

# The benefits of including women in the boardroom

Inclusive and diverse leadership is the key to accelerating social impact and improving economic outcomes

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Despite evidence of women's leadership being linked to improved business outcomes and more resilient organizational structures, boardroom diversity is still seen as a moral imperative rather than a strategic one. After Sebi mandated companies to appoint at least one woman board member in 2013, women's representation on boards rose to 15% in 2019 (according to a 2020 *Mint* analysis of data sourced from NSE Info-base), up from a 5% in 2013. The idea of diverse boardrooms, with all its advantages, is often reduced to tokenistic measures that serve optics rather than systemic change.

The challenge is more layered than it appears at first glance. Women's leadership in organizations, in addition to being woefully low, is further skewed across business functions. Tech, product, and finance have fewer women leaders than

functions such as HR, customer service, and marketing. Similarly, when we consider women's organizational leadership, it is usually limited to corporates and start-ups. However, women's dynamic experiences and expertise bring strategic benefits to all boardrooms, which is particularly needed by India's growing social sector.

India's economic progress is fuelling its social and development sector, supported by the scope for increased public funding and the growth of private and venture philanthropy. This is paving the way for stronger public-private partnerships, wider on-ground programming, and inter-sectoral linkages. As this sector grows, inclusive and diverse leadership will be the key to ensuring sustainable and meaningful progress.

Studies indicate that women's leadership doesn't only enhance profitability for companies, which is a core objective for corporate outfits, but also helps organizations become more socially responsible, which is critical for purpose-driven organizations. Women's lived experiences, personal and professional, along with their cross-functional expertise, can infuse new thinking into siloed boardrooms towards growth and innovation.

The landscape of work in India is still perceived in dichotomies: private vs public, corporate vs NGO. To change these



outdated perceptions, innovative leadership is key. Gender-diverse boardrooms that blend strategic clarity with social awareness can build stronger organizations that not only perform well but also become aspirational places to work. This will help India's social purpose organizations (SPOs) to stay agile and resilient to

achieve long-term goals.

India lags in boardroom diversity, a situation complicated by legacy structures, gender inequality, and traditional hierarchies. Boardroom appointments are not usually transparent, and women have fewer opportunities to build networks that facilitate their entry into top roles,

due to social structures and generational conditioning. This results in a governance culture that is marked by narrow decision-making metrics due to homogeneity, groupthink, and limited understanding of contexts the organization operates in. For SPOs, civil society organizations, or mission-driven for-profits, addressing blind-spots in governance processes is vital to enhancing impact.

India's complex diversity, both geographic and cultural, means that purpose-driven work needs stronger governance. The social sector needs people who care, but also people who are adept at systems thinking and have technical and strategic expertise. The work doesn't end at appointing women directors—it only begins there. To ensure that leaders with innovative thinking are able to strengthen organizations and processes, diversity must be complemented with influence. Women leaders' inputs and decisions must carry equal weight and consideration, which will not be possible if women's boardroom representation remains tokenistic.

This requires a steady pipeline of women leaders who are geared towards SPO leadership. This allows experienced women to step into advisory roles that demand long-term vision, contextual understanding, and the ability to connect

strategy with purpose. This enriches the governance of the social sector and creates new career opportunities for women leaders. The capabilities that women bring to boardrooms extend far beyond the organisation and its area of work. Organizations steered by women are more likely to design and implement policies that address the unique needs of women, children, and minorities. Beyond immediate impact, it fosters reform for the status quo.

When women leaders are increasingly visible and empowered across government, India Inc., and the development sector, it creates avenues for more women to pursue their ambitions and seize opportunities. Women's leadership, especially when supported to be cross-sectoral, builds better credibility and legitimacy for diverse voices in key decision-making spaces. This is vital not only for organisational resilience, but accelerating social impact and improving economic and developmental outcomes for the country.

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