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GENDER-SMART BUSINESS SOLUTIONS

EMPLOYING WOMEN CATALYZES CHANGE AT A CHEMICAL PLANT IN INDIA

CASE STUDY: EMPLOYING WOMEN CATALYZES CHANGE AT A CHEMICAL PLANT IN INDIA

Photos: Meghmani FineChem Limited

Project Overview

Even as women make increasing strides in employment, many industries remain tacitly off limits. One hundred economies maintain gender-based job restrictions by law,¹ reinforcing the informal social mores that make it difficult for women to enter traditionally male-dominated sectors, such as extractive industries, construction or heavy manufacturing. In addition to limiting opportunities for women, these constraints prevent companies from maximizing the potential of their workforce.

In India, IFC encouraged its client, Meghmani Organics Limited, to hire female employees at its newly built Meghmani FineChem Limited (MFL) plant in the port city of Dahej, Gujarat. The company didn't have female employees at any of its existing four chemical plants. This involved overcoming social conventions and legal restrictions. After doing so, Meghmani was able to substantially broaden its labor pool and to break new ground for gender equality in a sector that was traditionally closed to women.

Project Objectives

Meghmani is a chemical group in Gujarat, India. Its main products are specialty chemicals, including pigments and other chemical intermediates. IFC held talks with Meghmani as part of a \$12.5 million investment in MFL, a chlor-alkali plant. The company planned to install advanced equipment in the plant, with opportunities for formal employment. But it was unlikely that women would have found these

formal jobs in the plant without concerted efforts by IFC and Meghmani. They would have remained isolated in low-paying roles or in the informal economy. At the same time, Meghmani knew that in order to open the plant, the company would have to substantially expand its labor force. To address both challenges, IFC and Meghmani agreed to use the investment in the new plant as a test case for how to best recruit, hire, and promote women in sectors where they are traditionally absent or underrepresented.

Challenges

When work began, Meghmani owned four factories and had a staff of 2,000, but did not employ any women. This situation, which was standard for the chemical industry in India, was driven by legal requirements and social norms.

Local legislation prohibited women from working after 7 pm. This discouraged companies from hiring women for shift roles, which required night work. Just as important, perceptions about the types of industries in which women should or shouldn't work reduced the number of female applicants. In particular, the chemical industry was perceived as dangerous, dirty, and thus unsuitable for women—despite the fact that modern chemical plants tend to be safe, technologically advanced, and not reliant on physical labor. Because women generally did not apply for jobs in the sector, the plants were unprepared for female employees. Structures lacked basic facilities, such as women's bathrooms, which further discouraged potential applicants. However,

Meghmani's new plant offered the opportunity to start from scratch and also to open opportunities for women.

Gender-Smart Solutions

With IFC support, MFL adopted a multipronged approach to overcoming gender gaps in employment. First, the company designed its physical facilities in the new factory—the “hardware”—with women employees in mind. Second, the company implemented a series of targeted human resource policies—the “software”—to identify, recruit, and promote qualified women.

- **Physical facilities:** Before IFC's investment, Meghmani plants could not accommodate female employees or visitors: all bathrooms, locker rooms, and shower rooms were limited to men. For the new plant, the company designed separate facilities, so that it would be ready to welcome women to work.
- **Legal compliance:** While Meghmani could not change the legal context that prohibited women's employment after 7 pm, the company did establish flexible work policies and identify roles that women could fill in compliance with local law. MFL opened blue- and white-collar positions to women in research and development, office management, technical and operational service departments, and in the canteen. These steps formed the basis of the company's recruitment strategy.
- **Recruitment strategy:** With the proper facilities and increased flexibility in its job offerings, MFL was

¹ World Bank Group (2015). *Women, Business and the Law 2016: Getting to Equal*. Available at: <http://wbl.worldbank.org/~media/WBG/WBL/Documents/Reports/2016/Women-Business-and-the-Law-2016.pdf>

prepared to reach out to women candidates. The company began by targeting colleges and universities, where it could find female candidates who were just entering the job market and would be open to new opportunities. They particularly targeted women engineers. In addition, MFL worked with its community-engagement officer to spread the word that the company was actively seeking women employees.

- **HR policies:** Once women were on board, Meghmani updated its HR policies and procedures, with a specific focus on revising occupational health and safety standards for a mixed-gender workplace.

This joint “hardware and software” approach allowed Meghmani to become the first actor driving change in the chemical industry of India. As a subsequent step, the company is committed to increasing the number of women at the plant and to bolstering their roles and responsibilities.

Benefits

Meghmani’s pioneering efforts succeeded in catalyzing a change in the gender norms of its workforce. After a targeted physical redesign of the factory, dedicated recruitment efforts, and updated HR policies, the company succeeded in placing women in 45 of its first 630 roles—7 percent of total employees at the new Dahej plant. The company benefited from its initiative,

gaining a diverse labor pool, a skilled workforce, positive press coverage, and enhanced community relationships.

- **Diverse labor pool:** MFL’s welcoming approach to female talent broadened the size of the population from which it could recruit. The company was particularly successful in reaching out to students and graduates who wanted to get a head start in technical training. “This work has been extremely challenging, allowing me to gain technical experience, which is rare so early in my career,” noted Raxa Patel. Her colleague Saifali Kakadia added that her “role allowed me to get a better understanding of how the business works and make networks with other graduates and senior management.”
- **Skilled workforce:** MFL’s first women employees proved to be highly skilled. Company managers noted that women could perform as well as men—and often better. According to Suhas Patel, an MFL manager, “We have observed a high level of commitment, dedication, and sincerity from female engineers.... They are very good observers and take note of minute variations in operational parameters.” Managers also noted women’s high compliance rates in occupational health and safety requirements, crucial to operations in a chemical plant.
- **Press coverage:** MFL received substantial positive press for breaking gender barriers in the chemicals industry. In particular, the new approach established Meghmani’s management as modern and forward-thinking.

- **Community relationships:** Working at MFL’s facility greatly improved the status and income of women employees, generating goodwill toward the company and better integrating the company into the local community. “The most supportive, respectful, and safe work culture creates that environment where women employees can fulfill their ambitions to work in a chemical industry as well as feeling proud of being a financial support in the family,” noted Vaibhavi Joshi, a Process Engineer.

About IFC

Recognizing that equality of economic opportunity between women and men drives productivity, profitability, and performance, IFC helps clients realize gender-smart solutions to their business challenges. We work with clients to better manage talent in their workforces and supply chains and to design products that tap the earning potential of the women’s market. Our motivating force is the knowledge that when companies and people—no matter their gender—can reach their full potential, families, communities, and economies can achieve sustainable growth and prosperity.

What managers say

The employment of women in the chemical plant ... resulted in overall improvement of the work culture in the organization and enhancement of [worker] efficiency, benefiting the organization as a whole.

Pradip Kumar Gupta
Manager, MFL

We are very happy that because of constant motivational push by IFC, we have more women at MFL than any other group companies of Meghmani.... We will continue this effort in our other plants, too.

Deval Soparkar
Senior Financial Manager, MFL

What workers say

I am thankful to MFL for hiring me and providing an opportunity to prove to the society that even female engineers can run a plant successfully.

Monalisa Samal
Process Engineer, MFL

I wish to build my career in this company, which has great respect for female employees.

Mamta Shah
Marketing, MFL

MFL provides lots of exposure to work in a technical field.

Kumari Richa
Process Engineer, MFL

What the IFC says

If we want to improve women’s status in society, women have to migrate from lower-paid industries to higher-paid, sophisticated industries, like the chemical industry.

Larry Jiang
Principal Environmental Specialist, IFC

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