

# Women Participation in Formal (Organised) IT Sector in India

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#### **ABSTRACT**

Indian economy has a tiny organized sector where enterprises are incorporated and registered under the companies Act and workers get social security benefits and other stipulated legal entitlements. Then there is a vast unorganized sector where enterprises are small, employing less than ten persons; these enterprises; are neither registered under any legal stipulation such as the Industrial Disputes Act, nor their workers are entitled to social security ,provident fund or other employment related benefits. According to the National Commission for Enterprises in the Unorganised Sector (NCEUS) set up by the Government of India in 2004,"the unorganized sector consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and purchase of goods and services, operated on proprietary or partnership basis with less than ten total workers". The International Labour Organisation (ILO) categories these sectors into the' formal sector' and the 'informal sector'. The unorganized sector of the Indian economy is thus, also called the informal sector while the organized sector is known as the formal sector. A metamorphic change is occurring all over the world with the advent of information technology. Information technology revolution not only increases the employment opportunities and GDP of a country, but also contributes to a cultural transformation and social revolution. (T.S Santhi, 2012) The Information Technology Association of America (ITAM) explained information technology, as encompassing all possible aspects of information systems based on computers. Both software development and the hardware involved in the IT Industry include everything from computer systems, to the design, implementation, study and development of IT and management systems. Owing to its easy accessibility and the wide range of IT products available, the demand for IT services has increased substantially over the years. The IT sector has emerged as a major global source of both growth and employment. (Economy Watch, 2010).

### I. INFORMATION TECHNOLOGY GLOBAL OVERVIEW

Across the globe, countries have recognized information technology as an effective tool in catalyzing the economic activity in efficient governance and in developing human resources. There is a growing recognition of the newer and wider possibilities that technology presents before the society in the modern times. The evolution of new forms of technology and imaginative forms of applications of the new and older technologies makes the lives of the people better and more comfortable in several ways. (Ministry of human resource development, 2008)

Rapid advances in the technology for communication media like television, computer, internet, printing and publishing has enabled to get prompt access to required information. Information technology (IT) has become one of the most robust industry in the world. It has increased productivity, particularly in the developed world, and therefore is a key driver of global economic growth. This industry has emerged as a major global source of both growth and employment. Economies of scale and insatiable demand from both consumers and enterprises characterize this rapidly growing sector.

Information technology has made people completely dependent for even the simplest day to day task. The information technology has drastically transformed the way of carrying out day to day activities. It is dynamic and vast and its absence for a day leaves a severe effect on everybody. Internet being the simplest form of information technology has a major role to play in our daily lives. It has become the backbone of every organization as well as a single house hold. This has been proved here in the following paragraphs.

Firstly, it has entered almost all the industries for instance, railways, airways and sea networks are connected with the help of information technology, as information plays a vital role in the smooth functioning in those sectors and lack of it even for a second can create havoc. Secondly, banking is another sector that depends a lot on IT. From carrying out important transactions to storage of confidential data, information technology has made several complicated and time consuming work a lot simpler and faster with considerable amount of safety. In fact e-commerce has made on line



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banking as well as online purchasing and selling of commodities and services much easier and faster adding to the convenience of the common man. By simply searching on the internet one can orders anything with just a click of the mouse button.

Thirdly, the travel and tourism sector all over the world has benefited a lot from the development of IT Industry. One can avoid the crowd and lengthy procedures of booking air or railway or bus tickets. One can choose from the best deals and book tickets online from the comfort of their living room.

Fourthly, IT plays a major role in simplifying various organizational processes. Most business enterprises rely on the power of information technology for carrying out their daily tasks conveniently and faster. IT makes complex procedures easier, faster and also helps a lot in avoiding redundancy. It lets individuals' access necessary data ensuring the safety of confidential ones.

Fifthly, the field of education has also been blessed with the benefits of IT. Online application to universities, checking results study materials and much more has made the reach of education broad and easier.

#### II. IMPACT OF INFORMATION TECHNOLOGY ON INDIAN ECONOMY

The Indian Information Technology Industry was originated under unfavorable conditions. During olden times local markets were absent and government policy toward private enterprise was hostile. The Indian Information Technology Industry was begun by Bombay based conglomerates that entered the business by supplying programmers to global information technology firms located overseas. During 1970's the Indian economy was state-controlled and remained hostile to the software industry. Even the Import tariffs were high like 135% on hardware and 100% on software. Even the exporters were ineligible for bank finance. In 1984 Mr. Rajiv Gandhi became Prime Minister and the Government policy towards Information Technology sector changed. The New Computer Policy (NCP 1984) consisted of a package of reduced import tariffs on hardware and software which reduced to 60%. (Iloveindia.com, 2007)

The Information Technology Industry has emerged as one of the most important industry in Indian economy contributing significantly to growth of the economy. This industry got a major boost from liberalization of the Indian economy. The structure of Information Technology Industry is quite different from other industries in the Indian economy. This industry is hugely dependant on skilled manpower. Primarily, a knowledge based industry, the IT industry of India has recorded significant success due to huge availability of skilled personnel in India. The IT sector is broadly categorized as.

- IT services
- IT enable services
- Software
- Hardware

In information technology, India has built up valuable brand equity over the years. In IT enabled services (ITES), India is emerging as one of the most preferred destinations for business process outsourcing (BPO). The importance of this industry in the Indian economy can be gauged from the fact that its contribution to the National Gross Domestic Product (GDP) has increased. (iloveindia.com)

Thus it opens doors to unparalleled career opportunities to aspiring young Indians as a result of some inherent advantages of the Indian work environment like the availability of a large talent pool of educated english speaking but inexpensive labour force, the Indian Government's policy incentives for profit making Information technology firms and the natural comparative advantage of the 12 hour time-gap with the American continent. IT has been instrumental in the growth of the Indian economy. The design, development, implementation or management of information systems is referred to as information technology. It describes the production, storage, manipulation and dissemination of information. India produces roughly 1.50.000 technically and socially adept engineers every year. Most of them migrate to developed countries and form an integral part of the workforce (Sahu, 2012).

The IT Industry has helped the growth of modern India in many ways. Indian engineers and technicians are sought world over for their competency and diligence and strong fundamentals in their field of work and study. India's technology boom has also helped her shed her hollywood image of being the land of mystics, snake charmers and beggars and has put her on the world map for being a global information hub.(Srinivas, 1998)

Further the Information Technology Industry in India has seen massive change, growth and development over the years. The future of this industry seems bright with more growth being predicted. Financial analysts are optimistically predicting strides in. software technology development in India. Additionally, the growth of the Information Technology Industry is expected to bring about a corresponding growth in other sectors like employment, exports and



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foreign direct investments. Information technology sector is also intimately linked to other relevant sectors like biomedical technology, defense and infrastructure. (Vijayasri, 2011)

#### III. OBJECTIVES AND TARGETS DURING TWELFTH PLAN (2012-2017)

The main aim is to harness the potential of the software and services sector to contribute to the country's development and growth, particularly in terms of investment, exports, employment generation and contribution to GDP. Keeping in view the growing congestion in Metros, the IT-ITES Industry needs to look beyond the Metro cities for balanced regional development. The key objectives for the twelfth plan are as under:

- To retain India's leadership position as a global IT-BPO destination, consolidate and grow in both mature and emerging markets.
- Enhance innovation and build India as the hub for global design and product development.
- To harness ICT technology for inclusive growth, promote gender inclusivity and ensure balanced regional growth.
- To nurture and accelerate the growth for the SMEs(small and medium size enterprise) and start-up enterprises in the country.
- Build India centric software industry, drive domestic market IT adoption.
- To focus on development of IT- ITES/ BPO industry beyond the current 7 Metros including NCR.

#### IV. WOMEN IN INFORMATION TECHNOLOGY

In Indian society there occurs a great disparity in the matter of economic resourcefulness between a man and a woman. Our society is male subjugated both economically and socially and women are always dispensed with dependant role. A nation that does not esteem its women cannot be designated as a civilized nation at all. Such a nation cannot grow and develop. Thus, the national consensus should focus on betterment of women by befittingly empowering them.

India's patriarchal societal views will take many years to change, more and more Indian women are engaged in business enterprises, multi-national careers, and have better opportunities because of the availability of goods, information, and capital as facilitated by the growth of information technology. The elite class women will continue to benefit directly from the increased opportunities created by the overall economic growth, while middle class women enjoy the secondary benefit of using Information technology as a tool for economical opportunities. The rural communities feel the trickle down affect as increased numbers of Non Government Organization (NGO) focuses on using Information Technology to raise the living standards of the inhabitants. The tradition of activism and collective organization combined with the new tools of information technology will help Indian women to achieve self-reliance and self-respect through entrepreneurship and economic independence.

As an increasing numbers of successful Indian female entrepreneurs come to prominence, they become inspirational role models for the young girls. The Indian society will gradually adjust to the new role of women, that of an independent, talented individual with the same capability and responsibility as men, and thus entitled to the same rights and privileges. However, the successful woman will also need to take care of home, as well as contribute to the society. IT provide Indian women of all segments a mean to gain economic independence, obtain self respect, and find their voices to be heard. (Wang, 2004)

In the first phase of Information Technology revolution, women mostly found jobs in the lower end. Work such as data entry and word processing, and assembly of electronic components. However, as manufacturing advances and manual jobs become obsolete, new opportunities in services emerged such as information processing, software development, and call center support. If we visit any of the Wipro Spectra mind call center operation or walk through Infosys's Bangalore campus, we will see many Indian women in traditional garbs of sari or salwar-kameez, on the phone answering a Dell customer's question or managing the outsourcing transition for American Express. It is undeniable that Indian women have made significant inroad into the higher value added segments of the Information Technology Industry. However, it is believed that female programmers at times face discrimination in compensation and promotion. (YuWang, 2004)

The enabling characteristics and effects of the internet and the world wide web, as currently designed, create scope for women to become sophisticated and innovative technology users. In the information age, in contrast to the industrial age physical power has become less important to economic competitiveness. Human, social, and information capital have largely replaced physical capital in importance within industrial economies. The economics and architecture of the internet and world wide web enable disintermediation allowing women in many cases to bypass traditional gatekeepers and power brokers. The internet and world wide web provide an exceptional medium within which to expand and strengthen interconnections, linkages, and networks independent of distance rendering the coordination costs of organization by geographically dispersed women less burdensome. Finally, the capacity of information technologies to enable more flexible, family-friendly work arrangements may assist women to combine work and family in ways that offer new possibilities for professional career and social development. (Jane E.Fountain, 2000)



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The IT industry in India is such an important source of employment for young Indian professionals and because an unprecedented amount of those young professionals are women, Information technology companies have the potential to become leading examples of women friendly employers.

In 2012, an international consulting and management firm called Booz & Company released 'The Third Billion', a global ranking of the level of economic empowerment attained by woman on 128 countries. The indicators used included equal pay for equal work, non discrimination policies, the male to-female-male employee ratio, and equality in terms of female managers and senior business leaders. India rated quite poorly at spot 115. Further, the International Labour Force reported that the rate of female participation in the total labour force in India has fallen from 37% in 2004-05 to 29% in 2009-10, leaving India at the 11th lowest spot out of 131 countries. Despite these declining rates, it was estimated in 2010 that approximately 5.5 million Indian women were entering the formal workforce each year at that period in time, and though the aforementioned statistics likely indicate that a larger proportion of men are entering the formal workforce each year than women, this was a significant amount of employees, many of whom will be faced a unique set of challenges in the workplace simply because of their gender (Jaddine Lannon, 2013).

The percentage of women employed in the Information Technology Industry in India has actually decreased from 26% in 2010 to 22% in 2012 even though the number of jobs created in this sector continued to increase annually. Again, these statistics most likely point to a larger number of males available for employment than females but they also show that the number of women employed in the Information Technology sector is not significantly increasing. (Dataquest's Best Employer Survey, 2012).

Considering, then, how important the Information Technology Industry may be for the employment of young female professionals, the responsibility to create nondiscriminatory and comfortable workplace environments should fall heavily on the largest and most economically significant companies in the software sector, as they have the opportunity to set precedents not only for the rest of the industry but for Indian employers as a whole. (Jaddine Lannon,2013) The present paper present the summary, findings and recommendation of the study "Women Participation in Information Technology Industry in India-An Analysis". This topic was taken for the study as Information Technology Industry is an important industry of India and issue relating to women are gaining importance both in social research and actual policy making.

Information technology refers to anything related to technology such as networking, hardware, software, the internet. Many companies now have information technology departments for managing the computers, network and other technical areas of their business. The employment structure include computer programming, network administration, computer engineering, web development, technical support and many other related occupations. Since it is the information age, information technology has become a part of our everyday lives.

The information technology industry has emerged as one of the most important industry in Indian economy contributing significantly to the growth of the economy. This industry got a major boost from liberalization of the Indian economy. This industry is hugely dependent on skilled manpower. Primarily, a knowledge based industry the IT Industry of India has recorded significant success due to huge availability of skilled personnel in India.

India would be emerging as global information technology superpower and one of the largest generator and exporter of software in the next ten years. The Indian Government has appointed a National Task Force on information technology and software development and its recommendations are as under:

- 1. Encouraging private software technology parks.
- 2. Zero customs and excise duty on IT software.
- 3. Income tax Exemption to software and service exports.
- 4. Dollar Linked stock option to employees of Indian software companies.
- 5. Embarking 1 percent to 3 percent budget for every ministry/department for IT applications.
- 6. Financial packages for buying computers.

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