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## **Inclusive HR Practices and Gender Diversity as Drivers of Entrepreneurial and Economic Transformation: A Review of Literature in the Context of India's Transport Industry**

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### **Abstract:**

*India's rapid economic expansion in recent decades has been supported by a surge in entrepreneurship, industrial diversification, and innovation. As sectors evolve, the need for inclusivity and gender diversity in the workforce has emerged as a critical factor influencing sustainable growth. This literature-based study reviews existing research on the intersection of **inclusive human resource (HR) practices, gender diversity, and entrepreneurial transformation** in India's transport industry — a sector historically dominated by men. Using secondary data from academic and institutional sources, this paper explores how inclusive HR systems not only promote gender equality but also stimulate innovation, productivity, and entrepreneurship. The review highlights trends, policy initiatives, and organizational practices aimed at achieving gender inclusion in India's road transport sector. It concludes that sustainable economic and entrepreneurial transformation requires gender-responsive HR strategies, capacity building, and institutional reforms to ensure equitable participation and inclusive development.*

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**Keywords:** *Gender Diversity, Inclusive HR, Entrepreneurship, Transport Industry, India, Economic Transformation, Inclusion.*

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### **Introduction:**

Entrepreneurship and inclusive economic growth are deeply intertwined in contemporary India. Over the past decade, policy frameworks such as *Startup India* (2016), *Digital India* (2015), and *Make in India* (2014) have strengthened the entrepreneurial ecosystem by supporting innovation-driven enterprises across diverse sectors. According to the *Ministry of MSME*

(2024), micro, small, and medium enterprises (MSMEs) contribute **approximately 30 percent of India's GDP** and employ over **110 million people**. However, despite these gains, gender disparities persist, especially in sectors like transport and logistics, where women's representation remains below **5 percent** (NITI Aayog 2023).

The **transport industry**, a vital component of India's economic infrastructure, supports trade, logistics, and mobility. Yet, it remains largely male-dominated, especially in operational and technical roles. As India transitions toward a more inclusive and digital economy, the importance of **gender diversity** and **inclusive HR practices** in the transport sector has gained prominence. The *International Labour Organization (ILO 2022)* and *World Bank (2023)* emphasize that inclusion is not only a moral imperative but also a catalyst for innovation and sustainable development.

This review synthesizes secondary literature to examine how inclusive HR policies and gender diversity contribute to entrepreneurship and economic transformation in the Indian transport industry.

#### **Objectives of the Study:**

1. To analyze the role of inclusive HR practices and gender diversity in India's transport industry.
2. To review literature linking gender inclusion with entrepreneurship and economic development.
3. To identify challenges and opportunities for enhancing diversity in transport-sector organizations.
4. To explore how inclusive HR systems can drive entrepreneurial innovation and organizational transformation.
5. To suggest policy and strategic recommendations for gender-responsive growth in the transport industry.

#### **Review of Literature:**

##### **Entrepreneurship and Economic Development:**

Schumpeter's theory of "**creative destruction**" views entrepreneurs as drivers of industrial innovation and structural change (Schumpeter 58). Contemporary studies expand this concept to include the role of inclusive and diverse human capital in sustaining innovation. According to *Acs, Audretsch, and Lehmann (2018)*, the **knowledge spillover theory** asserts that entrepreneurship flourishes in environments that encourage diversity and open knowledge exchange.

In India, entrepreneurship has emerged as a pillar of inclusive development. *NITI Aayog (2023)* reports that women-owned enterprises account for nearly **20 percent of all MSMEs**, employing over **27 million people**. However, gender gaps in access to finance, mobility, and technology continue to restrict entrepreneurial participation. The *World Bank (2023)* argues that closing these gaps could raise India's GDP by nearly **6 percent** by 2030.

##### **Gender Diversity and Organizational Performance:**

Gender diversity in the workforce enhances innovation, collaboration, and business performance. *McKinsey & Company (2023)* found that gender-diverse companies are **25 percent more likely** to achieve above-average profitability compared to less diverse peers. In India, firms that promote inclusion tend to report improved creativity and problem-solving capacity.

The *United Nations Development Programme (UNDP 2022)* identifies gender inclusion as a core component of sustainable growth under the **Sustainable Development**

**Goals (SDGs)**, particularly SDG 5 (Gender Equality) and SDG 8 (Decent Work and Economic Growth). Inclusive workplaces not only create equitable opportunities but also strengthen entrepreneurial ecosystems by integrating women into decision-making and innovation processes.

#### **Inclusive HR Practices:**

Inclusive HR systems promote fairness, respect, and representation across recruitment, training, and performance management. *Deloitte (2024)* describes inclusive HR as a strategic approach that aligns diversity with innovation and competitive advantage. Such systems include **bias-free recruitment, equal pay structures, mentorship programs, and safe working environments.**

In India's road transport sector, inclusive HR remains in its nascent stage. Initiatives like *Mahindra Logistics' "Girls in Gear"* and *Ashok Leyland's women driver training programs* are examples of emerging practices that break gender barriers. *NITI Aayog (2023)* notes that integrating women into operational roles in logistics, driving, and fleet management can enhance the industry's talent base and productivity.

#### **Gender Diversity in the Transport Industry:**

The transport industry, contributing approximately **4.8 percent** to India's GDP (*MoRTH 2023*), is undergoing a structural shift with digitization, automation, and logistics startups. However, gender representation remains low. The *International Finance Corporation (IFC 2023)* observes that cultural perceptions, safety concerns, and lack of gender-sensitive facilities discourage women from entering transport-related professions.

Despite these challenges, progress is visible. The *Pink Bus* and *Women on Wheels* initiatives by state transport corporations have increased women's participation as drivers and conductors. Private sector logistics firms such as *Delhivery* and *Blue Dart* have also launched diversity programs to hire women in warehouse management and delivery operations. *ILO (2022)* suggests that these programs not only improve gender equity but also boost innovation and reduce absenteeism.

#### **Inclusive HR, Gender Diversity, and Entrepreneurship:**

The interlinkage between inclusive HR, gender diversity, and entrepreneurship is well-established in global literature. *Acs et al. (2018)* emphasize that inclusion fosters the free flow of ideas, which fuels innovation-led entrepreneurship. Similarly, *McKinsey & Company (2023)* argues that gender-diverse organizations display higher adaptability and resilience — traits essential for entrepreneurial success.

In India's transport industry, inclusive HR practices have the potential to cultivate **intrapreneurship** — employees innovating within organizations. *Deloitte (2024)* found that companies encouraging women's leadership and flexible policies report greater employee engagement and business growth. By enabling women to take leadership and entrepreneurial roles in logistics and mobility startups, inclusive HR systems can directly contribute to economic transformation.

#### **Methodology:**

This study is based entirely on **secondary data** obtained from published reports, journal articles, and government documents. Major data sources include:

- *Ministry of MSME Annual Report (2023–24)*
- *NITI Aayog's Women Entrepreneurship Report (2023)*
- *Ministry of Road Transport and Highways (2023)*
- *Reports from IFC, ILO, UNDP, and McKinsey & Company*
- Research articles from *Small Business Economics* and *Deloitte Insights*

A **qualitative content analysis** was applied to identify themes related to inclusion, HR innovation, and gender-based challenges in the transport sector. Data were synthesized to explore the link between inclusive HR policies, entrepreneurship, and economic transformation.

### Findings:

1. **Low Gender Representation:** Women comprise less than 5 percent of the total workforce in India's transport sector, with limited participation in technical and leadership roles (*NITI Aayog 2023*).
2. **Inclusive HR Improves Organizational Efficiency:** *McKinsey & Company (2023)* and *Deloitte (2024)* found that inclusive workplaces achieve higher retention, productivity, and innovation rates.
3. **Emerging Policy Frameworks:** Programs such as *Stand-Up India* and *Women Entrepreneurship Platform (WEP)* promote women's participation in transport entrepreneurship and logistics startups.
4. **Entrepreneurial Opportunities in Transport:** The growth of e-logistics and mobility startups offers women new avenues for entrepreneurship, particularly in operations, fleet ownership, and transport technology.
5. **Institutional Challenges:** Persistent barriers include cultural stereotypes, unsafe work environments, and lack of flexible schedules. *ILO (2022)* emphasizes that without systemic HR reforms, inclusion will remain superficial.

### Discussion:

The literature underscores that inclusive HR practices and gender diversity are **not peripheral social goals but strategic levers of entrepreneurship and economic transformation**. The Indian transport industry, undergoing rapid digitalization, can benefit from the participation of diverse talent pools that foster innovation and competitiveness.

Gender inclusion enhances **entrepreneurial outcomes** by increasing idea diversity and enabling equitable access to opportunities. For example, logistics startups that hire or are led by women have demonstrated improved customer satisfaction and efficiency (*World Bank 2023*). Inclusive HR systems — through transparent recruitment, leadership training, and safety policies — can dismantle structural barriers preventing women's participation.

However, inclusion efforts must go beyond tokenism. *UNDP (2022)* stresses the need for institutional accountability and gender budgeting to ensure measurable outcomes. *McKinsey (2023)* recommends building mentorship pipelines and flexible work options to integrate women into long-haul and urban transport operations.

To sustain entrepreneurial transformation, India must integrate **gender-**

**responsive HR frameworks** with broader economic policies. Encouraging women-led logistics enterprises, promoting female workforce participation in digital transport platforms, and incentivizing diversity in MSMEs will accelerate both inclusion and economic development.

### Conclusion:

This review concludes that **inclusive HR practices and gender diversity are pivotal to driving entrepreneurship and economic transformation in India's transport industry**. Secondary literature consistently highlights that gender inclusion enhances productivity, innovation, and social equity — essential elements of sustainable development.

While progress has been made through initiatives like *Startup India* and *WEP*, implementation gaps and social barriers persist. The transport sector, with its expanding digital and entrepreneurial ecosystem, offers an opportunity to redefine gender roles through inclusive HR strategies.

To achieve long-term transformation, stakeholders — including policymakers, business leaders, and educational institutions — must collaborate to design **gender-sensitive HR systems**, invest in **capacity building**, and create **safe, equitable workplaces**. By embedding inclusion into the heart of entrepreneurship and economic policy, India can ensure that growth is both **sustainable and socially just**.

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