate boardroom, a clear indication of which can be seen in the decline of women in leadership roles," says Bhattacharya.

Though there's much talk of career progression in leadership roles, gender parity or overcoming challenges in the most promising sectors, the pace of collective progress of women in the workforce is slow and uneven.

With Women's History Month just celebrated in March and following this year's theme of International Women's Day centred around 'DigitALL: Innovation and Technology for Gender Equality', let's look at how women in the workforce impact different sectors, and bridge the gap.

## Ground reality

If we talk about women in the boardroom, over 17% of the board seats are held by women in India, says the 2022 Deloitte Global's Women in the Boardroom report. This number increased by 9.4% from the 2014 edition of the report—the year when the Companies Act, 2013 mandated having one woman member on every board. Moreover, only 3.6% of the board chairs are women, down by 0.9% since 2018.

Although India saw a decline in board chairs held by women in 2021, it witnessed an increase in the number of women taking up CEO roles—4.7% female CEOs against 3.4% reported in 2018. Globally, 19.7% of the board seats are held by women, an increase of 2.8% since 2018 compared with 1.9% over 2016-2018. At this pace, the world could expect to reach near-parity only in 2045.

"While the Indian regulators have set up a holistic framework to encourage the representation of women in key positions at corporates, the numbers suggest a significant gap between the ideated measures and ground realities. With the continuing disruption and the current pace of change, the case for diverse boards that work with a unified purpose is becoming stronger than it ever was. It is time that gender diversity and gender parity get more focused attention from Indian corporations," says Atul Dhawan, chairperson, Deloitte India.

Take for instance, women investors in the early-stage startups, which have increased but are still a small fraction, says Padmaja Ruparel, co-founder of Indian Angel Network (IAN), and founding partner, IAN Fund. "Even the percentage of women entrepreneurs has grown from ~14% to say 19% between the years 2019 and 2022 and it is still low," she adds.

But among sectors like major FMCG companies, automotive OEMs, there is progress in leadership roles. "There was a time when only one or two women were in leadership roles. Now, women are starting to move into certain industries and taking on leadership roles in sectors no one would have thought before," says Sakshi Vij, founder and MD, Myles Cars, a self-drive car-sharing company.

LVMH, Procter & Gamble, Coca-Cola, PepsiCo and Nike were the top FMCG companies in terms of market capitalisation in October 2022 with significant women participation. Up to 71% of LVMH's workforce was composed of women in 2021, states GlobalData, a data analytics firm.

## The pay gap

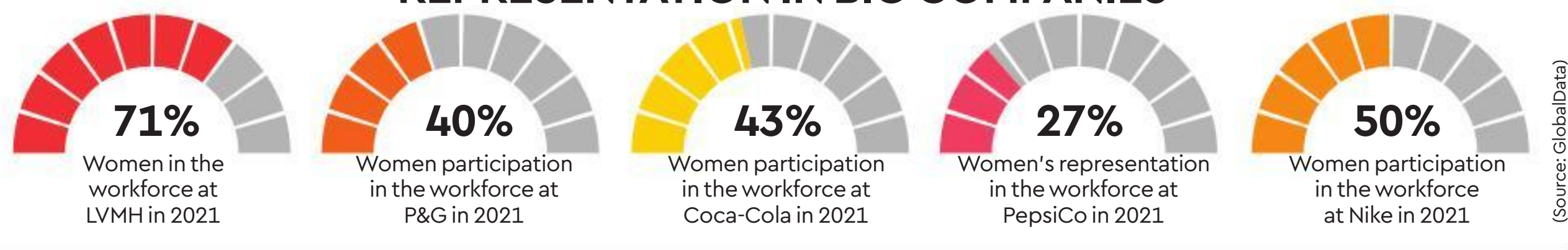
The gender pay gap widens as women advance in their careers, and the percentage of women in top management and senior executive positions is significantly lower than the percentage of women on the board of directors.



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## Long road to parity

### REPRESENTATION IN BIG COMPANIES



Women are still overlooked for certain opportunities because of inherent biases. This mentality trickles down into decisions even in a corporate boardroom  
—ARUNDHATI BHATTACHARYA, SALESFORCE INDIA

For instance, on an average, women senior executives earn ₹85 for every ₹100 that men senior executives earn. An average compensation paid to women senior executives is ₹1.91 crore and average compensation paid to men senior executives is ₹2.24 crore. These findings from a 2022 report by Indian Institute of Management Ahmedabad (IIMA) titled 'The Glass Ceiling—Leadership Gender Balance in NSE 200 Companies' by Promila Agarwal, associate professor, human resource management, IIMA, focus on compensation of women in top management positions.

Indra Nooyi, former PepsiCo CEO, as quoted in the report, feels it is important that companies revisit their approach. She suggested that organisations could take measures to put in place a critical mass of women leaders who could set the precedent and inspire other women.

Pay parity also depends on who is deciding it. Vij of Myles Cars says, "In organisations led by women, pay parity is less of an issue, and merit is what decides the right remuneration for various positions."

Startups and SMEs have seen an increase in women participation. As per the DivERsity Benchmarking Report 2021-2022 by JobsForher, women representation in SMEs/startups increased in 2021 at 58% vs 2020 at 40% in the senior management to leadership level.

According to Neha Bagaria, founder and CEO of JobsForher, creating awareness

around pay parity with a firm law to support transparency could result in narrowing down the gap. "Pay transparency builds trust among employees and leads to better performance," she adds.

Organisations also need to ensure pay parity across the board. For example, in 2015, Salesforce was one of the first companies to evaluate gaps in pay among the global workforce. "We were one of the first companies to evaluate whether there were any gaps in pay among our global workforce—an 'equal pay audit' not just across gender, but across functions and geographies," says Bhattacharya, adding, "In our audit in 2022, our analysis found 8.5% of our global employees required adjustments. As a result, we spent \$5.6 million to address any unexplained differences in pay, a total of more than \$22 million spent since 2015."

However, the World Economic Forum Global Gender Gap Report 2022 states that global gender parity for labour force participation has been slowly declining since 2009. In 2022, gender parity in the labour force stood at 62.9%, the lowest level registered till date. Among workers who remained in the labour force, unemployment rates increased and have remained consistently higher for women.

On the contrary, nine in 10 female blue collar employees in India are confident they receive equal pay, says a 2023 study by job site Indeed. As per the report titled 'The Pulse of India's Blue Collar Workforce', over 95% of these employees are confident they receive equal pay and 93% of male employees have also said the same.

Sanjukta Ghosh, social impact manager, Indeed, says, "The blue collar segment has been faring well with hiring seeing a positive growth in the last two years. The rise of the gig economy is expected to add buoyancy to the segment, with Indeed's data showing that there is a 9 million gig workforce in the making by 2025."

## The 'safe' sectors

Nursing in the healthcare sector gained importance during the pandemic, a promising area for women due to its high demand, equal opportunities, job security, and competitive pay.

Dr S Narayani, business head, Fortis Hospitals, Maharashtra, says, "Women can pursue a wide range of healthcare roles, and with the right training and qualification, they can build rewarding careers in this field. As per a report by WHO, women

make up more than 70% of healthcare professionals globally. There has been some progress in increasing women's representation in the upper echelons of the healthcare sector in India; however, women do remain underrepresented across the larger leadership positions. Efforts have been made to increase the representation of women at C-suite positions. The ministry of health and family welfare has launched initiatives to promote gender diversity in the healthcare sector, which is encouraging."

"Women have to be forthcoming in brick-and-mortar sectors and silicone chip designing and manufacturing sectors," says Vinita Singhania, vice chairperson and managing director, JK Lakshmi Cement, adding, "Cement is not seen as a glamorous industry like technology companies but has a lot of potential for women entrepreneurs to lead cement companies in India. While pay disparities across industries are coming down and no industry has remained untouched, the competitive scenario has space only for the most talented and committed ones."

There is a large gender gap in technology and innovation. At the 20 largest global technology companies, women are 33% of the workforce in 2022 but hold only one in four leadership positions. Women inventors make up only 16.5% of inventors listed on international patent applications globally, states the UN Progress on the Sustainable Development Goals the Gender Snapshot 2022.

To this effect, in the last decade, women's exclusion from the digital world has deprived low- and middle-income countries of up to \$1 trillion of their gross domestic product (GDP), a loss that could rise to \$1.5 trillion by 2025 without action, states the UN Women's Gender Snapshot 2022 report.

In India, 43% of the total graduates in science, technology, engineering, and mathematics (STEM) are women, which is one of the highest in the world, says Bhattacharya of Salesforce India. "However, only 14% go on to pursue careers in the workforce. Organisations and the government need to work together to address this issue on a grassroots level by motivating young girls to pursue science and build a career," she adds.

While gender bias and societal attitudes towards women are among the major causes for this disparity, STEM careers are more often than not seen as being more suited to men. "Today, India tops the world



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with female graduates in STEM but ranks 19th in employment, with the IT sector employing three times more males than females. Girls wishing to pursue careers in these fields are discouraged and there is reluctance to invest in education. Another challenge is lack of mentorship and role models. A combined effort by the government, STEM industries, and society at large is necessary to address these challenges," adds Seema Agarwal, global head of retail analytics at Fractal, an AI unicorn with Fortune 500 clients.

The Science and Engineering Research Board (SERB), a statutory body of the Department of Science and Technology (DST), Government of India, has launched a scheme titled 'SERB-POWER' to mitigate gender disparity in science and engineering research funding in various science and technology programmes in Indian academic institutions and research and development laboratories, address comparatively lower participation of women scientists in research activities and to identify and support competitive women researchers in the country.

Even organisational outcomes can be improved by increasing the number of women in technology through reskilling and upskilling. "Celebrating female tech champions, encouraging girls to study STEM and diversifying the recruiting pool can help," adds Sanchita Basu, director IT - Site Leader, Global Digital Ser-

## GENDER EQUALITY

Between 2018 and 2021, only 26% of countries had comprehensive systems in place to track public allocations for gender equality, 59% had some features of such a system, 15% did not have the bare minimum, as per UN's Sustainable Development Goals Report 2022



## STATUS CHECK

17%

Board seats held by women in India, as per the 2022 Deloitte Global's 'Women in the Boardroom' report

19.7%

Board seats held by women globally, as per the Deloitte report

₹1.91 cr

Average compensation paid to women senior executives in India, as against ₹2.24 crore paid to their male counterparts, as per a 2022 report by IIM-A

62.9%

Gender parity in the labour force in 2022, the lowest level registered till date, as per the World Economic Forum Global Gender Gap Report 2022

33%

Women in the workforce at the 20 largest global technology companies in 2022, as per UN's 'Progress on the Sustainable Development Goals: The Gender Snapshot 2022' report

16.5%

Women inventors listed on international patent applications globally, as per the UN report

\$1 trn

The amount of GDP that women's exclusion from the digital world has deprived low- and middle-income countries of—a loss that could rise to \$1.5 trillion by 2025 without action, as per the UN report

vices (Bengaluru), Baxter Innovations & Business Solutions.

Just hiring more women is not enough as there is a need to invest to build enduring and meaningful careers like flexi work options, benefits that provide for caregiving support and gender-neutral policies that focus on the role of a caregiver.

"We have targeted initiatives to hire and reskill women who are looking to restart their careers after a maternity or longer career break, apprenticeship programmes that enable women with non-traditional academic qualifications to acquire STEM skills and improvements in STEM skilling at a school and university level," says Lakshmi C, managing director and lead—HR, Accenture in India.

Accenture has set a global goal of becoming gender-balanced by 2025. Today, the gender metrics in India states that over 47% of over 300,000 people in India are women and nearly 26% of leadership roles are held by women.

## The great divide

The division is obvious as till date industries like construction, logistics, finance, firefighters, camera operators, unicorn and politics are still male dominated for their environment and infrastructure can act as huge barriers for women.

Women in leadership positions were uncommon in the logistics and air cargo sectors but now that their core strategies and development plans are in place.

The logistics business has historically been male-dominated, and for a very long time, women were not permitted to work in 'blue-collared' positions, but the trend continues no longer. The supply chain and logistics industries are now completely in 'awe' of the outstanding contribution made by the women leaders.

"The logistics industry has evolved beyond simply lifting and moving shipments, thanks to ongoing invention throughout the global supply and demand chain. Many companies, including us, are taking measures that include a push for hiring more women across levels, reviewing pay on a regular basis, creating career enablers for women such as flexible work options, and building a pipeline of women leaders. Most of them even conduct regular benchmarking analysis to ensure that pay stays equitable with roles and responsibilities," says Zaiba Sarang, co-founder of iThink Logistics, an e-commerce shipping solutions company.