Accounting Women Professionals in India

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Abstract--- The women of 21st century are willing to explore all possible professions. The Accounting profession is found to be a suitable and rewarding profession by women, and many women are embracing this profession. Unfortunately, they are not retained in the industry and this leads to less number of women accounting professionals at the senior level. This phenomenon is prevalent across the globe, and talents that can contribute to this industry are lost. Glass ceiling and men sponsoring men act as powerful barriers for women to climb the ladder. The Indian women have not embraced this profession as global women.

Keywords--- Glass Ceiling, Sponsoring, Networking, Women, Accounting, Professionals.

Introduction

The first accounting woman professional in India is Ms. R. Sivabhogam, born on 23rd July 1907. She was part of the Gandhian movement and was involved in freedom fighting. She was imprisoned for participating in the Non-Cooperation movement along with her friends. It was there in prison she developed an interest for accounting profession. She was then supported by her sister and registered for the government diploma in Accountancy, and subsequently created history by becoming the first Indian Woman Accountant in 1933. She underwent article ship training under Mr. C. S. Sastri. Thus, the pioneer of Indian women accounting professional paved way for other followers. “The Accounting profession is one of the best recognized professional services, and is often seen as having a clear progression path to CFO or CEO position”, says Cecily Carmona. Today, more and more women are opting to be accounting professionals.

Accounting is a powerful profession and can empower women to a great extent. Accounting profession offers various options to choose from and makes the qualification holder more advantageous. Accountants can choose to join a multinational firm and enjoy secure employment with admirable pay packs and high professional status. Accountants can choose to run their own firms, venturing their entrepreneurial spirit and enjoy independent work environment. Thus, accountants can branch out into private equity, finance functions in corporate or even entrepreneurship. With such diverse career option and great recognition, accounting is a healthy pipeline for young women entering the profession. Developed countries have almost equal number of men and women in the profession. In the year 2013, women in Accounting profession was 61 percent in USA and 43 percent in Canada. In developing countries, the percentage is bleak – South Africa had 27 percent women accountants in 2009 and 34 percent in 2015.
Accounting profession demands high attention to details, as the recommendations and findings of accountants involve high stake in the corporates. Women accounting professionals need to be highly technically sound, intelligent and effective in delivery of uncomfortable and difficult messages they need to deliver to an audience who are totally different from them. The demands of family life force women to move out of huge corporates into their own businesses, smaller firms to have a lifestyle suitable to take care of their homes. Thus, women are not predominantly found at the top level accounting positions in large corporates. One encouraging trend is that most of the regulatory bodies of accounting professionals across the globe are making special efforts to make women overcome barriers in their career advancement and move to higher levels of corporate. South Africa and India have strong women development wing or body to strengthen women in terms of number, professional knowledge, skills and also the salary of women accounting professionals.

The paper makes an attempt to understand how the profession of accounting is empowering women to take leadership roles in society and corporates. The profession is a lucrative option for women wanting to advance in their career and take leadership roles. The study looks at the reality of less number of women accounting professionals in India and the barriers that cause that.

**Review of Literature**

Lindawati and Smark in 2015 expressed ‘Barriers to Women’s Participation in the Accounting Profession in Java, Indonesia’, explored three issues confronting women and limiting them from participating in the higher echelons of public accounting career. Both unstructured interview with women practicing public accounting and review of literature were adopted to understand the issues. The study found that social norms were repeatedly mentioned as a barrier for women to be fully professionally engaged. The three issues addressed were: proper behavior of women, burden of expected domestic role versus professional role and the lack of appropriate role models.

Abidin et.al. in 2008 revealed in their research study that “Impediments to Women Accountants’ Career Progression in Malaysia”, based on interview with women in the profession addressed the barriers they face in terms of career advancement, what makes women leave the organization and how to retain them and perceptions on glassceiling. The study established the following measurable variables or constructs: (1) exclusionary environment, (2) family responsibility, (3) workplace benefit, (4) job flexibility, (5) corporate policies, (6) job stress and (7) job demand. The study has practical implications as employers can eliminate the barriers and help women continue their career. Also, intelligent and capable women can find out means to remove the barriers and continue successfully in their careers.

Verduyn (2015) in ‘The Advancement of Women in Accounting’ has written how the Thuthuka Bursary programme by South Africa Institute of Chartered Accountants (SAICA) has transformed the profession in South Africa. The enrollment of women candidates rose from 28 percent in 2003 to 50 percent in 2011. South Africa has black women-owned accounting firms, but still black women are under-represented in the profession. At Grant Thornton, 32 percent of senior management positions are held by female executives and 54 percent of its employees are female. The increasing number
of females entering the profession can clearly be seen in Grant Thornton's annual intake of trainee accountants which is now dominated by women nationwide', says Lee-Anne Bac, Director Advisory Services at Grant Thornton. The accounting profession has become an attractive choice for females and it bodes well for creating opportunities for women in leadership positions. The CA(SA) qualification has proved to be a good choice for potential CEOs, FDs and most certainly for future audit partners.

Trends in the supply of Accounting graduates and the demand for Public Accounting recruits (2015) published by AICPA presents a trend on female-male registration for accounting programs apart from other trends. During 2006-2007, the percentage of male versus female registrations has been 48 percent versus 52 percent. The situation has changed drastically over the years and reversed itself with male being 53 percent and female being 47 percent.

'The Interplay between Caste and the Accounting Profession in India addresses an important issue that impacts the profession. Traditionally, most occupations were tied to particular castes or sub-caste groups in India on permanent basis. However, modern professions (e.g. accounting) do not have such coupling with certain castes. The study showed that relative to their population, upper castes were significantly over-represented in memberships (and officebearing positions) of ICAI and the lower castes had under-representation in memberships of ICAI relative to their population. Therefore, the caste system persisted through the modern occupation attempting to achieve professional status (Sidhu, 2010).

The higher you climb, wider the gender gap (2017), AB Magazine presents the plight of women in terms of numbers, positions and salary earned in the accounting profession in USA, UK and Canada. The most recent data from the UK’s Financial Reporting Council shows that only 17 percent of PwC principals are female, 15 percent at Deloitte and EY, 13 percent at KPMG and just 12 percent at BDO. The US women have fared somewhat better than their British colleagues, with 23 percent reaching the most senior level in their firms in 2016, an increase from 17 percent in 2012. In Canada, for example, among female auditors, accountants or investment professionals, half of them are earning C$54,960 (US$40,814) compared to C$68,314 of their male counterparts. Similarly, in UK, in 2016, women in accountancy earned £67,680 on average, whereas their male colleagues earned £84,970 – a gender pay gap of £17,000, according to research by specialist accountancy and financial recruiter, Marks Sattin.

Richtermeyer in 2016 carried out a research study on ‘Women in Accounting: Making progress?’ and presented the fact that 60 percent of the accounting and auditing professionals are women; women earn 75 percent of what men earn in business operations; 16 percent of S&P board members are women and 60 percent female CFOs of S&P 500 earn higher than their male counterparts. The author feels that there is no significant increase in the number of women CFOs as compared to the educational achievement of women in accounting and finance, as there is only an increase of 30 CFOs from 2000 to 2015.

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Single and Almerin 2011 in their research on Women's Advancement in Accounting, found that women do not seek for sponsors, who can help them get promoted, as aggressively as men, and this is a barrier for women in advancing in the profession. Another important finding is that most of the male accounting professionals (above 50 percent) had their spouses take care of the children and home without working outside home, while only 12 percent of the spouses of women accounting professionals were full-time involved in taking care of children and home. This gives rise to the conclusion that women have to divide their attention between work and home than their male counterparts, and hence have lesser possibilities for career advancement.

Methodology

The paper is based on an exploratory study using both primary and secondary data. The study is aimed at answering a few questions on women empowerment through the profession of Accounting and Auditing. The primary data for the study was gathered by administering questionnaires to Accounting faculties at both undergraduate and postgraduate levels in various colleges of Tamil Nadu. Questionnaire was sent through e-mail to 120 accounting faculty members, and only 78 questionnaires were returned with responses. The responses were analyzed using simple percentage analysis.

Percentage of Women Accounting Professionals in India

According to Manoharan, former President ICAI, in the year 2000, only eight percent of the CAs in India was women. During 2013, the percentage of women had grown to 20 percent. During 2013, women enrollment for CA was 33.33 percent and is expected to increase to 50 percent by 2020. As per ICAI’s data, women CAs made up to 20 percent of the total membership in 2012, a figure which rose to 21 percent in 2013 and now (in November 2014) it is only 22 percent. Currently, there are almost 50,000 women CAs. Sindhu Hariharani wrote in Times of India (Nov 29, 2014) that female enrollments to the Common Proficiency Entrance Test (CPT) for CA course conducted by the Institute of Chartered Accountants of India (ICAI) have increased to 51 percent. The numbers have increased from 27,784 in 2012 to 33,460 in 2013 and further rose to 41,957 in 2014.

Consistent Increase in Women Accounting Professionals

The respondents fully agreed that the women accounting professionals are increasing. This is supported by data available on increase of women in accounting profession across the globe. The increasing trend is attributed to various reasons. Some of the reasons attributed are: employability level is high, the flexibility that it offers, the transformation opportunity in terms of economy and social status, the absence of capitation fee, etc.

Suitability of the Profession

Accounting profession is said to be more suitable for women by majority of the respondents. The various reasons attributed by the respondents are: women are careful with details, the profession does not require travel or meeting clients in their places and flexibility to choose employment or entrepreneurship. The accounting profession allows women to stay indoors and practice their profession. They can adopt flexible timings.
**The Barriers for Women to Sustain and Succeed in Accounting and Auditing Profession**

The barriers for women to sustain and succeed in accounting as a profession as listed and ranked by the respondents are as follows. First barrier is the inability of women to balance family demands and professional demands placed on them. Women by nature and societal norms are inclined to take care of their family, and even the most career-oriented women yield to domestic responsibilities leaving a gap for career advancement. Due to social norms and cultural influences, families extend little support for career progression or advancement. Women accounting professionals can find minimum or no role models in the field, which is a professional barrier. Powerful role models can inspire, motivate and mentor women accounting professionals and is lacking. There is no easy access to professional development avenues. This is specifically true for rural women who would have to travel long distances with minimal transport facilities and high risks; poor internet, electricity and infrastructure, etc. Dalton et al. concluded that work/family conflict was the single most important driver of disproportionate turnover among female professionals in Big 6 firms. The perception of women themselves towards the accounting profession stands as a barrier; there is a rural-urban divide. While young women from urban locations have a very positive and strong inclination towards the profession, young women from rural areas have very poor perception and weak inclination towards the profession.

**Success Determining Factors in the Profession of Accounting**

The primary factor identified by majority of the respondents is that professional knowledge and skills are required. Whether men or women, they need to excel in the knowledge and possess the required skill set. Women are highly focused and dedicated towards the profession they take up. They are conversant with required knowledge and nurture and imbibe the skills required. Equally highlighted factor determining success in the profession of accounting is integrity, honesty and ethical conduct. Women have been found to be honest and ethical, practicing the principles of integrity in professional life. They have these factors in favor of them. Moreover, paying attention to details and being accurate are important factors for success in accounting profession, and women are excellent in this trait too.

Women by nature are accountable. Being accountable is yet another factor that determines the success in accounting profession. Hence, communication skills are very important in succeeding in accounting profession. Women have excellent communication skills, yet hindrance for successful communication in the accounting profession happens because of audience and the content of communication. Men do not listen and understand like women, and they constitute major audience in this profession. When the matter to be conveyed is not simple because of the details, problems and gravity involved, their communication becomes less effective.

Leadership skills of women are no less than that of men, yet women do not take up the leadership responsibility easily. Women prefer to be led than lead. This natural hesitation acts as a deterring factor for women to advance in accounting profession. The other factors as being client centric, team player and creativity comes easy for women. They are people oriented, and therefore work together with their team.
members and are focused on the welfare of the client. The success determining factors in the profession of accounting are mostly basic traits of women. Thus, women in the profession of accounting are easily successful in their career.

**Natural Traits of Women Enabling them in Accounting Profession**

Women are exceptionally well prepared for the profession as they take up their education seriously and prepare themselves very well for the career with all commitment. The basic traits required for success in accounting profession is naturally found in women, as the majority of respondents and secondary sources confirm. Some of the natural traits of women making them the best accounting professionals are: honesty, integrity, ethical conduct, attention to details, accuracy, accountable, effective communication skills, people centric, etc.

**Professional Bodies’ Support to Women Accounting Professionals**

Based on the inputs from ICAI, it is found that the following initiatives have been attempted by ICAI. Women Member Empowerment Committee, a flexi-working portal for women members, equipping them to perform as women directors; and a series of special programmes including the recent high-profile 2-day World CA Women Summit at Dubai, which excellently showcased CA Women power with participation of hundreds of women professionals from across the world.

A dedicated portal for women has been set up by ICAI, which encourages women to join and excel in the profession by connecting with other women in the similar profession, providing required resources, motivational articles, employment opportunities, facility to upload resume for employers to choose from, etc.

**Inherent Barriers for Women to Climb the Ladder**

The barriers for women to advance in accounting profession are not only external at times, but also internal. The internal barriers that curtail the advancement of women in accounting profession were identified by the respondents as well as the literature review. It was found that women were hesitant to ask for promotion or salary raise, see other women as competition and not networking with women strongly, setting higher standards for themselves and trying to achieve them by exhausting themselves in the process, placing family before career, focusing more on professional knowledge and missing soft skills.

**Suggestions**

As Indian women have not taken up the accounting profession as much as women of other nations, it is important that colleges and professional bodies take special efforts to enroll women for the Chartered Accountant course. Colleges must organize regular coaching sessions for CPT as well as other qualifying exams. ICAI also must move in the direction of coaching women students and encouraging them to pass the examination.

Schools and colleges should organize special awareness programs for women students to take up accounting profession along with the support of ICAI. The awareness program must provide the positives of the profession along with the attributes required to survive and succeed in the male-dominated profession. The awareness programs can further be extended to impart networking skills and
communication skills to deliver the difficult and delicate messages. Accounting teachers in schools and colleges have a greater role to play to go beyond the curriculum and involve students to focus on career.

The rural-urban divide also must be bridged with the efforts from teachers, corporates and ICAI. Special focus on rural women students who are talented, skilled, intelligent and capable, yet do not have the awareness or avenues to join Chartered Accountant course, must be targeted and intense efforts must be put to help them take up the career of professional accounting. This can be a great positive measure in bridging the gap and increasing the number of women accounting professionals in India.

In India, women accounting professionals are much lower than other countries and the pressure for them to leave the profession to take care of families is higher. In such context, corporates must have policies in place to encourage, motivate and strengthen women to continue their career by making necessary alternate feasible arrangements to take care of their households.

Glass ceiling in the industry still persists and has to be shattered by women accounting professionals. In order to shatter the glass ceiling, they need to network and also find appropriate sponsors. Networking of women accounting professionals with powerful men accounting professionals is required, along with the concept of sponsoring. Women accounting professionals must be daring to request and accept the powerful male accounting professionals who can act as sponsors for them to climb the ladder.

Companies should also create processes to sponsor women who are talented and skilled to grow up the ladder in the organization. Families should provide the support required for women to continue in their career as accounting professionals, as they are naturally gifted to be excellent accounting professionals and they can be great contributors to the economy. Home support matters a lot for women continuing their accounting profession even beyond the family responsibilities.

Women accounting professionals to succeed in the profession need to keep networking to grow and find a sponsor. Young women accounting professionals in order to find the best opportunities must be creative and think out of the box to provide innovative solutions; they must be savvy in their profession with both technical and soft skills. Also, spirit of preparedness is important for young women accounting professionals to survive and succeed.

Conclusion

Accounting profession is a highly rewarding profession both economically and socially. The profession provides a great avenue and opportunity for women to be empowered and successful in life. The profession that can empower women is not thoroughly understood, and therefore not grabbed by women in India. There is a great need to educate and orient young women with respect to opportunities the accounting profession offers and guide them to enter the profession. After they enter into the profession, there is a great need for support system from home, peers, organizations they work for and professional bodies to keep them going and sustain their professional zest and succeed as professionals reaching the top positions in organizations.
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