

The Glass Ceiling

**Research Report on
Leadership Gender Balance
in NSE 200 Companies**

**By
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Innovation,
IIM Ahmedabad**

Objectives

The overarching objectives of this research are:

- To help improve gender balance among top management and senior executives in Indian companies
- To facilitate and accelerate career progression of women in senior management

Index

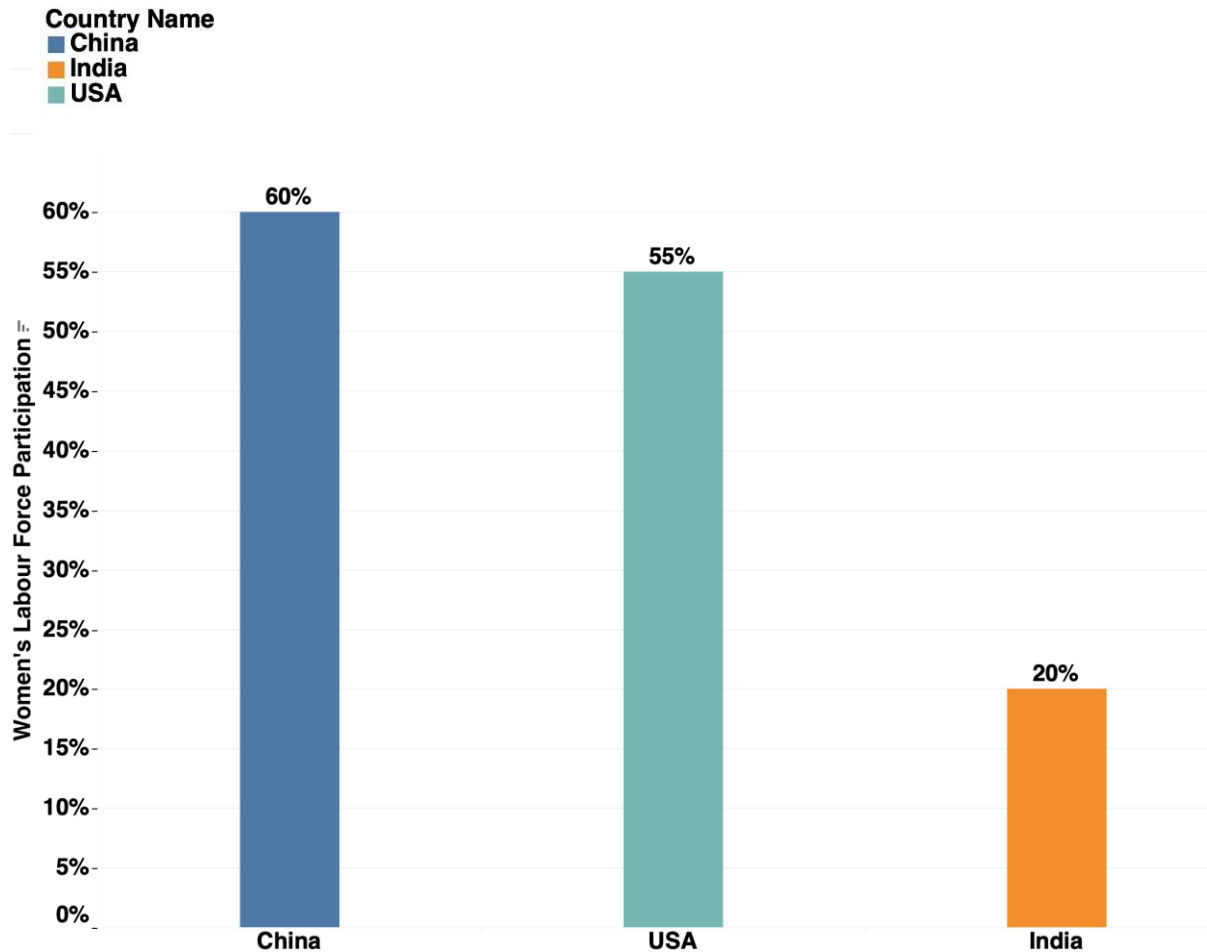
Introduction & Review

Method and Procedure

Results

The Barriers (Preliminary Analysis + Systematic Review)

Acknowledgements

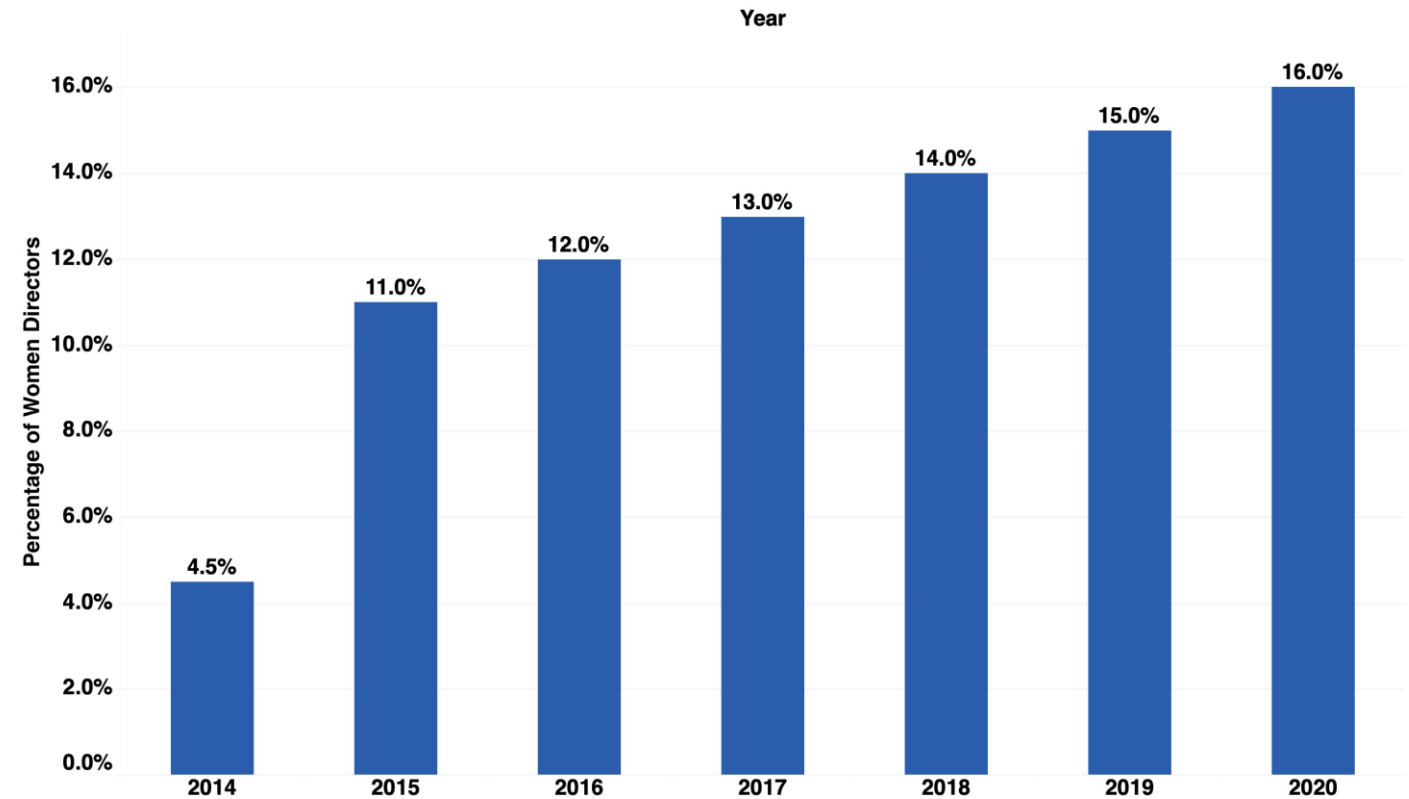


Graph 1: Women's Labour Force Participation Rate (LFPR) in USA, China and India for 2019

Introduction & Review

- Women's participation in the workforce in India is 20% as against the US at 55% and China at 60% for 2019 (World Bank, 2019)
- The economic impact of achieving gender equality in India is estimated to be US\$700 billion of added GDP by 2025 (FICCI, 2019)

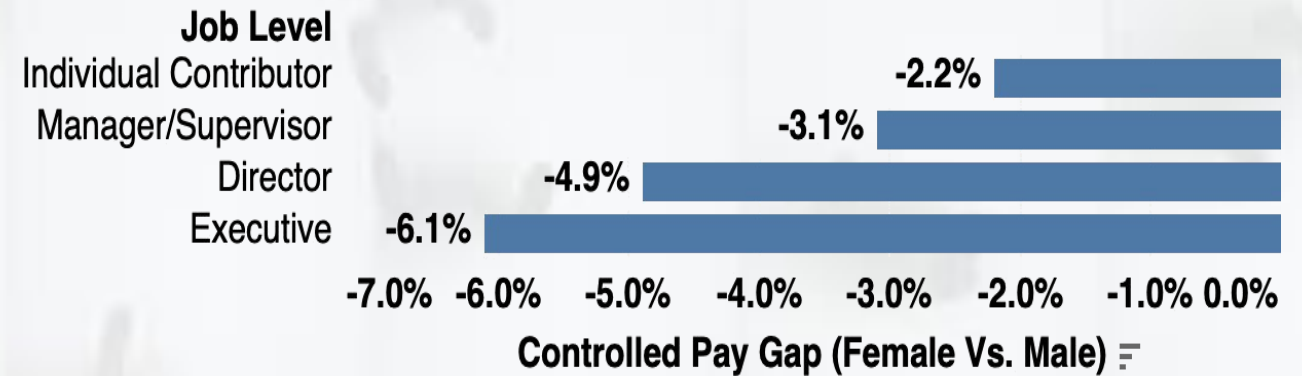
- At the top-level, the number of Women Directors have increased from 4.5% in 2014 to around 16% in 2020 due to regulatory requirements. (Source: IIAS)



Graph 3: Percentage of Women Directors in NSE500 companies between 2014 and 2020

- The gender pay gap widens as women advance in their careers.
- Every step up in responsibility increases the pay gap for women.
- While women at an individual contributor level only earn 2.2% less than men working in similar roles, the gap widens for managers/supervisors, directors, and executives.

(Source: “Inside the Gender Pay Gap” by Payscale)



Graph 2: The Gender Pay Gap widens with each career advancement



Method and Procedure

Data Collection and Procedure

The Companies Act, 2013 (Appointment and Remuneration of Managerial Personnel Rules, 2014) require companies to disclose as a part of Directors' Report information on executives earning a compensation more than INR 1.02 crores per year to their shareholders.

We sent emails to NSE-200 companies seeking pay and demographic information (age, gender, education, tenure, and function) of senior executives earning above INR 1.02 crore per year. We also contacted NSE and IIAS (advisory firm) to get information about SE of NSE-200 companies.

Sample Size

Total 124 companies responded out of NSE-200 companies. We excluded all 15 companies from the public sector as these companies are exempt from compliance of Sec. 197 (Chapter XII) of the Companies Act, 2013. Further, 5 public sector companies reported having 0 senior executives earning above 1.02 INR crore per year. The study, therefore, includes data from **109 companies** with a sample of 4146 senior executives for the year 2021 (after excluding 15 public sector companies from the data). We exclude 99 executives from the data because we could not get information about the gender of these executives.

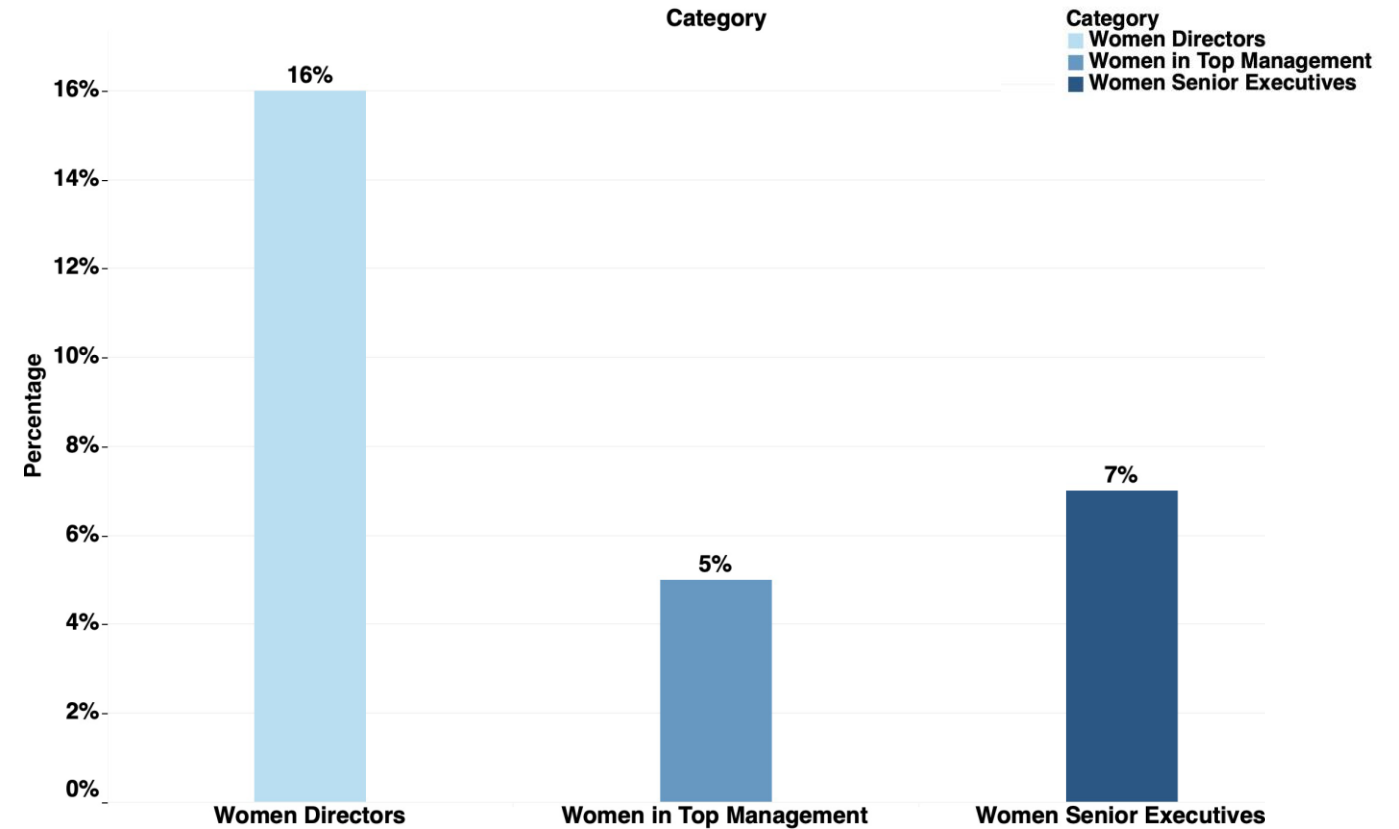
Operational Definitions:

1	Women Director (WD)	Number of women included in the board of directors
2	Top Management (TM)	The top 10 individuals in a company based on salary drawn
3	Woman in Top Management (WTM)	Number of top management who are Women
4	Senior Executives (SE)	Number of executives earning more than INR 1.02 crore per annum, including top management
5	Women Senior Executives (WSE)	Number of senior executives who are women, including top management



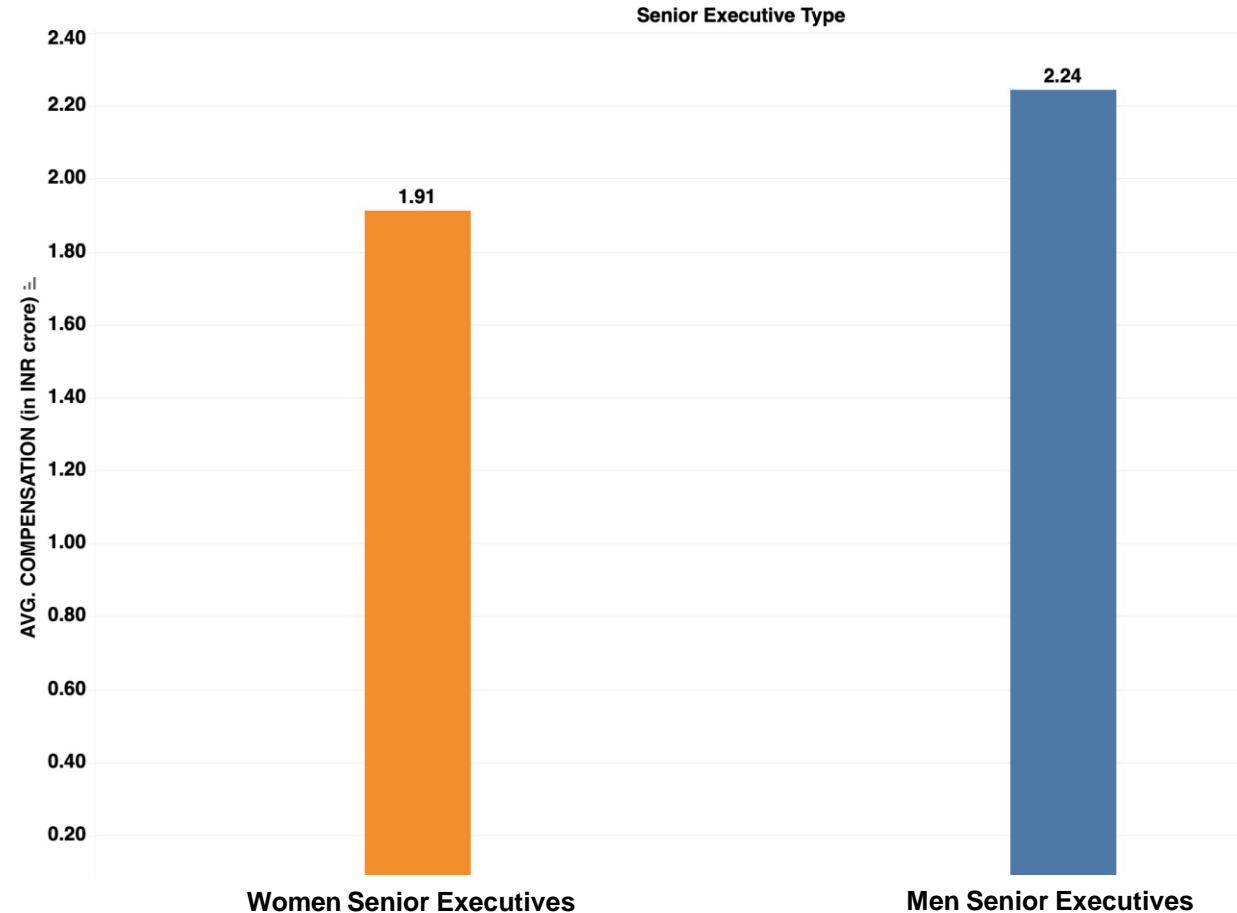
Results

- The % of women in top management and senior executive positions is significantly lower than the % of women on the board of directors.



Graph 4: Percentage of Women Directors, Women in Top Management and Women Senior Executives

- On an average women senior executives earn INR 85 for every INR 100 that men senior executives earn
- Average compensation paid to WSE is INR 1.91 crore and average compensation paid to MSE is INR 2.24 crore



Graph 5: Average Compensation of Women Senior Executives as compared to Men Senior Executives in INR crore

Top Performers

Companies with the Highest Number of Women Directors

Companies with 4 WDs:

- HDFC Life
- Syngene International Ltd

Companies with 3 WDs:

- Asian Paints Ltd.
- Bharti Airtel Ltd.
- Cipla
- Dr. Lal Pathlabs Ltd
- Federal Bank Ltd
- ICICI Bank Ltd
- Lupin Ltd
- Piramal Enterprises
- Titan Company Ltd
- UPL Ltd

Top Performers

Companies with the Highest Number of WTMs

Only **2 companies** have 3 WTMs:

- Cipla
- Trent Ltd

Only **9 companies** have 2 WTMs:

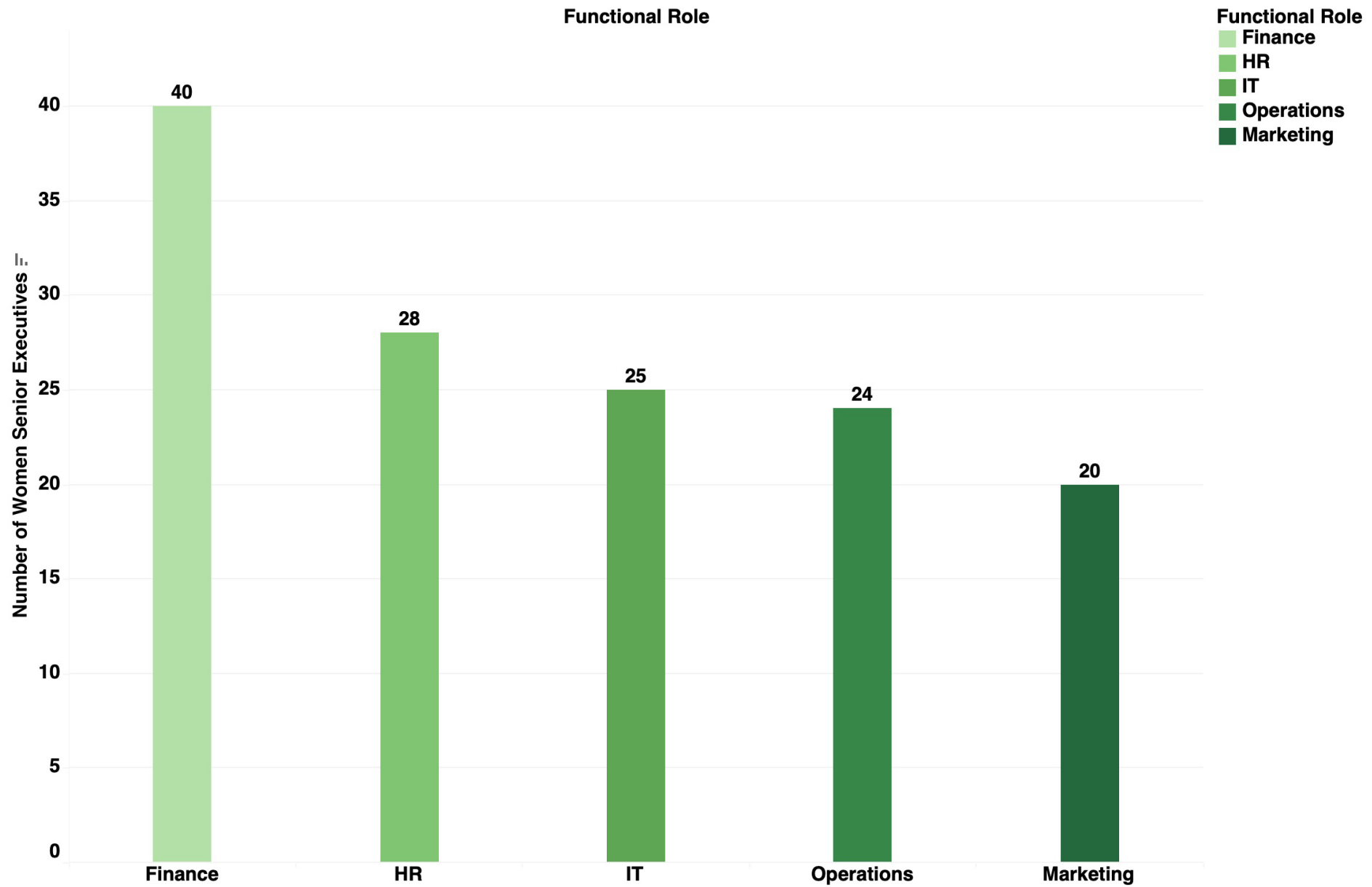
- Biocon Ltd
- Castrol India Ltd
- Cummins India Ltd
- Divi's Laboratories Ltd
- Hindustan Unilever Ltd
- Housing Development Finance Corporation Ltd
- Kotak Mahindra Bank Ltd
- Piramal Enterprises
- Titan Company Ltd

21 companies have only single WTM. 76 companies do not have a single WTM.

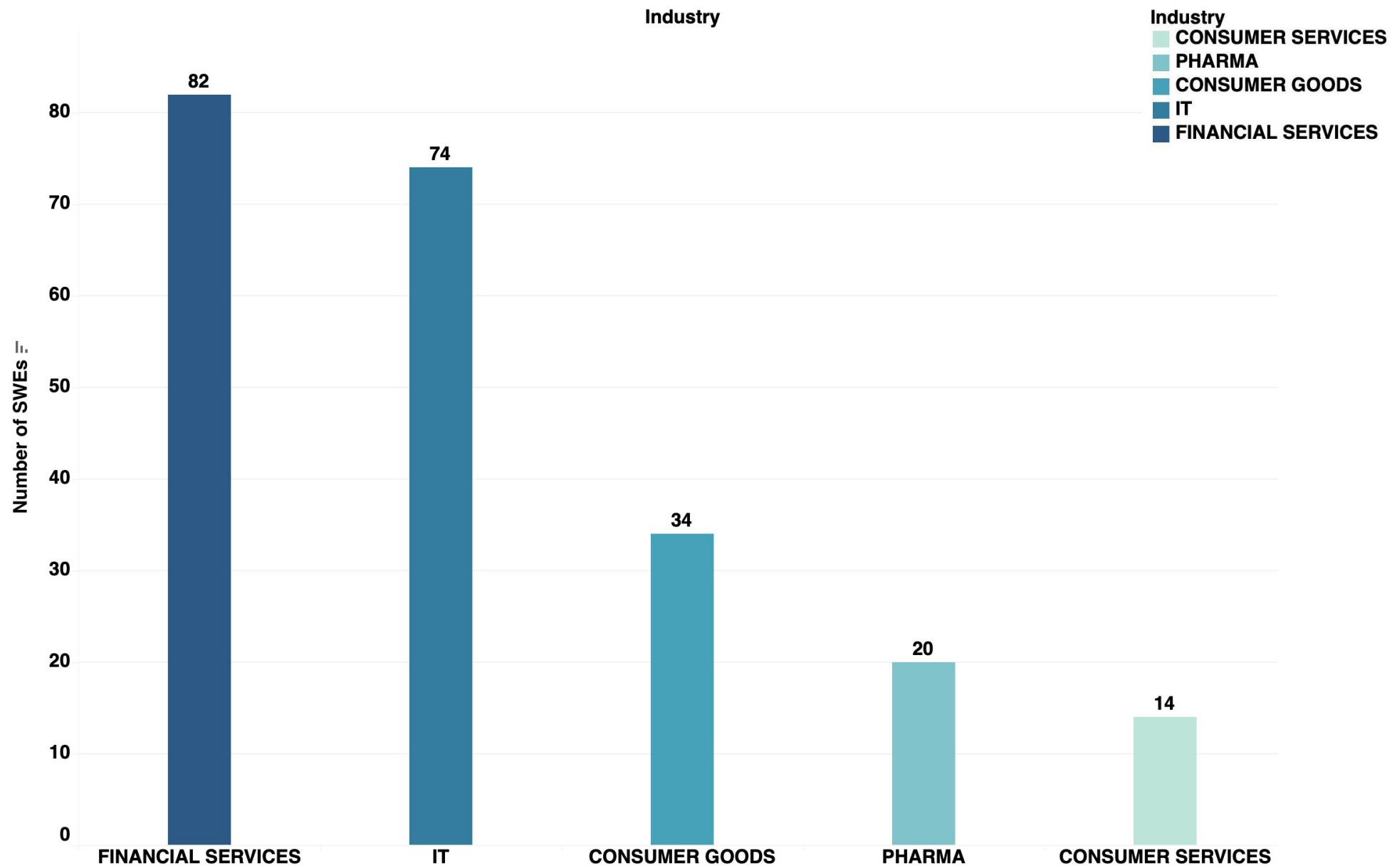
Top Performers

Major Companies with Highest Percentage of WSEs

Company Name	No. of WSEs	% OF WSEs
HUL	22	19%
Kotak Mahindra Bank	26	18%
HDFC Bank	18	10%
ICICI Bank	14	9%
L&T Infotech	40	8%

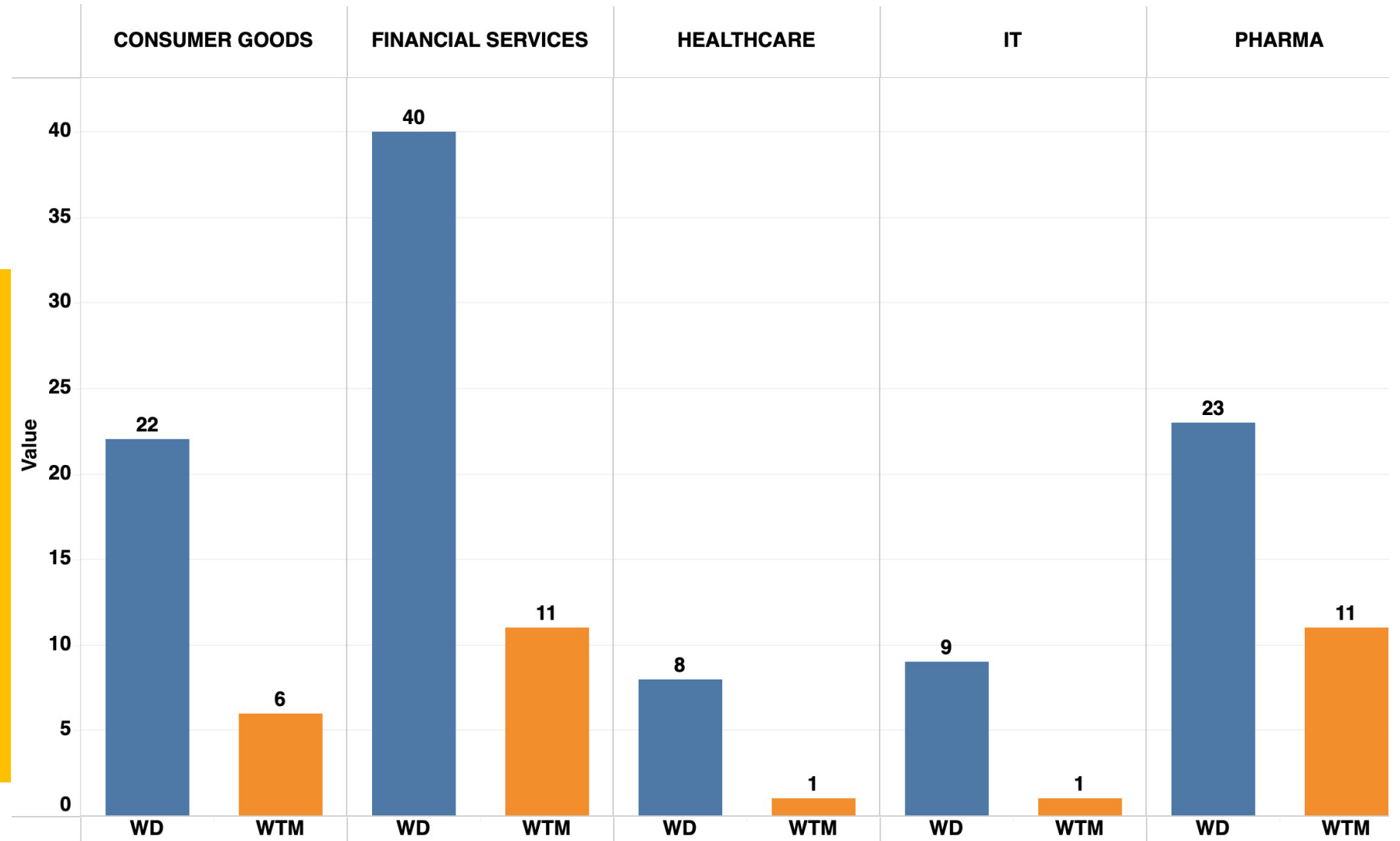


Graph 7: Common Functional Roles for SWEs



Graph 8: Industries with the highest number of SWEs

- An increase in the percentage of women at the board has not yet resulted in a significant increase in the percentage of women at the top management level.



Graph 9: Percentage of WDs and WTM across industries



The Barriers

Preliminary Analysis + Systematic Review

Family

Organization

Self

Society



Family

Organization

Self

Society

- Career v/s Marriage
- Primary Caregiver for Children
- Primary Caregiver to Elderly
- Household Responsibilities



Family

- Career v/s Marriage
- Primary Caregiver for Children
- Primary Caregiver to Elderly
- Household Responsibilities

Organization

- Gendered “Leadership”
- Sponsorship
- Glass Partition
- Micro-Expression of Discrimination
- Faulty Assumptions
- Lack of Opportunities
- Negative attitudes towards women managers

Self

Society



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- Career v/s Marriage
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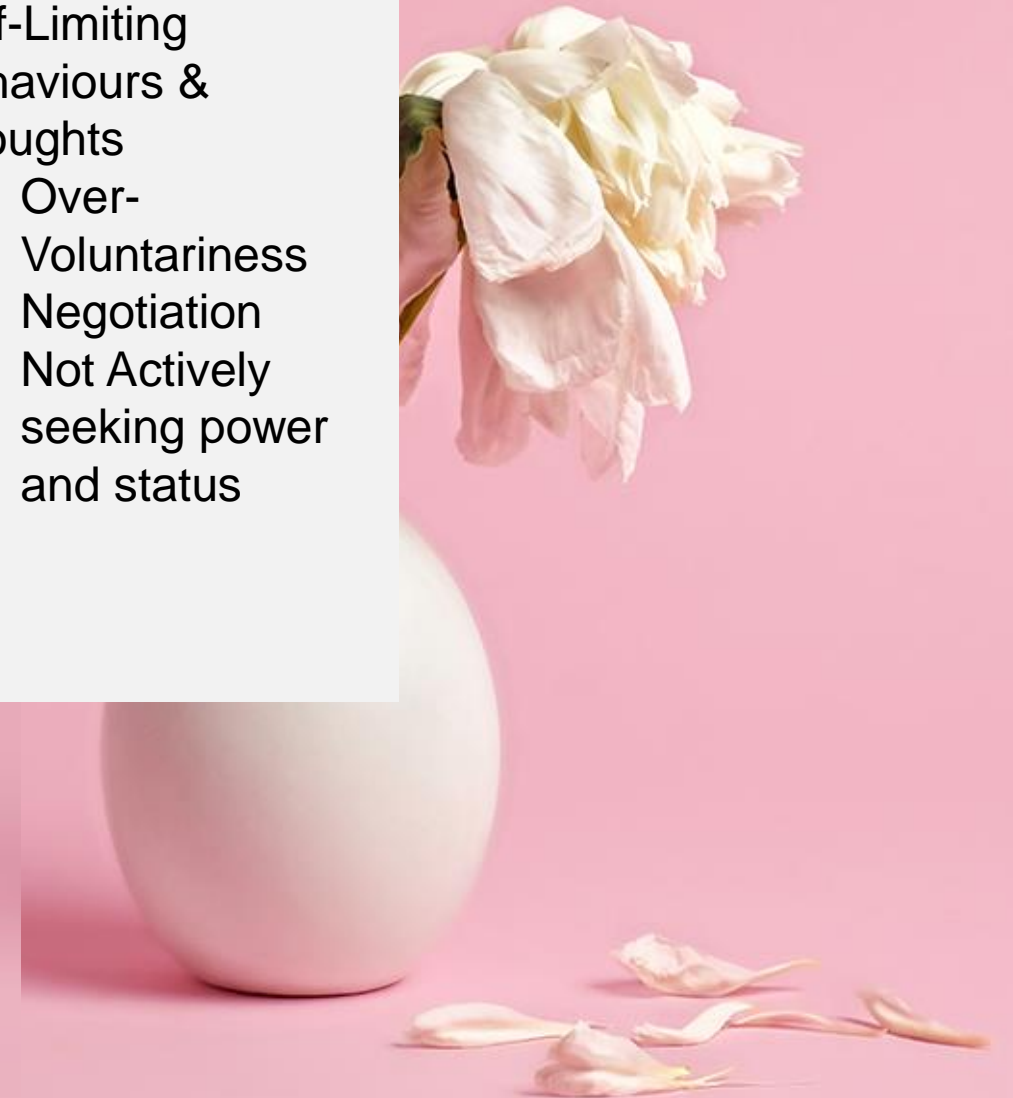
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Self

- Self-Limiting Behaviours & Thoughts
 - Over-Voluntariness
 - Negotiation
 - Not Actively seeking power and status

Society



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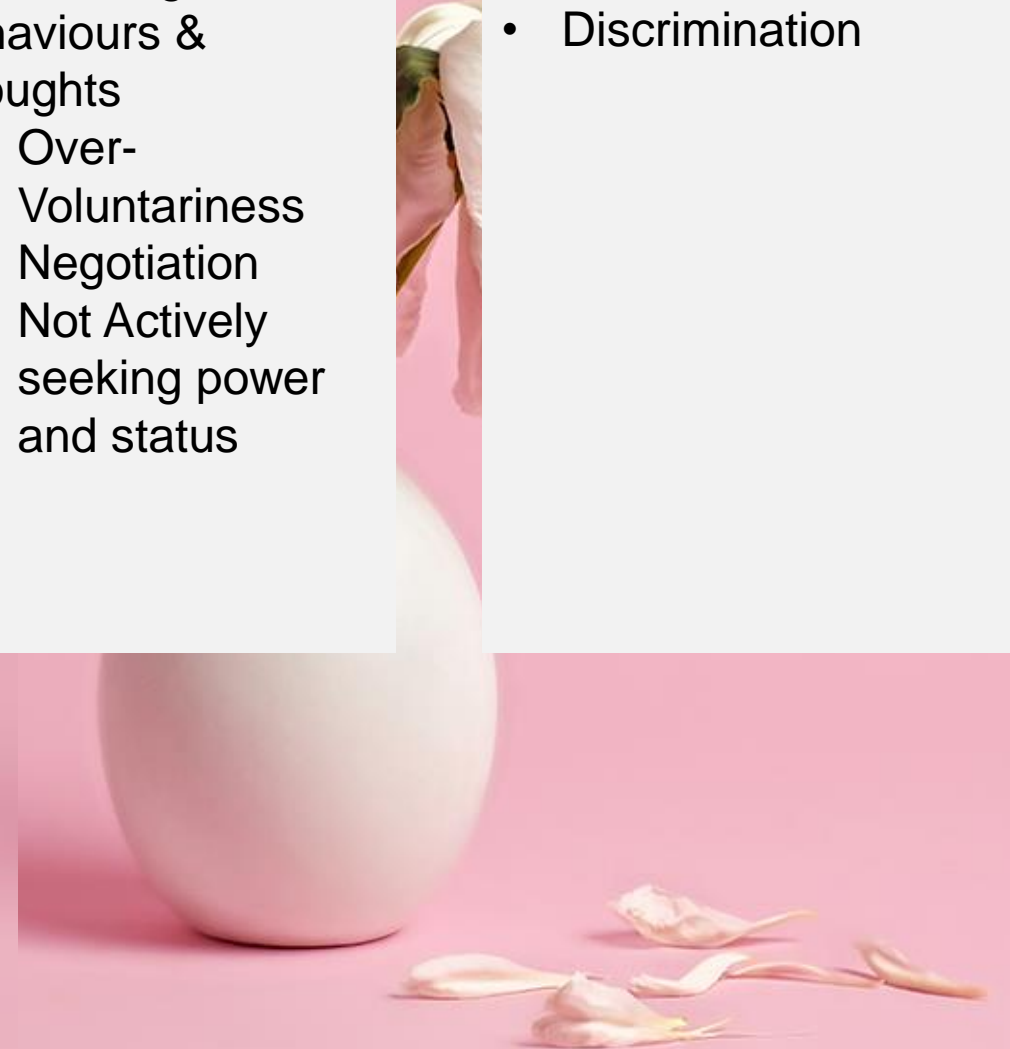
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- Gender Stereotypes
- Discrimination



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- Relationship with Spouse/Partner
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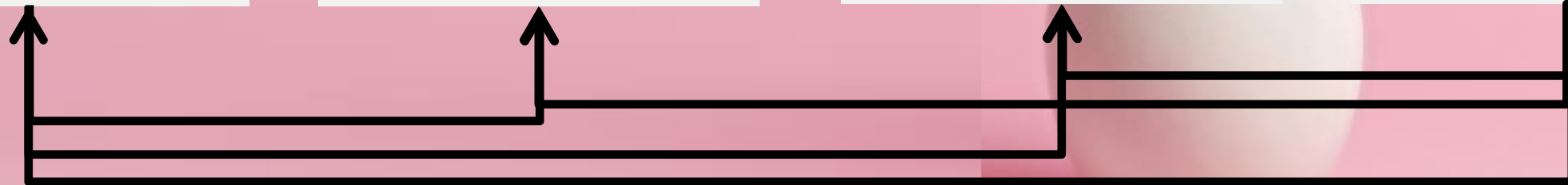
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What Next?

Project Team



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