



FACTORS INFLUENCING FEMALE WORKFORCE PARTICIPATION IN URBAN INDIA: A CASE STUDY

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ABSTRACT

Is urban women's workforce participation primarily dependent on family responsibilities and vocational skills? Do they prefer government jobs over private jobs? To find the plausible answers to these research questions, a primary survey on 210 urban women from different metropolitan cities in India was carried out. The study finds that : (1) around 85% urban women prefer government jobs to other types of employment for maintaining the work life balance; (2) marriage and other family responsibilities significantly lowers urban women's likelihood of working and (3) there exists an u shaped relationship between education level and workforce participation , and finally, (4) despite this relationships, professional degree and vocational skills significantly improves urban women's probability to join the workforce. The study suggests that urban women should be given greater opportunities for acquiring professional and vocational skills.

KEYWORDS: India, gender, female workforce participation, urban women, education

1. INTRODUCTION

India has one of the lowest rates of female labour force participation with women's engagement in the workforce continuously dropping from 1993–1994 (Mehrotra et.al.,2014).The number has persistently been low despite decades of policies and programs implemented to address this issue. Researchers are concerned about the fact that women have been steadily leaving the labour force since the middle of the last 2 decades. Even though the India's Gross Domestic Product (GDP), educational attainment, and consequently household incomes, have all increased significantly , yet their women's involvement has been falling.

Cipollone et.al.(2014), observed that the female workforce participation is highest in Europe among the women aged between mid 30s to early 40s.. On the other hand, Kapsos et.al.(2014) observed low workforce participation among urban Indian women who are in their early and mid 20s Both the observations suggests that marriage and family-related responsibilities can be responsible for low female labour force participation. In comparison to their male counterparts, it is harder for women who do find employment to obtain acceptable compensation. Sengupta and Puri (2022) further observed a continuous, significant increase in gender pay gap in India during 1999-2012.

The 2017 Amendment to the Maternity Benefit Act of 1961 in India aims to encourage women's participation in the workforce by giving female employees advantageous entitlements, such as extending maternity leave from 12 to 26 weeks and mandating that every business with more than 50 employees offer a crèche service. The goal of the law is to prevent female participation from being limited by obligations related to parenthood. Various laws in India claim to help women succeed in the workplace but their effect however are the opposite. The Factories (Amendment) Act of 1987, for instance, stipulates in Section 66(1) (b) that "no woman shall be required or authorised to work in any factory except between the hours of 6 a.m. and 7 p.m. Despite greater commerce and less trade barriers over the same period, female involvement in manufacturing jobs focused on exports decreased in the 1990s. This decline was likely caused by legal restrictions placed on women's working hours through the factory regulations.

The urban FLPR dropped to 7.35 percent in April 2020 (Bhattacharya and Chaudhuri 2022), a decrease of approximately 200 basis points from its average of 9.7 percent in 2019–20. In urban India in 2020, female labour participation fell to 7.2 percent in October and then to 6.9 percent in November.



We discover that women still have considerably lower employment rates than men, notwithstanding an increase in their enrolment in colleges and universities. There is a clear U-shaped relationship between education and women's labour force involvement (Goldin 1994), and this relationship is most important for women in urban areas. Women carry out unreasonable part of unpaid domestic and care work and are subject to a number of social restrictions that limit their mobility and employment options, pushing them to accept non-wage work or withdraw from the labour field.

In this paper, the researchers tried to identify the plausible answers to the following research question

- 1) Do the women in urban area prefer government job more than private jobs or business opportunities? If yes, then what are the possible causes of that preferences?
- 2) Is urban women workforce participation directly linked with their education or other socio demographic variables like family structure, family responsibilities and family income?

The rest of the paper is arranged in the following manner. Section 2 gives a brief review of existing literature, Section 3 explains the research methodology. Section 4 focuses of the empirical results and discussion and finally, section 5 contains conclusion of the study.

2. REVIEW OF LITERATURE

Geeta and Unni (2001) examined that education responsible for difference labour market outcomes of women and men in urban India. They went on to further analysis, finding that women do experience high levels of wage discrimination in the urban Indian labour market and that wage discrimination will lessen somewhat with education. The results indicate that women with less education earn less money, and vice versa. They lastly find that for both men and women returns to education rise with education level.

Das et al. (2006) found that presence of young children (under 5), the number of elderly dependents in the household, the disappearance of multi - generational households over time along with the absence of crèches and institutional child support for working young mothers is all factors that contribute to the low or declining female labour force participation.

Mishra and Gupta (2011) observed that according to the most current National data, 40.5 percent of all PHD students and 45.9 percent of all undergraduate students enrolled in 2011 were female while 61.25 percent of metropolitan females with graduate degrees or higher were taking care of household chores. They found that women in paid professions are pushed out of the labour market by high social status, which is measured using social consumption as a proxy and are drawn back into it by women in waged labour levels.

Edward (2014) examined the relationship between female education and Women's labour force participation and fertility rates and suggested female education, particularly at the secondary and post-secondary levels, decreased female fertility and increased the possibility that women would participate in the labour force. Additionally, he discovers that lowering total fertility is anticipated to be crucial to accomplishing the Millennium Development Goals as well as the National Development Goals outlined in the National Development Plan.

Das, Jain-Chandra, Kochhar, and Kumar (2015) found that women are less likely to be employed in households with higher per capita spending. The likelihood that urban females will participate in the labour force is significantly and favourably impacted by expected wages. Additionally, more accommodating employment markets promote greater female participation in the workforce.

Parmar and Thomas (2020) hypothesized that women labour force participation is lower than men. The gender-based total imbalances of those in power and command over the management of the company are some prevalent disparities that occur inside the workplace. Women can't advance into higher-paying positions as quickly as males do. Gender inequality has decreased as a result of female employment. It is frequently suggested that the feminization of the workforce has also resulted in social polarisation among girls and that certain groups of girls are now more vulnerable and exposed to higher levels of uncertainty. Due to the gender pay gap, women do not receive the same compensation as men for doing the same work. In addition to dealing with a variety of issues and occasionally being victims of exploitation, harassment, and abuse at work, women do not always receive equal opportunities for promotion, training, and growth.

Agrawal (2022) , based on census data showed that there is significant difference in female and male workforce participation rate and existence of gender wage gap in India.

Thus we hypothesise that:

Hypothesis 1:

Ho: there exists no job preference towards government jobs among urban women

H1: urban women prefers government jobs

Hypothesis 2:

Ho: family income has no impact among women workforce participation

H1: workforce participation among urban women are related to family income

Hypothesis 3:

Ho: workforce participation among urban women is not affected by family structure and marital status.

H1: workforce participation among urban women is affected by family structure and marital status.

3. RESEARCH METHODOLOGY

For this research, data has been collected through organized surveys from the 210 respondents during March – May 2022. The essential information was collected from the respondents from women belonging to age group 18-60 from cities like Kolkata, Mumbai, Chennai, Delhi, Bangaluru, Varanasi, Ranchi., through a questionnaire (Google form) based survey. The questionnaire consisted of items on various aspects of the study additionally to the socioeconomic and demographic details of the respondents. Questionnaire was circulated through different social media platforms like facebook, instagram, whatsapp, etc., perhaps helped to succeed in a wider audience through snowball sampling method. The major variables are described below:

Working Status of the respondent	1 if working,0 otherwise
Years of Schooling	In years
Professional degree holder	1 if yes,0 otherwise
Marital Status	1 if married, 0 otherwise
Age	In Years
No. of Children	In number
No. of Family member	In number
Family structure	1 if joint family, 0 otherwise
Cast	1 if Reserved, 0 otherwise
Family Income per Month	In INR

The major determinants of workforce participation were identified using the following logistic regression :

$$l = \log_b \frac{p}{1-p} = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + \beta_5x_5 + \beta_6x_6 + \beta_7x_7 + \beta_8x_8$$

Where, $\log\left(\frac{\text{Probability of working}}{\text{Probability of not working}}\right) =$

- x1** = **Marital Status**
- x2** = **Age**
- x3** = **No. of Children**
- x4** = **No. of Family member**
- x5** = **Family structure**
- x6** = **Cast**
- x7** = **Income per Month**
- x8** = **professional degree holder**

4. RESULTS AND DISCUSSION

Table 2: General quantitative characteristics of the sample

	Maximum	Minimum	Average
Age	60	18	31.75
Year of schooling	22	9	15.27
No. of Children	3	0	1.2
No. of family members	17	2	5.39
Income per month	1200000	6000	95446.91

From Table 2, it is evident that out of 210 respondents 60 is the maximum, 18 is minimum and 31.75 is the average age of the respondent who went through the survey. Year of schooling shows 22 (PhD) the maximum, 9 (did not complete schooling) the minimum and 15.27 the average qualification in the total respondents. So, on average they have completed graduation. The number of family members range between 2 – 17 and that of children ranges between 0-3. The family income ranges between 6000 to 1.2 lakh and the absolute income gap with husband/ other male head of the family ranges between 0-60,000 INR. Here, it has been observed that

Table 2: General qualitative characteristics of the sample

	YES	NO
Married	135	75
General caste	115	95
Joint family	85	125
Employed	90	120
Professional degree	87	123
Prefers Government job	178	32

From table 2 it can be observed that most of the sample respondents are married and unemployed and belong to general caste. A large proportion of these sample respondents prefer government jobs. The respondents who preferred government jobs over other jobs were asked about the reasons for such choice. They were given 4 options, namely job security, better work life balance, better work environment and relatively low work pressure and asked to select only one of them. From figure 1, it appears that most of the respondents prefer government jobs because they think that they can manage work-life balance better if they are employed in government sector.

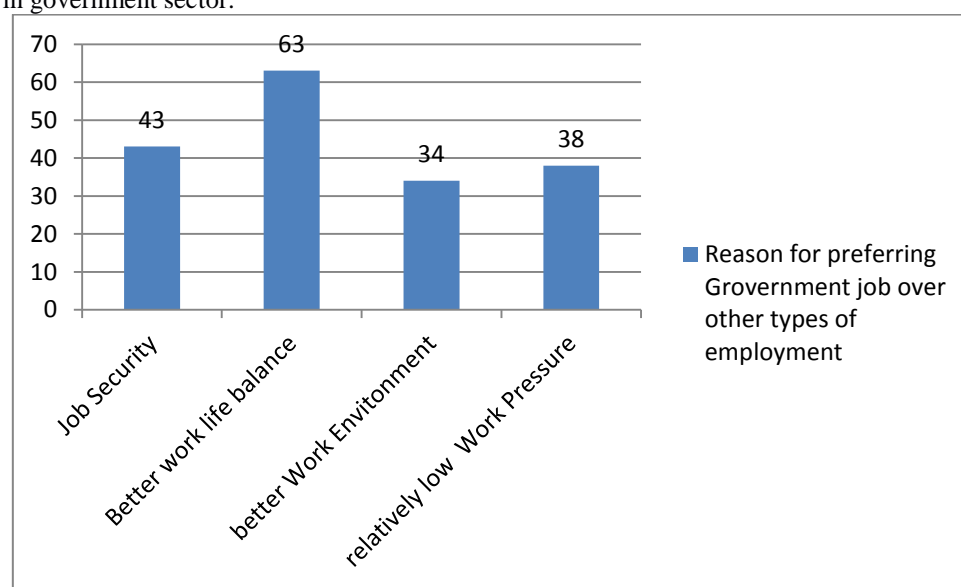


Figure 1: Reasons for Preference towards government jobs

Thus, it can be concluded that women are more concerned about their work life balance than other parameters like job security and work pressure.

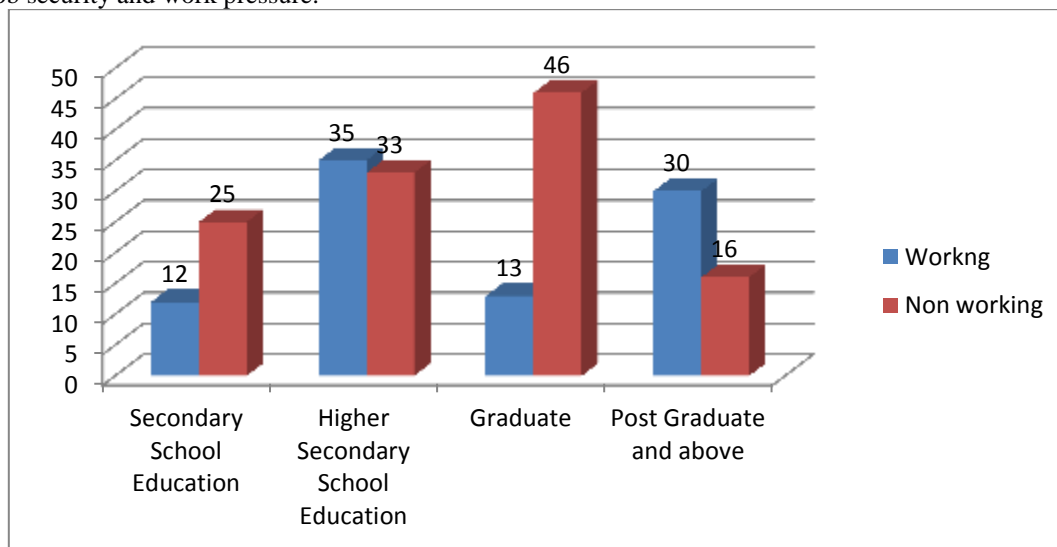


Figure 2: Women workforce participation across different education level

In figure 2, the sample respondents have been classified across their education level and it appears, that the workforce participation significantly differs across the education level (Chi square statistic 41.60, p value<0.01) and most of the graduates chose not to join the workforce. This observation is in line with Goldin (1994). As educated women are expected to be married in relatively well off families, they don't join the workforce. On the contrary, women who have completed post graduation degree or above are expected to join the workforce as their opportunity cost of education is higher than the rest. Moreover, gendered social norms (Agarwal 1997) can be a reason for low workforce participation among educated women.

Table 3: Determinants of workforce participation among urban women-Logistic regression result

Classification table	Predicted			Percentage correct
		working	not working	
observed	working	67	39	63.20755
	not working	23	81	77.88462
	Total	90	120	70.47619

Variables	B	S.E.	Wald	df	Sig.
Marital Status	-0.79	0.31	6.494277	1	0.010822232
Age	0.053	0.03	3.121111	1	0.077284085
No. of Children	-0.39	0.13	9	1	0.002699796
No. of Family member	-1.36	0.81	2.819082	1	0.09314966
Family structure	-0.068	0.031	4.811655	1	0.028267895
Cast	0.024	0.12	0.04	1	0.841480581
ln(family Income per Month)	-1.03	0.49	4.418576	1	0.035549706
professional degree holder	0.087	0.037	5.528853	1	0.018705363

Dependent variable=Respondents working status=1 if working, 0 otherwise

From table 3 it is evident that out logistic regression model has more than 70% accuracy. So, it is a well fitted model. Since we have already analyzed the relation between education and workforce participation using Chi square test, we have not included years of schooling in this model. Instead, professional degree has been included as people with professional degrees have higher opportunity cost of education and they are offered campus placement in completion of their education and this variable has highly significant and positive impact in the model. In this model, marital status has negative and highly significant impact on workforce participation



along with number of children and family structure, confirming a overall negative impact of family responsibilities. Family income also have negative and significant impact on the probability of joining the workforce implying less preference towards additional income or restrictive gendered social norms as discussed by Agarwal (1997). On the contrary age has positive but weakly significant impact on workforce participation implying older women are less influenced by gendered social norms or less family restrictions and responsibilities.

5. CONCLUSION

India has significantly low female labour market participation. Increasing the number of women in the labour force could stimulate economic growth. A variety of factors, including education, gender regulations, societal norms, and the nature of job creation, influence the participation of women in the workforce. In order for women to access better jobs, launch a business, and profit from economic growth, gender-responsive policies must be implemented. In the end, the objective is to create possibilities for quality work that will help women become more economically empowered, not only to boost female labour market participation.

The likelihood of a woman being in the labour force declines as household income levels rise. Women may leave the workforce if the socioeconomic standing of the household improves, according to a correlation between the female labour force participation rate and the education level of the household head that has been observed. Women with no formal education or only a primary education are more likely to work than those with a higher level of secondary education, although those with graduate degrees or above have a greater than 12% probability of finding employment in cities. Vocational training of any kind increases the possibility of participating in the labour market in metropolitan regions, with on-the-job training having the greatest impact. Our findings imply that policies promoting women's entry into the workforce, such as those emphasizing technical and vocational skills, can dramatically increase women's involvement while reducing continuous imbalance in the outcomes of the Indian labour market.

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