

# DE&I Roundtable on Inclusive Leadership Behaviour

**Consumer & Retail sector in India**



ODGERS BERNDTSON

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# Introduction

Odgers Berndtson reached out to CHROs in the Consumer & Retail sector in India to understand their organization’s journey when it comes to Diversity, Equity & Inclusion (DE&I) & Inclusive Leadership behavior within their organization. Through a roundtable dialogue, they shared their DE&I practices, challenges, and steps they are taking within their organizations to move the DE&I agenda forward.

This white paper aims to capture the essence of this Roundtable dialogue led by Sue Johnson, Head of Inclusion & Diversity practice of Odgers Berndtson & Ramit N Bhel, Partner, Consumer & Retail Practice Odgers Berndtson India with HR leaders from the Consumer & Retail sector in India.



# Understanding Diversity, Equity & Inclusion and Inclusive Leadership Behaviour

Odgers Berndtson took a pulse survey from HR leaders in the Consumer & Retail sector to understand the state of **Diversity, Equity & Inclusion in the sector**. Below are the key findings of the survey.

- 80% of the HR leaders said they had a Diversity, Equity & Inclusion strategy for their organization but 20% still did not.
- 30% of the respondents did not have a defined list of Inclusive Leadership behaviours for their organization.
- Approximately 60% of the respondents said they haven't trained their leaders around Inclusive Leadership behaviour.
- While 40% of the HR leaders said that the leaders in their organization are assessed against Inclusive Leadership Behaviours in their performance review, the majority 60% of the respondents said that is not the case.

Diversity can be defined as the fact that many different things are existing together in a group. Equity can be defined as the situation in which everyone is treated fairly according to their needs and no group of people is given special treatment. Inclusion can be defined as the act of including someone or something as part of a group.<sup>1</sup>

Globally organizations are moving away from Equality to Equity. To explain the difference between the two, **Equality is giving a pair of shoes to all the people of the organization, but Equity means giving a pair of shoes that fit.**

In the Indian context, HR leaders shared that diversity mostly refers to Gender diversity. Organizations in the Consumer & Retail sector are still

“A one size fits all approach does not work when it comes to Diversity, Equity & Inclusion (DE&I) practices. More and more of our clients are coming to us to help address some of their DE&I challenges. Organizations following a “tick-the box” approach will find themselves struggling when it comes to DE&I. We need all stakeholders to be genuinely involved, especially the CHRO and CEO, for this to be successful.”

**Ramit N Bhel, Partner**  
**Consumer & Retail Practice, Odgers Berndtson**

<sup>1</sup> Cambridge Dictionary. (2023). Definition of Diversity. <https://dictionary.cambridge.org/dictionary/english/diversity>

struggling to make significant headway when it comes to other forms of diversity. The positive outcome of working in the Indian market, however, is that the Inclusion piece is easier to achieve as India is rich in culture, with people from different regions, religions, and ethnicities coming together at the workplace. The challenge is for leaders to provide the necessary supporting infrastructure, so individuals can bring their whole selves to work and feel like they are an integral part of the company's vision and success.



**The Business Case for Diversity includes:**

- Organizations investing in DE&I are more likely to capture larger market share
- Get more engagement in terms of Talent
- Are more innovative as individuals with different backgrounds, ideas & perspectives can bring different ideas to the table.
- Have a higher return on investment.

Investing in DE&I is no longer debatable, it is demanded by the global investor community.

**The Concept of Super Additivity**

Scott E. Page describes in his book, *The Difference*, the addition of diversity in teams as 'Super-additivity'. What it means is that within a diverse collection of people working together, when one improves, then the others in the group can improve upon that, and so on. Essentially, Page says that improvement builds on improvement in a way that it would not if everyone had similar backgrounds, skills, and experience.<sup>2</sup>

In order to have a competitive advantage, leaders have to invest in consistent efforts toward their DE&I objectives.

Inclusive leadership behaviour includes -

**Accountability**   **Humility**   **Curiosity**   **Empowerment**

People are drawn to authentic leaders. Authoritarian style leadership is passé. The talent of today wants to work for leaders that clearly walk the talk. Leaders that are empathetic and accessible, can rally more people behind them to achieve the company's vision. Curious leadership can be attributed to active listening. A leader needs to be curious about the people in the organization. This involves having a thorough understanding of what motivates & excites them and accordingly aligning their career paths. Inclusive leadership behaviour includes empowering people. This means amplifying the voice of the people within the organization. Giving people equal opportunities, which they otherwise wouldn't have. Individuals must feel that they are being heard and are a critical piece in the overall success of the organization.

“ People join great organizations but leave poor managers. That is why inclusive leadership is so important. ”

**Sue Johnson, Head Inclusion & Diversity Practice, Odgers Berndtson**

<sup>2</sup> Laura Sands. 2022. 8 benefits of encouraging diversity in the workplace. BreatheHR.com. <https://www.breathehr.com/en-gb/blog/topic/business-leadership/8-benefits-of-encouraging-diversity-in-the-workplace>

# It is Not always about Numbers – Measuring Success in DE&I

Setting a target is the first step towards measuring if a goal has been reached. Most HR leaders agreed that while setting a target is important, it is also important not to get caught up in numbers & matrices. It is the responsibility of HR leaders to ensure that DE&I as an agenda is embedded in the culture of the organization and ultimately becomes a way of life for all stakeholders in the business.

The aim is to get diverse teams across roles, departments, and geographies rather than look at how much gender-diverse talent there is in the organization as a whole. Moreover, it is also important to give a clear career progression & work on the inclusivity piece so that these candidates are not lost once they are on board.

Regulatory policies, that vary across states, do restrict women to take up certain roles. Policymakers and the industry need to look at ways to increase the talent pool, especially in male-dominated jobs & industries. If there is a healthy talent pipeline of women at the graduate level, it is easier for the industry to hire for sectors and roles that are dominated by male counterparts.

In the Indian context, inclusivity is embedded in the culture, where individuals from different sections of the society, come together at the workplace. Inclusion becomes more important, especially in women-centric industries such as Garments & Textiles. If inclusion is not taken care of, the probability that women workers fall off the employment map is likely.

“ Is the talent that you are bringing on board actually making career progression or are you just fulfilling your recruitment targets when it comes to Diversity is an important aspect HR leaders need to be careful about. ”

**CHRO. Leading Global Apparel Brand**



Most leaders agreed that measuring inclusivity & other forms of diversity is harder. This also includes capturing data around gender, sexuality & disability which is sensitive. In India, there is still debate about what data can be captured around these areas. Corporates need to clearly state that in case they are capturing such information, who would have access to this information, and for what purpose such data is being collected. This is important even if the data is being captured via a self-declaration process. Over and above this, multinational corporates must adhere to international data protection laws which makes capturing such data difficult.

“ In my view, the success in DE&I is about how we, as leaders, make our teams and colleagues feel valued, safe and welcomed within the work environment irrespective of their backgrounds. ”

**Payal Nambiar, Senior Vice President & Head HR, Spinnny**



# Steps towards Diversity, Equity & Inclusion

Attaining Diversity across roles & geographies requires ingenuity. During the dialogue with HR leaders across different segments within the consumer & retail space, some practical steps that are being implemented in the industry came forward.

When designing your DE&I policies a good approach is to check whether the policies are reflecting the talent in the marketplace. Does the policy aim to resonate with the beliefs of millennial talent (individuals born in the 1980s-90s) as well as expectations of Gen X (individuals born in the 1960-80s).

It serves better to have diverse teams across locations rather than having teams with only one woman in certain locations and having no women in some teams. Having women in clusters has proven to support inclusion and ensures they do not fall off the employment map.

Conducting dipstick surveys does help in keeping a check, on the progress achieved towards the overall DE&I objective, over a period of time. Having resources allocated to look at grievances & pick up on issues mentioned during exit interviews etc. can help identify areas of concern for the organization. If addressed at an early stage, attrition rates can be lowered. High attrition rates, especially of employees with 12-18 months of tenure, are also a sign to look into the culture of the organization & possible inclusivity issues that may be present.

It is important to conduct Inclusive leadership behaviour training to educate employees to help them be aware of unconscious bias in the workplace.

To address pay disparity, some organizations have done away with percentage hikes and are following a band structure for fixed-income pay-outs. This means that irrespective of the educational background (public v/s private schooling) or gender, the individual has a fixed income as long as the individual falls in a certain band structure. Variable pay is reflective of the individual's performance post-joining the organization.

DE&I has to be driven top down with the leadership of the organization displaying its commitment to it. Some organizations have gone ahead to conduct third-party leadership assessments to ensure that when they are hiring their CEOs or leadership team, the leader has the right culture fitment that is in line with the ethos of the company.

“ At FMC – Be Yourself See Yourself is our DE&I objective. Our aim is to give our employees an environment where they can be themselves irrespective of their gender, sexual orientation or age. They should feel comfortable when they come to work. ”

**Satender K Sighadia, Head HR, FMC India & SW Asia.**



# Looking at DE&I as a long-term investment for business

Women have been deprived of formal education for so many years, which means the talent pool is limited. To increase this pool, the industry needs to nurture talent from a long-term view. It is up to policymakers & the industry to work together at the grassroots level to raise capable women talent. This can involve adopting schools near manufacturing units, especially in remote locations, so that a steady stream of women candidates can reach the university level each year for the industry to absorb.

The role played by CHROs & Talent Management Heads is also important. CHROs often put pressure of tough deadlines on their talent management teams to close open vacancies. This means the recruitment team often ends up showcasing the talent that is readily available in the job market. To tap talent from sources such as new mothers, or women who may have relocated to other cities post-marriage, having the right time frame for the search is necessary. Such talent that fits the job description well, but is often not the first or an easy choice when it comes to recruitment. Maintaining a database of alumni networks helps have a talent pool that can be quickly tapped into. This includes women who have been trained by the firm but had to drop out due to relocation post-marriage, childbirth, etc.

“ Our organization is diverse and inclusive in the same breadth, and we make our hiring decisions based on the qualifications of the candidates. The organization is committed to hiring the best candidate for the job, regardless of their race, gender, disability, etc. We have a non-discrimination policy which is a part of our culture at each hiring manager level irrespective of the function they represent. The organization offers a culture training program to all its employees to instill diversity and inclusion in the same spirit. It is then about giving the right environment to the candidate in which they can thrive. ”

**Charu Gulati, Executive Director,  
Human Resources, Everstone  
Capital Advisors Pt. Ltd.**

Also, it was agreed by HR leaders that to date there is a bias that certain functions are done well by a certain gender. Creating regular training programs to educate against bias in the workplace is essential. Once a candidate is onboarded, it is also vital to have the supporting infrastructure in place so that they grow within the firm. Taking a long-term view of investing in good infrastructure & supporting policies, leads to benefitting the organization in the long term.

Globally there is a shift with DE&I policies focusing on the pillars of Belonging, Well-being & Culture as people's roles are seen expanding across regions. A good place to start is to look inwards, whether your organization's DE&I policies are reflective of the dynamic client base & target talent pool of your own organization & operating environments.

“ At Enamor, we have predominantly women in sales roles, hence busting the myth women can't do sales. So, it is really not about whether women can do sales or not. It is more about whether the environment is conducive for them to do the role they are given. ”

**Sreeja Nair, Head - HRBP (Commercial Functions) & Talent CoE for Modenik Lifestyle**



# Report Compiled by



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## About Odgers Berndtson

Organizations of every size and sector depend on talented individuals, teams and leaders to realize their success. Odgers Berndtson's strength lies in the partnerships we develop to address that need. We form strong relationships with the most talented people, with those seeking them and between our own teams globally to bring both sides together. It is because of our deep, non-transactional and lasting partnerships, that our clients can acquire, develop and retain their strongest leaders. We combine deep sectoral insight with an analysis of the specific context in which the organization is operating. This entails evaluating existing board and management dynamics to ensure we consider every brief from all perspectives. We use our understanding to support clients to secure innovative leadership and board appointments capable of leading their businesses through disruptive times and towards success. With offices in 32 countries, and through global collaboration between them, our consultants combine their industry and functional expertise with cultural and geographic knowledge to ensure our clients have a strong and diverse selection of candidates to choose from. We guide organizations towards appointments that will transform their business and secure its future. And we stay with our clients, and those we place, beyond each successful search, to support their continued joint future success.

### **Thanks to all the eminent participants of the roundtable:**

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- Sreeja Nair, Head - HRBP (Commercial Functions) & Talent CoE , Modenik Lifestyle
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*\*in alphabetical order*



