

Factors Affecting Declining Female Employment Rate in Service Sector in India—A Study Conducted in Delhi-NCR

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Abstract—India currently has an advantageous age structure of the population with a growing share of working age people and relatively few dependents, whereas most of the developed economies are at the verge of declining working age population. Such a demographic dividend, if accompanied by higher female participation rates, is alleged to have accounted for about a third of East Asia's high per capita growth rates in the period between 1965 and 1990 (Bloom and Williamson, 1998), but hinges on the productive employment of the working age population. Beyond economic benefits, India is observing a peculiar trend that is declining female participation as compared to the male counterparts. This research paper tries to find out the factors which are responsible for such a decrease. Women employees do not have linear career paths. More over in India women have dual responsibilities and the priorities do change after each career break. In this paper we have tried to analyze the family and organizational factors which affect the employment of women. In order to make the study precise this study was conducted in Delhi—NCR area in service sector, and in order to investigate the prevailing trends of female employment and the factors which are influencing their participation, are and the respondents were taken from various service industries like education, IT and IT enabled Services, Retail, Banking, BPO's/KPO's and Health Care. In this paper we have found that the factors which are affecting female participation in India are Family Culture, Non-supportive organizational policies, and lack of flexible working hours and there is more inclination of female's towards few industries in India.

Keywords: Patriarchal Society, Gender Stereotypes, Gender Segregation.

1. INTRODUCTION

Sociologists have rightly remarked that the employment of women is one of the key determinants of a country's social growth and development. If the statement is examined from India's point of view than the situation is alarming as according to a 2012 report by Booz and Co., a global consultancy, India loses a quarter of its GDP because of Low Female Participation Rate. India ranks 10th from the bottom among countries ranked according to the female labour force participation rate as per the World Bank data.

The proportion of working women declined the most between 2004-05 and 2011-12, India's female labour force participation rate (LFPR) declined by nearly 7 percentage points to 22.5% according to the National Sample Survey Office, even as the economy expanded at an annual pace of 8.5%

Women account for half the working age population but represents only 1/3 of the labour force. Women who do have a job typically earn less, and are much less likely to rise to leadership position than men. (According to June 2013 special issue of Finance and Development Journal by IMF)

The factors affecting Female Participation rate can be accounted to several reasons as per many scholars like

- i) Patriarchal Society and dominating cultural values
- ii) Gender Stereotypes
- iii) Factors affecting workers attitude for are-entering Women and organizational supports (Like flexible working conditions and crèche's etc)

In order to make the study more specific, this research was conducted in Delhi-NCR area and the respondents were taken from various service industries like education, IT and IT enabled Services, Retail, Banking, BPO's/KPO's and Health Care.

Patriarchal Society

Patriarchy is a social and ideological construct which consider men (who are the patriarchs) as superior to women. According to Walby (1990), it is a social system in which the role of the male as the primary authority figure is central to social organization, and where males hold authority over women, children, and property.

Gender Stereotypes

According to Steel (1995), "Stereotype threat refers to being at risk of confirming, as a self characteristic negative stereotype about one's social group".

In our culture, the ideal male is perhaps seen as competent, stable, tough, confident, strong, accomplished, non-conforming, and aggressive and is the leader. The ideal female is perhaps seen as warm, emotional, kind, polite, sensitive, friendly, fashionable, gentle, soft and is the follower.

2. GENDER SEGREGATION

It is the tendency for the male/female to be employed in different jobs (Blackburn, 1997). 1990 onwards, the issue of occupational segregation by gender has been the focus of study in both academic research and in policy making. With this background this study intends to document the distribution of female labour force participation in comparison to male force and gender segmentation in Indian labour market. It is said that female are often engaged in some limited occupations, resulted labour market segregation.

3. OBJECTIVES

- i) To get insight into the extent of the influence of patriarchal society and culture on to the career of women.
- ii) To test the inclination of women towards few industries.
- iii) To test the attitude of the employers towards the women taking re-entry after a career break.

4. LITERATURE REVIEW

Declining Female employees participation in developing economies has attracted the attention of many and in India in spite of increasing education level and the presence of several labour laws to protect the rights of working women; still the women participation in few industries and few states is declining more over those women who are working are also not having a linear career path.

Declining women participation not only leads to macro economic factors but it also affects a part of the growth and stability equation. In particular, in rapidly aging economies, higher female participation has boosted growth by mitigating the impact of a shrinking workforce. Better opportunities for women can also contribute to broader economic development in developing economies.

Analyzing 1999-2000 NSS data using logistical regression models, Olsen and Mehta (2006) find a U curve for employment by female educational status with illiterate and poorly educated women as well as those with university degrees more likely to work than middle educated women. The authors suggest these results are driven by increasing household incomes and cultural norms, resulting in a 'house wife station' process for certain groups of women. Employed women face the double burden of domestic work as well as outside employment, which makes a compelling case for them to be willing to opt out of employment with increasing household income. Highly educated women (also a proxy for

class), on the other hand can afford to employ domestic help and thus, are able to participate in the labour market.

The National Sample Survey Data reveals that in India, there has been a consistent decline in female labour force participation rates both in rural and urban areas since the 1970s, with the period 1999-2000 to 2004-5 being the only exception. During 2005 to 2010, there had been a decline in female employment by 21.2 million (according to usual principal and subsidiary status). This decline is primarily attributed by the 19.8-million fall in female employment in rural India. Post 2010, employment opportunities for women in rural areas further declines by 2.7million. In urban areas, however, there has been an increase in female employment of 4.5 million during 2010-2012. The decline in rural female labour force participation rate during 2005 to 2010 was much sharper in case of principal and subsidiary status taken together as compared to only principal status, thus implying that a larger share of fall could be attributed to decline. (Rahul Lahoti & Hema Swaminathan, 2013)

A forthcoming OECD (OECD 2014a) paper estimated quantitatively key determinants of low participation of women in the job market in India. It confirms the strong impact of socio-economic factors, especially in the South and West, in reducing participation. In the East and North other cultural factors, such as religion, dominate. Other deterrents to participation are stringent labour laws that discourage formal job creation with social benefits, weak infrastructure, and access to financial services.

5. HYPOTHESES

The study validates the four hypotheses listed below, and checks whether the declining rate of female labor force is significantly correlated to the strong impact of social norms and negative attitude of employers towards re-entering of females after a career break.

H₀₁: The Family-cultural would have a significant impact on the declining female participation.

H₀₂: The Organizational Policies are positively related to female labour force participation.

6. RESEARCH METHODOLOGY

Research Design

Data was collected through questionnaires aimed at measuring that whether the family-culture, organizational policies, inclination of females towards few industries have a significant relationship with the female employee's participation in India. A total of 30 responses were gathered from working women were gathered out of which 15 were married and 15 were unmarried and the and the respondents were taken from various service industries like education, IT and IT enabled Services, Retail, Banking ,BPO's/KPO's and Health Care etc. All the respondents were within the age group

of 23 to 40 and they all were full-time and regular employees in their respective organizations.

7. MEASURES

To measure the factors affecting the women participation, the respondents were given the list of 12 questions which were measured on Likert’s five point scale ranging from “strongly agree” (5) to “strongly disagree” (1). Similarly other questions were asked to state whether their current organization offers those policies or benefits which supports female participation and the respondents indicated their response by indicating “yes” or “no” or “Uncertain”. Responses were coded as “2” or “1” or “0” and the responses were summed up to create an overall policy.

8. DEMOGRAPHIC AND BACKGROUND VARIABLES

Demographic and background information were derived from self reported information on respondent’s marital status (0=single, 1=married), age (in years), education (0=graduate, 1=postgraduate) and tenure in the current organization (in years). Means, SDs, and correlations for all variables used in the analysis are presented in the Table 1.

Table 1: Reliabilities among Study Variables

	Factor's	n	Mean	SD
Work Related Factor's	Equal growth opportunities are provided to you as compared to males.	40	3.45	1.153
	Gender based harassment is common at work-place.	40	2.275	1.061
	Mine organization’s culture supports my work & family related issues.	40	3.275	0.96
	My work-place is flexible in leaves and work-schedules.	40	3.175	1.217
Family Related Factor's	Negative attitude from the people around you.	40	2.45	1.218
	My family is a major influence of your work performance.	40	3.589	1.332
	Nuclear families support more of empowerment to women.	40	3.375	1.25

Table 2: T-test Results for Independent Variables based on Demographic Factor's

	Work Related Factor's				Family Related Factor's						
	Equal growth opportunities are provided to you as compared to males.	Gender based harassment is common at work-place.	Mine organization’s culture supports my work & family related issues.	My work-place is flexible in leaves and work-schedules.	Negative attitude from the people around you.	My family is a major influence of your work performance.	Nuclear families support more of empowerment to women.	Marriage brings more psychological power to women.	Life of working women is more challenging in India as compared to male workers.	Maintaining a balance between my personal and professional life is a real challenge for me.	I think that social values are depowering women in India

	Marriage brings more psychological power to women.	40	2.925	1.347
	Life of working women is more challenging in India as compared to male workers.	40	3.925	0.916
	Maintaining a balance between my personal and professional life is a real challenge for me.	40	3.125	1.223
	I think that social values are depowering women in India	40	3.35	1.075
Miscellaneous Factor's	I feel safe during night shifts in my organizations.	40	3.137	1.355
	Would your priorities change after marriage?	40	2.375	0.704
	Would you prefer to shift to remote areas if better career opportunity is available to you?	40	2.325	0.655
	Is your employer providing day-care centers where the children can accompany their parents?	40	2.025	0.576

Analyses

T-test was used to estimate if there was any significant mean difference in Work Related Factor’s and Family Related Factor’s by marital status. Standard Deviation is used to interpret that the values are close to the mean of the data set.

9. RESULT

T-test Results

As shown in Table 2, t-test results show some significant mean difference in Work Related Factor’s and Family Related Factor’s between married and unmarried women. Unmarried respondents have reported significantly higher level satisfaction from Work Related Factor’s like Equal Growth Opportunity, Gender based harassment , Organizational Support in Family related issues as well as with Work place flexibility with respect leaves and other policies.

10. HYPOTHESIS TESTING

H₀₁ the Family-cultural would have a significant impact on the declining female participation

Demographic Factors	n	Mean	t	n	Mean	t	n	Mean	t	n	Mean	t	n	Mean	t	n	Mean	t	n	Mean	t	n	Mean	t	n	Mean	t	n	Mean	t	n	Mean	t	n	Mean	t	n	Mean	t			
Married	21	3.23	0.22	21	2.28	1.42	21	3.38	0.70	21	3.34	0.21	21	2.23	0.25	21	3.42	0.55	21	3.09	0.13	21	3.19	0.04	21	3.90	0.04	21	3.38	0.49	21	3.31	0.19	21	3.15	0.19	21	3.85	0.19	21	3.52	0.19
Single	19	3.61	0.33	19	2.22	0.20	19	3.11	0.35	19	3.36	0.19	19	3.36	0.19	19	3.68	0.19	19	3.68	0.19	19	2.63	0.19	19	3.94	0.19	19	3.31	0.19	19	3.15	0.19	19	3.94	0.19	19	3.4	0.19	19	3.52	0.19

H₀₂: The Organizational Policies are positively related to female labour force participation.

As shown in Table 2, t-test results shows that T_{CALCULATED} < T_{TABULATED} at 5% level of significance, d.f. =38 (for all the factors included in Family Related issues), hence H₀₂ is accepted.

As shown in Table 2, t-test results shows that T_{CALCULATED} < T_{TABULATED} at 5% level of significance, d.f. =38 (for all the factors included in Family Related issues), hence H₀₁ is accepted.

11. DISCUSSION

The primary objective of this study was to identify the factors influencing female employment (Work Related Factors and Family Related Factor's). Overall results indicate higher levels of support for several study hypotheses.

H₀₁ examined the relation between Family-culture and its impact on the declining female participation. The result of this study reinforces the established positive links between the family culture and declining female participation. This means that family culture in India do not fully support working women in India.

H₀₂: examined the relation between Organizational Policies and female labour force participation. The findings shows that policy available does not significantly support female employees in India as they do not have straight career path and allied roles and responsibility.

12. IMPLICATIONS

This study has addressed the existing scarcity of research on Indian Female Employees. Though a number of researchers have studied women in developed countries, it is still a very novel and recent phenomenon in India. The findings also suggest that, the family and organization policies directly affect the employment rates of Indian women. Organizations should make efforts to make their organizational policies more supportive and inclusive for women.

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