

SOCIO-ECONOMIC IMPACT OF GENDER: INDIA

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ABSTRACT

Developed countries have established offshore information technology and business processing outsourcing (BPO) in India where there is a ready source of low-cost, highly-educated individuals. However, managers should anticipate significant cultural differences when compared with the United States. For example, factors such as historical and political backgrounds, religious viewpoints, and a patriarchal society contribute to the success or failure of Indian women in the work environment. The resulting increase in women's employment in India from outsourcing has a significant socio-economic impact. This paper examines one cultural aspect: patriarchy and its implications for U.S. corporations.

BACKGROUND

Kumar & Sethi report that over 200,000 Indians are employed in the \$4 billion IT/BPO industry. [2, p. 52]. According to the PBS documentary —Outsourcing in India,“ over 50% of the individuals employed by BPOs are women. Agarwal & Kashyap state that —women's entry into the workforce over the past three decades has changed the association of families, society, the economy, and the urban life“ [1, p. 100]. However India recently ranked only 103rd on the United Nation's Gender Development Index. Arranged marriages are still the norm and most women live in their parents' home until married. Often women lack decision making ability, deferring instead to their husbands and mother-in-laws. Many families are reluctant to allow their daughters to work, especially evening shifts, because of safety concerns and erosion of the family lifestyle. Some parents worry about what is viewed as a western attitude invading Indian culture. Parents are also concerned that students will sacrifice further education for the immediate financial rewards of dead-end IT/BPO positions.

MANAGEMENT IMPLICATIONS

Indian labor laws have recently been modified to allow women to work late. However, in most cases, public transportation is either not available or it is not safe. Providing company transportation to and from work along with in-house catering alleviates some of the safety concerns. However, these services are new to India and corporations must be prepared to assist in developing these industries. Families may also be encouraged to tour the workplace prior to their daughter's employment. Onsite daycare facilities show awareness for the importance of family. Another legal issue is sexual harassment in the workplace and companies must establish required complaint committees. Management should also consider improving the quality of work rather than outsourcing only simple processing. For example, recent outsourcing in India includes financial analysis, legal case research, and medical research testing. With these employment arrangements, companies benefit from qualified personnel and Indian women now have more personal choices concerning their finances, marriage, and children.

[1] Agarwal & Kashyap. Microfinance. Hyderabad, India: ICFAI University Press, 2005.

[2] Kumar & Sethi. Doing Business in India. New York, NY: Palgrave MacMillian, 2005.