

Gender and Economic Policy Discussion Forum

Gender Equality in the Workplace in India

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BRIEFING NOTE 18

HIGHLIGHTS / KEY POINTS

- Gender equality in the workplace refers to a variety of cultures, practices and attitudes that promote or subvert attempts to create a gender equal workplace
- The 'workplace' is a broad category that comprises a range of work-related activities across the formal and informal economy, including the organised and unorganized sectors
- The deeply embedded nature of power hierarchies present in society are reflected in the workplace
- In order to transform workplace cultures, individuals and organisations need to reexamine gender biases that perpetuate unequal relations in the workplace

The Gender and Economic Policy (GEP) Discussion Forum on Gender Equality in the Workplace in India was held on 23rd September 2015. A collaboration between Heinrich Böll Stiftung, Institute of Social Studies Trust and Gender at Work, the objective of the panel discussion was to build cross-sectoral engagement to promote gender equality in the workplace in India. The panel provided an opportunity to explore the ways organizations have advanced gender equality in the workplace and the challenges that women and organizations face when addressing gender diversity. It also examined measures that could be adopted to address the underlying causes of gender inequality in workplace, emerging best practices and lessons learnt from existing initiatives. The speakers for the Forum were Ms. Reiko Tsushima from the International Labour Organisation, Ms. Harpreet Kaur from the Business and Human Rights Resource Centre in New Delhi and Ms. Kalyani Menon-Sen, an independent feminist researcher and activist. Ms. Sudarsana Kundu, India Country Director for Gender at Work moderated the discussion.

Introduction

The international community has made numerous commitments to promote gender equality and reduce discrimination against women. The Beijing Declaration and Platform for Action (1995) considered inequality in decision-making as one of the critical areas of concern for the empowerment of women's. It states, "Women's equal participation in decision-making is not only a demand for simple justice or democracy but can also be seen as a necessary condition for women's interests to be taken into account. Without the active participation of women and the incorporation of women's perspective at all levels of decision-making, the goals of equality, development and peace cannot be achieved"¹. This was reaffirmed through the Millennium Declaration (2000), the World Summit (2005) and the subsequent recommendation of the Commission on Status of Women and various General Assembly Resolutions in the United Nations.

However, 30 years since the Beijing Platform for Action and as the timeline for the Millennium Development Goals come to a close, we are a long way from the achievement of equality for women in decision-making and leadership. According to Grant Thornton's 2013 survey with the International Business Review, women hold only 19 percent of board roles and 11 percent of CEO positions globally in Fortune Global 500 companies².

Recent Legislative Changes and Policy Initiatives

Recently, two laws have been enacted that support the promotion of gender equality within the workplace in India:

- (1) The Companies Act, 2013: This Act stipulates that every publicly listed company has to appoint a women director on its Board. Spencer Stuart India Board Index 2014 found that women accounted for only 8 percent of directors on the Bombay Stock Exchange (BSE) 100 companies in 2012³.
- (2) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: Since December 2013, the Sexual Harassment Act is aimed to "provided protection against sexual harassment and for the prevention and redressal of complaints of sexual harassment"⁴. This Act superseded the Vishakha Guidelines for the prevention of sexual harassment that was laid down by the Supreme Court of India. The Act also expanded the definition of the workplace to cover different kinds of work.

In spite of progressive laws, organizations find it challenging to address gender equality in the workplace. For instance, the Sexual Harassment Act requires organizations to define their sexual harassment policies, prevention systems, procedures and service rules; establish internal complaints

committees; and hold regular gender sensitization and awareness activities. Lack of compliance can result in the cancellation of an organization's license to operate. To date, however, it appears that most organizations have not defined their sexual harassment policies; others have not communicated their policies adequately to their employees and the culture of most organizations remains gender unequal. There is very little data publicly available on gender and diversity issues within companies and other formal organizations, although there appears to be an increasing demand for more information on implementation issues and on how to address workplace inclusion and gender equality. At the same time, there are only a few national level support organizations in this field.

There is also growing evidence to suggest that organizations which promote gender equality and diversity perform better than organizations that don't (Norton and Fox, 1997)⁵. Companies with a higher number of women on their boards have better corporate governance and ethical behaviour. Moreover, data suggest that investing in women leaders improves a country's GDP and the welfare of future generations.

Key Challenges

Despite India's admirable record of economic growth in the past two decades since liberalization, gender inequalities in the workplace persist. Gender inequality in the workplace manifests itself in multiple forms:

Gender Gap in Employment: The total female formal labour force participation in India is only 29 percent (World Bank 2010)⁶. Contrary to expectations, there has been a 23 percent decline in the female labour force participation in India in the last 25 years (Lahoti and Swaminathan, 2013)⁷. As a result, women have not been able to contribute to or benefit from the opportunities provided by India's economic growth.

Gender Gap in Management and Leadership:

There is a dearth of women in senior leadership positions in India – be it on boards of civil society organizations, corporate boards or in parliaments. Women hold only 9.5 percent of board seats in stock indexed companies (Catalyst, 2014⁸). While these are steps in the right direction, Harpreet emphasized that even when women are present on boards, gender equality is yet to translate into organizational policies. Women continue to be stereotyped and slotted into certain jobs, they face biases in performance appraisal, promotions and salary, and are met with challenging work-life balance choices. Because of these entrenched gender biases, women find themselves stuck in the lower rungs of the corporate ladder. Harpreet highlighted the various kinds of discrimination that women face in both the organised and unorganized sectors, particularly in terms of the nature of work, access to facilities, occupational health and safety. The absence of arrangements for breast-feeding a child in the

workplace, for example, is extremely challenging.

Within the private sector, the dearth of talent in senior management positions is evident by the fact that a few women corporate leaders end up acting as directors on multiple boards. This is true of women's positions in civil society organizations as well. In addition, we know that leadership development programs are key retention measures for women. However, very few organizations provide such programs. Organizations are not allocating their budgets, resources and targets to support the mandate on gender inclusion (Sharma and Sharma 2012)⁹. More importantly, they are not addressing informal rules that perpetuate gender-based discrimination in the workplace.

Gender Pay-Gap: Reiko highlighted that women earned 25 percent less than men in the formal sector in India in 2013 and 45 percent less before 2007. As a result, the indicators suggest that there is a systemic devaluation of jobs dominated by women (nursing, for example) and clear occupational segregation (where women are found to be in greater numbers in lower positions). She also stated that there is a wage penalty that is levied on women because they are concentrated in certain occupations due to domestic responsibilities. There is some evidence to suggest that even among civil society organizations, women earn lower wages than men for the same work they do (Guidestar 2007, Mitra 2013). Similarly, the 2014 World

Economic Forum report revealed a wide disparity in wages between men and women in corporate India¹⁰. The average salary of women in corporate India was revealed to be less than one third of the average salary of men in India. This certainly reflects a gender hierarchy that is in place.

Patriarchal binaries define the divide between the household and workplace. Kalyani mentioned that there is a need to challenge such binaries that are at the core of patriarchy as they keep the gender pay gap alive.

Uneven Power Relations: Kalyani drew attention to the fact that despite public intervention, visible gender inequality persists as broader power structures that impede equality are not being examined by organisations and governments. She highlighted the deeply embedded nature of power hierarchies that are reflected in every aspect of the workplace, which hamper the creation of workplace equality, whether on the basis of caste, religion, ethnicity or class, for example.

Sexual Harassment: Sexual harassment is a manifestation of gender inequalities within an organization and is a major challenge faced by women across sectors. The discussion on sexual harassment has primarily focused on the organised sector. Manifestations of sexual harassment in the unorganized sector are not discussed as often. As the definition of the 'workplace' has expanded under the new Sexual Harassment Act, Shalini Yog from

Heinrich Böll Stiftung rightly described it as including home-based work (like weaving, footwear manufacturing and packaging for pharmaceuticals¹¹) and informal sector work (in garment factories, construction work and agriculture). Expanding on the notion of the 'workplace', Harpreet spoke about how suppliers in the global value chain are also equally responsible for maintaining gender parity, something that is often overlooked. There is also an underlying assumption that since the nonprofit sector operates on values like human rights and well-being, nondiscrimination and affirmative action measures are inherently part of the system (Gibelman 2000)¹². However, sexual harassment and gender discrimination also exist in civil society organisations despite the fact that they work on women's empowerment in their programs (Farrel M, 2014)¹³.

Carework: Reiko talked about time poverty that women face due to the unequal sharing of unpaid work and the need to redistribute unpaid household work. Women are denied a level playing field when they enter the labour market as they appear to spend disproportionately more time in the household and this is held against them. The invisibility of the burden of unpaid carework is a cause of huge injustice. Due to household responsibilities, women seem to be pushed to take up certain positions and are given limited promotions. Reiko also spoke about the importance of de-gendering carework so that

women can build economic agency in the market, while highlighting the state's responsibility of redistributing unpaid work and ensuring that rights are attached to employment, in order to prevent labour from being commodified.

Key Recommendations

Although biases and stereotypes continue to persist within India, the situation seems to be changing, albeit slowly. There is increasing recognition of the need to advance gender equality within organizations in India, but we are still a long way from understanding 'why' women find it difficult to work in organizations and on 'how to' advance gender equality within organizations.

Work-Life Balance: The concept of a work-life balance today largely focuses on married women with children. Audience discussions during the Forum touched upon the fact that all employees should have a work-life balance, even married men and single women. Kalyani mentioned that despite technologically progressive aspects of working like telecommuting, for example, there is very little uptake on work-life policies. It is important for organisations to reexamine the manner in which they promote work-life balance policies to make employees more productive and the organisation itself more inclusive.

Changing Individual Mindsets: In order to change organizational culture, individual mindsets and practices need to be transformed. Given the nature of deep-seated

biases that manifest themselves consciously and unconsciously, organisations need to take stock of the embedded nature of patriarchy to reform themselves in constructive ways.

Leadership: Leadership is a crucial component in changing workplace culture. Leaders can promote mechanisms to address patriarchal action by using facilities that internal policies related to gender equality establish; for example, utilising childcare facilities in the organisation. In this manner, leaders appear more human and proactive, thereby promoting the benefits and convenience of policies that foster a work-life balance.

Space for Dialogue: When organisations encourage their employees to freely speak about discrimination by providing space for reflection, they foster an environment that is conducive for change. When an employee's issue brings about a change in policy, an organisation is meaningfully ensuring that its employees' concerns are being taken into consideration. For example, women staff feels more comfortable when a room for breastfeeding their infants is allocated to them in organisations.

Changing Workplace Culture: For workplace cultures to change, there is a need to redefine 'work' by building equality into the bedrock of the concept of 'work'. Kalyani stressed that employees should attempt to understand their organisation's value system by evaluating their own productivity and efficiency. Perhaps this requires a redefinition

of the notions of productivity and efficiency by employees as well as organisations. For instance, is the number of hours that an employee works for an accurate measure of their productivity?

Merely changing policies is not sufficient to transform deeply embedded power structures. Informal cultural norms and exclusionary practices that perpetuate uneven power relations need to be constantly reexamined. There is a strong need to start and sustain a dialogue on gender equality in the workplace as workplaces cultures will have to change to further create counter-patriarchal effects.

Currently, the data that exists is at a macro level and little data is available at the level of the organisation. Lack of data at the organisation level impedes civil society organisations from developing policies that advance gender equality. Organisations should build tools for data collection that evaluates perceptions of gender equality in the organisation.

Initiatives to create a more gender equal workplace have been taken. Harpreet mentioned UN Women's Women Empowerment Principles, which is a collaborative effort between UN Women, CARE and the Global Compact Network, providing a 'gender lens' through which businesses can survey and analyse current practices, benchmarks and reporting practices. Forged through an international

multi-stakeholder consultative process, these principles provide guidance to adopt workplace policies that support women's empowerment. Harpreet mentioned that there are six Indian companies that have committed to the Global Women's Empowerment Principles: Coca-Cola India; HCL Technologies Ltd; Infosys Ltd; Paharpur Business Center and Software Technology Incubator Park; Jindal Stainless Ltd and Wipro Ltd. L'Oreal India is the first and only company in India to receive the Economic Dividends for Gender Equality certification (EDGE) from the World Bank. She also mentioned the Responsible and Accountable Garment Sector (RAGS) Challenge Fund, set up in 2010 by UKAid to support interventions that aimed at improving working conditions of women and other vulnerable workers in ready-made garments (RMG) production industries in countries that supply to markets in the United Kingdom.

Conclusion

The forum captured the essence of a cross sectoral dialogue on the subject of gender

equality in the workplace in India. The nuanced interchange among the panelists and between the audience and panel highlighted key problems and possible solutions to bring about a gender equal workplace. It is important to understand the difference between a gender sensitive and gender-neutral organisation¹⁴. The former is a means to reach set development goals by addressing gender norms, roles and access to resources so far as needed to reach project goals; the latter refers to an organisation that does not consider gender relevant to its development outcome, consequently, gender norms, roles and relations may be worsened. In such organisations, gender inequalities may be reinforced to achieve desired development outcomes by utilising gender norms, roles and stereotypes that reinforce gender inequalities creating a 'gender negative' workplace¹⁵. Organizational policies and strategies are increasingly recognized as being critical to the achievement of gender equality in the workplace. We hope solutions mentioned provide policy makers and managers with ideas and strategies to devise policy frameworks in the long term.

Endnotes

¹Report of the Fourth World Conference on Women, Beijing, 4-15 September 1995, United Nations Publication, Chapter. I, Resolution 1, Annex II. Paragraph 181(

²Grant Thornton. Women in senior management: setting the stage for growth. 2013
http://www.internationalbusinessreport.com/files/ibr2013_wib_report_final.pdf

³Spencer Stuart 2014 Board Index

(https://www.spencerstuart.com/~media/pdf%20files/research%20and%20insight%20pdfs/india_b2014_body_web-26nov2014final.pdf?la=en)

⁴<http://wcd.nic.in/wcdact/womenactsex.pdf>

⁵Norton, J.R., & Fox, R.E. (1997). The role of culture in bringing about effective organizational change. In J.R. Norton & R.E. Fox (Eds.), *The change equation: Capitalizing on diversity for effective organizational change* (pp. 99–139). Washington, DC: American Psychological Association

⁶<http://data.worldbank.org/indicator/SL.TLF.CACT.FE.ZS> (

⁷Lahoti, L, and Swaminathan, H, "Economic Growth and Female Labour Force Participation in India", IIMB Working Paper No. 414, 2013 http://www.iimb.ernet.in/research/sites/default/files/WP%20No.%20414_0.pdf

⁸<http://fortune.com/2015/01/13/catalyst-women-boards-countries-us/> ((

⁹Sharma, M and Sharma S. Gender equality in the workplace: the perceptive reality. Social Sciences Directory Vol. 1, No. 1, 19-33, September 2012 ((

¹⁰The Global Gender Gap Report http://www3.weforum.org/docs/GGGR14/GGGR_CompleteReport_2014.pdf report 2014)

¹¹<http://wiego.org/informal-economy/occupational-groups/home-based-workers>

¹²Gibelman, M. (2000), The Nonprofit Sector and Gender Discrimination. Nonprofit Management and Leadership, 10: 251–269. doi: 10.1002/nml.10303

¹³Farell, Martha, Engendering the Workplace: Gender Discrimination and Prevention of Sexual Harassment in Organisations, 2014

¹⁴ <https://trainingcentre.unwomen.org/mod/glossary/view.php?id=36&mode=letter&hook=G&sortkey=&sortorder=asc&fullsearch=0&page=2>

¹⁵Ibid

Speakers at the Forum

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