

## Remarkable Contributions



Remarkable Contributions:  
India's Women Leaders  
and Management Practices

By

Akanksha Anand

**CAMBRIDGE**  
**SCHOLARS**

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P U B L I S H I N G

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India's Women Leaders and Management Practices,  
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**I would like to dedicate this book to my dearest parents and brother.**

**Thank you for offering me your unconditional love,  
patience and support.**

**You make my work meaningful.**



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—Akanksha Anand



## PREFACE

Leadership in organizations is one of the key elements for change within systems. These dynamic processes of leadership can impact the micro, mezzo and macro levels of any organization. This book presents a broad survey of theory and research of managerial leadership in organizations. It lays an emphasis on understanding leadership in organizations, with a focus on women's leadership that has enabled them finally to begin taking their place in the boardrooms of the service industry.

It is my pleasure to present my research on the leadership of the "first ever" women in the boardrooms of India. This work is the product of my research for my Master of Philosophy dissertation at the Department of Social Work, University of Delhi, India. The motivation for this research came from my observations on leadership and gender issues in India, wherein I began to observe how leadership of formal organizations as systems has greatly impacted society. Inevitably, I found very few women in leadership positions in organizations, and the same result for the leadership of women in the service industry. India has had many women in political leadership positions, yet not in managerial leadership. This book elaborately discusses this new phenomenon of women's managerial leadership in the service sector organizations. Few studies are available on the leadership styles of women in the Indian service sector; therefore, the many studies from the West have been discussed and have contributed toward a better understanding of leadership studies in the Indian setting.

This book concerns the leadership styles of female managers in the service sector of Delhi and the National Capital Region. India appeals to multiple disciplines, including business and management studies, gender studies, service sector, organizational behaviour, sociology and, most importantly, leadership studies. Due to the multidisciplinary nature of this research enquiry, the proposed book appeals to a readership in various other pertinent disciplines. The book is useful reading for industrial and organization researchers, social psychologists and anthropologists, especially for those engaged in focused research on gender-related cultural and organizational as well as policy aspects. The expected readership for the book includes business functionaries, development researchers and practitioners, academics, leadership experts, nonprofit professionals,

students, legal and policy experts, health and mental health practitioners, cultural experts, anthropologists, social change functionaries, gender experts and civil servants, among others. As this book is based on qualitative research methods, the level of readership begins at the graduate level and goes on to the post-doctoral level, as well as general readers interested in the topic area.

The book is a scholarly discourse based on the organizational practice of leadership styles of female managers in the service sector. The book includes case studies of women from different industries who have successfully dealt with diverse challenges and maintained powerful leadership positions with active involvement in reforming policy. There is a paucity of literature and scientific documentation on this topical area of women and leadership in India. This book is a unique attempt of knowledge sharing with the dual objective of providing guidance to the practitioners as well as outlining an academically useful program. The author's knowledge-based approach while conducting the research activities provides an in-depth, reflective perspective on the multidisciplinary array within the larger topical inquiry. The purpose of this book is to provide a professional reading on organizational and policy issues which reflects the product of field-based knowledge with a research perspective. The growing participation of women in the labour market makes this book all the more important, as all academic and professional training ventures need a gender focus.

The content of this book reflects on theoretical and practical issues of managerial leadership. It attempts to offer academics a detailed literature review on leadership, which is comprehensively explained and critically evaluated. The critique compares and contrasts the different emerging theories of leadership. It is beneficial for the practitioners as it provides meaningful evidence for human resource practices in organizations, and they can draw from the complexity of leadership and the multiplicity of gender implications in organizational leadership. This book constitutes helpful references and practice implications for the future research and study of Indian women in management.

This book contains a researched documentation of leadership styles of female managers in the three service sectors, which are banking, finance and the hospitality industry. It also attempts to identify the various challenges and constraints that women managers face in the workplace and also how team members perceive their leadership styles. Leadership abilities and skills constitute important elements in the managerial process. Leadership roles and effectiveness have a tremendous influence on human performance in organizations. The advent of globalization has changed the

work culture, demands, requirements, responses, processes and output in the corporate world. This has led to change in the leadership roles and styles to adapt to the dynamic organizational and industry scenario. An insight into the emerging leadership styles will provide a conceptual framework to identify various behaviours effective for the achievement of the goals of both individuals and organizations.

The contribution of my work has been to create a body of knowledge on the exclusive experiences of Indian women in the boardrooms of the service industry. My study identifies these exclusive experiences of Indian female leadership in management, an area largely ignored for over a decade of research on women in the field of management in India. This book will be useful for several disciplines and practitioners in gaining a deeper understanding of the phenomenon of leadership and gender in India. The findings will lead to a better understanding of the multiple competencies and socially compatible roles of women in India and have an impact on the overall advancement of women in management, which has long gone unexamined.

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—Akanksha Anand  
New York



# INTRODUCTION

The aim of this book is to identify the antecedents of leadership of women in the service sector in India. It attempts to recognize factors that determine their leadership behaviours pertinent to a certain style. It identifies the key challenges that women face in organizations and their coping mechanisms to thrive in these positions of power, authority and status. It attempts to recognize the dyadic relationship between a leader as manager and his or her subordinates. The relationship exchanges and their quality enable the team's impact on the organizational outcomes. More than one theory was used to understand the phenomenon of women's leadership given the socio-cultural setting of a country like India. Western theories of leadership in organizations have been used to compare and contrast the overarching concepts and constructs.

The objective of chapter one is to apprise the reader about the current available literature and information on the leadership of women in management in India. It introduces the status of women in the Indian workforce and, more specifically, the organized sector. With the current globalization and increasing education opportunities for women, conditions are unfolding and bringing more women into the organized sector. However, a great number of female managers leave their organizations, even those in middle management positions, because of familial and societal roles. However, the few who stay and climb the management ladder toward leadership positions have enriched experiences to share with the world. The literature review section analyzes several disciplines like management, psychology and sociology, providing a broad understanding of leadership in organizations and addressing the research gaps of studying an under-examined topic of female leadership styles and behaviours in the Indian service sector as well as the barriers women face in reaching these management positions.

The second chapter gives an overview of the research methods used in the study. It explains the methods by explaining the nature, research design, sources of data collection, content of the questionnaires, data and the tools for its collection, pilot study, analysis and interpretation, strengths and limitations, and findings template.

Chapter three consists of the profile of the organization from which the respondents were selected and interviewed for the study. Tables represent

the number of female managers and team members interviewed for the purpose of the study. The chapter provides the demographic details of the respondents and also explains their current roles and responsibilities.

Chapter four highlights the emerging styles of leadership in the context of new work cultures in India, explaining the relevance of leadership and the role of gender in organizations. Women's leadership relevant to the new work culture is explained. The various work cultures in societies, both vertical and collective as well as horizontal and individualistic, are discussed. The relevance of the work environment provided to female managers in contemporary India is also addressed. An overview of the new work culture, and how managers adjust to the international work culture (Hofstede 1990), in organizations is also included.

Chapter five explains women's leadership style components assessed in the service sector for this study. The parameters for examining the leadership styles include the leaders' vision, the organization's mission, communication, business goals and strategies, monitoring and evaluation, managerial and interpersonal skills, mentoring, coaching, and team building. Various scholars from different disciplines, and even the findings themselves, emphasize the influential role of key strategic interpersonal relationships both within and outside an organization (Yukl 2007). These serve as a competitive advantage in mentoring, network building, job portability and promotions. A management position certainly requires mentoring-key strategic partnerships to harness short- and long-term goals that advance one's career. One needs social ties from micro levels of interactions to the macro level. It is the strength and quality of the dyadic ties between the leaders and their managers that influence the information, mobility and communities for resources within organizations (Granovetter 1985), and the degree of these strong networks formed by the leaders and managers in organizations encourage human performance.

Chapter six discusses female leaders and the challenges they have faced to reach leadership positions. Also detailed are the professional and personal obstacles they face, if any, at their workplace. A few of the barriers discussed are problems of the stereotypical perceptions of women by their coworkers, conflicting with today's new work culture in these business organizations, explaining the mechanisms adopted to sustain their managerial roles. The book discusses such barriers as the stereotyping of women at work, bias in promotions or evaluations, work-life conflicts, socio-cultural roles, and policies that offer flexibility for pregnancy in detail (Eagly and Johnson 1990; Eagly, Makhijani & Klonsky 1992; Eagly & Carli 2007).

Chapter seven explains the team members' perceptions of their female managers, highlighting the particular leadership behaviours to which team members respond positively or negatively. This chapter includes team members' perceptions of working with and being mentored by female managers, reporting their specific styles of leadership. They highlight the topics of communication with the teams, the responsible roles that women managers play and how they build teams and create leaders. They also include the interpersonal issues and business goals discussed.

Chapter eight offers conclusions on the topic area. This chapter includes the leadership style that women managers largely adopt in the banking, finance and hospitality service sectors, explaining the organizational barriers they face in leadership roles, recognizing the theoretical underpinnings of how these barriers operate and the gaps that exist in research, and discussing the work-life conflicts amongst individuals at work and suggests future human resource practices including workplace harassment, policies, procedures and community actions. Lastly, the three case studies afford a deeper understanding of women in leadership in the three service sectors.





# CHAPTER ONE

## INTRODUCTION: A HISTORICAL REVIEW

### 1.1 Introduction

Globalization increases competition with a greater demand for efficiency and effectiveness to increase productivity and remain competitive in the international marketplace. With its open door policy, India has recently encouraged direct foreign investment in its economy, creating a global marketplace. This ongoing liberalization is compelling Indian industries to look for people for the highest managerial positions to lead these organizations successfully by meeting the global sustainable level of productivity, or even outreaching it. This calls for leadership to have vision, innovation, creativity, courage and exceptional organizational skills to influence human productivity. Leaders establish direction by developing a vision for the future, aligning people to it by communicating this vision and inspiring them to overcome any obstacles.

Leadership abilities and skills are important elements in the managerial process. Though the capabilities of leaders as managers are bound to influence their subordinates by providing them clear technical guidance and direction when needed, this includes influencing their productivity by removing the challenges or hindrances that may hamper goal attainment over time. This brings forth the need to study the importance of the developing leadership for the Indian workforce. For India to reap sustainable economic benefits from globalization, it must be competitive with developed and developing international economies. One way developing countries can do this is to maintain a sustainable competitive advantage through their growing human capital, which serves as a significant reserve driving its development in developed nations.

According to the census figures from 2001 to 2011, India has witnessed significant changes in development indicators and human capital, forming the potential for building a competitive edge in the market. The literacy rate of both men and women has increased, though it

has been notably higher for women than for men. This steady increase makes India one of the best-educated countries in the developing world. The percentage of educated individuals is increasing, with the percentage for women rising faster than for men. Nearly a half of all Indian are geared towards involvement in the labour market. One advantage of the Indian human resource in international markets is its technological expertise and the population's ability to speak English, certainly an incomparable advantage for the human capital of India. Women and men are increasingly educated with the skills and expertise to add to the growing human capital for the globalized markets which require these individuals to have specialized skills. These factors mean that the country's human capital can be an area of competitive advantage relative to other developing economies. The gap in the literacy rates between urban and rural areas in India is also declining, and while a gender gap exists it is narrowing at a slow pace.

However, the national data at the higher education level shows that there is a significant overall increase of females in higher education in India. Approximately 16.975 million male and female students were enrolled in higher education in India in 2011–12. Of these, about 7.049 million were women, as compared to 4.708 million women enrolled in 2005–2006 (University Grant Commission [UGC] 2011). There is still a gender gap in India, but the number of women in higher education is steadily increasing. According to the World Economic Forum (WEF) (2011), India ranks 113 out of 135 countries on the global gender gap index, where women earn 62% of men's salary for the equivalent work. Women, particularly in India, perform well in political empowerment but are low on indicators of health, education and economic participation.

Despite the large and equally increasing number of educated and skilled women in India's workforce, the number of women in management positions is extremely small. The population of women in India is 48.5% of the total population (Census 2011), and women constitute about 31.2% of economically active individuals (ILO 2009). However, as the Census (2011) highlights, only 20.4% of women work in the organized sector. Very few of these 20.4% reach management positions and many have a high rate of leaving the workforce due to their dual work and family roles. Only 3% of all women in India can be found at legislative, management and senior official positions (WEF 2011). However, despite the minuscule ratio of women in management a slightly greater number of women aspire to roles of increased responsibility (Bhagati & Carter 2010).

With the advent of globalization, India is seeing multiple advancements within the economy, requiring that the human capital be trained and qualified and that experienced individuals meet the international competition

in productivity and performance. India's human capital offers advantages to the international markets for outsourcing their work at a low labour cost and because of India's uniqueness as a country with a large number of English speaking individuals within the South Asian market. India cannot utilize its human capital to develop the economy to its full potential as long as the country leaves the 48.5% of the population who are women out of the organized workforce and fails to recruit them as heads of organizations. The failure to have women equally represented in the workforce will have a high development and demographic cost to India in the long term. A figure of nearly 50% of women not participating in the workforce is a confirmation of an inadequately utilized work force. The lower participation of women in the workforce affects the overall economic performance of a country and incurs a loss to the GDP (Centre for Strategic and International Studies 2013; Khambatta 2013). According to a World Bank (2012) report, two out of every three women in India are unemployed. With its current economic development, India must assess and evaluate the long-term impact of excluding women from the workforce. The UN and ILO (2012) have noted that India could have a projected growth rate increase of 4.2% if more women were included in the economic participation unimpeded by cultural, social and work life factors. By including more women in the workforce, India could once again become one of the world's fastest growing economies.

This data, along with the number of women in the workforce and management positions, indirectly suggests that the country is not fully taking advantage of one of its primary strengths. Although women make up 50% of the workforce they only comprise 3% of management positions. These numbers indirectly suggest that the most talented workers with the highest potential for professional growth are not being channelled into leadership positions. Hence, the country's human capital is being underutilized which means that India's long-term economic growth in a very competitive global market is being severely compromised.

## **Wage Competition and Job-Competition Models**

These valuable existing human resources at line, supervisory, middle and executive levels have always consisted of qualified individuals. Importantly, however, the executive boards or senior leadership positions have predominantly been the preserve of men. Socially, gender has played a role with professions like nursing and teaching being perceived as feminine, and banking and finance as being masculine. The conflicting stereotypical roles act as hindrances in utilizing the full potential of the

human capital affecting its productivity and performance. Including women in these competitive roles can affect the development and demographics of the country, as demonstrated in Europe (European Commission, 2012).

A wage competition model (Thurow 1975) explains how employees in an organization acquire job-related knowledge only after they are hired, and receive training, supervision and mentoring on the job. These training, supervision and mentoring costs may differ depending on whether an individual has a line, supervisory, middle or executive managerial position. Thurow asserts that characteristics like education and prior experience can be instrumental in estimating and minimizing the cost of training employees. An employer will only hire an individual at the lowest labour training cost. Similarly, women have not had equitable job roles at executive levels as men, but also have not received the requisite training to reach these positions. However, a few women are now being hired in these executive positions, as they are required for their knowledge, expertise and skills for the job. Yet in these positions a contradiction of their gender roles inhibits their work relationships, as their styles and behaviours may or may not fit the compatible social roles prescribed by society. Further, Thurow presents the job competition model which confirms that finding a match of a qualified individual with the preferred knowledge and characteristics will reduce the marginal training and the development cost. Hiring more women will not only reduce the prospective training, supervision, and mentoring costs, but will also be beneficial as a critical mass at these executive managerial positions as they are also preferred in these few executive positions. Diversity on boards, specifically with more women, brings different perspectives to resolve a problem, impacts long-term performance, increases turnover, produces higher returns on equity and increases productivity at a reduced cost.

There has been a steady increase in Indian women's education along with a visible increase in their labour participation of 20.5% in the organized workforce (Ministry of Labor 2011). This pattern is the result of the economic reforms of the 1990s that produced macro level changes in organizations, leading to a globalized economy and numerous employment possibilities for educated women particularly in the country's urban areas (Datt & Sundharam 1999). According to the United Nations (2010), women have started entering various traditionally male-dominated occupations in recent years. Most importantly, these women were seldom employed in jobs with status, power and authority, or even in traditionally male blue-collar occupations. In the private sector women are now visible on most boards of directors of large companies, but their number still remains low compared to men. This gender gap is explained by the "glass

ceiling” that has hindered women’s access to leadership positions in private and public organizations. This is especially notable in the largest corporations which remain male-dominated. Of the five hundred largest corporations in the world, only thirteen had a female chief executive officer (CEO) in 2009, a proportion of less than 3%. In thirty-three countries in Europe the same pattern of a very low proportion of women in the top positions emerges (Catalyst 2009). The challenges of balancing work and family responsibilities affect the equal opportunities and treatment in all occupations of women. In 2007, 1.2 billion women around the world worked, almost 200 million (18.4%) more than ten years before, although they are often confined to the less productive and desirable jobs, with poor access to adequate and fair pay, social protection, basic rights and a professional voice. Women also continue to bear the main bulk of family responsibilities and the cost of adjusting to the increased load of both paid and unpaid work. Longitudinal studies around the world show that women spend considerably more time than men in non-market, unpaid family work (International Labor Office [ILO] 2009).

There has been a gender gap in women acquiring these positions of power in the Indian context, which could be attributed to a social system that subordinates women, a common feature in all histories and in various parts of the world. The social and cultural environments in which women have been socialized have conditioned the extent and form of their subordination, which assumes a particularly severe form in India through dominant institutions and the powerful instrument of religious traditions, shaping most social practices. It is important to note the inferior status and behaviour that inflicts inequalities on women and lower castes in subservient roles (Chakravarti 1993; Rege 1998). Yet another element presented by feminists is the interplay of caste, class, race, colour and gender in India, working together to form social barriers for women in occupations (Brewer, Conrad & King 2002). Highlighting gender alone in isolation, without the class, caste and colour components, changes one’s accessibility to resources like education and employment opportunities, impacting the development of a country (Sen 1999). These are among the central assumptions for empowerment.

On the other hand, having a gender-diverse board in an organization has its benefits for the various skills that women bring to increase and enhance the productive process. Explanations for this include women managers’ abilities to create innovative ideas and their enhanced communication skills (Milliken & Martins 1996), their adoption of relationship-oriented styles of leadership (Rosener 1999), their interactivity with and inclusivity of other leaders, their use of influence

and inspiration rather than a command and control style of leadership (Adler 1997), and their presentation of mentoring opportunities for potential female leaders (Billimoria 2006). Singh & Vinnicombe (2003) argue that women are increasing from a token presence to minority status. Eagly (2008) highlights the importance of a critical mass of women on boards in order to reduce the resistance of women's leadership at this level. In addition, the presence of more than three or four female appointees to a board has shown to improve conflicts of interest and codes of conduct, and proved better with audit and risk oversight and control for organizations (Stephenson 2004). However, along with the benefits, some barriers still exist at various micro, mezzo and macro levels (such as day care centres, work-life conflicts, workplace harassment, flexi-time policies and procedures that facilitate the interest of management rather than employees).

## Women in India

Since India's independence in 1947 women's participation in the workforce has gradually increased (Datt & Sundharam 1999), with the total employment of women in the organized sector steadily growing over the last eleven years. According to the Indian government's Quarterly Employment Review (Ministry of Labor 2011), the percentage of women in employment has increased from 17.5% in 2001 to 19% in 2005. The most recent figure is 20.5% for 2011. There is a visible increase in employment but a limited representation in the leadership roles of power in management. Women's employment in the organized sector increased from 4.95 million during 2000–01 to 5.95 million during 2010–11 (see Table 1.1 below).

**Table 1.1. Female Employment in the Public and Private Sectors in India**

Sectors	Employment as of March 31 (in millions)		Percentage change
	2010	2011	
Public	3.196	3.171	- 0.79
Private	2.663	2.783	4.54
Total	5.859	5.994	1.63

Notes: The percentage change in one year of female employment in the organized sector (Public and Private Sectors).