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**"A Study on the Representation of Women on Corporate Boards in India
Vis-à-vis the Global Scenario"**

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ABSTRACT

Women in India have had to face several more obstacles than their global counterparts while pursuing their professional and personal dreams. Women all over have battled various evils like gender inequality, male dominance, etc. But in India, women have had it even tougher. They had to fight their way through social evils like Sati, female infanticide, female feticide, dowry to name a few in addition to the above-mentioned issues. But with changing times, more awareness, increased education and globalization, women have worked their way through these obstacles to carve a niche for themselves in various spheres of life. India has come a huge way forward, women are still facing hurdles in various areas. Triple talaq, female feticide, rapes, trafficking etc. do exist. However, despite all odds, women are achieving greater heights in various spheres be it politics, sports, education or corporate. However, they do have to face various hurdles, discrimination and gender inequality. This paper attempts to study the existence of gender equity in the Management sector by studying the female representation on corporate boards with Reference to the Fortune 500 companies and comparing the scenario in India with the global scenario.

1. Introduction:

It is a bitter truth that even though there are existing legal provisions, women are frequently deprived of their basic human rights, given low-paid lesser important jobs, subjected to sexual harassment, excluded from decision making procedure in most spheres such as politics, economy, administration and not acknowledged as a major contributor to the family and society as a whole. Women have been facing discrimination both at home and at the societal level. While gender inequalities across society are being considered and fought against by social researchers and

activists since decades, gender inequality in organizational leadership hasn't been given the kind of attention it deserves. Women have achieved considerable success in what was once viewed as the "male domain" of the corporate world. Globally, the number of women in the workforce has increased over the years. There has also been an increase in the number of women getting higher education and equipping themselves with technical know-how. However, discrimination against women in the workplace is still rampant and this has impacted their progress in jobs that obtain higher societal recognition among men. Gender inequality in the workplace exists in various forms, like ignoring the contribution made by women, being prejudiced against women, being judgmental or presumptuous, occupational segregation, gender-based wage gap and discrimination. Working women have had to battle against horizontal segregation as well as the separation of men and women into gender specific work. Progress of women in management jobs is much lesser than the corresponding growth in the number of working women. Moreover, their presence at senior management level is negligible. Women are graduating and entering management positions, yet there is a bottleneck at middle management levels. While entering is relatively easier, advancement slows down during and after the middle level and in most situations, irrespective of their professional and technical qualifications or achievements, women are prevented from ascending the corporate ladder in order to reach the top. In India, research has revealed that women are out-numbered by men in terms of achieving top management positions. A review of secondary data shows that data on Indian women managers is almost non-existent.

It has been observed that in India, presence of women in management jobs is considerably lower as compared to men, despite an increase in women's education, qualification and participation in the labour force. The few women, who do manage to reach the top, make everyone believe that there is a significant change in the gender equalities within corporations and businesses, which is far from the truth. Whatever little research has been carried out till date, shows a very bleak outlook about representation of women in management jobs in India. According to a study, two women per hundred men who are economically active, take administrative and managerial positions in India. Reasons for these are varied, including existence of feudal mentality, male dominance, looking at women as child-bearers and therefore perceiving them to be less productive, not allowing women to enter certain sectors or jobs requiring physical strength or long working hours, prejudices, presumptions and so on. There is therefore, great need for reducing this gender inequality and exploitation of women in the workforce. This can be done by highlighting the areas where inequality exists and change is needed, empowering women and orienting men and women including the society at large, to be more inclusive towards women. This research article is a step towards achieving this by doing the former, i.e., throwing light on the areas where gender inequality exists.

Review of Literature:

Dr. (Ms) Anupma Kaushik says that in traditional patriarchal societies it is generally believed that women should remain confined to their families and under legal and customary subjection of their husbands or other male family members and

the same continues in post-independence India. Gandhi along with opposing the practices which were harmful to women also forcefully advocated in favour of various rights of women such as education, economic independence, property franchise, equal treatment of daughters, equality of wives with husbands, women in economics, politics, drama and arts, women as Shakti (powerful) etc. He was a great soul who was deeply saddened by the deplorable conditions which Indian women had to live in, and wanted to uplift their status; free them from suppressive customs. He also wanted them to play an important role in social, political and economic life of India. He advocated and worked for gender equality and end of gender violence and was successful in bringing about positive changes in the lives of many women.

Kolge Nishikant (2016) says that Gandhi would agree with postmodern feminists that there are different patterns of women's exploitation, oppression and exclusion based on different forms of patriarchy. Therefore, there must be different set of explanations and solutions for women's exploitation. However, though Gandhi believes that difference between man and woman are natural, he would agree with Judith Butler that the 'reality' of sex is historically constructed. Hence, it can be challenged and changed. He further concludes that that it is possible to think about Gandhian feminism—a combination of Gandhism and feminism. Because both are compatible to each other and can learn from each other and both can struggle together as genuine equals, to achieve a more just and loving society. Hence, theoretical accommodation between the two groups is certainly possible and even necessary.

Simmi Valecha (2011) analyses the position of women in India that has varied in different periods and in different classes, religion and ethnic groups. She notes that before and during Gandhi's period some brilliant thinkers and social reformers like Raja Ram Mohan Roy, Swami Dayanand Saraswati etc. strived hard to bring about a change in the condition of Indian women so that they got a better deal from society. She further says that Gandhi adopted an integral approach to human problems and strived to bring about equality in every sphere of life.

Neema Mori (2014) explored the result of board of directors' options in terms aged, gender and education in monitoring and resource providing through a survey conducted on 105 board directors, representing 63 MFIs from three East African countries and concluded that the effect of directors' level of education on boards' performance is positive while there was no evidence concerning to the effect of female directors on boards.

David Campbell and Persis Latika Dass (2011) say that in today's world, women empowerment is one of the major concerns and topic of discussion. Many countries have been able to overcome this issue to some extent. But in India, the subject still persists and is relevant because women continue to struggle in our predominantly patriarchal society. Women are considered the weaker gender and incapable of taking decision on their own. They are expected to follow and live as a dependent on their male counterpart. Mahatma Gandhi the 'Father of the Nation' was a strong votary of women empowerment in India. The authors an attempt tried to understand the views of Mahatma Gandhi on women and foresee the relevance of his philosophy in twenty-first century India. They feel that the need of the hour is to educate women so that they attain their rights as well as to harness the thought

process and understanding of males towards females by viewing them not as a weak gender but of equal cadre. Serious issues against women like feticide (sex-selective), female infanticide, rapes, child marriages, domestic violence, sexual harassment, honour killing, dowry, trafficking, etc. are still prevailing in spite of already established laws against them. Indian women venture out to make careers for themselves but this freedom comes with a huge risk as it makes them susceptible to crime because laws are proving to be inadequate in controlling the situation. The authors feel that the solution lies in making the society more empathetic and liberal towards issues related to gender.

Martin Ugedo and Minguéz Vera (2014) examined the gender diversity on board with the sample of nonfinancial Spanish Small- and Medium-Sized Enterprises (SMEs) for 2003-2008 and therefore the result showed positive effect of the presence of woman board members on firm performance.

Finkelstein and Hambrick (1996) advise two reasons why the composition of the board might affect the performance of a firm. Firstly, the board has the foremost influence on a company's strategic decision-making. Secondly, the board also features an administrative role, therein it represents the shareholders, must respond appropriately to takeover threats, and monitors the whole value of the corporate. As long as individual board members jointly determine decision-making within the board, the composition of the board will have an effect on performance of a corporation. However, once researching the effect of the composition of the board, several complicating factors might arise. These complicating factors embrace first of all, the way to measure diversity over time, secondly, causality between diversity and performance, and thirdly, critical mass theory.

Economic Times Intelligence Group stated that the median number of women on Indian boards doubled within the past five years, but they still form a little proportion of the entire board members. A study of the Bloomberg data on gender composition of boards of 91 companies of the BSE-100 index reveals the average number of women on an Indian board was two in 2018-19, up from one five years ago. However, woman constituted only 14 per cent of the board, albeit above the medium 10 per cent half a decade ago. India Inc has lagged behind the US trend on gender diversity on boards. The 2018 US Spencer Stuart Board Index shows that nearly one fourth of the administrators of S&P (Standard & Poor company) 500 companies are woman, with boards having 2 female directors on the typical. While 87 per cent of S&P 500 companies have two or more-woman directors, the corresponding number for Indian boards stands at 54 per cent.

Carter et al. (2003) found a positive and direct relationship between firm value and section of woman on board.

In the Indian scenario, woman have always faced challenges with respect to their position and appointment in the business organizations, essentially as a result of the discriminatory limitation that goes up against them.

Realizing the importance, community control and leadership abilities of woman, there has been institutionalization of norms across the globe with regards to appointment of woman on board. These norms have forced the appointment of woman on boards, and firms have given better results after such appointments.

Objectives of the Study:

1. To examine whether gender inequality still exists in India in current times with special reference to management domain.
2. To study the representation of women on corporate boards in India vis a vis. other countries.

Research Methodology:

The present research study is empirical in nature. It is based on a variety of media reports, press releases, and reviews of research papers and articles. The statistical figures for the study have been collected from various reports and websites. The latest statistics are also considered wherever deemed appropriate. The statistical data in most of the cases comprise of three years from 2016 to 2019 i.e., the Pre-Covid-19 pandemic period.

Women Representation on Indian Boards, i.e., Indian Scenario:

With this changing scenario with respect to education, work participation and managerial positions, today, many Indian women are playing key role in the most innovative and important companies. But still, India is near the bottom of the rankings for female representation at senior management levels according to a study conducted by the Credit Suisse Research Institute (CSRI). In the year 2019, the global average of female representations on boards is 20.6%. India is ranked 23rd globally with 15.2% female representation on boards.

India saw a slight improvement in female representation in senior management of 1.6 percentage points over the past three years, rising from 6.9% in 2016 to 8.5% in 2019. However, India ranks the third-lowest in the Asia Pacific region with only two percent Women CEOs and also the second-lowest in the Asia Pacific region for only one percent representation of women on the post-Chief Financial Officers (CFOs).

A study by Koshal, (2006) mentioned that for every 100 men, two women will get administrative and managerial position in India. The Confederation of Indian Industry released a report indicating that women comprise 16% of junior managers, 4% of middle and senior managers and a mere 1% of organizational leaders. The research further states that women are adequately represented in the workforce and are trying to present in managerial positions.

If one considers socio economic background of India women, the above data is actually motivating. Women in India, now is steadily stepping the ladder of success and trying hard to reach the boards.

Country	% Women	% Women	Quota & Year
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	Directorships, 2019	Directorships, 2016	Introduced
Australia	31.2%	26.0%	No
Canada	29.1%	22.8%	Pending
France	44.3%	37.6%	Yes, 2010
Germany	33.3%	19.5%	Yes, 2015
India	15.9%	12.8%	Yes, 2013
Japan	8.4%	4.8%	No
Netherlands	34.0%	18.9%	Yes, 2013
Sweden	39.6%	35.6%	Yes, 2016
Switzerland	24.9%	17.5%	Pending
United Kingdom	31.7%	25.3%	No
United States	26.1%	20.3%	CA Only, 2018

(Source - <https://www.catalyst.org/research/women-on-corporate-boards/>)

Women Representation on Boards – Global Scenario:

Informational and social diversity benefits, enriched behaviour, team motivation and greater efficiency can be achieved with a female representation in top management. This would ultimately lead to improved managerial task and better firm performance.

Past studies have proved with evidence that women deserve to be board of directors. A study conducted by Joy et al., (2007) stated that considerable women participation on the board has gained 66% higher returns on capital employed, 53% increased returns on equity and 42% higher return on sales as compared to boards dominated by men.

The percentage of women on boards globally stands at 20.6%. This has broadly doubled since the start of the decade and risen from around 15.3% since 2016.

Singapore and Italy rank the highest in terms of female CEO representation globally with 15% of female CEOs followed by Thailand (9%) and the Philippines (8%).

APAC countries are also globally leading in terms of female CFO representation, with Thailand (42%), Malaysia (29%) and the Philippines (28%) holding the top three positions. Asia Pacific region has seen a small upward trend in gender diversity in the boardroom, rising to 14.4% in 2019 from 11.6% in 2015. However, country wise data differs significantly, starting from 3.1% in South Korea to nearly 30% in Vietnam and Australia/New Zealand. While the other three APAC countries – South Korea (3.1%), Pakistan (5.5%) and Japan (5.7%) occupied the last three positions globally.

Regionally, North America (21%) and APAC (19%) reflect greater management

diversity than Europe (17%). Norway, France, Sweden, and Italy has largest woman representation as these countries have enforced quotas. Malaysia, France, Australia, Germany, and Austria have seen the biggest proportional increase in boardroom diversity in the last five years from 9.4 to 12.8%.

As of March 2018, women held 27.1% of board seats of companies on the Australian S&P/ASX 200 index. In Hong Kong women held 10.2% seats of whereas in Japan, women held 3.1% of board seats in the TOPIX Core 30 Index listed companies. In Norway leads 35.5% of board seats of the companies in the OBX index were held by women. In Finland women were holding 29.9% of board seats. In France and Germany, 29.7% and 18.5% of board seats of companies were held by women. In the United Kingdom, women held 22.8% of board seats. Whereas, only 10.3% of board seats were held by women in Ireland. In Canada, 20.8% of board seats on companies were held by women. In the USA, 19.2% of board seats on companies in the S&P 500 index were held by women.

Women Representation on Fortune 500 Companies:

Achieving diversity in the boardroom has been a slow journey, but there has been some progress, according to a multiyear study published by the Alliance for Board Diversity (ABD) in collaboration with Deloitte, “Missing Pieces Report: The 2018 Board Diversity Census of Women and Minorities on Fortune 500 Boards.”

In the year 2018, there were 24 females on the board i.e. 4.8%. Whereas in June 2019, 33 Fortune 500 companies were led by female CEOs. That means women representation of 6.6% of all Fortune 500 CEOs. This can be marked as a considerable jump.

According to the report by Catalyst (2015) Fortune 500 companies with the most women board directors outperformed those with the least by 16 per cent on return on sales. Companies with the most women on their boards outperformed those with the least by 26 per cent on return on invested capital. Companies with high representation of women – three or more – on their boards over at least four to five years, significantly outperformed those with low representation by 84 per cent on return on sales, by 60 per cent on return on invested capital and by 46 per cent on return on equity.

Women currently hold 30 (6.0%) of CEO positions at S&P 500 companies.

Observations and Conclusion:

The study shows us that women are to a great extent, under-represented in corporate boards worldwide as well as in India. Women all over have to face many problems with basic education, literacy, homemaking, childbearing, malnutrition, etc. Also, the world has largely been male-dominated and women have to work harder at times to reach the same level which men may reach easily. Despite the gender equality statements, quotas and laws, there is no fair play in the boardroom.

In India, too, the scenario is no different. Despite the Women's Quota which was introduced in 2013, India has less than 16% of women Directors less than the Global ratio of 20%. India ranks third lowest in the Asia Pacific regions for women CEOs as it has just 2% of Women Chief Executive Officers and second lowest with just 1% Chief Financial Officers. Women in India need to battle more issues than most of their global counterparts like female infanticide, oppression, child marriage, dowry, gender inequality, male dominance, illiteracy, lack of basic amenities like education, healthcare, hygiene, etc. Hence, there exists a need for educating the population and sensitizing them to this injustice. Women should be encouraged to pursue education, build careers and pursue their dreams. They should at least, be given equal opportunities which males get. With equal treatment being meted out to both genders, the scenario will definitely improve.

Though we Indians won our freedom many decades back, it is veritable that we break the shackles of gender biases to ensure freedom in the true sense, for everyone men and women. Empowerment of women is not possible without sharing our material, financial and intellectual resources with the poor women. Many of us have to change our life style. Women have to be conscious and aware to feel and realize at every step of their life that they are builders of their nation and the peaceful world. The pursuit of power should not be the only aim of the women empowerment. It should be "total freedom". The efforts made by various Indian leaders, thinkers, philosophers and activists to empower women are exceptional. They empowered millions of women, both literate and illiterate without possessing the power of state, without the aid of modern information technology. Today with modern technology, social media, globalization, increased education and awareness. we can surely do a lot to improve this situation and ensure that women can be given the freedom they deserve to pursue their dreams and live a better life by being empowered.

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