



# **India Inc.:**

From Intention to Impact



## About the Catalyst Research Centers



# The Catalyst Research Center for Equity in Business Leadership examines and documents workforce demographics and their impact on employees, companies, communities, and society. In particular, the Center identifies how women's underrepresentation affects corporate governance

and society. In particular, the Center identifies how women's underrepresentation affects corporate governance and executive teams, and it explores how diverse leadership contributes to business success. By verifying gaps in representation and creating results-oriented solutions, the Center's findings and recommendations help organizations diversify leadership.



#### The Catalyst Research Center for Career Pathways

exposes root causes of gender gaps from the classroom to the boardroom, conducting research that sorts myth from fact, identifies the true problems that hold women and other underrepresented groups back from advancement, and provides a solid basis for more effective talent development. The Center's findings allow businesses, media, governments, and individuals to gauge women's progress and develop solutions and action plans to advance women into leadership.



#### The Catalyst Research Center for Advancing Leader Effectiveness

explores a central challenge facing today's business leaders: how to leverage employee diversity to achieve success through inclusive decision-making and talent management. The Center's research examines the nature, impact, and practice of inclusive leadership. It helps committed leaders learn how to become individual change agents, shaping the workplace culture by role modeling effective interpersonal interactions and capitalizing on opportunities to build inclusive talent management systems.



# The Catalyst Research Center for Corporate Practice

conducts research distinguishing sound talent management strategies from programmatic fads and documents best practices. These findings enable organizations to strategically create and support inclusive cultures for both women and men. The Center's partnership with its Expert Community, a consortium of business leaders who contribute to and act on the Center's work, informs organizational policy and practices, leading to actionable solutions and systemic change.

## **About Catalyst**

Founded in 1962, Catalyst is the leading nonprofit organization expanding opportunities for women and business. With operations in the United States, Canada, Europe, India, Australia, and Japan, and more than 800 member organizations, Catalyst is the trusted resource for research, information, and advice about women at work. Catalyst annually honors exemplary organizational initiatives that promote women's advancement with the Catalyst Award.



## **India Inc.:**

## From Intention to Impact

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Diversity is very important to our organization and is a part of our business strategy. I build a business case for it in three major ways. First, today, we need innovative ideas to cope with the rapid changes we see in the world around us—environmental, governmental, political, economic changes. For this, we need diverse management teams and diverse thought. Second, we need more women to fill the talent gap we are facing. And finally, our client companies want to partner with others who have similar beliefs, and so it is critical for us to model diversity and inclusion now.

> -Sunil Nayak, Chief Executive Officer Sodexo India On-Site Services

In the face of a critical shortage of employmentready talent, <sup>1</sup> India's business leaders are increasingly looking to women as a crucial untapped economic engine,2 yet the bridge from diversity-focused programs and policies to inclusive impact remains uncertain. The current representation of women and men in corporate India (see Figure 2) reveals a disconnect between organizations' strategies and women's inclusion in India Inc.

This study<sup>3</sup> is based on a survey of 42 companies<sup>4</sup> which collectively employ more than 400,000 people across India,5 as well as interviews with key business leaders and experts.<sup>6</sup> Our findings indicate a gap between organizations' wellintended corporate initiatives and the impact of those initiatives in creating more inclusive workplaces.

This report offers support to diversity and inclusion (D&I), human resources (HR), and business leaders in developing a systems approach to change in India, Inc., focusing on key areas in which to improve women's workplace inclusion in India Inc., including:

- Foundational Approaches to help organizations address key, locally relevant issues to set the stage for progressive change.
- Flexible Work Arrangements and Cultures to help overcome sociocultural barriers.
- Employee Leave and Reintegration Programs to create workplace environments where talent is valued.
- Leadership Development Programs to ensure that growth is inclusive and monitored from the top.
- **Employee Inclusion Efforts** to build networks and create inclusive cultures for all employees.

With this focus in mind, this report provides:

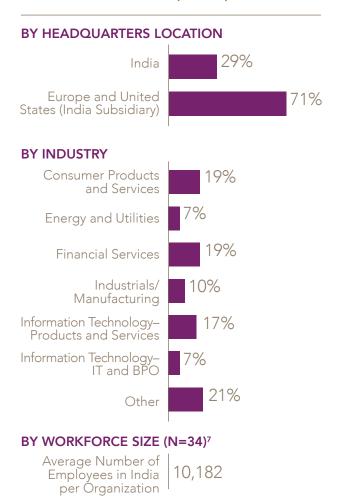
- **Reality Snapshots:** Information on the current landscape of women's inclusion in India Inc.
- Impact Opportunities: Information on the specific gaps and related opportunities for change.
- Strategies for Success: Recommendations on the actions organizations can take to create the necessary change.



# Profile of Participating **Companies**

Forty-two organizations representing seven industries participated in the 2015 Catalyst India Benchmarking study.

#### FIGURE 1 Participating Organizations' Profiles and Characteristics (N=42)



#### **DEFINITIONS: JOB TITLES AND LEVELS**

To make comparisons across companies, some of which use different job titles and levels, organizations were provided standard definitions as common reference points for use when responding to the survey. Corporations and professional services firms received slightly different definitions as appropriate to their context. The following represent a consolidation of these definitions:

- Level 1: Executive Officers: Senior-most executives or senior-most elected professionals, including the CEO or firm managing partner and those individuals within one reporting level of the CEO/managing partner, who set the strategic and/or operational direction of the organization or firm.
- Level 2: Senior Managers/Senior Directors: Senior management or its equivalent on the professional or technical ladder, including individuals below executive officer who are within three reporting levels of the CEO. In the case of Professional Services Firms this level includes the partner pool or equivalent (not including management/executive committee members).
- Level 3: Managers/Directors: Middle management to first-level managers or its equivalent on the professional or technical ladder. Those individuals below senior managers/directors who are within five reporting levels of the CEO in a corporation or, in the case of professional services firms, all non-partners (senior associates, associates, of counsel, counsel).
- Level 4: Entry Level and Pipeline: Nonmanagement/individual contributor (including entry level), including all individuals below the Manager/Director level or below the associate level (e.g., analysts) at professional services firms.

FIGURE 2 Representation by Gender Across Levels (N=30)8

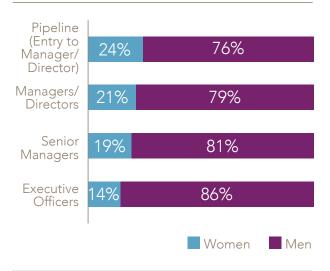
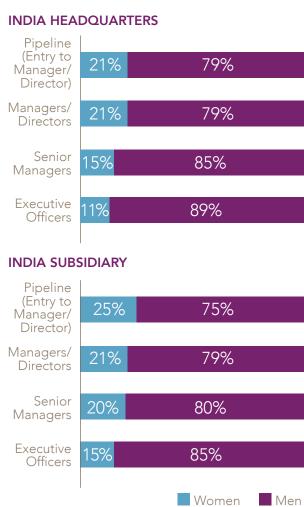


FIGURE 3 Representation by India Headquarters and India Subsidiary Companies (N=30)





# Inclusion Efforts Set the Stage for Gender Parity

The first goal is to attract women [to work with us]—and not just in the conventional ways. Sometimes we recruit for "second career" applicants, where they are not limited by any previous experience. We are careful about defining and selecting for what the role needs; pre-experience is not a requisite, qualification is required. We are also exploring some [other] new approaches.

> -Man, Project Manager Gurgaon

# **Reality Snapshot: Foundational Approaches Demonstrate** Breadth but Have Potential for **Deeper Impact**

Although gender parity at the societal level is still lacking in India in many respects, 9 our data indicate that organizations are implementing ground-level changes to establish a foundation for their D&I efforts. In particular, these initial approaches include broad efforts to attract women into the workplace and ensure that women have safe and comfortable work environments once they are hired.

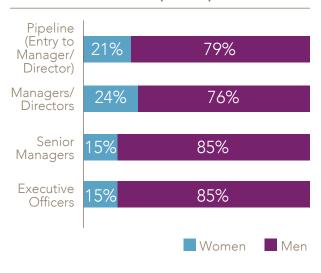
For instance, going beyond campus recruiting, where large numbers of graduates are hired directly from their college campuses, more than 86% of companies practice other recruiting strategies designed to help increase gender diversity. This is an evident need given that hiring tends to skew heavily toward men, especially at senior levels, as seen in Figure 4.

Another example of the breadth of inclusion efforts employed by organizations relates to safe workplaces. To ensure that women recruited into the workforce are welcomed into safe environments, organizations in India are working to mitigate risks to women's safety and experiences of harassment bias.<sup>11</sup> For example:

- Many organizations transportation options women employees who work late.
- In accordance with the Sexual Harassment for Women at Workplace Act 2013, most organizations must now have a strict, zerotolerance policy in place, supplemented by employee training programs, internal complaint committees (ICCs) mechanisms to address complaints.<sup>12</sup>
  - While the majority of surveyed organizations (88%) offered antisexual harassment training, the remaining 12% have yet to address this legally mandated activity.

While such measures get women into organizations and ensure a safe work environment once there, more systemic, culturally ingrained issues that affect women's workplace experiences and career trajectories such as gender bias, family support role, and shifting demographics continue to demand more attention and focused effort.

FIGURE 4 Proportion of Women and Men Hired in Fiscal Year 2014 (N=27)



## **Impact Opportunity: Hold** Local Leaders Accountable for Implementing Locally **Relevant Strategies**

Complete change will take its time. There are different ways you do it. You change it from the root, or you change it at a demonstration level, when you demonstrate you have some commitment to it. I would say there is a lot of dissonance, but...you then deal with the dissonance one way or the other. At least you recognize that there is a dissonance there. That's the first step.

—Woman, Head of Corporate Sustainability Hyderabad

To achieve deep and sustainable change, programmatic breadth must be accompanied by contextual depth. In setting the stage for greater inclusion, organizations must ensure that foundational issues such as diversityfocused recruiting efforts and wide-ranging safety and anti-harrassment offerings, are well tackled. Attending to local needs is critical while implementing D&I strategies, and identifying those specific foundational issues stemming from the organization's local context requires local leadership be held accountable for "getting it right."

A significant majority of organizations<sup>13</sup> reported having a formal set of strategies to advance women.<sup>14</sup> Most organizations showed a high degree of autonomy and local ownership:

- Developed local strategies: 71%.
- Created programs locally: 60%.
- Created policies locally: 71%.

 Had dedicated staff working toward the development and advancement of women: 64%.

While locally created and owned strategies, programs, and policies may set the stage for local accountability, this remains an impact opportunity across India, Inc. Though data suggest that the majority of organizations have a high degree of local ownership of women's advancement strategies, this does not always translate to individual leaders accepting ownership for action and impact.

- 57% of all organizations held senior leaders accountable for gender diversity goals or objectives, 15 mostly (83%) through performance goals and/or ratings.<sup>16</sup>
  - Among those that do, only two organizations held senior leaders accountable by linking efforts to (variable) compensation.
- 41% of organizations did not hold local senior leaders accountable.

Holding leaders accountable for translating intention into impact can be a crucial gamechanger in India Inc. Organizations that connect particular local goals to achieve foundational D&I needs with strategic organizational objectives and emphasize consequences (e.g., rewards for progress or penalties for lack of progress) are able to hold senior leaders accountable and reinforce the organization's commitment to D&I efforts. Local development and implementation is key, but insufficient if not coupled with ongoing learning and refinement, stemming from a focus on accountability.



## Strategies for Success: Expand Recruiting Efforts to Achieve **Both Breadth and Depth**

Approaches to recruiting talent that involve a focus on identifying and attracting qualified women will enhance representation and improve the organization's external reputation and brand. Broad strategies such as a diverse-slate policy,17 whereby organizations' talent acquisition teams as well as external recruiters are required to consider a certain number or proportion of women for all available positions is useful, especially in traditionally maledominated industries. But these high-level policies may still leave key segments of talent untapped.

Such top-level strategies must also be complemented by locally relevant approaches that penetrate key market areas more deeply. For example, a focus on sourcing candidates from smaller towns and newer or upcoming colleges and women's colleges has proven useful to some organizations in India.<sup>18</sup> Senior leaders—hiring managers, especially—must be held accountable for seeking and fairly considering women candidates from such new areas. Organizational incentives for recruiters or hiring managers who provide diverse applicants and/or hire diverse employees (in terms of gender and regional or educational background) can further support these efforts. Diversity trainings for hiring managers tailored to locally specific cultural norms to combat potential biases toward individuals from certain regions, cities, schools, or particular demographic backgrounds (such as class) can also be important.

#### **CONSIDER THIS: RESOURCES** FOR TAKING ACTION

As you seek to accelerate your inclusion efforts, reflecting on your organization's own foundational approaches to attract women, consider the following questions and Catalyst resources to guide your next steps:

- How effective are your current D&I efforts? How is your organization leveraging its strengths to attract and keep top talentespecially women?
  - Catalyst's *Vital Signs*<sup>19</sup> resources will help you diagnose your organization's inner D&I health and arm you with tools to create or expand workplace inclusion. For instance, *Vital* and Practices<sup>20</sup> will help you evaluate your current policies and practices for recruiting, advancing, and retaining women.
- Is the business case for gender diversity clearly defined and communicated in your organization?
  - Gender Diversity in India<sup>21</sup> will provide you with the major "pillars" that form the business case for more women in India Inc.

# Flexible Work Arrangements Help Overcome Sociocultural Barriers When Supported by a Flexible Work Culture

One of the biggest challenges was . . . How do I manage my career in the context of roles and expectations that people have of me in the community, in my family, in society?

> —Woman, Founder and CEO Bangalore

## **Reality Snapshot: Organizations** Offer Flex Work Policies But **Insufficiently Promote Their Use**

[The biggest need] is genuine flexibility, earned flexibility, unconditional flexibility. That...is really missing in its truest sense.

—Woman, Head of Corporate Sustainability Hyderabad

Women in the paid workforce in India are faced with a complex set of sociocultural challenges, including social expectations and stereotypes about gender roles, the complicated clashes between modernization and tradition, and the impact of globalization.<sup>22</sup> There is an absence of reliable infrastructure outside of work, including daycare or transportation options. Moreover, as young families increasingly move into urban India for work, leaving behind a strong family and social support system in their home towns and smaller cities, employees in India—especially women—face great challenges integrating work and life demands such as raising children while pursuing a career.<sup>23</sup>

When organizations identify solutions to common challenges, such as rigid rules around when and where to work, team inefficiencies, and employee burnout, employees and businesses alike benefit.<sup>24</sup> Yet, not all companies in India have a formal work-life integration strategy to address such issues.

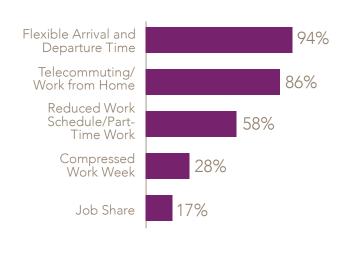
While many surveyed companies (86%) reported having a formal, written flexible work policy, significantly fewer India-headquartered companies had one compared to India subsidiary companies.<sup>25</sup>

• A full 93% of India subsidiary companies reported having a formal written flexible work policy compared to just 67% of India-headquartered companies.<sup>26</sup>

Among the organizations that offered flexible work arrangements (FWAs):

- Flexible arrival and departure (94%) and telecommuting (86%) were the most commonly offered flexible work programs.
- Job sharing (17%) was the least common.

FIGURE 5 Percentage of Organizations Offering FWAs, by Type (N=36)





## **Impact Opportunity: Promote Inclusion by Promoting Work-**Life Integration

Despite a prevalence of FWAs "on paper," most of these programs were poorly tracked among surveyed organizations, showing a need for greater accountability and cultural acceptance of FWAs. For instance, even telecommuting, which was offered by a majority of organizations, was tracked by only slightly more than one-third (39%) of organizations.<sup>27</sup> This raises questions about how serious organizations are about employees' work-life effectiveness. Consequently, the extent to which employees actually feel empowered to take advantage of available FWAs is uncertain. One way to create a flexible culture is to review where employees are encouraged to use FWAs compared to low employee use of FWAs.

## **Strategies for Success: Encourage FWA Use** by Employees

You have other policies like flexi-time or work-from-home. But does the woman feel empowered enough to even ask for those flexi-time options from her manager? Would she feel that if [she asks] to use those policies or... benefits, would it affect [her] promotion? What will my manager think? What will my juniors think? She'd be even scared to ask for those benefits which are provided to her by the company. I think that as the policy bit is taken care of, the sensitivity or the awareness and the empowerment that is needed to make the best of the policies—that is where the experience has been [not as good] as what we'd like to have.

> —Man, Manager, Diversity and Inclusion Mumbai

While many of the surveyed organizations provide flexible work options and leave programs, more of them must begin tracking FWA utilization

and encourage a culture where flexible work is accepted as a norm.

A lack of tracking may be tied to FWA uptake challenges, due in part to barriers and social norms still prevalent in many organizations. Tracking FWA use will help identify opportunities for culture change interventions—for instance, encouraging managers at all levels to promote and role model the use of FWAs where there is currently low utilization. Calling on leaders to mandate, role model, and hold themselves and one another accountable for implementing change efforts around work-life integration is an essential step in improving women's representation and inclusion in India Inc.

#### **CONSIDER THIS: RESOURCES** FOR TAKING ACTION

To understand the importance of flexible work options in retaining top talent, consider the following questions and Catalyst resources to guide next steps.

- How do employees in India address work-life balance challenges?
  - Management in India<sup>28</sup> points out the challenges that work-life integration poses for employees in India (especially women).
- Why should organizations in India provide FWAs? Is it worth the costs?
  - Arrangements<sup>29</sup> describes the importance of FWAs for employers interested in retaining top talent, and how FWAs are increasingly the rule, not the exception.

# **Employee Leave Policies Are Insufficiently** Supplemented by Reintegration Efforts

The question is more about, they do come back, but they leave after—very quickly after that. So they come back, but after three months they realize this is becoming a bit too much, and they quit. So it is more of ensuring when they come back that really we are able to retain them.

—Woman, Director—Business Management

# **Reality Snapshot: Organizations** Offer Employee Leave Programs Yet Provide Insufficient **Post-Leave Career Support**

Surveyed organizations offered a variety of leave options, including "extra" maternity leave (paid and unpaid) beyond legislated time off, 30 adoption leave/assistance, volunteer leave, paid and unpaid paternity leave, and sabbaticals. For instance, organizations generally offered more than the legally mandated 84 days of maternity leave, with many women returning to work after that period.

#### FIGURE 6 Paid and Unpaid Maternity Leave and Percentage of Employees Returning Post-Leave

#### AVERAGE NUMBER OF DAYS OFFERED

Paid Maternity Leave	144 days <sup>31</sup>
Unpaid Maternity Leave	104 days <sup>32</sup>

#### PERCENTAGE OF EMPLOYEES RETURNING



While the relatively long duration of maternity leave coupled with high rates of return paint a positive picture, employees we interviewed from participating organizations shared concerns around long-term success and career sustainability. These return rates reflect short-term outcomes, while for many-women with children, in particular-the double burden of work and family responsibilities proves to be an insurmountable obstacle later.

Exacerbating this challenge, nearly half of surveyed companies (48%) reported not offering any family care options such as on-site/near-site child care, emergency child care, referral and support services for child and elder care. This presents a critical area of opportunity in a country where family support is crucial for women's well-being at work and at home and where external infrastructures leave much to be desired. Such a lack of organizational support for post-leave caregiving responsibilities raises questions about the extent to which India Inc. is fully supporting women's ability to successfully integrate work-life needs.

## **Impact Opportunity: Provide** Adequate Post-Leave Support to Employees

An opportunity exists in providing organizational support to employees returning from long-duration leaves or career breaks. Such employees must be reintegrated using fair performance management practices. More than one-half (57%) of surveyed organizations focused reintegration efforts on performance management policies for employees returning from long-duration leaves. However:

 41% of organizations still lack a formal, standardized approach to determining appropriate performance review ratings for post-leave employees.

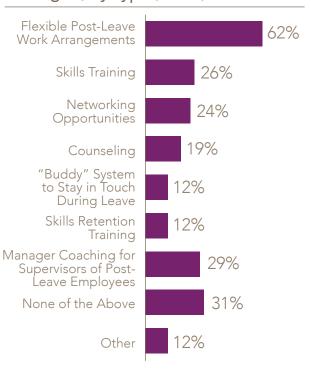


- Of those organization that do have a formal approach:
  - More than half (54%) use a pro-rated performance rating approach.
  - □ 13% use a uniform "default" rating<sup>35</sup> common to all returning employees.
  - 25% use a mix of approaches.

## **Strategies for Success:** Reintegrate Post-Leave **Employees Using Fair and Inclusive Practices**

Organizations in India must implement simple but fair post-leave policies, ensuring that returning employees—especially women—are not penalized for taking leaves and are evaluated fairly based on their performance in ways that adequately and effectively

FIGURE 7 Percentage of Post-Leave Reintegration Strategies, by Type (N=42)



recognize contributions made. Organizations can build on the steps they are already taking to attract, recruit, and reintegrate women returning from career breaks using a range of policies and benefits.<sup>36</sup>

Methods for recognizing performance of employees who take leaves reinforce the value the organization places on talent, and support the meaningful—and hopefully sustainable reintegration of employees after leave.

#### **CONSIDER THIS: RESOURCES** FOR TAKING ACTION

In helping organizations provide fair leave options and then reintegrate employees into the workplace post-leave, consider the following questions and Catalyst resources to guide next steps.

- What sociocultural barriers keep women from career advancement in India, and what can organizations do to ensure they don't lose talent due to work-family integration challenges?
- The Making Change in India Inc. 37 toolkit focuses on how organizations and individuals in India can overcome sociocultural obstacles to gender inclusion. Specifically, Making Change in India Inc. Successfully<sup>38</sup> addresses the barriers women face upon returning to work after a career break and provides organizations and individuals with recommendations for successful reintegration.
- What do employee work-life integration efforts look like in different regions, and what might be some lessons learned for India?
  - provides a quick look at employee leave and flex work options across the globe, along with some organizational success factors.

## Leadership Development Programs Have Yet to Result in Inclusive Growth

Every year there are so many women who sign up [for our women's leadership development program]. Somehow they never had been registered for general programs, which then goes on to show that, in fact, these women during their corporate lives don't have access to quality training.

> -Woman, Professor Ahmedabad

# Reality Snapshot: Though Prevalent, Leadership **Development Programs Don't** Reach Enough Women

The broad category of leadership development includes formal leadership training programs, coaching, mentoring, and sponsorship. Programs for leadership development in general were a high priority for organizations. When it comes to programs targeting the development of women, India-headquartered companies were less likely than India subsidiaries to offer specialized programs for women.

- While 88% of surveyed organizations offered some form of leadership training, only three India-headquartered organizations offered women-targeted leadership training programs compared to 20 (74%) India subsidiary companies.<sup>40</sup>
- 64% of surveyed organizations have coaching programs, yet:
  - No India-headquartered companies had women's coaching programs.
  - Almost half (46%) of India subsidiary companies did not have womentargeted coaching.
- 71% of surveyed organizations have mentoring programs, yet:

- Only two of the India-headquartered companies had mentoring programs for women compared to 13 (52%) of the India subsidiary companies.<sup>41</sup>
- 36% of surveyed organizations have sponsorship programs, yet:
  - Nearly (46%)half India subsidiary companies and no Indiaheadquartered companies sponsorship programs targeted to women.

It is possible that women are receiving such opportunities through other general programs. But a closer examination of organizational approaches to leadership development reveals that even these "general" programs might be not reaching women. Among surveyed organizations that offered leadership development programs,42 the groups targeted most often were high-potential employees and senior leaders. Given that senior leaders and those in higher ranks of the India Inc. pipeline are mostly men (see Figure 2), this programmatic approach raises some questions about the reach of such talent development programs to those most in need: namely, women. Developing existing leaders, most of whom are men, precludes an opportunity to develop emerging women leaders.

Organizations must evaluate whether these programs leadership development women—and whether women are reaping the benefits of participation to the same extent as men. Unfortunately, that question is difficult to answer currently. In general, there was insufficient utilization tracking by gender or measurement of impact for these programs. This, again, calls attention to the need for greater accountability and monitoring mechanisms for such organizational change efforts.

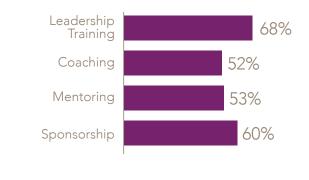


FIGURE 8 Percentage of Development Program Impact Tracking, by Type

NUMBER OF ORGANIZATIONS **OFFERING PROGRAM** 

Leadership Training	37
Coaching	27
Mentoring	30
Sponsorship	15

#### ORGANIZATIONS MEASURING IMPACT

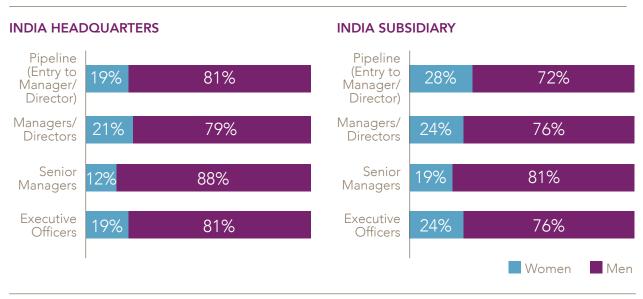


Among those organizations that did measure impact, most only measured participation and satisfaction at an aggregate level, rather than by gender.

- For instance, while 80% (20) of organizations offering leadership training programs tracked participation overall, only 36% (9) tracked participation by gender.
  - Fewer than half of these organizations, 48% (12), tracked career advancement as an overall impact measure, and just 20% (5) tracked advancement by gender despite the fact that the most commonly stated purpose of these programs, especially for women, was advancement.43
- These patterns also hold for tracking the impact of coaching and mentoring programs.

Among the relatively few organizations that did measure career development and advancement outcomes, most measured promotions. Overall, women's promotion rates lag men at all levels (see Figure 9).

FIGURE 9 Percentage of Total Promotions, by Gender and Organization Type (N=22)



## **Impact Opportunity: Ensure** That Efforts to Advance Women are Monitored From the Top

It has to be a top-down approach. We have such young leaders on the ground [in India] first-line managers—who emulate what they see at the top. So it's extremely important for the CEO to be a role model and set the tone.

> -Woman, APAC D&I Head Bangalore

Introducing D&I programs and policies is an essential start, but to achieve sustainable impact, executives and managers must be held accountable for initiative implementation and results.

Among surveyed organizations that focused on accountability, the most common aspects of diversity for which leaders were held accountable included:

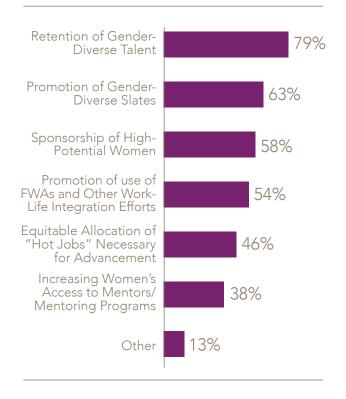
- Retention of gender-diverse talent (79%).44
  - 89% of India subsidiaries held senior compared leaders accountable to 50% of India-headquartered companies.45
- Promotion of diverse slates and/or appointments (63%)<sup>46</sup> were approximately equally emphasized Indiaheadquartered and subsidiary companies.

Holding leaders accountable for both retention and hiring is critical. At executive levels, women are leaving at a higher rate than at other levels.

- Women represent 28% of executive-level employee exits despite only representing 14% of the executive-level employee base.
- Only 15% of executive-level external hires are women.
- · Fewer women than men are promoted into executive-level ranks.

Combined, these factors serve to further exacerbate the current leadership gender gap in India Inc.

FIGURE 10 Percentage of Senior Leader D&I Accountability, by Outcome (N=24)





## **Strategies for Success: Require Senior Leaders to Transform Intentions Into Impact**

More than 40% of organizations fail to hold senior leaders accountable for making measurable progress—impact—on D&I goals. Figure 10 reflects the areas of accountability among participating organizations that did emphasize senior leader accountability. It uncovers opportunities to increase senior leader involvement and accountability among all organizations in all these areas and more.

#### **CONSIDER THIS: RESOURCES** FOR TAKING ACTION

In reflecting on your organization's current leadership development programs as well as accountability structures and culture, consider the following questions and Catalyst resources to guide next steps.

- What are the barriers to leadership for women?
  - and Realities<sup>47</sup> lays out the myths and realities regarding women's advancement into leadership positions in India.
- What outcomes or indicators of development and advancement does your organization measure? Have you considered moving beyond simply measuring promotions to measuring outcomes such as increases in budget, P&L responsibility, people management, or additions to the organization's succession planning pool?
  - Enhancing measurement and tracking efforts helps organizations closely examine what is working, where, and to Advance<sup>48</sup> and High Potentials Under show how women often don't receive the career advancing "hot jobs" that comprise true leadership development.

# **Employee Engagement Is Essential to Achieving** Meaningful and Sustainable Inclusion

Managers are the ones who can create the biggest impact. I keep telling them that the numbers will increase as long as you create an inclusive environment.

> -Woman, APAC D&I Head Bangalore

## **Reality Snapshot: Leveraging Employee Involvement** can Boost Organizational **Change Efforts**

A key strategy to spur a sense of employee involvement and ensure workplace inclusion is helping employees feel like they belong and contribute to the larger organization, while still valuing their unique strengths.50 This is achieved by such practices as:

- Providing opportunities for employees to discuss what D&I means to their work group.
- Soliciting input from employees at all levels on how to improve D&I efforts within the organization.
- Actively responding to employee input.
- Providing employees with structured forums and opportunities to learn about best practices related to promoting D&I in the organization.

Based on employee change effort engagement metrics, most organizations indicated that their employees were relatively highly involved.<sup>51</sup>

 Approximately 83% of organizations reported that employee suggestions on improving D&I efforts in the organization are responded to appropriately "often" or "almost always."

Still, organizations can do more to connect this sense of employee involvement to employee and business outcomes. Employee networks, also known as employee resource groups (ERGs), affinity groups, or business resource groups, provide a critical channel by which employees connect to D&I issues and create a sense of community, fulfiling the need for employee involvement.52

A majority of organizations reported having employee networks (74%), but India subsidiary companies were more than twice as likely to have employee networks than were India-headquartered companies.53

- India-headquartered companies: 42%
- India subsidiary companies: 87%

As with tracking of leadership development program outcomes, not all organizations reported assessing the impact of employee networks.

- organizations offering diversity networks, 29% did not assess impact in any way.
- Companies that do track employee network outcomes primarily participation/attendance  $(61\%)^{54}$ satisfaction (39%).55
- Of organizations that had employee networks, 90% reported having a network "champion."

The lack of tracking once more begs the question of accountability. Are these champions holding networks accountable for business impact and inclusion. Likewise, are they themselves being held responsible for employee network success?



### **Impact Opportunity: Involve** all Employees in Efforts to Create an Inclusive Culture

Our senior sponsor for D&I in India is a male, which is wonderful to have. We actually have a lot of male members in our [women's network team]. There's a lot of awareness, and there's a lot of discussion keeping this as a priority.

—Woman, Director-Business Management Mumbai

One indicator of an organization's focus on the importance of gender diversity is the level of employee involvement in D&I change efforts.<sup>56</sup> Organizations in India that create opportunities for employees to provide feedback to leaders and for that feedback to be validated and heard—on an ongoing basis will be better poised for success.

Employee networks are great forums in which organizations can provide opportunities for employees to engage in meaningful dialogue with colleagues and organizational leaders, including:

- Sharing ideas on what D&I means in the context of their work and work groups.
- Providing input on how organizational D&I efforts can be improved.
- Learning about current strategies from which everyone can benefit.

Another critical way to improve employee involvement is to look to allies. Men, especially senior male leaders, have a critical role to play in D&I efforts.<sup>57</sup> Not only are they represented in greater numbers in more powerful, senior positions, they also personally have a lot to gain from more diverse and gender-balanced workforces.

• 60% of surveyed companies reported having gender training/development opportunities for men.

• Among those offered, opportunities most commonly (60%) included unconscious bias training.

However, despite the fact that a majority of surveyed organizations report providing such opportunities to employees across levels, utilization is notably low. Most organizations reported that opportunities for dialogue with men happen:

- Rarely: 31%.
- Once or twice a year: 38%.
- Most organizations (64%) did not monitor men's engagement in D&I efforts.

## Strategies for Success: Increase Access to and Business Impact of Employee Networks

At our company, our women's network focuses on development of women at three main [levels]: starting-to-mid-management, management, and senior management. All women can nominate themselves throughout the year in India and APAC and even globally. Through the women's network they can identify mentors based on their own needs. They use a tool to identify competency needs, [which] then maps [them] onto a mentor who can help with those areas....Maximum focus is needed on midmanagement, to prevent leakage there....We need to have more role models....Women need more people to look up to, to be better able to resist societal pressure and give up their careers.

—Man, Assistant VP, Diversity & Inclusion Noida

Among organizations with employee networks, women's networks were most common (94%), followed by resource groups for persons with disabilities (23%). Adding more employee networks to cater to more dimensions of diversity is another opportunity by which organizations can increase employee feelings of belonging.

#### **CONSIDER THIS: RESOURCES** FOR TAKING ACTION

In addition to employee engagement across the pipeline through key activities such as employee networks, it is critical to ensure that other key stakeholders such as senior leaders—and men, in particular—are engaged. Building employee involvement through networks and bringing men into the movement as allies for change are critical. However, outcomes will likely fall short in the absence of senior leader champions and accountability for all. Consider the following questions and Catalyst resources to guide next steps.

- How can you engage key stakeholders systematically in building the case for gender D&I?
  - *By-Step Guide*<sup>58</sup> will help your stakeholders address key questions about internal and external success factors and creating a business case for your organization. In addition, A Bright Spot Case Study: How *Gap*<sup>59</sup> demonstrates how individuals, especially male leaders, can make a difference in leading inclusion efforts.
- How do you ensure that your organization pays attention to employee involvement and connection to organizational change in driving inclusion?
  - Build Inclusive Workplaces<sup>60</sup> shows how employee connection to company values and the presence of visible workplace role models help foster inclusion and offers recommendations for action.

Among organizations with employee networks:

- 81% were driven by HR or other diversity groups.
- Only 42% were funded through lines of business.

This lack of connection to the business may make it easy to dismiss networks as a "nice to have" rather than a critical facet that drives both D&I impact and business benefits.

Strengthening the perceived—and real connection between network activities and business outcomes can be very useful in improving buy-in and leveraging such networks to support meaningful impacts for participating employees and the business alike.

## **Strategies for Success: Engage Men as Champions** to Accelerate Progress

The full support of men—arguably the larger (in terms of numbers) and more powerful stakeholder group in most organizations—is required to accelerate progress toward ending gender disparities. But there needs to be more investment in such efforts than merely counting male attendees at infrequent events. Organizations must work to raise awareness across the employee base regarding current challenges in the D&I landscape as well as what all—women, men, and organizations alike—have to gain from closing these gaps.

Men must also be held accountable for supporting D&I efforts and rewarded for role modeling desired behaviors and acting as champions for change. In so doing, organizations can combat the zero-sum thinking that holds many men back from fully supporting D&I efforts and create pathways to greater D&I impacts of which all employees can take ownership and from which all employees can benefit.



# India Inc.'s Inflection Point: an Opportunity for **Intentional Organizational Change**

Organizations are taking stock of the fact that there are systemic biases that could be [getting] in the way of women [entering] the leadership pipeline. [They are] marking it up as an important project for them to be focused on, which is a big change. Today, I have seen more conviction on why they want to do it. It's not just [ticking a box]; it's more about, "Let's make a difference." [This] is a very positive thing.... What is hard is actually practicing it, because understanding it and appreciating it at a rational level is different from implementing it and executing it on the ground.

> —Woman, Founder and CEO Bangalore

India Inc. is at a critical inflection point. With gender D&I a strategic imperative, next steps require a sustained commitment to implementation. Given the increasing size of the Indian workforce,<sup>61</sup> the opportunity to make large-scale impact is unprecedented.

Organizations certainly have ticked many of the right boxes when it comes to addressing acute and apparent barriers to gender equity—such as antisexual harassment training, FWAs, and maternity leave policies. Yet, addressing questions around how to retain women by developing an inclusive culture that encourages use of these policies without penalties, stresses the need to provide career-advancing opportunities, and men and senior leaders feel at least an equalif not greater—stake in the game, will propel organizations to the next level in gender inclusion.

Barriers to greater inclusion are rooted both within and outside the workplace in India. Organizations that understand what makes the difference between stated intentions and achieved impact will serve as crucial game-changers in the journey toward an India Inc. where women and men have equal opportunities to succeed.

Leaders who find themselves and their organizations at this inflection point have a choice to make: accept the status quo and stagnate, or build on lessons learned and capitalize on key opportunities to propel their organization's D&I agenda. Insights from this report on the landscape of women's inclusion in India Inc., the current realities and associated opportunities for change, and the strategies for success can support this move from intention to impact.

#### **Endnotes**

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- 2. "Close India's Gender Gap to Open its Competitive Potential," World Economic Forum press release, November 16, 2009.
- 3. See Appendix—India Inc.: From Intention to Action for more details on methodology, sample, profile of participating companies and list of participating organizations.
- 4. Forty-two organizations participated in the study, including 33 that agreed to be publicly listed. The remaining nine organizations participated anonymously.
- 5. The total number of employees in the 34 companies that provided data for this question was 346,181. Extrapolating this number to 42 companies resulted in the estimate of over 400 000
- 6. Interviews were conducted with 23 business leaders across India-headquartered and India subsidiary organizations as well as with academic experts and D&I consultants.
- 7. Thirty-four organizations provided data on the total number of employees in India at the time of the survey. The average number of employees was 10,182, with a wide range from 272 to 76,305.
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- 32. N=15.
- 33. N=16.
- 34 N=14
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- 41. This difference between the India-headquartered and India subsidiary companies was not statistically significant at p<.05.
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- 43. The main purpose of leadership development programs was reported as, "Accelerating advancement for women who are considered 'high potential' or on a 'fast track.' For leadership training programs, 87% of organizations reported this; for coaching, 83%; for mentoring, 73%; and for sponsorship, 86%.
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