

From Mandate to Mindset: Diversity as Transformation

Mandates create momentum, but mindsets create transformation



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Executive Summary

Diversity is no longer a moral imperative alone—it is a business strategy. While it encompasses multiple dimensions such as caste, race, age, geography, language, and ability, in India's corporate context, diversity is most frequently understood as gender diversity, specifically the inclusion of women.

Our study reveals that approximately 60–65% of companies in India associate diversity first and foremost with female representation.

This insight has guided the focus of our current research: to examine female gender diversity within Indian pharmaceutical companies—especially at the leadership level.

The business case for gender diversity is unequivocal. It leads to improved decision-making, richer perspectives, a stronger organizational culture, and better performance. A 2024 McKinsey report notes that companies with diverse leadership teams are 25% more likely to outperform their peers.

The Indian pharmaceutical industry is witnessing a shift. Historically male-dominated—particularly in manufacturing, supply chain, and field roles—the sector is showing visible, if uneven, momentum toward improving gender representation. While the intent is clear, the path to sustainable change is less so.



Research Methodology & Attribution

This thought paper is based on Executive Access's proprietary research across 30+ Indian and multinational pharmaceutical firms, combining secondary research, surveys, and leadership interviews.

Scope

30+ Indian and multinational pharmaceutical companies (manufacturing-led, listed/unlisted, NIFTY/non-NIFTY)



Primary Research: Surveys, structured interviews with CHROs, CEOs, and D & I heads.



Secondary Research: ESG reports, diversity disclosures, news coverage, and annual reports.

Analysis & POV



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The Diversity Mandate: Necessary but Not Sufficient

“In transforming organizations, diversity must be a mandate. In evolved organizations, it becomes a mindset—deeply embedded into culture, leadership, and systems.”

Mandates function as accountability mechanisms. Whether through hiring targets, ESG metrics, or board composition norms, mandates act as the 'north star' that initiates change. However, mandates without culture, systems, and sustained leadership commitment remain surface-level interventions.

The real journey is from compliance to culture. True transformation requires structured programs that extend beyond hiring—to development, retention, and inclusive leadership behaviour.

Today's behaviour points more towards compliance.





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Key Insights from the Data

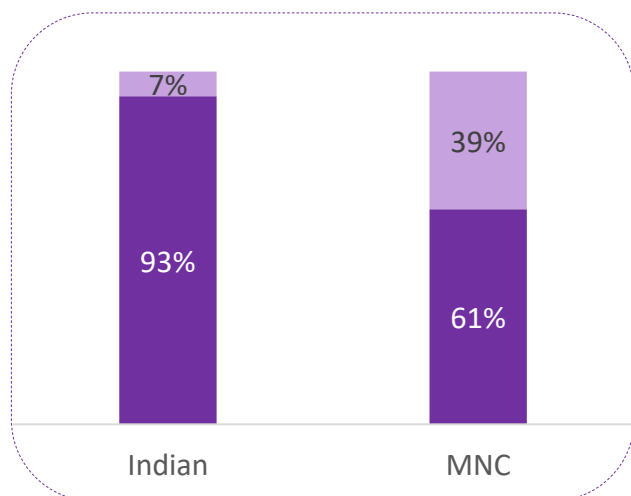
These findings provide compelling evidence that mandates are not just helpful—they are necessary to accelerate gender diversity, especially in traditional and domestic organizations.

Here's What the Data Tells Us

Indian companies & MNCs

Diversity Percentage

- Percentage of Males
- Percentage of Females



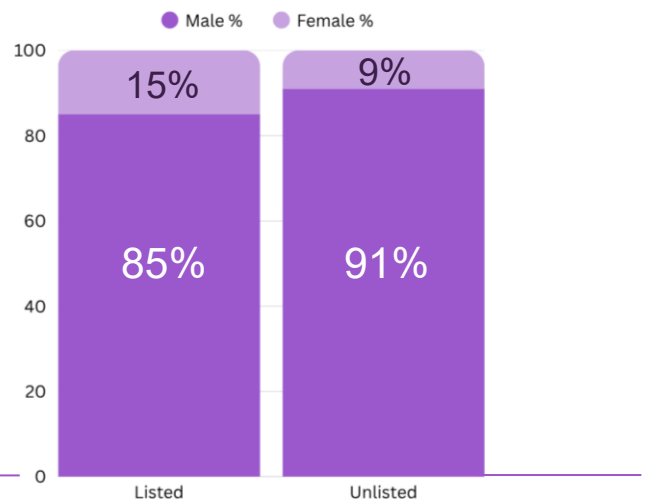
Indian pharmaceutical companies are significantly lagging behind MNCs in gender diversity. MNCs have global mandates, inclusive cultures, and leadership scorecards tied to diversity—proving that mandates backed by mindset and systems can drive visible change.



Listed vs Unlisted

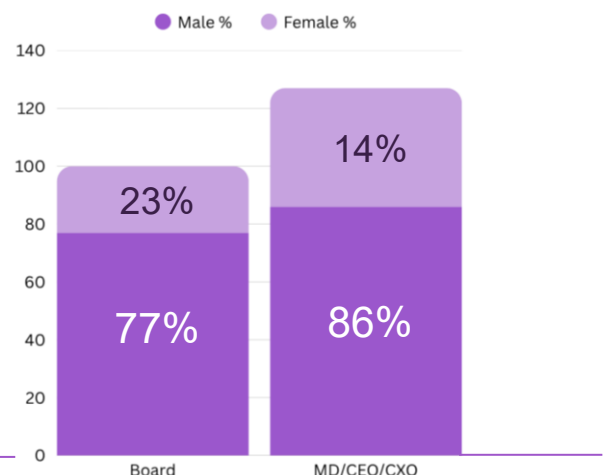
Listed companies tend to perform better on gender diversity, likely because they are under greater stakeholder and public scrutiny. Regulatory compliance, ESG frameworks, and investor pressure act as external mandates driving internal action.

Unlisted firms often may not have such external pressures, and therefore, need stronger internal mandates to match progress.



Leadership & Board Diversity

The higher you go, the fewer women you see. Board-level diversity, though mandated under Indian law, has shown some improvement (23%)—but CXO-level remains male-dominated, where no such hard mandate exists. Board diversity may have improved because it was legally enforced. But in absence of similar mandates for executive leadership, the gap remains wide.



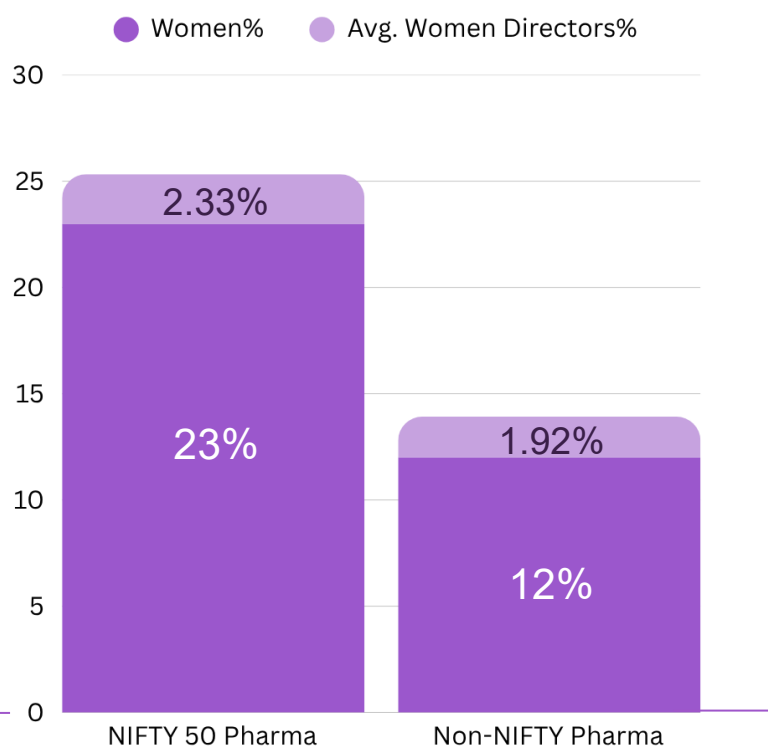


NIFTY vs Non-NIFTY

Large-cap pharmaceutical companies (NIFTY 50) perform significantly better on gender diversity than smaller firms. This could be attributed to more evolved governance structures, investor oversight, and international exposure. Smaller and unlisted firms especially need structured mandates to break inertia.

The data clearly says that Mandates Make a Measurable Difference. Wherever mandates—regulatory, institutional, or reputational—exist, female representation is higher.

This shows that mandates are essential to jumpstart the journey but the real challenge and opportunity is to go beyond mandates and embed diversity into leadership mindsets, values, and systems. That's the journey from compliance to culture that we all need to tread.



Beyond Hiring: What Truly Drives Change

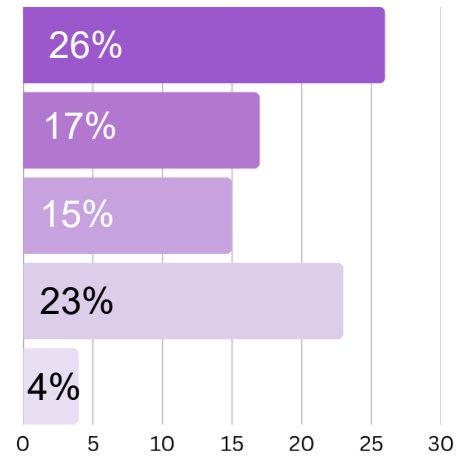
Formal hiring targets

Structured development programs

Diversity-linked retention initiatives

Identification of leadership roles for diversity candidates

Affinity groups and inclusive benefits



The Ownership Question: Who Leads the Change/Where does the buck stop?

Diversity is not just an HR responsibility—it must be a business transformation agenda owned by the CEO and senior leadership. Several HR leaders advocate evaluating a CEO's diversity track record during hiring. In Global Pharmaceutical companies, diversity retention is directly tied to leadership performance metrics. Between 2021–2023, they reduced female attrition by 50%, showcasing the impact of top-down commitment.

Reflections: Where Are We and Where Next?

The good news? There's momentum. Companies have shifted from debating 'why' to acting on the 'how'. We're not where we started—but we're not where we need to be.

Mandates work, but only as the beginning. Sustainable diversity comes from mindset, leadership accountability and embedded cultural change. Let this thought paper be both a mirror and a map—for organizations willing to move from compliance to culture. The transformation begins at the top. And the time is now.





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Start with structure.
Let culture take over.
But don't expect
culture to build itself

”

Diversity Maturity Map

Inertia

Mandate

Momentum

Mindset

Where is your company on the diversity maturity curve?

Do you have structured mandates—or are you still relying on good intent? Who in your leadership team is truly accountable for this change?