

## **CHAPTER-II**

### **Industrial Overview**

#### **2.1 Indian Information Technology/Information Technology Enabled Services Sector and Remote Working**

The ‘design, development, implementation and administration of computer-based information systems, notably software applications and computer hardware, is referred to as Information Technology’ (IT). The Information Technology-Enabled Services (ITES) industry delivers services to a variety of external business domains via a telecom or data network. Customer support, web content development, back-office management and network consulting are some of the business process outsourcing (BPO) examples. Information technology services (IT's) are those, which businesses implement for creating, managing and delivering information, as well for assisting with other business operations. Few examples of these services include software development, consultancy and system integration. There also exists more "hands-on" duties, such as education and training, hardware deployment and assistance and hosted or outsourced IT services. In general, IT services allow firms to operate more dexterously (Mlitz & Van Den Hoogen, 2021). According to The News Minute (2021), IT industry is a key constituent of the futuristic India, comprising for over 8% of the national GDP and producing over 4 million direct and 10 million indirect jobs.

On one end, it develops technologies that modify the work processes and have a significant influence on the socio-economic condition. Meanwhile independently and creatively applying its inventions in the field of employment and work organisation (Holtgrewe, 2014). Technologies like AI and cloud computing have narrowed down the gap of transmitting IT services across the borders without looking forward towards tech-hubs such as silicon valley for advanced software, giving rise to a new era of e-globalisation. The Indian IT sector began with hardware items and the software business was virtually non-existent until 1960. A software export strategy in 1972 was developed by the government, which determined the import of hardware and export of softwares (Vaidya & Kashyap). The ICT sector has consistently shown progress and innovation, necessitating

a digital transformation strategy to help organisations manage the changes resulting from the incorporation of agile technologies (Matt et al., 2015).

Reports depict higher dependence on telecom sectors in India with the recent advent of increased distant working practices. Work from home, video conferencing are noticed to be key enablers during pandemic times and this new work form is estimated to indirectly affect mobile and battery manufacturing. Additionally, information technology, quiet for a while, has now been empowering alternative means for organising work that are contradicting traditional management paradigms (Boselie, 2010). This trend which has come to limelight in countries around the globe has the capacity to change the face of traditional working norms and is going to stay due to the soaring advancements and social developments (Pouliakas, 2020). As per several economists, over a third of every job in advanced countries having technical feasibility can be transformed into distant working, as jobs most suitable for teleworking or WFH are highly based on technology and computer systems (Golden, 2012).

Sectors like Information and Communication Technology (ICT), knowledge-intensive services and education were the ones that were engaged in a significantly higher degree of remote working practices compared to other industries (Eurostat, 2020). The highest remote working trends were witnessed in the professional service industry (17%), backed up by healthcare with 12 percent, finance and insurance sectors at 10 percent, manufacturing by 8.5 percent and educational services by 7.5 percent (Contreras et al., 2020). These sectors which were growing steadily in remote working practices around the globe, suddenly encountered a booming effect due to the current health crisis. Converting the complimentary benefit of remote work into compulsory orchestration. Consequently, raising scholarly discussions on the combined efforts of the Indian IT Industry society and NASSCOM for developing a framework to address the hybrid workforces and its aftereffects on several industrial prospects.

Several stakeholders in the sector were also seen taking a stride towards this paradigm shift of 'Work-From-Office' to 'Work-From-Home'. Considering the remote working experiences during lockdown, different IT companies were induced to rethink a permanent shift in their workplace strategies (Mint, 2020). India's top listed IT companies like Infosys, Tech Mahindra and Wipro considered embracing the WFH approach. TCS was seen to make working from home a permanent chunk of its work model along with HCL

Technologies, which had a 50/50 long term vision for WFH. The government as well introduced simplified directives for BPO's and ITES companies for reducing compliance burden in order to assist the successful shift of these sectors towards the blended mode of work after COVID era (Mishra & Ishwar, 2020). The growth of remote working was evident in the study by Pillai & Prasad (2022), showcasing the results of a survey where the virtual work increased to 80% in August 2020 compared to 60% in April 2020, claiming further increase up-to 100% in coming times especially in the IT sector. However, when the signs of pandemic are slowly seen to be ebbing in recent times, corporations have begun the transition process to WFO from WFH or remote working. As a repercussion to which, TCS show a mass resignation from its female employees challenging the company's decision to evoke work from home policy (Online, 2023). Nevertheless, some firms are still seen continuing the trend in India, which makes it more interesting to observe the changes occurring in the functioning of such organisations (Misra et al., 2023). Because undoubtedly, these work practices of work-from-home, home office, remote or work-from-anywhere and hybrid work are not new anymore among the workers of this industry today and has brought significant benefits to the employees and the organisations as well during the pandemic (Kolluru et al., 2021). This concept that has transformed the way of work and communication for employees round the globe is still seen to be at its nascent stage in India and other developing countries (Chaudhary et al., 2022).

**Table 2.1:** *The market size of Indian IT sector as per NASSCOM strategic report-2020*

Components	Value (Billion USD)
IT services	99
BPM	38
ER&d	31
Software	92
E-commerce	57

**Source:** Kolluru et al., 2021

The IT service component is seen dominating the Information Technology market for the fiscal year 2020. As reported by Business Line Hindu, the Indian information technology

sector has grown to become one of India's corner stones (table 2.1). IT majors are all set to increase their workforce to address India's growing demand for IT services (B, 2024).

**Table 2.2:** *Share of revenue of the Indian Information Technology as per NASSCOM strategic report-2020.*

Components	Percentage
IT services	50.7
Software products & engineering services	21.1
Business Process Management	19.8
Hardware	8.4

**Source:** Kolluru et al., 2021

In terms of generating overall sectoral revenue, IT services sector has the highest contribution with 50.7%, followed by software products and engineering at 21.1%. BPO's at 19.8% and hardware components contributing at least with 8.4% (table 2.2).

## 2.2 Women in the Workforce

India has severed the logical link between education and employment. In rural India, 67% of women graduates are unemployed. According to a research by the United Nations Development Program, Women's Voices, Employment and Entrepreneurship in India (2015), 68.3 percent of graduate women do not have paid work in towns and cities. Other significant restraints include family and responsibilities for home work. Women who account for nearly half of India's population, participate in the labour market by just one-third. The research in regard to young, unmarried women by Evidence for Policy Design conducted by a team of Harvard Kennedy School faculty researchers in 2016 discovered that women either do not accept jobs or depart for 'family reasons' or the age and marital status determines what jobs women are to perform and from where. Indian women have their own set of difficulties in comparison to their western counterparts, facing unique work-family conflicts due to child care, elder care, spousal relocation and travel issues. Holding all the social roles they are expected to perform as a wife, mother and daughter in law duties and being blamed in case of any mishaps. Supports of any kind from the male spouses were to be less likely in India as men who do housework were often looked down on in this country (Ravindran & Baral, 2014). Budhwar et al. (2005) in their article, cited

the representation of Indian women at managerial positions to be low as compared to that of men due to many influencing factors within and outside the organisation. They were mainly involved in the IT, HR and service activities rather than in hard core production, marketing and sales. Despite the favourable presence of women in the Indian IT sector, research indicated that the gender difference in access to employment was marked right at the entry level by higher presence of men in export and software sections and that of women workforce in domestic low end and ITES.

While a huge percentage of graduates from engineering and B schools in India today are women, the majority of top-level position at corporates are still occupied by men. Comparing the data on female managers to male managers ratio in Asia and the Pacific regions, India happens to stand at the bottom of the ladder (Tabassum & Nayak, 2021). On one hand, when the male employment increased by 0.9 million in the first four months of 2017, 2.4 million women lost their jobs, in accordance to the Centre for Monitoring Indian Economy (CMIE). "Whenever there is an employment problem, women are the ones who are seen suffering," Mahesh Vyas, the MD and CEO of CMIE, told The Wire (2017). (Del Boca et al., 2020) Previous instances of crisis, such as the economic recession, have demonstrated that disasters have had unequal impacts on men and women. This disproportionate effects of catastrophes and obstacles on different genders have become widely acknowledged in research and recovery programs for catastrophic occurrences. Yet, the Indian policy guidelines continue to neglect the gender perspective in disaster restoration. Valk and Srinivasan, (2011) on the other end explained the entry of women in IT on a massive scale and the challenges faced by them while balancing the frequently transitioning work requirements of learning new technical skills along with managing the family roles as a women/ wife/ mother/ daughter, which requires to be resolved via supportive HR policies backed up with necessary research for addressing such issues on women as a career oriented and family women. Grady and McCarthy (2008) in their work which explored meaningfulness in work for mid-career working mothers showed that, meaningfulness resulted from the ability of integrating work, home and self. Which is dependent on their own belief and choices as to how much time they wanted to spend in each domain and could be possible only if they are provided with flexi-option programmes by organisations in order to retain these experienced talents operating at mid- career.

Moreover, there were jobs in the past where women were witnessed to be highly involved, like in the field of education, healthcare, house help, and as per the ILOSTAT data 2020, similar jobs with clerical and other administrative services are said to be dominated globally (Limani, 2024). Yet, despite the rise in the education rate of females in the country, the female labour force participation is still seen to be very low which was 20.3% in 2019 and 26.2% in 2020, compared to that of male labour force i.e, 75.8%. Even though the percentage is not what can be called a viable share of female in the work force, women are still working outside their homes more in comparison to the past scenario, resulting into interference in their domestic and care giving responsibilities. Yet, workplace norms are not seen adjusting to the growing numbers of such dual responsibility workforces, even though earlier research have shown the benefits of family friendly policies in increasing workplace diversity and women's increasing participation in the labour force (Ravindran & Baral, 2014). Hence, such policies on work schedule flexibility are more critical to be levied upon in the organisation and to be followed in order to predict positive career outcomes for women, rather than just being present in form of any diversity and inclusion (D&I) initiative.