

Family businesses in India see rise of women as promoters and leaders

Indian family businesses have recently been witnessing the spurt of women family members who are entering the business and taking up significant roles. Isha Ambani, the daughter of Mukesh Ambani of Reliance Industries recently took up a job in the USA with the global consulting major McKinsey and Co. Observers are viewing this move as a precursor of a larger role that she might later play within the Reliance group. In many other Indian family businesses women scions have taken up key leadership positions. Nisa Godrej and Tanya Dubash, the daughters of Godrej group chairman, Mr. Adi Godrej are actively leading separate ventures at the Godrej Group. Radhika Piramal, the daughter of Dilip Piramal is the managing director of VIP Industries. Sulajja Firodia Motwani, the daughter of Arun Firodia is the joint managing director of Kinetic Motor Company. Lakshmi Venu, the daughter of TVS Motor head Venu Srinivasan, currently manages the group's entire component business.

In a way, this change that has brought women from the family's fold into the business is a reflection of the larger change that has been happening in the Indian society. Experts opine that there are three pivots of this change. The first is education. Earlier, professional education and overseas exposure was largely limited to the sons of the family but now parents are open to providing these opportunities to their daughters as well. Their entry in business thus becomes the next logical step.

The second pivot is that the family size is decreasing. Joint families have given way to nuclear families. The number of male heirs is coming down. *"In many families it's a father and son and daughter like situation. And daughters are the heir apparent. Also many families are realizing that girls are as good as, or better than, boys in performance,"* says Kavil Ramachandran, Thomas Schmidheiny Chair Professor of Family Business and Wealth Management at the Indian School of Business.

The third pivot is the amendment made to the Hindu Succession Act that granted inheritance rights to the daughters and legally made them 'equal' to the sons. This changed forever, the traditional patriarchal line of succession in India. Daughters are now legally enabled to claim their right and equal share in the family's wealth. Experts are confident that the trend of women in leadership roles is likely to pick up sharply in Indian family businesses.