Chapter 10
Women on the Board of Indian It Companies: Are They Audible and Visible?

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Abstract Gender disparity on the board of Indian IT companies is a continuing saga despite the Indian Companies Act, 2013 mandating at least one-woman director in the executive position of public listed companies. Women in India are leaders of varied sectors of businesses and on top leadership positions except in IT companies. This study has found that 14 out of 25 leading IT companies in India has, got not more than two women on the board of directors. It has also been found that the reasons for said nomination are due to the statutory compulsion to have women on board. Information technology companies are responsible for innovation, business growth, transformation and diversification. Strategic leadership is the key for IT companies to achieve the above-stated objectives. Inclusiveness in the economic reforms is possible when women are given adequate representation in entrepreneurship and leadership positions in all sectors of industries. This study aims at examining the causes of the inadequate representation of women in Indian IT companies. Paper has examined the following issues to analyse the above-stated proposition: (a) How far the Indian IT industry has contributed to the empowerment of Indian women? (b) Whether the employment terms and recruitment policies of IT companies are sufficient to ensure the security of tenure and promotion to women employees and do it incentives women employees' contribution towards innovation in their respective companies? (c) What are the factors contributing to women taking up leadership positions in Non-IT Industries? (d) Whether family commitments are the reasons for women in the IT sector to decline leadership positions or whether male domination is a cause for women to be backward in IT companies' leadership positions? (e) Should mandatory reservation of adequate percentage of seats for women in administration be uniformly applied also for employment of women in the IT sector and how far

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177

the practice followed in developed jurisdictions need to be incorporated under the Indian law? Enrolment of women in IT and business education is on par with their counterparts. Since women occupying leadership positions is negligible, the paper examines the challenges and proposes solutions to ensure gender equitable reforms in the leadership roles of Indian IT companies. Data related to board composition and shareholding patterns of Indian IT companies are looked into and analysed to identify whether women possess capital or management control in the Indian IT companies. To critique the role of women in other sectors of employment with that of the IT companies, data collected from the National Association of Software and Services Companies (NASSCOM) and Indian government-sponsored schemes are considered. The data are also collected from various sources such as Sustainability Reports of Wipro, Infosys, HCL, Dell, Accenture, Tata, Human Development Index (HDI), United Nations Department of Economic and Social Affairs (UNDESA). The data compiled reflect the factors that affect women's career progression in the Indian IT sector. This study has found that there is an absolute imbalance in terms of gender diversity on the boards of Indian IT companies. Reasons for the same are as follows: 1. Women who have excelled in technological education are not willing to take up leadership positions in IT companies due to the challenges and risks involved in this specific sector, 2. Family commitments and health issues are not conducive for women to dedicate the required time in managing corporate boards of IT companies, 3. Joint families and a patriarchal Indian system limits woman to undertake employment, 4. Women with liberal outlook and merit are not preferred as a choice by male leaders of IT companies due to the fact that they never want to be led by women, 5. The upskilling programmes organized by IT companies to their women employees are not sufficiently focused to promote women to leadership positions and 6. Excess share qualification for directorship prescribed by listed public companies is an impediment for women to be considered for executive positions. Paper suggests strategies and policies for the promotion of women employees to executive positions and ensuring the disclosure of diversity of corporate boards as a prerequisite to listing its shares. Secondly, it proposes to amend Companies Act, 2013 to prescribe a higher number of mandatory appointments of women on board to make it mandatory for women to be part of committees of the board mandated under the Companies Act. Thirdly, it proposes that the B-Schools admission policies should increase the intake of women candidates for management programmes so that they would possess the adequate competency to govern corporate boards of Indian IT companies.

10.1   Introduction

Women as Harbingers of Major Social Change: "Agency" and "Well-being" are the two salient features of human life. The agency aspect relates to the quest of goals and objectives that a person has reason to value and advance, irrespective of their connections to his or her own well-being. For many years, the focus of feminist literature and various women's movements was "well-being" or "protection"

of women, given the "unfair deal" they have been, and are in many ways to this day, meted out. But, in due course, the objectives of these movements have gradually shifted from a narrow "welfarist" focus to a broader outlook stressing on "the active role of women as agents in doing things, assessing priorities, scrutinizing values, formulating policies and carrying our programmes".[1] It is obvious that the active agency role of women calls for the urgency of rectifying many sociopolitical influences that blight the well-being of women and subject them to deprivations of various kinds. It is clear from available empirical evidence that the biological and non-biological consequences of neglecting women's interests extend far beyond the well-being of women only, and the traditional economic approaches, viz. resource-based and preference-based, were found to be not only ineffective but to be frequently reinforcing the inequalities that are highly relevant to women's well-being. This led to the "capabilities approach"-an approach to quality-of-life assessment pioneered within economics by Amartya Sen and popularised by the highly influential Human Development Reports of the UNDP.[2] The central question addressed by the capabilities approach is not "How satisfied is this woman?" or even "How much in the way of resources is she able to command?". It is instead, "what is she actually able to do and to be?" Users of this approach ask: "Is the person capable of this, or not?" They ask not only about the person's satisfaction with what she does, but about what she does, and what she in a position to do (what her opportunities and liberties are). They ask not just about the resources that are present, but about how those do or do not go to work, enabling the woman to function.[3]

The expansion of women's capabilities not only enhances women's own freedom and well-being, but also has many other effects on the lives of all.[4] Active agency of women can, in many circumstances, lead to a substantial improvement in the loves of all people-men as well as women, children as well as adults. There is also new evidence that functioning of women in other areas, including in economic and political fields, makes a radical difference to the social outcome. Substantial links between women's agency and social achievements have been noted in many different countries, and there is plenty of evidence that whenever the social and economic arrangements move away from the standard "male-driven" models, women can seize business and economic initiative with much success. It is also, by now, clear that the result of women's participation is not merely to generate income for women, but also to provide many other social benefits that come from their enhanced status, enterprise, and independence. The success stories of Grameen Bank and BRAC in Bangladesh, originally conceived to improve the social and economic roles of women, speaks

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[1] Sen (2006).

[2] UNDP. Various years. *Human Development Report 1993–1999*. New York, NY, United Nations Development Programme.

[3] Nussbaum (1999).

[4] Nussbaum (2000).

volumes of not just about how women's agency can help to transform the lives of all human beings but an entire nation.[5]

10.2 Women Entrepreneurship to Leadership—Historical Evidence from India

Marquis de Condorcet, a French mathematician, and a leading intellectual leader of the French revolution, and one of the pioneers who initiated the formal discipline of social choice theory,[6] was one of the first passionate advocates of public education and particularly women's education, in the 1780s. His insistence on the importance of women's education was linked, among other things, to his recognition of the need for women's voices in public affairs as well as in family and social life. This, he believed, will lead to giving priority in public policy to women's education as part of the promotion of justice in society, which will, in turn, result in direct benefits and indirect positive consequences for the general welfare of the society. The role of women's education and enlightenment was thus central to Condorcet's approach[7] to society of his times, and he even saw that a more widespread women's education would reduce the population growth rate dramatically and could even halt or reverse it, as against his more popular successor Robert Malthus[8] and the alarmist theory of population catastrophe.

However, Indian ancient recorded history has a different story to tell and it abounds of examples of women who have scaled the heights of loquacity, valour, power and influence. Even though India has had a history of deep inequalities along the lines of gender, class, caste and community, participation of women in both political leadership and intellectual pursuits is by no means negligible, notwithstanding the fact that men have tended, by and large, to rule the roost in socio-economic and political matters. Vocal leadership of women can be traced back to the Upanishads,[9] for example, in the *Brihadaranyaka Upanishad* where we are told about the famous "arguing combat" where *Yajnavalkaya*, the outstanding scholar and teacher has had to face questions of the sharpest intellectual nature, from a woman scholar *Gargi*, and more recently the Rani of Jhansi—the feminine hero—who fought along with the mutineers in the middle of the nineteenth century against the British rule.

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[5] In India, however, there were reports that the for-profit banks hijacked the "microcredit" scheme as they saw there "was money at the bottom of the pyramid", until it was stopped by a spate of farmer suicides. See Prahlad (2005).

[6] Social Choice theory is primarily concerned with the formal analysis of collection of information to generate a social choice or preference, and Condorcet is credited with the basic building blocks of the theory; it was left to Kenneth Arrow in 1951 to revive it into its modern form.

[7] Sen (1999a, b), also Fleurbay and Mongin (2005).

[8] Malthus (1978), in the Penguin Classics edition, edited by Flew (1982).

[9] Swami Madhavananda (1950, 3rd edition). The *Brihadaranyaka Upanishad*: Sanskrit text, English translation. Durga Piture Lane, Calcutta, India: Advaita Ashrama.

Straight cut to the present, many of the political parties in India—both regional and national—are led by women. Even in national movement for independence led by the Congress party, there were many more women of influence, than in all global revolutionary movements put together. Sarojini Naidu, the first women president of the Indian National Congress was elected in 1925, fifty years earlier than the election of the first woman leader of a major political party (Margaret Thatcher in 1975). The second woman head of the Indian National Congress, Nellie Sengupta, was elected in 1933.Inequality between men and women is not just one affliction but a multitude of problems and has many faces.[10] Indeed, the absence of gender disparity in one dimension and the presence of the same in another sphere may coexist. For example, in Japan there is no gender bias in nutrition or healthcare or school education but the relatively better and leadership roles in business and administration are taken by men. While gender disparity has many dimensions, they are not necessarily independent; rather they may reinforce each other. For example, when women are deprived of decision-making power within the family, it leads to a deprivation of their effective agency,[11] and this can adversely affect their well-being.

10.3   Gender Disparity in India: Then and Now

The structure of inequality and gender disparity in India is the product of a complex history of involving the transformation of a premodern trifunctional society whose evolutionary trajectory was altered by its brush with the British colonizers. It is beyond the scope of this paper to delve into a speculation about how India's inequality regime might have evolved in the absence of the East India Company (1757–1858) and the direct administration of the British Empire (1858–1947). However, India's tryst with affirmative action and quota or reservation system is worth a mention. All available evidence suggests that the above policies that India had pursued since independence have significantly reduced inequalities between the old disadvantaged castes and the rest of the population- more, for example, than inequalities blacks and whites in the USA and much more than between blacks and whites in South Africa since the end of the apartheid.[12] Many studies have revealed that the measures adopted in India through parliamentary democratic procedures had the effect of bringing the lower classes into the electoral politics, and it is highly unlikely that such a result could have been achieved in any other fashion.[13] In 1993, a constitutional amendment required states that had not already done so to reserve a third of leadership posts in panchayats (village councils) for women. Research has shown that experiments

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[10] Amartya Sen has addressed this issue in "Many Faces of Gender Inequality", *New Republic*, 17 Sept. 2001, and *Frontline*, Nov. 2001.

[11] Sen (1999a, b). In this book, he argues, rather convincingly, about the role of agency and that of well-being as how they are quite central to the process of development.

[12] Piketty (2020).

[13] Jensenius (2017).

with female-led panchayats have helped to reduce negative stereotypes of women, which may be the most convincing proof of the usefulness of affirmative action in overcoming longstanding prejudices.[14] The point of the above discussion is not to idealize the way India addressed the legacy of extreme inequalities, but to note that it is possible to draw any number of conclusions from India's experience.

Generally speaking, every country bears traces of its own particular political-ideological trajectory, whether it be social-democratic, post-communist, postcolonial, or petro-monarchical. Today's inequality regimes combine elements of modernity and archaism. Some institutions and discourses are new, while others reflect a return to old beliefs, mainly patriarchy. Most societies throughout history have known one form or another of male domination, especially with regard to political and economic power. In many Western countries, it was not until the 1960s and 1970s that married women were allowed to sign work contracts or open bank accounts without their husband's approval or that the law ceased to treat male and female adultery differently in divorce. The battle for women's suffrage was long and conflictual and is not over yet. Women were successful in New Zealand in 1893, in the UK in 1928,[15] in Turkey in 1930, in Brazil in 1932, in France in 1944, in India in 1950, in Switzerland in 1971 and in Saudi Arabia in 2015.

10.4   Board Diversity and Indian IT Companies

The law governing corporate leadership for registered companies is dealt under the Indian Companies Act, 2013.[16] In General, companies in India have two-tier[17] board system comprising of supervisory board, also known as executive board and management board. Executive board has persons who cannot be removed by general meeting, and they are non-rotational directors. Whereas the management board comprises of persons elected by the shareholders in general meeting and one-third of the total non-rotational directors is liable to retire by rotation at every annual general meeting.[18] Further, the board comprises of different categories[19] of directors to protect and represent the interest of various persons. Diversity and inclusiveness in board leadership had taken place centre stage discussion in many forums, and some relief was brought to incorporate the same by the Companies Act,2013. 2013 Act has brought remarkable changes to the Indian corporate law landscape and one such change is

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[14] Beaman et al. (2009).

[15] In the UK, women's suffrage was granted in stages. Women over the age of 30 who met a property ownership condition obtained the right to vote in 1918; parity with men on the right to vote was instituted in 1928.

[16] Chapter XI of Indian Companies Act, 2013 Ss.149–169.

[17] Indian companies are predominantly controlled by promoters, who generally have proprietary interest in the affairs of the company. Most public listed companies had its origin in Joint Hindu Families and were later converted into Joint Stock Companies for varied reasons.

[18] Section 152 of the companies act, 2013.

[19] Independent directors, small shareholders directors, nominee director, women director, etc.

the recognition of women directors. A significant characteristic of Indian companies is the vesting of ownership in the hands of the promoters,[20] similar to big family-owned corporate houses. The promoters influence appointments, decision-making and reporting. Section 149(3) read with companies' appointment of directors' rule mandate the appointment of at least one woman on the board of every public listed companies. Underlying reason behind the said provision is to initiate not only to ensure representation to women, but also initiate corporate policies and strategies that would be beneficial to the women stakeholders of corporation. Women constitute more than 40% of the total population in India, yet insufficient recognition was given by the Companies legislation to make women a forerunner in corporate leadership position.[21]

Management control of most public listed companies is by promoters, and promoters are permitted to hold 75% of the total paid-up equity shares. Because a significant characteristic of Indian companies is the vesting of ownership in the hands of the promoters and promoters influence appointments, decision-making and reporting. However, with specific reference to IT, which has been the fastest growing Indian industry since globalization, has not only given the Indian woman freedom and self -dependence, but it has also created a hitch for her in the world, whereby she interacts with people from diverse walks of life.[22]

According to NASSCOM survey on 150 IT companies, FY 2018 had over 34% women workforce (1.3 to 1.4 million). The term IT includes a diverse range of activities. The breakdown of the female representation in each sector was as follows: BPO, KPO and ITES (37.37%); internet business (37.37%); and software, hardware and information technology (33.33%).

Figure 10.1 shows that 46.2% of Indian IT firms have over 31% of women workforce. This has been a positive trend for women in IT in India. However, the same trend is not reflected at the highest levels tails off markedly. Figure 10.2 shows that most companies surveyed (88.5%) reported that less than 10% of their C-Suite is female. The number improves slightly for women in Senior Management—80% of companies have less than 10% women. The Middle Manager and Individual Contributor levels are fairly similar—around 65% companies have less than 10% women, and around 18% of them have between 11 and 20% women at this level. The higher the career level, the lower the participation of women. Though board diversity is quite impressive at the entry level but towards the higher order of the progression, it declines significantly.

The situation is alarming as board diversity is important to improve corporate governance as it promotes inclusion of the interest of all stakeholders to create purpose-driven corporation having sustainable objectives. Diversity of the board in terms of gender is advocated in many developed jurisdictions, to empower women as change maker and equal participant in the economic contributions to the society.

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[20] Promoters of Indian Public listed companies are permitted to hold up to 65% of the total paid-up capital, this confers them a huge power in choosing the management of the company.

[21] Srinivasan and George (2013).

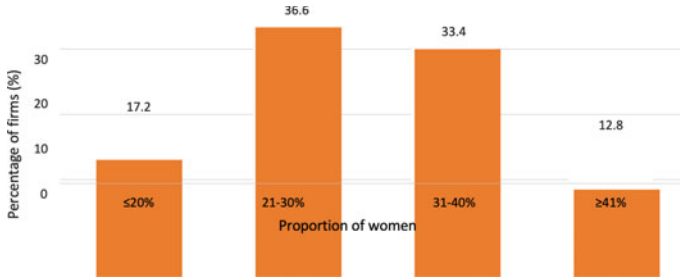[22] Chakrabarty and Bhutia (2007).

Fig. 10.1 Female employees in firms (as a percentage of firms' responses). *Source* NASSCOM IT-scorecard-India (2018), survey of 150 Indian IT companies
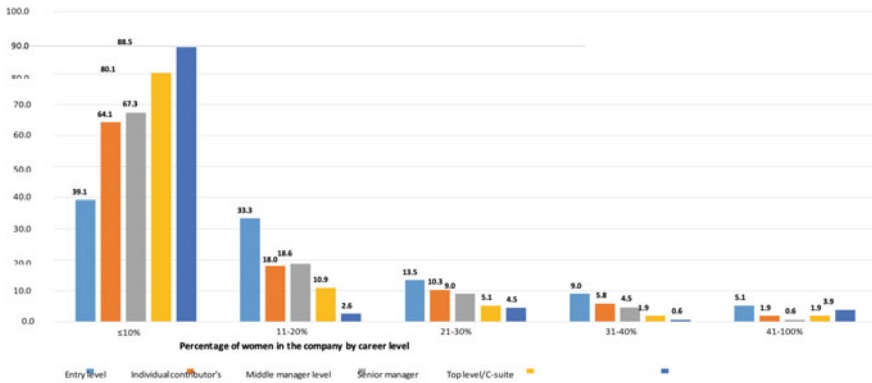

Fig. 10.2 Percentage of women employed at various career levels. *Source* NASSCOM IT-scorecard-India (2018), survey of 150 Indian IT companies

In this situation of pandemic, IT companies are playing crucial role as facilitators of business and other services to carry on. Technology is an enabler and without which, it's impossible for business entities to survive. Automation of industries and technological innovations are key not only for business to flourish but also for the society to improve. Board comprising of male and adequate number of female leaders will foster not only economic purpose but also that of social objective of its existence. Purpose-driven sustainable corporations are the pillars of economic development of every nation. Such corporations are possible not only if it has independent directors, but also directors who understand the concerns of its women employees, who are part of the workforce of industries in the recent times. Switzerland, USA, Singapore and many other developed jurisdictions have amended their laws to provide more opportunities to a greater number of women even to take up leadership role in companies.

Women leadership in IT can make a strong contribution to the economic wellbeing of the family and communities, poverty reduction and women's empowerment,

thus contributing to the economic development of the nation. However, women leadership still continues to be negligible. Women often face gender-based challenges at their workplace. As per the World Bank's annual Doing Business report, the number of new limited liability companies in India as of 2018 is 12,39,42. Among this, it is estimated that presently women entrepreneurs comprise only about 14% of the total entrepreneurs. Cross-country data from the World Bank Entrepreneurship Snapshots find that India's rate of entrepreneurship is lower than its stage of development, and similar comparisons also highlight that India's gender ratio among entrepreneurs is lower than its peers. The Global gender gap report of 2020, states that only 13.8% of the Indian women are occupying corporate leadership positions. The worldwide statistics on women participation in managerial positions reveals that there is only 20–40% representation in about 48 countries, whereas the representation of women in senior managerial positions is much lesser.

Board leadership as well Chairmanship in Indian IT companies were found to be male preserve, with less than 1% of the position being held by women. While examining the board composition of 14 leading IT companies, we have found that the representation of women is too low compared to that of male leaders.

Figure 10.3 shows that only in Tech Mahindra Ltd and HCL infosystem Ltd have more than 2 women directors on Board, while in other companies its two or less than 2 in number. Majority directors in these companies are appointed not due to their technological competence but because of the promoter stake they hold in these companies. This is revealing that women are neither holding promoter stake nor leadership positions in the Indian IT companies, and therefore, they are unable to exercise influence by way of management control or by way of shareholding. Thus, women are unable to take up leadership positions in the Indian companies. While this study has found that in HCL and in Tech Mahindra, a total of 3 women are occupying the leadership position. The reason is that they belong to the promoter's family and their families have the shareholding control over them.
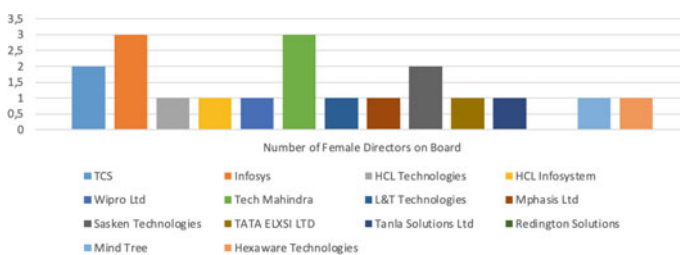

Fig. 10.3 Number of women directors at 15 Indian IT companies

Figure 10.4 shows that in terms of statutory mandate under Sect. 149[23] of Companies Act, 2013, above-listed IT companies have appointed women directors on their board, this shows that out of 15[24] statutory mandated directors in public listed companies only one has to be a woman. Legislature could have increased the number of women not only of the companies with higher turnover but also of non-public listed companies. The statutory criteria for prescribing women to be on the board are due to the reason that those are listed public companies or a company with the prescribed turnover. The gender diversity in corporate board is an unresolved issue in most jurisdictions.[25] In Fig. 10.3, HCL Technologies have a total of 20 directors out of which there is only one woman on board. Five companies out of the 14 used for this data have more than 10 directors on the board, but only one woman in these companies. We have identified that if the law had prescribed a higher number of women as a statutory mandate in the corporate board, then more representation of women would have been there on the boards. Therefore, from Fig. 10.3 we suggest that the legislative mindset of prescribing at least one woman should be reformed to at least one-third. This will bring women into the fore of business leadership as enablers of women empowerment. Practical reasons for not recognizing women leadership in corporate boards are unanswered. India has women leading risky business concerns like banking, insurance, pharmaceuticals as well as in the non-registered entrepreneurial activities and also in NGOs.

10.5 Women as Today's Leaders

Recently (Fig. 10.2), there has been a steady upward movement of women in the career ladder. Positive and steady growth has begun due to gender parity being one of the main factors of sustainability goals of many Indian IT companies. As India

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[23] Section 149(1)(b) second proviso read with Companies (Appointment and Qualification of Directors) Rules 2014—The following class of companies shall appoint at least one-woman director-

(i) every listed company;

(ii) every other public company having -

(a) paid-up share capital of one hundred crore rupees or more; or

(b) turnover of three hundred crore rupees or more:

Provided that a company, which has been incorporated under the Act and is covered under provisions of second proviso to subsection (1) of Sect. 149 shall comply with such provisions within a period of six months from the date of its incorporation:

Provided further that any intermittent vacancy of a woman director shall be filled-up by the Board at the earliest but not later than immediate next Board meeting or three months from the date of such vacancy whichever is later.

Explanation.—For the purposes of this rule, it is hereby clarified that the paid-up share capital or turnover, as the case may be, as on the last date of latest audited financial statements shall be taken into account.

[24] This number can be increased by Passing special resolution.

[25] Balasubramanian (2010). Author has incorporated the data collected from USA, EU, UK and Germany as on 2008 and states that not more than 11.4% of women are on the board of corporations.
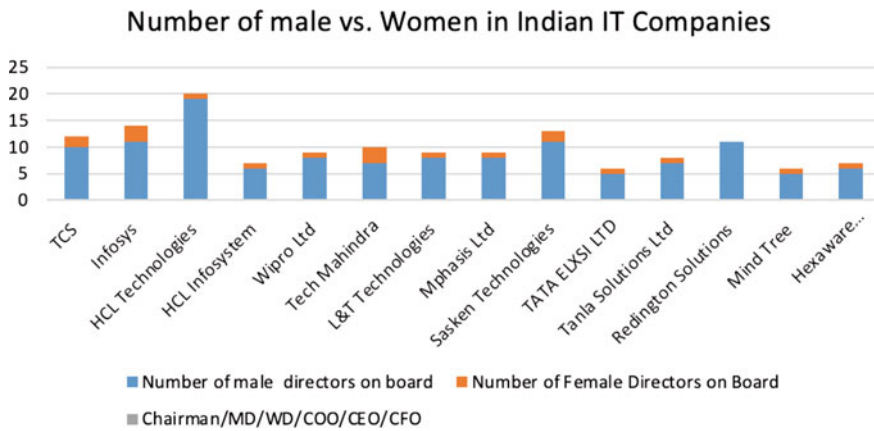
Number of male vs. Women in Indian IT Companies

Fig. 10.4 Comparison of male and females leaders in Indian IT companies

continues to be the leader in IT outsourcing, its challenges are ever growing since then. Its unprecedented growth demands more skilled manpower and such a demand can only be filled by the women workforce provided there are conducive policies within corporations that support women at the workplace.[26] Indian IT companies that are interested in women's empowerment are either driven by corporate social responsibility mandate[27] or by business strategy. In both the cases, companies are equipped with more tools and support in the form of policies to achieve greater gender parity. Due to the increase in female employees in the IT sector and the increase of female participation in management, there have been some organizational support for the women in the form of talent management policies. Talent management policies are for attracting, developing, connecting and deploying the workforce and ensuring optimize employee performance. On the lines of gender parity, they aim to provide work/life balance, flex work programmes and peer support in order to make women part of the company's business strategy. Many of its work/life programmes are women-centric. But these practices are less seen in their use. Those who take advantage of these programmes are often the subject of unconscious and conscious biases and perceived as lacking commitment to their organization.[28] Hence, perceptions play an important role in women's job distribution regardless of what policies are in place to support the employees. Therefore, it is far from clear that talent management policies effectively addressed the particular needs of the women in the company reflecting the acute work–life balance challenges they face. This suggests that HR policies need to change fundamentally to address challenges related to promotion and

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[26] Gallardo and Thunnissen (2016).

[27] Section 135 of the Companies Act, 2013 mandates CSR on companies with net worth of Rs. 500 crore or more or with turnover of Rs. 1000 crore or more or with net profit of Rs. 5 crore or more. Further as per the CSR Rules, the provisions of CSR are not only applicable to Indian companies, but also applicable to branch and project offices of a foreign company in India.

[28] Bourgeois and Traub (2020).

retention of female talents. Organizational policies on retention would help women who took a work break to come back to the workforce. This is more important in the Indian context reflecting the more acute nature of the work/family challenge and the greater tendency of women in India to drop out of the labour market in the child-rearing years compared to Europe. In addition, HR policies, work from home and a supportive manager could also be a great support. However, in IT companies this could depend on the approval of the clients of the Offshore Development Centres.

10.6 Women in the Labour Force and the Effect on Economic Growth and Productivity

The ongoing COVID-19 pandemic has drastically slowed down economic growth around the world, and an immediate measure to boost economic revitalization would be to make better use of women in the labour force. Since 2000, the Indian economy has grown at a great speed, recording the fastest growth of 8 per cent among G20 countries, but despite these economists have witnessed the phenomenon of "jobless growth", owing mainly to the lack of job creation by the services sector, in addition to the weak industrial and agricultural growth, the gradual mechanization of the formerly labour-intensive sectors, the global meltdown of 2008. It is disheartening to note that only 27.4% of women are currently employed as against 75.5% of men, and this translates to a gender gap of approximately 48.1% points,[29] pushing India to the fag end of the line, only behind Saudi Arabia, as far as female work participation rates are concerned, among G20 countries. According to a study by Lahoti and Swaminathan,[30] the women's employment rate (for 25–59 year olds) decreased by 25% points between 1983 and 2021. The reasons are manifold—the delayed entry of women into the labour market owing to their pursuit of higher education and extended training, an increase in the household median income, and also a growth story based on domestically driven demand where women do not participate much. It is further exacerbated by the deep-rooted gender inequality in the labour market where male dominance in political, economic, social, religious and cultural spheres is still dominant. Patriarchal norms and values not only prevent the entry but also the success of women in the labour market, and these norms are further legitimized and reinforced by the institutions of family, caste, community and religion. However, all is not lost as far as the relationship between gender and technology is concerned, in the Indian context. Emerging research points to the refreshing change of patriarchal norms, coupled with the changing economic scenario in encouraging women to study science, math and engineering enabling them to pursue careers in the information technology sector.[31] Interestingly, this is in stark contrast to the experience of female

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[29] Government of India (2016a).

[30] Lahoti and Swaminathan (2016).

[31] Namrata (2015).

IT engineers in the USA, UK and much of Europe.[32] However, in spite of the spurt in the number of female IT engineers as well as the improvement of job avenues in the IT sector, gender segregation in the Indian IT labour market is still rampant.

As noted above, an increasing participation of women in the labour force augurs well in raising productivity, efficiency and strengthening corporate performance. Contemporary research points in the direction that the presence of women on corporate boards can enhance skills diversity and enable the board to improve the quality of the management. There is evidence to believe that exclusion of female executive can adversely affect corporate performance. This is particularly true in the case of Japan where "firms with more female outside directors exhibit higher performance. On average the market reacts positively to a firm's decision to bring a new female outside director on the board. Overall, the results show that female outside directors are beneficial to Japanese firms".[33] Further, research suggests that discrimination is costly and non-discrimination pays. In the USA, over the last 50 years, an increase in the number of women and African-Americans in highly skilled occupations resulted in a 20–40% productivity surge just by an improved matching of talent to job.[34] To continue, research suggests that female executives can better assess the productivity of female employees, evidenced by the finding that a given 25% of female employees when managed by a female CEO as against a former male CEO, can increase sales by an average of more than 3%.[35] Another interesting study finds that increasing the percentage of women in corporate leadership from zero to 30% translates to a 1% point increase in net profit margin, or about 15% increase in profitability.[36] Yet another study undertaken in the Indian context concludes that board gender diversity exerts a positive impact on the market performance of high-tech firms, whereas it negatively influences the performance of firms in the non-high-tech sectors.[37]

10.7   Comparative Position of Women on Board

Women corporate leaders are few and far between, both globally and in Asia, but Southeast Asia has an enviable record in gender diversity, especially in the prominence of women corporate leaders. The percentage of women board members was 20 in Thailand, more than 30% of executive officers were women in Malaysia, and in the Philippines, 95% of firms had at least one-woman executive officer. Japan is the only outlier in this respect with just 2% share of women corporate leaders. In New Zealand and India, the share of women board members was a paltry 6 per cent in 2006 but by 2017 it rose to a respectable 16% in both countries. In Europe, legal

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[32] NSF (National Science Foundation) (2004), and Wajcman (2006).

[33] Tanaka (2019).

[34] Hsieh et al. (2019).

[35] Flabbi et al. (2019).

[36] Noland et al. (2016).

[37] Mukarram et al. (2018).

quotas were instituted with Norway leading the way- mandating that women presence be 40% in all the boards of publicly traded firms. As mentioned earlier, India too introduced similar laws in 2013, which resulted in a surge in the female share of board members between 2013 and 2015,[38] following it up with more stringent norms whereby the top 1000 listed firms were mandated to include "independent" female directors since April 2019. This could not have been made possible without the presence of a supportive educational system in the countries mentioned above, more so in the case of India. Indian families actively encouraged their women wards to pursue science and mathematics in school which was done with the intention of facilitating their entry into engineering courses later, which would in turn bring prestige of an IT job to the young woman and her family and further give the family an upper hand in marriage negotiations.[39] Armed with a lucrative job in the coveted IT industry with its vast networking capabilities and tools, the women's capacity to take decisions is enhanced, thereby further increasing their "agency" as discussed earlier.[40] Another factor which is worth the mention is the role of public policy, with enforceable laws as the starting point. Even in settings without explicit discrimination, careers of women diverge from that of their male counterparts during the child-rearing raising phase. Carefully drawn maternity and paternity policies, and child care avenues can shorten the absence of women from the labour force and can ease their re-entry. Quota systems, even though controversial in many countries, can come in handy and can produce desirable outcomes.

Thus, it can be easily said that, Indian IT sector is recognizing the growing influence of women power and has been gearing up to catalyse its growth and provide women with rewarding careers. Some of these policies are implemented as part of corporate social responsibility (CSR). CSR has been redefined as "the responsibility of enterprises for their impacts on society". These programmes were considered as heretical a few years ago and are now acknowledged as key tools for corporate productivity.[41] Thus, Indian IT industry has taken a lead in adopting best practices in HR to attract women employees and to enable IT as most preferred career choice. On the other hand, most of women workforce in India is highly concentrated in the low strata of employment such as coding and programming and only a minor percentage is in development of IT, which still needs a greater attention and efficient mechanisms in place.[42] The study has found the following factors contributing to gender disparity at leadership positions in Indian IT sector.

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[38] Women and IT Scorecard-India, report by NASSCOM, 2017.

[39] Namrata (2012) and Varma (2011).

[40] Kelkar et al. (2002).

[41] Cramer and Pearce (1990).

[42] Shook and Sweet (2018).

10.8   Barriers to Women's Leadership

Despite strong commitments and policies in place, low levels of women's participation in the board room remain the norm. Structural and cultural barriers keep women from fully participating in the career growth. There exist external and subtler barriers that continue to thwart women's advancement in leadership. Though working women in general face challenges in managing multiple responsibilities, women particularly in the IT sector are more vulnerable towards following challenges.

  i. **Social bias**: The bias or prejudice against women that they cannot perform as well as men in top-level corporate jobs have been the most important reason for boards to still remain male-dominated. Described as the "glass ceiling effect", it constitutes an invisible barrier that women face in the path to the top. Women often do not have mentors to guide them or role models to emulate. Men avoid mentoring women out of fear that their relationship will be considered personal, and there are simply not enough women at the top to mentor female board aspirants.[43]

  ii. **Reconciling Work/Family Balance**: Women primarily face work overload and time constraints due to the twin role-played leading to stress. Working women cannot excel in careers without family support. The challenges include insufficient time for household responsibility and childcare, lack of support from the family which in extreme cases results in dropping out of the workforce due to family obligations.[44] Work/family reconciliation is now becoming a pivotal policy issue at the heart of gender equality in private and public life.[45] Legislative efforts do not currently have the momentum required to create worldwide impacts. Even CSR initiatives of corporations are generally chosen based on profitable and other priorities of the organization. Therefore, voluntary adoption of more gender-diverse boards is unlikely until circumstances make it beneficial. The state has also not acted as effective catalysts to make this a priority.[46]

  iii. **Window dressing**: Another possible barrier is when promoters resort to the practice of window dressing, in order to comply with the mandate of Law.[47]Best lesson can be learnt from Norway. The Norwegian companies, in order to comply with the provisions of reservation promoted many women, with much less experience than their predecessors, to the position of the directors. However, this has a flip side too. Such a mandatory promotion of women would certainly make firms compromise the efficiency and would result in the reduction of the corporate

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[43] Mishra (2016).

[44] Sam (2014).

[45] de Silva de Alwis (2013).

[46] Woryk (2011).

[47] Section 149(1) of the Indian Companies Act, 2013 coupled with Sect. 149(1) read with clause 49 of the SEBI Listing Agreement and Rule 3 of The Companies (Appointment and Qualification of Directors) Rules, 2014 provide that every listed company or public company with paid-up share capital of 100 crore rupees or turnover of 300 crore rupees or more shall appoint at least one-woman director.

productivity/profits. However, it is too early to reach any conclusion regarding this provision since the data available to establish this is very sparse.[48]

iv. **Part-time jobs**: Many women employees are employed in part-time, temporary, contract or other types of flexible work arrangements that lack job security. More than a quarter of women workers work part-time, making them 1.5 times more likely to be so employed than the average worker. While women are more likely to choose part-time work, they are also more likely to be stuck in part-time jobs against their will. These part-time jobs are mostly dead-end positions because part-time workers keep their jobs for shorter periods than full-time workers and often lack health and pension benefits.

v. **Lack of career advancement**: Advancement of jobs has not kept pace with the corresponding number of working women in Indian IT sector. The numbers of women graduating from IT universities is more than 50% and their entry into the industry has been quite great in the recent past. However, there is a bottleneck for women's entry in senior management levels due to career breaks and lack of training after their come back.

vi. **Government Policies and Regulations**: Though there are enough government policies in place to encourage women education and safety at work. Issues like long commute and work at odd hours continue to bother women. There is a need for timely and effective law enforcement action in case of harassment and emergencies. Efficient implementations of policies on work hours, late hours and maternity benefits must be ensured.

Based on the above analysis, the roadblocks faced by women in Indian IT industry can be presented in a fivefold classification such as professional, family, personal, social and legislative classes[49] as shown in Fig. 10.5.

10.9   Conclusions, Findings and Suggestions

The study has found that there is absolute imbalance in terms of gender-diversity on the board of Indian companies. Though the situation has begun to improve, particularly since 2011, the change has been negligible. Despite the amendment in Companies Act, 2013, new strategies and policies for the promotion of women employees to executive leadership positions including ensuring the disclosure of diversity of corporate boards should be considered as a prerequisite to list the shares on stock exchanges. Secondly, Companies Act, 2013 should prescribe higher number of mandatory appointments of women on board and to make it mandatory for women to be part of committees of board mandated under the Companies Act. Thirdly, it proposes that the B-Schools admission policies need to be revised to increase the intake of women candidates for management studies programme, so that the

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[48] Vaibhavi and Soundarya (2015).

[49] Gupta, C. and KVS, R. R., Review of the Work-Life Balance Challenges of Women Professionals in Information Technology Industry.
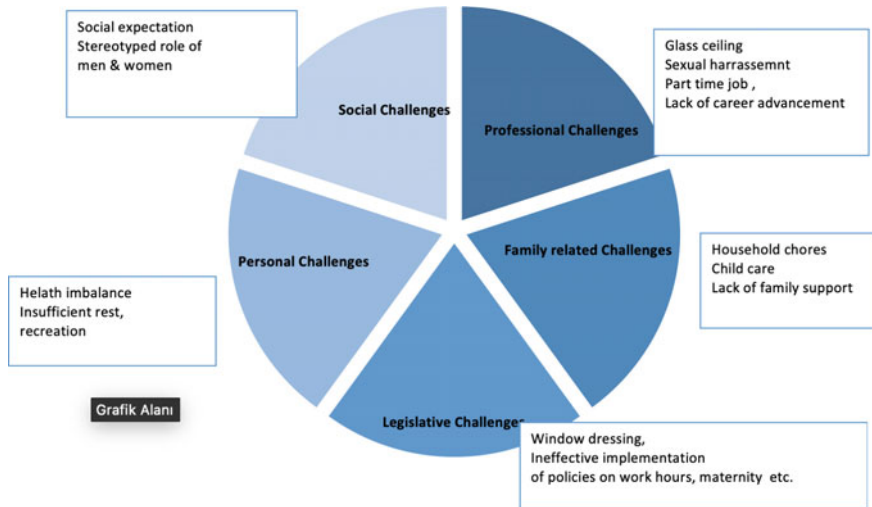
Fig. 10.5   Classification of challenges faced by women in IT industry in India

said women candidates would possess the adequate competency to govern corpo-
rate boards of Indian IT companies. A mandate should set the direction desired but
should not be blindly followed, and competency should also guide the selection for
the highest levels. Focus should be on the large number of women executives who
are stuck at middle level positions for years and budgets should be allocated to reskill
and retrain them for higher position.[50] Therefore, mere introduction of legislation is
not sufficient for empowerment of women; companies should understand the benefits
of gender diversity on their boards.[51] In this light, the role of Chairman and CEO is
critical in making a strong business case for more women representation on boards.[52]

In the light of all of the above, it would be safe to surmise that the movement
towards greater gender equality is somehow not a "natural" and irreversible process,
and the need of the hour is to bring about concerted and proactive measures to bring
about a desirable level of parity.

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[50] Sundar (2012).

[51] Arora and Kumar (2016).

[52] Kishore (2016).

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