

'Top NSE Firms have only 10% Women in Exec Director Roles'

Poor representation in middle management & core revenue roles hampering progress, say board members

Rica Bhattacharyya & Kala Vijayraghavan

Mumbai: Women in executive director roles comprise a mere 10% of the executive director cohort on the top 200 listed companies, despite growing efforts by Indian corporations to strengthen diversity at the leadership levels, according to an analysis by executive search and leadership advisory firm Russell Reynolds Associates.

This compares with a higher proportion of women as independent directors, which stand at 27%, primarily due to the regulatory mandate of at least one independent woman director on a listed board, according to Russell Reynolds Associates NSE Top 200 board analysis based on data collected from PRIME database.

D Shivakumar, operating partner at PE firm Advent International, said the top 200 boards should be the role models for others. "The chairman of the board and the hiring committee must make it their personal legacy to bring more talented women directors. This will need them to be open to accepting people who are different from them in thinking," he said.

"Out of the total independent directors on boards, 27% are women. Out of the total executive directors on boards, 10% are women. Overall, about 19% total board members are women," said Sanjay Kapoor, managing director and lead Board & CEO Advisory in India at Russell Reynolds Associates.

According to the data, 54% of board members are independent.

Board members and experts attribute it to the leaky pipeline of women in the middle management as well as the poor representation of women in core revenue-generating roles at the top.

"This points to the need to structurally address gender diversity issues in corporations to provide more opportunities for women to rise to the board through executive roles," said Kapoor.

India Inc watchers said the top



Leaky Pipeline

Executive directors are members on the board who also represent mgmt staff of a co

Out of the total independent directors on boards, 27% are women: Russell Reynolds Associates Analysis

Women exec in various sectors

- ◆ Financial services and industrial - 9%
- ◆ Technology boards - 6%
- ◆ Consumer boards - 12%
- ◆ Healthcare boards - 20%



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200 companies also need more women in their leadership management teams, not just boards.

Alpana Parida, the Tiivra Ventures managing director who is also on boards such as at Nestle India, said: "Pipeline of future women leaders is an issue. But that is because the same women are targeted. Corporates need to cast a wider net for women talent."

"Younger business leaders — many in 40s — could be a new generation of IDs (independent directors) and executive directors. Women in their 40s are seen as lightweights. It is rare for younger women to climb faster," she added.

Executive directors are members on the board who also represent management staff of a company — typically appointed as CEO, CFO, MD, etc. Non-executive directors do not have management responsibilities. PSUs were excluded from the analysis.

Female executive directors hold only 9% of financial services and industrial board seats and a mere 6% of technology boards seats, shows the analysis.

In the consumer sector, they hold 12%, while healthcare boards are the most gender diverse with 20% women.

Shailesh Haribhakti, chairman of audit and accounting firm Haribhakti & Co, who is also an independent director at several Indian companies, said: "It is important that more women in leadership roles put their hands up to take on the responsibility."