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Empowering Women Leadership for Economic Development & Sustainable Growth - The Role of Women Directors

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Abstract

Through their leadership in corporate boardrooms, women directors play a critical role in promoting sustainable growth and driving economic development. This research explores this relationship. With the growing recognition of the value of gender diversity in society, identify and characterize the distinct contributions made by female directors to Corporate Governance, organizational performance, and overall economic growth. It explores the various ways that women directors influence decision-making processes and add to strategic initiatives. The research highlights the importance of varied viewpoints in augmenting inventiveness, efficacy, and durability in establishments. The report also explores the dynamics of empowerment related to women taking on leadership positions on corporate boards. It looks at the obstacles women must overcome to become directors, evaluates the methods used to get beyond those obstacles, and evaluates the empowerment that results for both the person and the larger community. The analysis highlights the influential function of strong female directors as advocates for gender equality and as agents of good change. The study also looks into how initiatives and policies may support gender diversity in boardrooms and offers insights into the organizational and structural aspects that contribute to fostering an inclusive environment that supports women's leadership through the analysis of effective practices and case studies. This paper attempts to highlight corporate governance changes, leadership development programs, and mentorship programs that help women advancement to positions of directors and key managerial persons in corporate sector.

Keywords: Economy Development, Economic Growth, Gender Diversity, Women Empowerment, Leadership, Women Directors.

Introduction

The position of female directors in the dynamic field of economic development serves as a beacon of empowerment and sustains progress throughout time. This introduction addresses how women directors help to shape economies that are not only robust but also socially and environmentally responsible, acknowledging the transformative power of gender-inclusive leadership. Women directors offer distinctive viewpoints, promoting diversity in decision-making and encouraging corporate cultures to promote inclusivity. They are trailblazers breaking through historically male-dominated boardrooms. Their leadership goes beyond financial indicators; it emphasizes worker empowerment, supports laws that advance gender equality and is dedicated to creative, community-focused approaches. In this investigation, we examine the various facets of the contributions made by women directors, demonstrating how their empowerment creates the conditions for a more robust and equal economic system.

Economic development and women's empowerment are strongly linked: on the one hand, growth by itself can significantly reduce gender disparity; on the other hand, empowering women may advance development. Does this mean that if you were to push one of these two levers, a good circle would start? This study examines the research on both sides of the empowerment development nexus and makes the case that ongoing policy commitment to equality for its own sake may be necessary to achieve equality between men and women since the relationships between the two groups are likely too weak to be self-sustaining.

Review of Literature

(Das) study illustrates how having female directors has a favorable and substantial impact on the listed firms' financial performance. The results could serve as a scientific foundation for Indian businesses looking to assemble the best possible board for themselves. They could also add to the body of knowledge by providing empirical data that sheds more light on the impact of corporate governance-particularly that of female directors-on business outcomes from India, a typical developing nation. Therefore, it is recommended that Indian businesses consider the representation of women in senior management roles and on the board in order to enhance their financial performance and attain sustainable growth.

Dang and Sharma study inception, the male gender has long dominated Indian society. It has long been believed that men are superior to women. But now the moment is different. Through several laws, women are given security and a special status in contemporary Indian society. In addition, women have traditionally been eligible for tax incentives from the government. The only goal of some legal laws is to elevate women's status in society. Here, we could contend that the second proviso to section 149(1), which calls for the nomination of the women director, represents an endeavor to empower women in India through the Companies Act, 2013. The impact of women's representation as board directors is the subject of this study.

(Goldin) study focuses on those who are married because of their numerical importance among all

women, and because changes in their economic role have had repercussions transcending the economic sphere. Single women are not, however, ignored. The labor force, education, and home experiences of young, single women have profoundly influenced their economic roles when married and have also affected the economic roles of their mothers. My methodology stresses a life-cycle approach to understanding change in the economic role of married women. Change during one part of the life cycle can affect employment in another part. Thus, different cohorts at any point in time may respond differently to the same set of factors. The analysis is limited to the economic behavior of white women because the labor force participation of black women has differed in significant ways from that of white women even in analyses accounting for income, education, and family size. Most studies of this phenomenon have concluded that white and black married women differ substantially in their labor supply function.

(Hisrich and Sevgi) his research focuses on the traits, achievements, and issues faced by female entrepreneurs in Turkey, a growing country. The findings show that although the female entrepreneurs shared many traits with their international counterparts, they also differed in other areas, such as the reasons and motivation for their business launches and the challenges they faced. A developing economy's distinct social structure, including the effects of income inequality, occupational segregation, and involvement in unsupported sectors of the economy, is partially reflected in these differences. These results imply that theories about women entrepreneurs that are based on established economies should be thoroughly studied before being applied to developing and non-OECD nations.

Women Board of Directors Vs Business

Add more female members to the team. Not because it enhances your reputation. Not because you have to follow regulations from the government. mostly because it is a wise business decision. The legal mandate has guaranteed that almost all 500 firms have a female director on their boards and has specified the representation of women on Indian boards. Following the law, 223 of the Nifty-500

firms, or 45% of them, only have one female director. Furthermore, the lack of female directors is also apparent on the boards of larger corporations. Out of ten or more members on their boards, 81 companies have one or more female directors. For instance, of the 19 members of the L&T board, there is just one female director. Even while a female director must do the same duties as a male filmmaker, she adds empathy, pragmatism, and intuition that are unique to her. In addition to becoming role models, female directors enhance the performance of their female staff and enhance the reputation of their organizations. Increasing the number of women on boards can help them access a rich and frequently overlooked pool of qualified candidates, add fresh perspectives, experiences, and ways of thinking to the decision-making process, deepen their current ideas and skill sets, and—perhaps most importantly—move the board closer to its goals. Companies that appropriately work on parity in managerial roles receive significant competitive benefits over those that do not, according to the World Labor Organization’s Business Case for Change: They see a 5–20% rise in profits. They exhibit more originality and inventiveness.

Women & The Economy

“Women and economy” were identified as one of the 12 crucial sectors in the “Beijing Declaration and Platform for action”, which served as a starting point. The 189 governments that signed the agreement pledged to take decisive action to address particular goals for improving the status of women in the workforce. There has been progress over the past 25 years, but equal access to financial resources is still a long way off. Women now work as farmers, industrial workers, CEOs of businesses, chemists, engineers, doctors, and in many more occupations that may have seemed unimaginable just a few decades ago. In business, agriculture, manufacturing, domestic work, market vending, migrant labor, and unpaid caregiving, women have significant and beneficial economic effects.

The Absence of Female Directors on the Board

As Deccan Herald reports several PSUs with no female members on their boards. Additionally,

he stated that although there are MNCs with higher representation of women on their boards abroad, India does not have that situation. For example, the boards of PSUs such as BEML, UCO Bank, Power Grid Corp, and Bank of Maharashtra do not have any female directors.

The Global Wage Report 2018/2019

According to the International Labor Organization (ILO), gender pay gaps can only be partially explained by differences in the educational backgrounds of men and women who work in paid employment. Even when they work in the same occupational categories, women often earn less money than males while having higher levels of education. Men’s and women’s incomes also tend to be lower in businesses and professions where women make up the majority of the workforce. Therefore, to close the gender pay gap, greater attention must be paid to addressing the undervaluation of women’s labor as well as assuring equal pay for men and women.

The Gender Gap Report 2020 made by the World Economic Forum

States that “In 2020, the Global Gender Gap score (based on the population-weighted average) stands at 68.6%. This means that, on average, the gap is narrower, and the remaining gap to close is now 31.4%. This year the progress has not only been larger than in the previous edition, but also more widespread: out of the 149 countries and economies covered both this year and last year.” No country to date has yet achieved full gender parity.

Conclusion

In conclusion, this study underscores the critical role that women directors play in economic development and the empowerment that results from their leadership. Recognizing the value of gender diversity in corporate leadership is not only a social imperative but also a strategic necessity for achieving sustainable and inclusive economic growth. The findings presented contribute to the ongoing discourse on gender equality, offering valuable insights for policymakers, corporate leaders, and advocates working towards a more equitable and prosperous future.

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