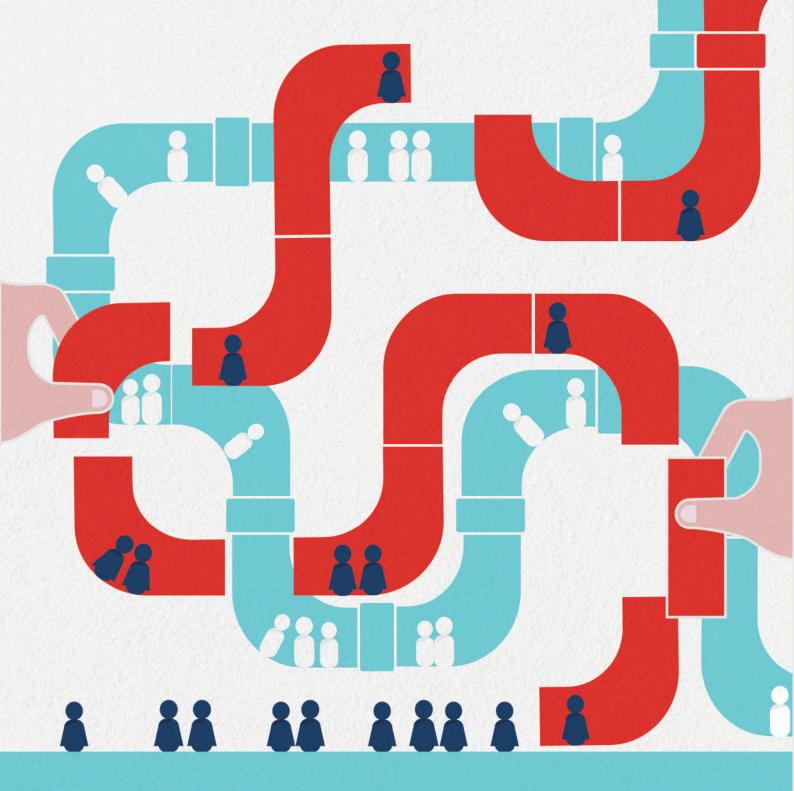


From Intent to Practice Fostering Gender-Inclusive Workplaces

INSIGHTS FROM HR LEADERS IN INDIA INC.



ABOUT

The Udaiti Foundation

The Udaiti Foundation (TUF) is building data-backed evidence to accelerate Women's Economic Empowerment (WEE) in India. Udaiti focuses on improving the availability and accessibility of quality work for women, addressing barriers to women's work and entrepreneurship, and strengthening enablers that can create impact. We aim for every Indian woman to achieve her full economic potential as it will be a critical lever to help India become a \$10 trillion economy in the next decade.

Centre for Economic Data and Analysis

The Centre for Economic Data and Analysis (CEDA) has been set up by the Economics Department of Ashoka University with the primary objective of facilitating informed and data-driven discussion about key socio-economic developments in India.

CEDA's in-house data portal hosts data from various administrative and official surveys covering fields including demography, employment, public finance, food prices and highfrequency macro-economic indicators. The data is supplemented with deep-dive analysis covering various dimensions of critical issues relating to the Indian economy. In addition to these, CEDA is currently working on an ambitious project to understand and find ways to overcome the demand-side barriers that are keeping women out of the workforce.

Women in India Inc.

'Women In India Inc.' (WIIn) is a collaboration between CEDA and TUF as a part of a larger CEDA project on women's economic empowerment. With the support of the Bill and Melinda Gates Foundation, CEDA has embarked on a wide-ranging project to understand and find ways to overcome the demand-side barriers that keep women out of the workforce. To achieve this, we at CEDA are taking a three-pronged approach – Inform, Investigate, Intervene – in order to enable women's entry, retention and progression in India's workforce. Visit https://ceda.ashoka.edu.in/womens-econ-empowerment/ for more details.

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Foreword



Dr. Ashwini Deshpande

Professor and Head, Department of Economics and Founding Director, Centre for Economic Data and Analysis (CEDA), Ashoka University

Indian women today are more educated than ever before. As their education has increased, so have their aspirations and productivity. By not utilising their full productive potential, India is losing out on its tremendous growth potential. We have heard of a "youth dividend" which would be accrued if India's youth were

to be productively employed. We also have a *gender dividend* which would be accrued if the vast reservoir of untapped – or under-tapped – productive potential of women were to be utilised.

Women face many constraints at home, which are familiar and oft-discussed. But they also face significant barriers in accessing jobs, and if they get in, continuing and advancing at the workplace. Their entry and subsequent retention is adversely affected by a pro-male bias that permeates employer attitudes and workplace culture. Many women want to rejoin paid work once their children are grown up, but lack networks, information and the right guidance that would facilitate their re-entry into the workforce.

Employers can play a huge role in changing the status-quo by taking concrete steps to ease barriers to women's employment, retention and re-entry. Large corporate firms, especially industry leaders, can demonstrate by example that gender-equal workplaces make good business sense, in addition to fostering and promoting gender equality.

We hope the findings of this survey will be useful for companies to self-evaluate and develop checklists and metrics that will eventually lead to a reduction in demand-side barriers to women's employment.



Sri Rajan

Chair, Board of Advisors, The Udaiti Foundation; Partner, Cota Capital

The cascading impact of women's economic agency goes far beyond increasing the national GDP. It creates ripple effects that enhance families and societies, contributing to a more inclusive and prosperous future for the nation as a whole. Globally, this is a well-researched phenomenon, and it is more applicable to Indian society today than ever before, as we are poised to be one of the fastest-growing economies in the world.

We have all the key elements in place – progressive economic reforms and policies, a large demographic dividend, digital public infrastructure, and active global integration.

However, one of the key barriers for us to realise this ambition is low female labour force participation rates (FLFPR) in India, despite major gains by women in education and significant improvement in maternal health and mortality markers in the last few decades. Regardless of the solid increase in the number of women entering the workforce, India's FLFPR remains intractably low and, in fact, fell precipitously during the COVID years.

What is holding us back? There is significant evidence pointing to systemic demand-side barriers for women at the workplace, which hamper hiring, retention, re-hiring, and advancement of women at workplaces; in most cases, not because of active discrimination but more due to the complex interplay of social conditioning, legacy policies, and outdated practices that need to be challenged. Employers can play an outsized role in affecting women's participation in the workforce, creating a win-win proposition as the war for talent continues. This is evidenced by many organisations in the Indian ecosystem like Delhivery, Godrej, Mahindra Group, Hindustan Unilever, HCL Technologies, which are driving exemplary inclusion practices, setting benchmarks by fostering inclusive work environments, and championing gender diversity across all levels.

The Udaiti Foundation is collaborating with many such leading organisations to build stronger data-backed evidence, provide support for pilots, develop innovative solutions, and work hand in hand with leaders of India Inc to address demand-side barriers towards women's active participation in the workforce. The insights from this report draw attention to an employer's perspective towards factors influencing women's employment in India. It not only sheds light on the current state of gender diversity in the corporate sector but also identifies the unique challenges and opportunities that different types of organisations face in their journey toward inclusivity.

I am confident that as more and more business leaders publicly commit to building gender-inclusive workplaces in India and addressing specific barriers to women's ability to contribute to economic growth like Gender Pay Parity, strong anti-harassment policies, childcare facilities, and leadership advancement and development programs at the workplace, the needle on the ground is fast moving towards realising a gender-balanced India Inc.

Executive summary

The low rate of participation of Indian women in the paid workforce demands urgent attention. This report underscores the pivotal role of employers, particularly in the private corporate sector, who have the potential to significantly influence women's labour force participation rates by fostering gender-inclusive workplaces. We present an assessment of the existing hiring, retention, and advancement practices followed by Human Resource (HR) managers with a view to facilitate a shift towards gender diversity and corporate accountability. Our findings are based on a survey of 200 senior human resource managers across diverse organisations in India. The findings provide a nuanced picture of the role of employers in shaping women's employment in five major industries at different stages of the growth of an organisation.

The survey highlights significant areas for improvement in the journey towards gender inclusivity in the workplace. While a majority of HR managers acknowledged having gender diversity goals, only 43% of organisations actively measured and publicly disclosed gender representation data, with an additional 42% measuring but not disclosing it. 73% of organisations claimed to have gender diversity goals, but only 21% possess clear internal strategies for achieving their goals.

We find that hiring managers are far more likely to consider a female applicant's marital status and age when considering her for a role, compared to a male applicant, which can create barriers to hiring more women. We also find that women who have taken a career break face significant challenges in being hired if they try to re-enter the workforce. This underscores the fact that merely establishing gender-neutral recruitment practices will not guarantee gender-equal outcomes. Firms need to invest in gender-inclusive hiring practices: yet, our survey shows that only a third of companies prioritise training for hiring managers on such practices, despite evidence suggesting their effectiveness.

The absence of Internal Complaints Committees as mandated by the Prevention of Sexual Harassment (POSH) Act in 59% of organisations highlights critical regulatory gaps. This lacuna raises concerns about workplace safety and the lack of safeguards needed to ensure an inclusive work environment. This survey also sheds light on the gender gap in factors leading to exit. While financial stability and professional growth are common exit factors for both men and women, work-life balance concerns are significantly more pronounced among women than men. This suggests that policies to retain women in the workplace need to specifically address this issue.

Our survey highlights some bright spots. The majority of organisations (87%) employ at least two inclusive hiring strategies (e.g., mixed-gender panels, gender-neutral job descriptions); 57% employ at least three, demonstrating a commitment to fostering a more inclusive workplace. In addition, firms have been taking proactive steps towards leadership development by adopting mentorship programs and leadership initiatives.

These findings underscore the need for a unified effort from all stakeholders to nurture a corporate culture that not only values but actively champions gender diversity. Aligning corporate strategies with gender diversity objectives, bolstering transparency and accountability, and tailoring approaches to meet the unique needs of different sectors are essential steps towards creating a truly inclusive work environment.

Introduction

The persistently low participation of women in India's workforce needs to be, and can be, urgently addressed. 63% (290M) of women aged 15-64 years in India are not a part of the labour force. Studies have emphasised the role of marriage, motherhood, disproportionate responsibility for domestic and care work, and conservative social norms in preventing women from entering paid work. All these drivers - which, broadly speaking, are factors that emerge within a household - are indeed critical constraints on women's ability to enter the workforce. However, a disproportionate focus on these factors can make us overlook the important role played by employers in affecting women's labour market participation. For women who want to enter paid work, are jobs available in sufficient numbers? Do women face barriers to entry into specific organisations or sectors? Are there barriers at the workplace that prevent women from advancing in their careers or lead them to drop out of work? What are the options for women who might have taken a career break and are looking to re-enter the labour market? How can they be matched with employers? In other words, what role can employers play in improving hiring, retention, advancement and re-entry of women in the paid workforce?

The private corporate sector is in a position to significantly influence women's labour force participation rates (LFPR) by addressing these issues. In particular, the role of hiring and human resource managers is crucial. What do we know about existing practices regarding the hiring and promotion of women? How can these be improved?

To delve into this, the Women in India Inc (WIIn) Program, a joint effort by The Udaiti Foundation and the Centre for Economic Data and Analysis (CEDA), Ashoka University, conducted an extensive survey of 200 senior human resource managers across India. This survey¹ was designed to understand the demand-side factors – factors under the control of

¹ Although the survey provides a detailed examination of gender diversity, including organisations of various sizes and growth stages, it may deviate slightly from conventional representativeness standards.

the private sector that is seeking to hire women – influencing women's employment, and examined policies and practices that affect women's representation in various industries.

The WIIn survey is unique as it focuses on a wide spectrum of organisations, from large corporations (e.g., employee size greater than 500 or annual revenue greater than Rs 500 crores) to smaller enterprises (e.g., employee size between 50 to 200 or less than Rs 100 crores revenue), across 5 major industries and organisations at different growth stages. This ensures a balanced representation of HR perspectives and an in-depth understanding of the sector-specific dynamics affecting women's participation in the workforce.

Globally, the corporate world is guided by Environmental, Social, and Governance (ESG) principles that drive inclusive policies. In India too, ESG principles are part of corporate initiatives like SEBI's Business Responsibility and Sustainability Reporting (BRSR). According to a report by McKinsey,² ESG is assisting in the advancement of women's rights as well as boosting corporate profitability through gender-equal work policies. There is evidence to suggest that these frameworks have propelled gender diversity to the forefront of corporate agendas in addition to holding businesses accountable for their company's environmental actions and sustainability programmes.^{3, 4, 5}

In essence, this study provides a critical examination of the factors influencing women's employment in India from the employer's perspective. It not only sheds light on the current state of gender diversity in the corporate sector but also identifies the unique challenges and opportunities that different types of organisations face in their journey toward inclusivity. We hope the findings of this survey will play an important role in informing policy decisions and corporate strategies aimed at enhancing women's participation in the workforce, and help organisations align with the broader ESG goals that are increasingly shaping the business landscape.

- 4 Rathor, 2023, 'Gender Equality and ESG: Women's Rights in Business'
- 5 Cardoso & Teixeira, 2023, 'Women Leaders and ESG Performance: Exploring Gender Equality in Global South Companies'

² Hunt & Yee, 2018, 'Delivering through diversity'

³ MoSPI, 2023, 'Periodic Labour Force Survey (PLFS) Annual Report 2022-2023'

Research Approach

The survey aimed to deepen our understanding of demand-side factors in white-collar jobs, including employer-led actions and policies that shape women's experiences in the workforce.

It covered all stages of employment: recruitment, retention, and advancement, focusing on a two-pronged approach to understanding the landscape of gender diversity practices and policies within corporate India.

1 Primary Research:

We conducted an online survey with 200 senior Human Resources officers across Fast Moving Consumer Goods (FMCG), Pharma, Retail, Information Technology (IT)/Information Technology Enabled Services (ITES), and Banking, Financial Services and Insurance (BFSI) sectors to grasp their perspectives on hiring and retaining women. This provided information about gender equality commitments and practices adopted by their organisations.

2 Secondary Research:

We reviewed existing academic, industry, and media reports on increasing women's employment, including national and international regulatory frameworks. The key areas of inquiry included organisation-wide policies, hiring practices, retention strategies, and advancement opportunities. Further details on these areas are provided in Annexure A

1. ORGANISATION-WIDE POLICIES

Whether organisations set gender diversity targets, measure gender representation data, publish them, and employ any corporate strategies to achieve gender equality.

2. HIRING

What hiring channels are used, what gender-inclusive recruitment practices are implemented.

4. ADVANCEMENT

What are the promotion and advancement criteria followed, do the companies follow specific performance management systems, and what is the frequency of feedback sessions for employees?

3. RETENTION

Whether their organisations have implemented well-being and safety policies. What retention strategies they have developed. What is the frequency of gender sensitization training in their organisations? Whether their organisations offer any return-to-work programs.

RESPONDENT PROFILE

Methodology and Sample Description

The study gathered responses from 200 senior Human Resources Officers and DE&I* personnel, with 81% holding director-level positions or above.

COMPANY AND INDUSTRY PROFILE:

The study covers **five key industries**, ensuring an equitable split in the sample across sectors.

BFSI MANUFACTURING RETAIL IT/ITeS PHARMA

The sample has a balanced distribution of enterprises across **three employee category sizes.**

It incorporates firms with diverse annual revenues, with **53% surpassing 100 crores**.

Notably, **14%** of the surveyed firms **operate internationally** with Indian operations.

50-200 EMPLOYEES

201–500 EMPLOYEES

MORE 500 THAN 500 EMPLOYEES ₹100 CRORE 53% Indian operations.

A more detailed sample description can be found in Annexure B.

CONFIDENTIALITY The names of the companies have been kept confidential.

*DE&I: Diversity, Equity, and Inclusion

Limitations of the Study



1. NON-REPRESENTATIVE SAMPLE:

The sample of 200 firms was not intended to be representative of the entire private sector but reflected the Human Resource managers willing to engage with the survey on the Lynk platform database.



2. HUMAN RESOURCE MANAGER'S PERSPECTIVES:

The survey captured the experiences and perceptions of human resource managers about employees in general, without interviewing individual employees.



3. ONE TIME SNAPSHOT:

Insights into current gender diversity initiatives were provided without detailed implementation timelines, preventing us from linking these practices to specific outcomes and assessing their effectiveness over time.



4. STUDY TIMING:

The survey was conducted in early 2023, when companies were transitioning from work-from-home to a hybrid approach.

Gender Commitments



Key insights **Commitment to Gender Equality**

While most HR managers said they cared about gender diversity, less than half reported that they actively measured and/or publicly disclosed diversity data.

43% of surveyed organisations actively measured and publicly disclosed gender representation data, while 42% measured gender diversity but did not make this data publicly available (Figure 1). Notably, until last year and during the survey period, the disclosure of gender diversity data was not mandated by any regulatory bodies. Since then, the Securities and Exchange Board of India (SEBI) has included gender reporting as part of the mandatory Business Responsibility and Sustainability Reporting (BRSR) reporting framework for publicly listed companies.

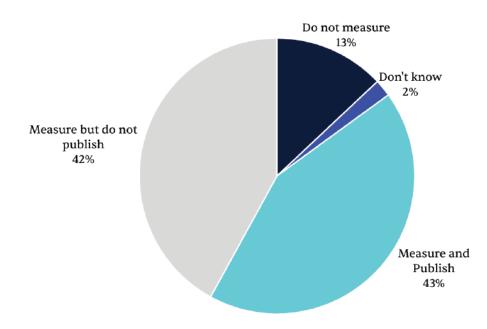


Figure 1. Status of Measuring and Publishing Gender Representation Target, N=200

A significant portion of organisations proactively sought independent certification for gender equality in order to publicly affirm their commitment to gender equity. This was part of a broader trend towards enhanced transparency and accountability in gender diversity efforts within organisations.

"Certifications and awards are becoming popular among companies as they provide a way to flaunt and showcase their intent towards diversity and inclusion. It's not easy for companies to constantly communicate their internal efforts through articles or quotes. These recognitions help companies tell everyone that they are making an effort to create a better workplace culture and focus on safety and inclusion. It's about showing that we are doing something significant in areas that are hard to measure, like a safe culture and gender commitment. Winning these awards and getting these certifications repeatedly tells the talent pool that we are committed to building a great place to work. It reflects their effort more than anything else." 69% of organisations actively sought independent certification for gender equality. A certification is a way of making an organisation's commitment to gender equality visible to the wider public. It serves to enhance reputation and stakeholder trust, and allows for benchmarking

- DE&I Practitioner

and monitoring improvement in gender equity initiatives.

The landscape of gender diversity reporting has evolved with regulatory interventions. In May 2021, SEBI introduced the BRSR framework to promote sustainable and responsible business practices. Starting from the fiscal year 2022-23, reporting sex-disaggregated data on workforce composition, pay, attrition, and other factors has become mandatory for the top 1000 listed companies.⁶ This mandate aimed to enhance transparency within organisations as well reinforce a commitment to fostering gender diversity and inclusion in corporate India.

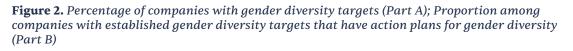
Moreover, international frameworks and indices like Bloomberg Gender Reporting have played a role in encouraging companies to measure and report gender-specific indicators. This trend was not confined to global organisations; it extended locally, with several Indian companies participating in these reporting initiatives. At the national level, initiatives like India's Best Workplaces for Women (by Great Place To Work) and Best Companies for Women in India (by Avtar) have played a crucial role in acknowledging and celebrating

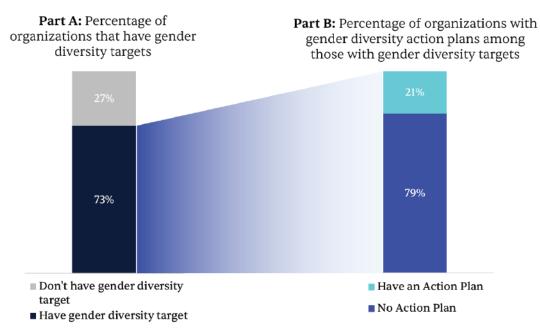
6 By Market Capitalization

organisations for their gender-inclusive practices. This intersection of global and local frameworks has allowed organisations to showcase their commitment to gender equality.

A substantial number of private sector firms set goals for gender diversity but lacked a clear strategy for implementing them.

The majority of hiring managers (73%) in our survey reported that their organisations had set gender diversity goals but only 21% reported having internal corporate strategies in place to implement these goals. While goals set the destination, strategies chart the course, and without both goals and strategies in place, it might not be possible for organisations to navigate the gender diversity landscape effectively. The limited availability of internal strategies suggests a gap between intent and action.





Organisations prioritised initiatives focused on the top of the pyramid but neglected crucial aspects of hiring and retention.

Private sector organisations placed a significant emphasis on the advancement stage when it came to targets for gender inclusivity at the workplace, **with more than half of the surveyed hiring managers reporting a focus on increasing advancement rates and representation in leadership** (Figure 3). However, just a third of the organisations of the respondents focused on addressing gender imbalances in hiring at the entry-level. 56% of hiring managers said they tend to receive more applications from men than from women, and, while we do not have information on the extent of the gender gap in applications in each firm, this figure suggests that at least half of these firms would benefit from a hiring strategy that seeks to increase applications from women.

Moreover, our survey data indicated that while many firms set targets for female representation at different levels of the organisation, there was a significant gap in the implementation of organisational policies and practices to support this goal. 47% of firms have an active advisory council to advise on implementing diversity targets, but only 36% prioritise creating a safe and inclusive culture in the workplace and 21% focus on increasing awareness of DEI issues. Creating a workplace culture that supports the inclusion of women is fundamental to ensuring that firms successfully meet their representation targets.

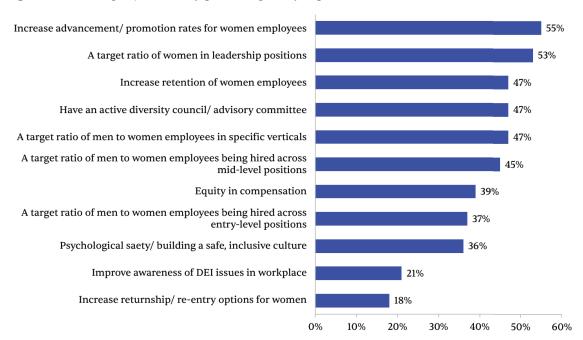


Figure 3. Gender-specific diversity goals adopted by organisations

Hiring A A A A A 0 8

FROM INTENT TO PRACTICE: FOSTERING GENDER-INCLUSIVE WORKPLACES | 16

Key insights **Hiring**

Organisations committed to gender diversity are adopting a blend of inclusive hiring practices. However, many are yet to demonstrate equal representation in the workforce.

Our study explores the focus on ensuring gender diversity in hiring practices adopted by various companies. The survey questionnaire provided a list of 5 inclusive hiring practices – 88% of the respondents reported that their organisations were implementing at least two of these, and 57% respondents said their organisations were using at least three.

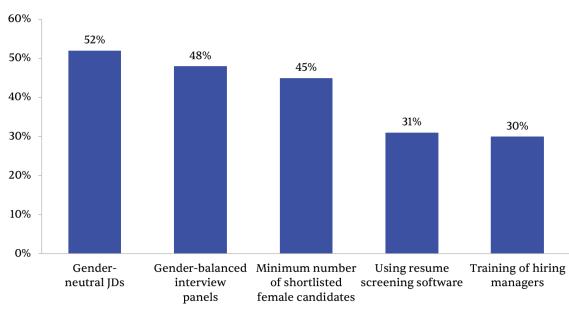


Figure 4. Percentage of organisations adopting gender-specific hiring practices

52% of the hiring managers surveyed **reported using gender-neutral job descriptions** (JDs), 48% used mixed-gender interview panels, and 45% set diversity targets for applicant pools (Figure 4.). Nearly a third (31%) said they used resume screening software which is growing in popularity as a way of including diverse candidates. While gender-sensitisation training for hiring managers has been shown to be effective in mitigating gender bias, only 30% of the surveyed hiring managers reported implementing these in their organisations. Evidence shows that the implementation of mixed-gender panels, gender-neutral job descriptions (JDs),⁷ and training programs for hiring managers can increase the representation of women in the workforce.^{8,9}

BOX 1

Overview of gender inclusive hiring strategies

Gender-Neutral Job Descriptions: A gender-neutral job description (JD) is a job listing written in a way that does not favour any gender. It avoids gender-coded words, such as "aggressive" (often associated with male stereotypes) or "supportive" (often associated with female stereotypes), and uses inclusive language to ensure that the job appeals to all candidates, regardless of their gender. The goal is to attract a diverse pool of applicants and to promote equality and inclusiveness in the hiring process.

Mixed-Gender Interview Panel: Incorporates both male and female interviewers to ensure diverse perspectives in the candidate assessment process, promoting fairness and reducing unconscious bias.

Resume Screening Software: Employers use these systems to automate resume review, filtering applicants based on keywords, skills, and other criteria. While they streamline the recruitment process and prioritise candidates who match the job requirements, the use of this software can risk overlooking some qualified applicants, perpetuate existing biases, and diminish the human aspect of hiring (e.g., it might favour certain schools, job titles, or even inadvertently screen out resumes based on unintended criteria and rigid keyword matching based on the training data used for developing the software algorithm).

9 Smith et al., 2015, 'Now Hiring! Empirically Testing a Three-Step Intervention to Increase Faculty Gender Diversity in STEM'

⁷ World Economic Forum, 2022, 'Diversity and Inclusion in the Workplace'

⁸ Bilimoria & Buch, 2010, 'The Search is On: Engendering Faculty Diversity Through More Effective Search and Recruitment', Devine et al., 2017, 'A gender bias habit-breaking intervention led to increased hiring of female faculty in STEM departments'

BOX 2

Wage Disparities and Gendered Language: Unveiling Implicit Bias in Job

Advertisements: A research paper, by Chaturvedi, Mahajan and Siddique,¹⁰ for India found that advertised wages were lower in jobs (within the same occupation) where employers preferred women. This was true even when this preference was implicitly retrieved through text analysis of job descriptions. They also found that women were less (more) likely to apply for jobs that had words implicitly associated with men (women) by the employers in the JD and that this explained 17% of the gender pay gap at the application stage. Text analysis showed the prevalence of gender-stereotyped language with hard skills-related female-gendered words having lower associated pay but attracting a higher share of female applicants, while male-gendered words indicating decreased flexibility (e.g., frequent travel or unusual working hours) having higher associated pay but resulting in a smaller share of female applicants.

"While gender-neutral JDs and mixed-gender panel interviews offer numerous benefits and are relatively inexpensive and easier to implement compared to other diversity initiatives, they are considered first-generation strategies. Organisations should continue to evaluate and evolve their hiring practices to address systemic barriers and promote greater diversity, equity, and inclusion across all aspects of the hiring process. This may involve adopting more advanced strategies, such as blind resume screening, structured interviews, and diversity training for hiring teams, to further enhance fairness and equity in recruitment and selection."

- Pankaj Kumar Kalass, VP - Field HR, Delhivery

For instance, a study conducted in Brazil highlighted the advantages of incorporating mixed-gender panels in the hiring process.¹¹ They found that this approach particularly benefited female candidates. Male colleagues were more likely to give higher scores to female applicants in subjective tests in the presence of female evaluators in hiring committees.

Secondary research shows that implicit bias training has received a great deal of attention, and has

been applauded for its efficacy in helping individuals recognise their deeply held and often subconscious beliefs about the abilities and interests of women and men, and how these beliefs shape their decision-making.¹² Such training has translated into an increase

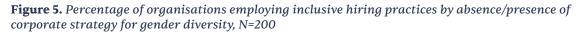
¹⁰ Chaturvedi, Mahajan & Siddique, 2022, 'Words Matter: Gender, Jobs and Applicant Behavior'

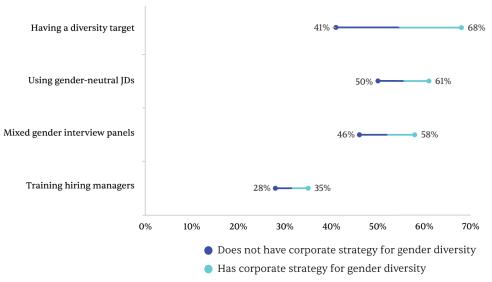
¹¹ Mocanu, 2023, 'Designing Gender Equity: Evidence from Hiring Practices and Committees'

¹² Carnes et al., 2012, 'The effect of an intervention to break the gender bias habit for faculty at one institution: a cluster randomized, controlled trial'.; Girod et al., 2016, 'Reducing Implicit Gender Leadership Bias in Academic Medicine With an Educational Intervention'.; Kayes, 2006, 'Team Learning in Organizations: A Review and Integration'.; Laursen & Austin, 2014, 'Building Gender Equity in the Academy'

in the number of women in hiring pools, finalist lists, and actual hires.¹³ Similarly, another study showed that hiring committees trained on implicit bias were over six times more likely to make an offer to a woman candidate than those who were not trained.¹⁴

The presence of more gender-progressive hiring practices usually accompanies the intent to hire more women and improve diversity. Our survey shows that organisations with a formulated corporate strategy for gender diversity were more likely to implement gender-neutral JDs, engage third-party DEI consultants, utilise mixed-gender panels, and set diversity targets (Figure 5). A 2017 BCG study¹⁵ highlights that companies usually take steps at two levels to improve diversity. First are 'quick wins' such as redesigning performance evaluation forms to make them gender-neutral, or seeking a diverse shortlist of candidates for open positions. Gender training, especially bias training, and other strategies to drive cultural change within the workplace are part of longer-term solutions that can alter deeply rooted gender bias mindsets.





¹³ Sensoy & DiAngelo, 2017, 'Is Everyone Really Equal? An Introduction to Key Concepts in Social Justice Education'.

¹⁴ Ibid

¹⁵ Boston Consulting Group, 2017, 'From Intention to Impact: Bridging the Diversity Gap in the Workplace'

HR managers reported gender-specific challenges during recruitment

Managers felt that location mismatch affected female candidates more than men (Figure 6). Nearly half (48%) said that locational mismatch was a challenge when hiring women candidates, while only 40% felt this was the case when hiring men. Additionally, transportation and safety issues stood out as significant barriers while recruiting women, with 44% of managers citing them as barriers for women, compared to 26% for men.

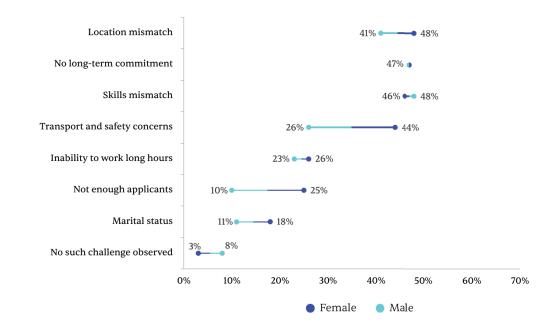


Figure 6. Challenges faced by HR managers while hiring male and female candidates

Marital status and age were factors that were more important when shortlisting female candidates, underscoring the challenges of achieving gender-neutral recruitment practices.

Hiring practices demonstrate significant gender gaps when comparing the factors considered when shortlisting male and female candidates. While HR leaders overwhelmingly prioritised factors like academic background, work experience, and professional skills for both men and women, there was a stark difference across the two genders. 38% of human resource managers considered the women's marital status, whereas only 22% did so in the case of male candidates. Similarly, age and location were factors that were slightly more likely to be considered in the case of women (43% and 26%, respectively) versus men (39% and 21%, respectively). On the other hand, HR managers were more likely to consider the academic background and the work experience of men (79% and 80%), compared to women (73% and 72%).

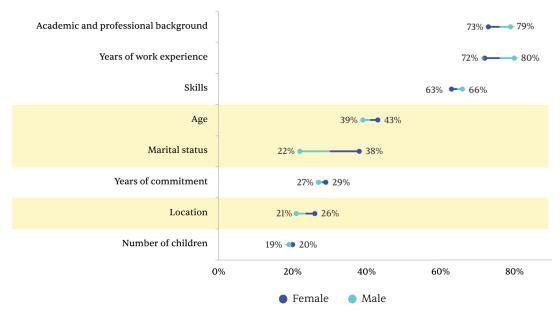


Figure 7. Factors considered for shortlisting female and male candidates, Men=116, Women=200

The bias against individuals with career breaks disproportionately affects women, emphasising the importance of recognising merit beyond traditional timelines.

The survey included a hypothetical choice experiment to examine whether career breaks imposed a penalty on women. Such discrimination not only perpetuates gender inequality in the workplace but can also limit the potential of companies to hire the best candidates for the job. As part of the experiment, we first showed two identical male and female profiles for the role of an Accounting Manager and varied the presence of a career break across them. Second, we showed two identical female profiles to the respondents but varied them along two dimensions - skills (represented by the candidate's cumulative grade point average or CGPA) and whether the candidate was returning after a career break. In each case, respondents were asked to choose one of the two candidate profiles for the next stage of the interview.

Findings showed that all candidates with career breaks, irrespective of gender, faced reduced chances of being selected.¹⁶ The respondents were 24 percentage points less likely to shortlist female candidates with a career break when they had the same academic, professional, and personal background as male candidates. Male candidates with a career break also faced a similar penalty for taking a career break. Additionally, even when female candidates had a superior skill set (exemplified by a 10% higher CGPA) but took a career break, they were 5 percentage points less likely to be shortlisted vs. female profiles who had never taken a career break.

Given that a number of studies have found that women are, in general, more likely to take career breaks than men, such a penalty is more likely to negatively affect the chances of women returning to work after a break. A LinkedIn India study showed that working women were 1.6x more likely to take a career break to look after their children compared to men.¹⁷ Another UK-based national study of 2,000 people conducted by Applied, a recruitment firm, revealed that women were three times more likely than men to take career breaks owing to caregiving duties. This was also corroborated by a McKinsey &

¹⁶ We conducted a choice experiment with five hypothetical scenarios presented to recruiters. The aim was to understand potential biases in the hiring process when candidates, possessing comparable qualifications, differ in career breaks. The study highlights the challenges faced by individuals who have taken career breaks. Although the sample size was limited, there are plans to scale up the research for a more robust and comprehensive exploration of these findings.

¹⁷ Joshi, The Times of India, 2017 '7 in 10 Indian working women quit or consider quitting their jobs due to lack of flexibility: LinkedIn survey'

Company study which found that women were more likely to experience career interruptions, with 43% of highly qualified women leaving their careers temporarily at some point.¹⁸

Moreover, studies have found that women who took career breaks were penalised to a greater extent than men. A study by the Center for Talent Innovation in the USA found that 31% of women who took a career break for caregiving reasons felt that their careers had been negatively impacted as a result.¹⁹ The study also found that women who took career breaks were more likely to experience a "career penalty" than men. Specifically, 37% of women who took a career break said they had trouble finding a job after returning to the workforce, compared to 18% of men. According to a report by the United State's National Women's Law Center, women who took time off from work to care for children or other family members earned 28% less than their male counterparts over a 15-year period.²⁰

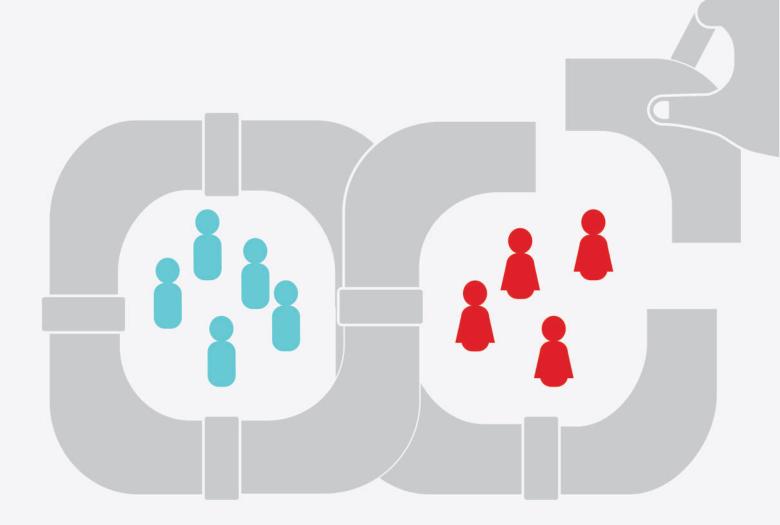


Figure 8. Gender Diversity Hiring Initiatives by Select Companies

- 19 Ibid
- 20 Ibid

¹⁸ Foad, Linkedin Pulse, 2023, 'It's just a career gap, not a retirement'

Retention and Well Being



Key insights Well-being and retention

Gaps in regulatory compliance highlighted challenges for women's workplace support, potentially impacting retention.

"Organisations often do not set up an Internal Committee (IC) to deal with sexual harassment until a complaint is filed, and even fail to create any awareness about employees' rights. This can deter individuals from coming forward due to both lack of knowledge and absence of established procedures, signalling a disregard for workplace safety. It's crucial that organisations have accessible, clear, and simple policies, ideally translated into the local language, to spread awareness. Posters, graphics, and videos with salient points also work well to enable broader understanding. A policy should clearly detail the process of filing a complaint, including how (by hand, e-mail, or a complaints' box) and to whom (IC members, managers, HR) complaints can be made, other than setting out the procedure for dealing with complaints. Organisations should also ensure that IC members are not a mysterious group, but are visible and accessible to all employees easily - their presence should be well publicised through physical and virtual notice boards, with names, photos, and contact details of IC members prominently displayed in workplaces to encourage trust and approachability."

- Shruti Vidyasagar, Lawyer and POSH Law Practitioner

Compliance with regulations that mandate inclusive and supportive workplaces play a pivotal role in retaining women in the workforce. However, the survey highlighted a substantial gap in adhering to these regulations, posing a potential challenge in establishing an environment that effectively catered to the needs of female employees.

59% of the survey respondents said that their organisations had not set up Internal Complaints Committees that are mandated by the Prevention of Sexual the Prevention of Sexual tharassment (POSH) Act,²¹ indicating a substantial gap in addressing sexual harassment concerns impacting women. The failure to do so prompts us to ask whether this is a result of organisations encountering challenges in setting up committees or tending to establish them only in

response to a complaint. Additionally, the failure to comply with POSH questions the level of awareness regarding workplace safety and the presence of barriers that hinder inclusivity within these organisations.

²¹ All organisations (whether public or private) having 10 or more employees (whether permanent, temporary, ad-hoc, consultants, interns or contract workers irrespective of gender) are mandated under Law to comply with certain requirements laid down under the POSH Act.

"Delhivery's commitment to POSH and gender sensitization training is a cornerstone of our organisational ethos. We ensure that all male employees receive regular coaching on appropriate workplace conduct and women are familiar with the redressal intricacies. Our emphasis on safety protocols starts from the hiring process and goes beyond mere POSH compliance, contributing to positive employee engagement and satisfaction. Delhivery is known as a safe workplace for women, a reputation bolstered by testimonials from former female employees. We have women leaders at our facilities to promptly address any concerns and also highlight safety measures during the interview and hiring process, such as women guards, assisted drop-offs, and GPS-tracked vehicles. This comprehensive approach has made female retention at Delhivery unparalleled in the industry."

- Pankaj Kalass, VP- Field HR, Delhivery

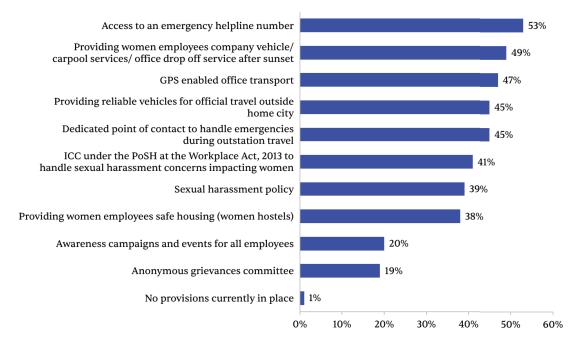


Figure 9. Percentage of firms offering safety policies at the workplace for women, N=200

Moreover, the findings revealed a gap in childcare provisions mandated by the Maternity Act of 2017, which requires all organisations with 50 or more employees to provide creche facilities. Despite this legal obligation, only 17.5% of surveyed respondents from companies meeting the employee threshold said their organisations complied with the stipulated creche provision. This shortfall poses a challenge for women striving to balance professional and family responsibilities, hinting at organisational hesitancy or infrastructural and monetary constraints in providing such services.

BOX 3

Benefits of workplace childcare

According to a 2019 study conducted by the International Finance Corporation in India (IFC), 85% companies stated that presence of onsite childcare had led to lower turnover; 70% companies felt it improved productivity, and most (91%) felt it was good employee work/life balance.²²

"Maternity benefits, including leaves or childcare, are often seen through a cost-benefit lens by many companies and treated as mere cost centres. However, when the lens of Diversity, Equity and Inclusion is applied with empathetic leaders driving a perspective shift, employee well-being is seen as a crucial organisational value. Leaders need to walk the talk and acknowledge the entire parental journey holistically. It's also important to recognise that these benefits and policies need to be gender neutral, extending inclusivity to adoptive and surrogate parents. This ensures that all caregivers are equally supported, fostering a culture of equity and belonging"

- Tina Vinod, CEO and Founder, DiversitySimplified

We found that 36% of companies did not offer maternity leave benefits, and this did not vary substantially by sector, size, and women's representation (Figures 10 and 11). While we could not identify the causes for this gap, it did suggest the potential for systemic challenges in implementing maternity leave, or a lack of awareness about its benefits. India's Maternity Act of 2017 sets a commendable standard with its 26-week maternity policy, exceeding the ILO-recommended 18

weeks. An ILO report stressed the significance of paid leave for maternal health considerations and the support it provides to women in maintaining employment.

	Total	Sectors			Annual Revenue Bracket			Employee Size				
	Total	IT/ITES	BFSI	Pharma	Retail	FMCG	< 100 cr	100-500 cr	> 500 cr	50-200	201-500	More than 500
8	(N = 200)	(N = 40)	(N = 40)	(N = 40)	(N = 40)	(N = 40)	(N = 93)	(N = 68)	(N = 39)	(N = 65)	(N = 55)	(N = 80)
Maternity Leave	64%	78%	68%	63%	60%	50%	65%	57%	72%	58%	67%	65%

Figure 10. Percentage of organisations providing maternity leave, by sector, annual revenue and employee size

22 An IFC/Bright Horizons survey (2018) asked 255 Indian employers questions related to the MB (Amendment) Act.

Figure 11. Percentage of organisations providing maternity leaves by female representation among all employees/senior employees, N=199



"Many employers in the industry perceive maternity as a significant cost when hiring women, but these concerns are often exaggerated since maternity benefits are covered by the ESIC for women paid a salary of up to INR 21,000 per month. As an organisation, we believe women are and will continue to be a core strength for our success. Benefits like maternity should not be seen as costs but as investments that pay off in the long term. Progressive organisations do not view statutory benefits as costs."

As we delved deeper into the reasons behind these compliance gaps, it became apparent that organisations face multiple barriers, including a lack of awareness and an unsupportive organisational culture. The survey acts as a

-Senior HR leader, Large Private Sector Manufacturing Firm

starting point, urging a more in-depth exploration into why organisations, despite the legal framework in place, might struggle to meet these compliance standards. Addressing these gaps is not merely about adhering to regulations but fundamentally about creating a workplace where women feel supported, valued, and empowered to thrive in their professional journey.

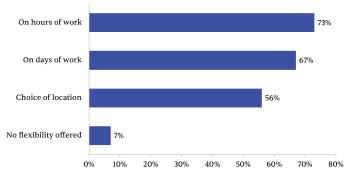
Increasing use of flexible work arrangements could spur the entry of more women into the workforce.

Many surveyed companies were adopting flexible work arrangements, with 56% offering flexibility in location, 73% in work hours, and 67% in workdays.²³ According to a LinkedIn study in 2022, two out of five (43%) Indian women expressed that flexible work arrangements significantly contributed to improving their work-life balance and career advancement²⁴. Moreover, one in three women emphasised that such flexibility increased

²³ This CEDA and Udaiti Foundation HR leader survey was administered in early 2023 when organisations were transitioning from a work-from-home setup to a hybrid one

²⁴ YourStory, 2022, 'LinkedIn report says 7 in 10 working women in India quit or consider quitting their jobs due to lack of flexibility'

the likelihood of staying in their current jobs. The study also found that 70% of women had either left or contemplated leaving their jobs due to the absence of suitable flexible policies. Reinforcing this perspective, a 2022 study by Prakash et al. (2022) highlighted that 42% of women viewed flexible work arrangements as indispensable for restarting their careers and achieving a satisfactory work-life balance.²⁵





BOX 4

Using flexible work options as a strategy to fix the 'leaky pipeline' of women managers

While having women leaders signals the intent of an organisation to achieve gender diversity, it may be insufficient if there aren't enough women in middle management. Thus, prioritising retention of women in the talent pipeline becomes crucial. To address the 'leaky pipeline' of women managers, corporations should offer part-time working options during critical life and career stages, as demonstrated by BCG's successful models,²⁶ where many women in India and globally have worked 60% to 80% of full-time hours during different stages in their career. They are given similar assignments as full-time employees but the scope of the assignment is redefined to suit the amount of time that the employee is engaged for. Moreover, post-maternity customization of roles based on individual needs, ambitions, and capabilities, as demonstrated by Axis Bank,²⁷ is essential to engage and motivate women, fostering their career progression. These thoughtful interventions at critical junctures enhance morale and contribute to the overall success of women in the workforce.

²⁵ Prakash et al, 2022, 'Workplace Flexibility: Helping Talented Women Professionals Return to Work and Businesses Grow in an Agile Manner'

²⁶ Ibid. 15

²⁷ Ibid. 15



Figure 13. Gender Diversity Retention Initiatives by Companies

Balancing work along with other household and caregiving responsibilities was the top reason cited by women in their exit interviews, the hiring managers reported. Few men had similar concerns.

HR managers reported salary concerns, career opportunities and future employment direction as the top three reasons cited by male employees for choosing to quit their organisations. While salary concerns and career opportunities were also among the top three reasons for women, they were most likely to attribute their decision to leave to challenges of work-life balance . For women, 34% hiring managers said this was a concern, while for men, only 4% of the respondents cited this a concern, highlighting the gendered nature of the challenge of balancing work with other responsibilities.

Another concern widely reported by HR managers as a challenge in retaining women is safety (Figure 15). 51% of HR managers believe safety is a challenge for retention of women – the biggest challenge – compared to 36% for men.



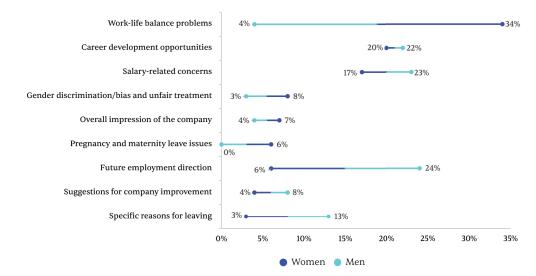
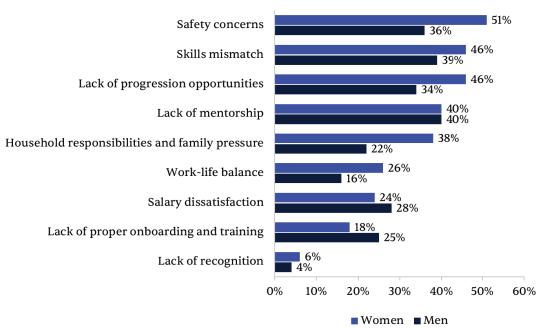
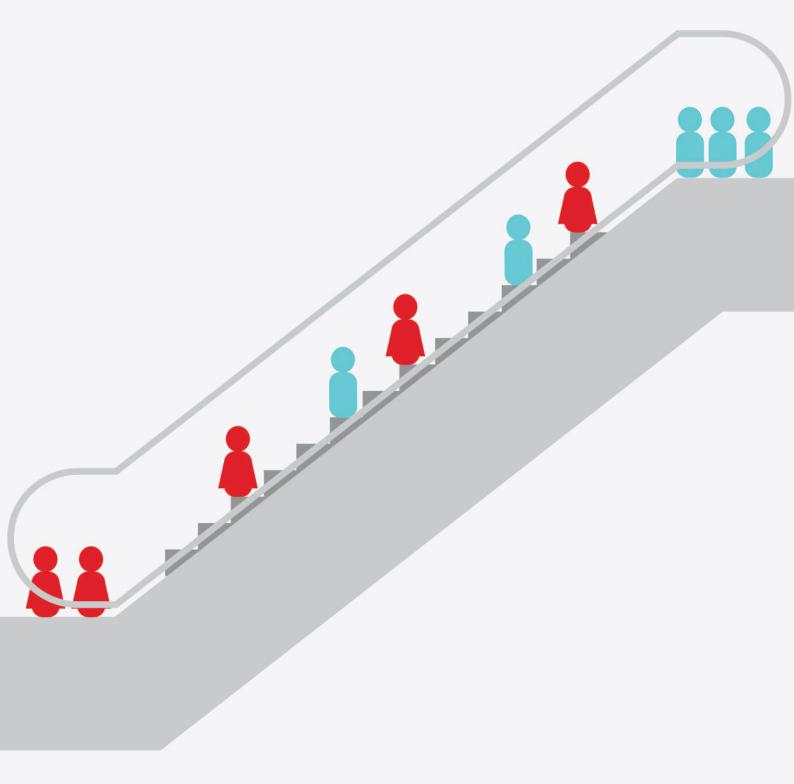


Figure 15. The main challenges cited by managers to retain and promote male/female employees, Men=116, Women=200



Advancement



Key insights Advancement

Our survey sheds light on the proactive measures organisations are taking to implement leadership and advancement programs for women. Notably, 65% of surveyed HR managers reported that their organisations offer mentorship programs, while 55% said their companies had implemented leadership development and advancement programs specifically targeting women's progress. Secondary research highlights the significant impact of leadership development programs on women's advancement in the workplace. Such programs, through experiential learning and the cultivation of effective leadership strategies, play a crucial role in overcoming professional growth barriers. A study by HERkey, for instance, highlighted that 96% of companies recognised these programs as enablers for women to ascend within their organisations, with 84% affirming that they were instrumental in expanding the pool of women's leadership talents.²⁸

Moreover, evidence shows that mentoring can play a critical role in helping women climb the career ladder.²⁹ A formal mentoring policy for women correlates positively with higher levels of career advancement, illustrating the importance of structured support in

"We've observed that while our workforce starts with a 50–50 gender split at lower levels, it dwindles to single digits as one progresses upwards. Moreover, as we bring in new employees with requisite skills through lateral hiring, we recognise the imperative to cultivate similar capabilities within our existing talent pool. Hence, mentoring and leadership development are the foundation to our DEI and talent management strategy, exemplified through our advancement initiatives and programs. One of the initiatives aims to enable high performing women in managerial roles to move up their career to senior managerial roles (e.g., solutions architect and program manager), the other one focuses on the next tier of senior leaders who are looking to move into top tier leadership roles (VPs and senior VPs) within the organisation. By providing targeted skill development, hand-holding and mentorship, we have been able to successfully execute these programs."

-Head- DEI, Information Technology Company

navigating the career ladder.³⁰

Despite these initiatives, a critical gap persists in our understanding of the tangible impact of these programs. While their prevalence is notable, the effectiveness of these measures in achieving their intended outcomes remains unclear, primarily due to a lack of comprehensive documentation and evidence.

Women often face a

²⁸ HerKey, 2023, 'DivHERsity Benchmarking Report'

²⁹ Lyness & Thompson, 2000, 'Climbing the corporate ladder: Do female and male executives follow the same route?'

³⁰ Mcilongoa & Strydomb, 2021, 'The significance of mentorship in supporting the career advancement of women in the public sector'.

promotion disparity within companies, with a 14% lower likelihood of advancement, as indicated by a 2021 Yale Insights source.³¹ The

perception of lower leadership potential for women compared to men is a key factor contributing to this gender promotion gap. In our survey too, 46% of HR managers believe a lack of opportunities for progression impedes retention and promotion of women, compared to 34% for men (Figure 15).



Figure 16. Gender diversity advancement initiatives by companies

31 Yale Insights, 2021, 'Women Aren't Promoted Because Managers Underestimate Their Potential'

Way Forward

Bridging the gap between intention and actual impact is imperative. Organisations must assess how their actions contribute to broader gender diversity goals, ensuring their efforts are substantive and yield tangible results. By matching intentions with actions and measuring the change in outcomes, organisations can affirm their dedication to creating a more inclusive and diverse workplace.

To effectively foster a gender-inclusive environment in India Inc, a two-pronged strategy that emphasises both broad ecosystem efforts and specific firm-level initiatives is essential. Actions must go beyond mere compliance, aiming to set new standards for corporate responsibility towards gender inclusion.

On a broader scale, the push for gender equity could gain momentum from government-led incentives for companies that exhibit equitable gender policies, coupled with recognition from industry bodies for those that excel in this realm. There's a critical need to galvanise and connect ecosystem efforts across sectors, with business leaders and industry bodies like the Confederation of Indian Industries (CII) and Federation of Indian Chambers of Commerce & Industry (FICCI) taking the lead.

At the level of the organisation, understanding the effectiveness of initiatives across the spectrum of hiring, retention and advancement is key. This requires more evidence on sector-specific strategies since what works in one industry might not in another. For example, the tech and manufacturing sectors need distinct approaches to inclusivity. Companies must refine their recruitment and promotion processes to eliminate gender biases, ensuring fairness and transparency in decision-making. This effort should include managerial training to underscore the importance of gender diversity and the means to achieve it. Furthermore, companies must implement additional measures to establish a safe and inclusive workplace. While compliance with the POSH Act and Maternity Act serves as a starting point, companies should delve deeper into understanding the intended objectives. It is imperative to go beyond the basics and implement measures that foster a work culture aligning with the ethos of these regulations. Above all, meaningful gender diversity and inclusion requires a substantive change in workplace culture, so, in addition to setting specific targets for gender representation, firms must invest in clear corporate strategies to ensure they can achieve results on a sustainable basis.

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Names of team members who have worked on this research report include

Udaiti Foundation	Centre for Economic and Data Analysis
Dr. Yamini Atmavilas	Dr. Ashwini Deshpande
Angad Bagai	Akshi Chawla
Khushi Boken	Dr. Kanika Mahajan
Karthick Morchan	Dr. Anisha Sharma
Roshni Mukherji	
Annu T Poulouse	

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Annexure

Annexure A - Areas of Inquiry

S. No.	Area of Focus	Area of Inquiry				
1 Organisational-Level Commitments		 Gender diversity targets Measuring and publishing gender representation data Corporate strategy to achieve gender equality Assessment of diversity measures Public commitment to gender diversity 				
2	Hiring	 Hiring channels and gender differences Hiring practices - gender-neutral vs. progressive Training of hiring managers - as a de-biasing mechanism Challenges in hiring women across roles Challenges faced in hiring women vs men 				
3	Retention	 Well-being policies - what exists Safety policies across size Gender sensitisation training - frequency/ nature Presence of a return-to-work program Types of Flexible Work Arrangements Reasons for exit by gender 				
4	Advancement	 Frequency of feedback sessions by gender leadership Performance management system Criteria for promotion and advancement Women-focussed advancement opportunities Challenges faced in promoting women in the workplace 				

Annexure B - Sample Description

SECTOR	SIZE BRACKET	SAMPLE SIZE
	50-200	5
IT/ITES ====================================	201-500	10
	500+	25
Pharma – Health and wellnes –	50-200	10
	201-500	10
	500+	20
BFSI —	50-200	20
Banking and Financial	201-500	10
	500+	10
Retail	50-200	20
	201-500	10
	500+	10
	50-200	10
FMCG — Food and consumer goods —	201-500	15
	500+	15
TOTAL		200



Centre for Economic and Data Analysis (CEDA), Ashoka University

Plot No. 2, Rajiv Gandhi Education City, National Capital Region P.O.Rai, Sonepat Haryana-131029



The Udaiti Foundation

242, Okhla Industrial Estate Phase 3 Rd, Okhla Phase III, Okhla Industrial Estate, New Delhi, Delhi 110020