

# Insights on Diversity, Equity & Inclusion (DE&I) in India

Compiled further to dialogues held with CEO's & CHROs across industries in India

August 2023



## Talent Acquisition

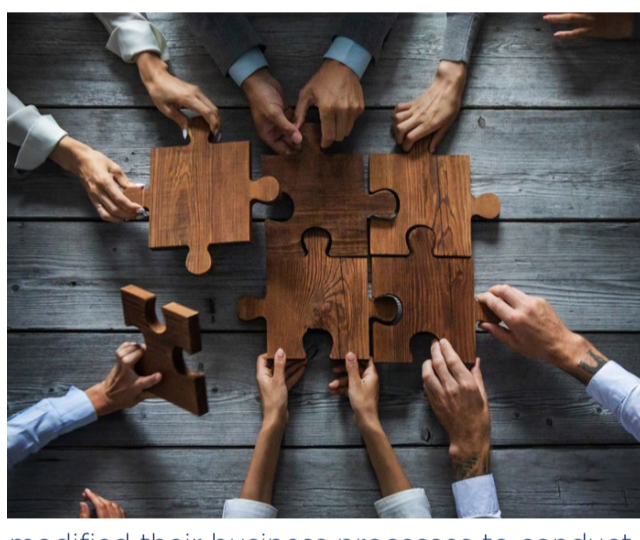
- Comparing India to others & putting a singular lens on Diversity can be a mistake as **each country is at a different stage of evolution when it comes to its workforce**. There are various parameters to consider about India's diversity including regions, geographies, gender, sexuality, disability, religions, etc.
- The regulatory push has proven to be a step in the right direction in moving the DE&I agenda forward.** Without the SEBI directive, it could have taken many years to move the needle on gender diversity.
- In the next 5-8 years, 70% of the working population will be Gen Z and Millennials. Board members & CEOs agreed that when designing the organizations' DE&I strategy, the expectations & realities of the upcoming workforce must be taken into account. **The changes required for the future must be adopted by companies at a rapid pace. Failing to do so would mean losing talent to organizations that achieve the right mix of diversity.**
- In the manufacturing sector, attracting & retaining gender-diverse talent continues to be a challenge**, especially in Tier II cities & factory work environments. Even though the organization hires talent, the intangible variables cause a backward spiral. These intangible variables could range from the societal environment outside the workplace not being supportive, women's safety issues, lack of civic infrastructure, etc. These tend to demotivate women employees to continue in their roles. However, it is important to note that some organizations have been able to move ahead by taking measured steps. Some companies are leading as torchbearers and have been passionately putting in dedicated efforts to hire, retain and grow female workforce across all levels.



- Many CHROs agreed that **required attention needs to be brought to the mindset of the person hiring for the organization**. At times, recruiting managers tend to engage with readily available talent in the job market. It can be due to bandwidth constraints or laxity in putting in extra effort, but special focus needs to be driven to ensure that the recruiting manager puts diversity as one of the top priorities in the entire hiring process.
- One of the key points that arose during our discussion was that the **interviewing panel should also be diverse to avoid any conscious or unconscious bias**.
- Accountability needs to be built into the overall system and across processes**. For every role being interviewed, the hiring manager as well as reporting manager should be made accountable to ensure a diverse set of candidates are evaluated. The aim is not to dilute the job specifications. It is to find the best talent for a specific role as well as achieve a diverse workforce across all levels.

## Talent Management

- The mandate starts with an organization's leadership displaying its strong commitment to diversity.** If there are structural or cultural challenges to achieving DE&I goals, then leaders would need to address those proactively.
- Leaders need to give a clear value proposition to employees about DE&I. Often middle management does not understand the value DE&I brings to the organization and how it helps advance business goals. Diverse teams innovate better and come up with unique solutions to business problems. Leaders agreed that **in the long term, Diversity wins**.
- It ultimately boils down to defending & fighting for DE&I to see it through.** A leading luxury car and aero-engine manufacturing company shared its own organization's journey in trying to include people with disability in their workforce. They realised their current offices didn't have the necessary infrastructure to support this section of talent. Rather than delaying the investment, the leadership team went ahead & made the required investment to provide the necessary infrastructure to remove possible hindrances that may affect them in a regular day of work. It is about taking determined steps to push the agenda forward. Even the small steps contribute significantly in the long run.
- As the CHRO of an American automation MNC pointed out, **the hurdle slowing down the progress of the DE&I journey is either a heart issue or a wallet issue**. Companies have



- modified their business processes to conduct operations sustainably due to increasing pressure from the global investor community. This is clearly driven by the wallet. Similarly, DE&I has to be driven more from the wallet than the heart to see it progress rapidly. A clear understanding at all management levels, of how DE&I can create value addition towards productivity & achieving business goals is the key.
- Unconscious bias plays a critical role in the journey and organizations need to deal with it. It is witnessed in two forms. In the first case, the person is unaware of carrying a bias themselves. The second case is that the person is using their bias and manipulating the organization to get away with it. **Tackling unconscious bias requires tight scrutiny throughout the process and driving necessary checks and balances within the entire cultural fabric of the organization.**

## How organizations are driving the agenda

Companies with more than 30 percent women executives were more likely to outperform compared to companies with 10 to 30 percent. Also, companies in the top quartile of racial and ethnic diversity outperformed by 36 percent in profitability compared to fourth-quartile companies.<sup>1</sup> Some practical steps that organizations are taking to improve their journey when it comes to Gender Diversity include:

- A leading HVAC and building equipment manufacturing multinational organization invited children of their employees for a roundtable interaction. A simple exercise of speaking on daily household operations helped people understand at a deeper level how unconscious bias stems from the home front & is brought to the workplace. Identifying & clarifying the unconscious bias also helped sow the seeds for young impressionable kids who will be the next generation of leaders for corporate India.
- A leading multinational industrial automation & digital transformation technology company deployed dedicated resources to ensure the organization's communication like website, brochures, job descriptions, etc. are gender neutral & use inclusive language.
- A leading industrial manufacturing company has mandated to backfill any role vacated by a women leader through a women candidate only. This crucial step is engrained into the KPIs of the recruiting manager as well as reporting manager.
- In the case of lean organizations, if one team member goes on maternity leave, it can



- deeply impact productivity. Leaders shared that it is possible to fill such gaps on an interim basis & ensure operational efficiency by planning in advance & plugging in support by way of temporary staffing or contractual hiring.
- Offering flexible work timings & hybrid work models have proven to be successful in attracting gender-diverse talent. Most CHROs busted the myth that women prefer to work from home. Many shared that in fact, most women are happy to work from the office to utilize infrastructure & get focused time for work.

Thanks to all the eminent participants for their invaluable contributions to Odgers Berndtson roundtables from which these insights have been gathered.

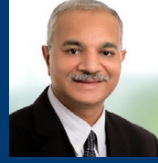
- Abhishek Kumar**, Head of People, Ericsson Global Service Centers (India, China, Romania & Mexico)
- Abhishek Misra**, Head HR India, Rockwell Automation
- Ankit Jain**, Managing Director India, Dyson
- Athar Shahab**, Managing Director, Zuari Industries Ltd
- Chirag Bajjal**, Managing Director HVAC, Carrier
- Kishore Jayaraman**, President, Rolls-Royce India & South Asia
- Naina Lal Kidwai**, Senior Advisor & Independent Director
- Poonam Sharma**, Director Human Resources, Heidelberg Cement India Ltd
- Ramesh Nair**, CEO, Avaada Group
- Sanjay Aggarwal**, President - Fortum India, Fortum Corporation
- Shweta Srivastava**, Chief Human Resources Officer, Azure Power,
- Simran Thapar**, Associate Director Human Resources, Carrier India
- Sumanta Datta**, Managing Director, Oxford University Press India

<sup>1</sup>McKinsey & Company, 2020, Diversity wins: How inclusion matters, <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters#/>

Odgers Berndtson has observed rapid increase in the degree of commitment and passion that the organizations are showing in driving the DE&I agenda. While some are ahead of the curve and some are catching up with addressing related challenges, Odgers Berndtson is committed to supporting our clients in hiring diverse talent across roles of business and functions.

Meaningful change takes time. At Odgers Berndtson, we are committed to the journey. Read more about the work done by us in the DE&I space at [www.odgersberndtson.com/inclusion-and-diversity](http://www.odgersberndtson.com/inclusion-and-diversity)

## Get in Touch



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