

# BITE THE CASTE BULLET

Caste inequities can be reduced only by highlighting caste and other differences. It's time India Inc went from being caste-blind to becoming caste-sensitive

**NAREN KARUNAKARAN**

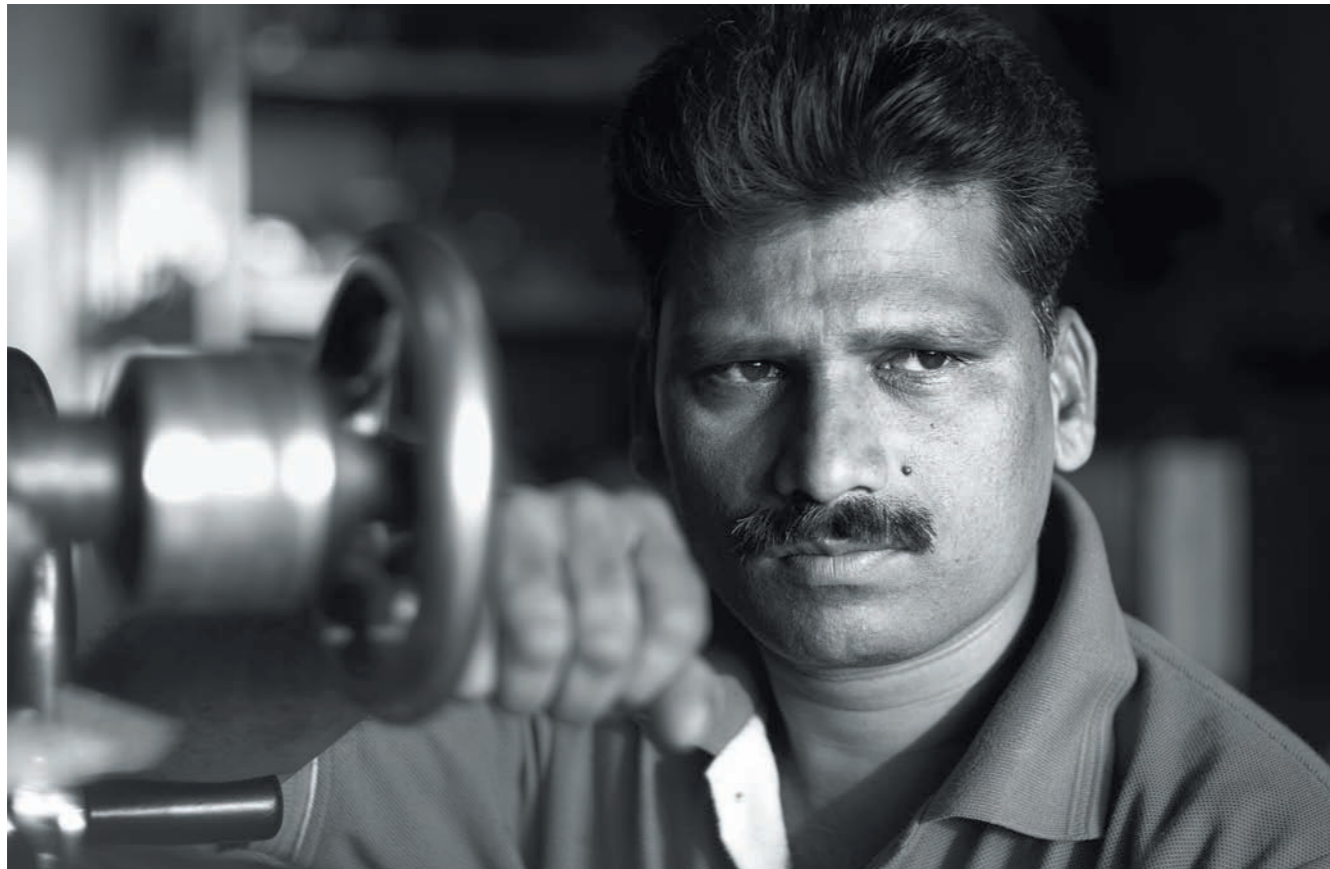
Photographs by Soumik Kar



**BREAKING OUT:** A dalit family, the Suwases, with an entrepreneur, Vijay, among them, is experiencing the first benefits of a rise in the social ladder. Kamlesh, Vijay's nephew, is among the first in the family to go to college

“You don't take a person who, for years, has been hobbled by chains, bring him to the starting line in a race and say 'you are free to compete with all others', and still justly believe that you have been completely fair.”  
—Former US President Lyndon B Johnson in a famous 1965 speech that laid the foundations of affirmative action there

All this while, the Tatas embraced the very neutral approach to hiring that Johnson cautioned against, and they thought they were being fair. Much of corporate India still believes in a



**HIS OWN MAN:** Vijay Suwase used to be a helper in Forbes Marshall. Noticing his zeal, Director Farhad Forbes helped him turn entrepreneur. Current annual turnover: Rs 8.4 lakh

workforce that is alive only to merit, with its dubious definitions, and blind to caste, and they think they are being fair. The numbers mock at them and tell them that scheduled castes (SCs) and scheduled tribes (STs) constitute around 24.4% of the population, but make up a fraction of the workforce, and that caste prejudices and inequalities run deep in Indian society. Yet, industry captains still don't think they need to redefine 'fair'.

The Tatas, though, are now doing a rethink. The \$62.5 billion, 350,000 people group has finally bitten the caste bullet, and has quietly undertaken an elaborate caste profiling of its workforce across all its major companies. Over the past few months, the group gingerly distributed forms to employees, asking them to fill in their caste information if they thought it fit to do so. Says Jamshed J Irani, Director, Tata Sons: "Over 99% volunteered their caste status without much ado." Tata veterans were surprised by the findings. "We thought we had less (dalits) than what we have," says Irani.

Once the data was collected and analysed, the group got to work correcting caste imbalances across its plants, by focusing on eastern India, for instance. Now, it is hiring, training and integrating dalits into its companies, like never before. It has put in place a "positive discrimination" policy, a deliberate bias towards dalits in the recruitment process. Under this, all else being equal between competing candidates for a job, or even if a dalit candi-

date's scores are slightly lower than the others, the job would go to the dalit. This is the first time the group has shown a willingness to put caste above merit, even if only marginally so.

"I was the one who was against caste profiling and kept it at bay in the group for decades," confesses Irani, who also heads

**Scheduled castes and tribes constitute 24.4% of the population, but make up a fraction of the private sector workforce**

the council for affirmative action of the Confederation of Indian Industry (CII). But in finally doing so now, the Tatas have shattered prevalent mores of the Indian private sector, which has been running scared of the dreaded c-word. From being a feisty supporter of the merits of being caste-blind or caste-neutral, the group has flagged its clear intent of being caste-sensitive, if not caste-focused.

The Tata initiative is, perhaps, for the first time, a formal, structured, coherent caste exercise, with a clear intent, has been undertaken in corporate India. A few companies had taken reluctant, half measures to dissect their workforce and put out guesstimates when the debate on affirmative action in the private sector was triggered by the UPA government three years ago.

India has an affirmative action policy in the generic sense of the

term, with reservations in the public sector and in education. The private sector, though, largely remains untouched, and that status is increasingly being questioned in achieving the desired ends.

In 2004-05, in rural areas, 47.6% of the population of STs and 35.8% of SCs were living below the poverty line; for upper castes, the corresponding figure was 16%. Even in urban areas, the difference was stark (See graphic on page 27). These numbers serve as a grim reminder of the centuries of discrimination and prejudices, overt and covert, against SCs and STs. They are a commentary on the failure of our education system and merit-based employment system to correct those inequalities and change social mores.

They are a cry that old, passive approaches have failed to uplift these disadvantaged. A new, active approach is needed, and it has to pivot around the private sector. It might be very inconvenient for the private sector to put caste above the conventional norms of merit. But that is the only way to correct centuries of deliberate and systematic injustice meted out to dalits.

But this is akin to walking a minefield. It will draw strong, explosive reactions from either side. Caste mapping in the private sector was always perceived to be fraught with danger. Industry captains felt it would only exacerbate caste divides, open old wounds and foment friction among the workforce, and lead to a loss in productivity and create turmoil on the shop-floors and in boardrooms.

"As a society, we are moving out of a caste-based system. Wouldn't going back to caste be regressive?" asks Bharti Gupta Ramola, India Leader for Transaction Practice, PricewaterhouseCoopers (PwC) India. While Ramola, a member of PwC's global gender advisory council is open to debate, she hasn't yet figured out how to approach the caste conundrum. What she is certain about is the persistence of discrimination in Indian industry. "We do tend to hire people like ourselves. Passive biases often come into play," concedes Ramola.

### 'Positive' Reservations

Caste profiling and consequent corrective actions could also draw charges of 'reverse discrimination' by upper castes. Still, this is the way to go. The Tata exercise is significant for its scale, reach and the potential to change the course of the Indian private sector. A few others are also walking a similar path in their own small ways.

The Pune-based, Parsi family-owned, Rs 500 crore Forbes Marshall Group, for instance, is beginning to draw heavily from the US experience with black Americans and other minorities to craft a robust affirmative action and diversity policy. In order to shatter myths around affirmative action, what the Tatas and companies like Forbes Marshall are doing needs to become a movement, a covenant, a law. But the going has been painfully slow.

After an initial burst of bombast over the issue of inclusive growth, the government too, especially the Prime Minister's Office (PMO) and the Department of Industrial Policy and Promotion (DIPP) of the Ministry of Commerce and Industry, had stepped off the pedal in recent times. It was earlier agreed that caste data would be the first step in the long journey of fostering affirmative action. "We cannot cripple Indian industry by imposing measures when we expect them to be competitive," says Gopal Krishna, Joint Secretary, DIPP. "In our interactions with industry, it was made clear to us that moving from a non-caste

approach to a caste-centric one would be incendiary. Therefore, we didn't push for caste surveys."

The stand is symptomatic of the UPA government's ambivalent approach to affirmative action. When asked what Indian industry had to show on 'voluntary' affirmative action measures apart from a few, tentative skills and entrepreneurship development programmes that benefit a miniscule few, an official in the PMO turned apologist for Indian industry.

This, when governments worldwide are playing interventionist roles. In the US, for instance, the Office of Federal Contract Compliance Programs (OFCCP) makes it mandatory for companies with 50 or more employees and government contracts of \$50,000 or more to implement a written-down affirmative action plan. For construction companies, the OFCCP can specify clear 'goals', or targets for employment of black Americans and minorities. Companies need to show 'good faith' attempts to

**ALL FOR ALL:** Milind Kamble (in blazer) of the Dalit India Chamber of Commerce and Industries, a support group of dalit entrepreneurs, wants companies to push for supplier diversity



achieve the goals outlined.

Although affirmative action is not mandatory in the US, the government there does exercise its choice of not doing business with companies unwilling to accept affirmative action plans. Few US companies can afford to ignore the billions worth of government contracts—as of late-1990s, the latest numbers available, 400,000 corporations covering about 42% of the private sector workforce are under OFCCP purview. And if they deviate from it, they have to pay. In 2008, the OFCCP won a record \$67.5 million in back pay, salary and benefits for 24,508 American workers who had been subjected to employment discrimination—a 133% increase over 2001.

Interestingly, while the UPA government played footsie with industry for three years, in early-2008, the Mayawati government in Uttar Pradesh (UP) put in place an initiative similar to OFCCP, described as “new positive reservations” in all public-private partnerships (PPP) and projects that seek government assistance in any form, be it land or subsidies. Jobs are to be reserved for SCs (21%), STs (2%) and other backward classes (27%) in all PPP projects. For government-supported projects, the break-up is 10% for SCs, 10% for OBCs (including religious minorities) and 10% for weaker sections of upper castes.

The effect of these “new positive reservations” should have been captured in the Rs 52,000 crore worth of infrastructure projects UP has commissioned in recent times, including the Taj and Ganga expressways. “It’s too early to say. Projects are just getting off the ground,” says VN Garg, Principal Secretary to the government of UP, who is steering the programme. “We are setting up a project-monitoring committee. Moreover, we want to tread softly, as we don’t want industry to perceive us as overbearing or as anti-industry.”

### The Case For Legislation

The US and Mayawati experiences establish that legislation on affirmative action is a must. Left to its own, industry will soft-peddle the issue; even good intentions might not have the sweeping effect sought. The CII, for instance, has been implementing a voluntary affirmative action plan—proactive measures by industry to level the playing field for dalits—by improving employability through skills and entrepreneurship development programmes. As part of this, Voltas, the Rs 2,450 crore air-conditioning and engineering services major, has been supporting a well-intentioned, but under-performing, initiative in vocational training for underprivileged dalit youth at the Joseph Cardijn Technical School in Mumbai.

Among them is Kamrej Kumar of Sitamarhi in Bihar. “I was snared in the vicious drug-peddling network of Mumbai and am glad to be out of it,” he says, as he picks up the basics required

## What’s In A Name?

For dalits looking to break into business, evidently, a lot

**M**UKUND KAMBLE AND MUKUND KAMALAKAR. They are similar sounding names, but vastly different in the social identities they betray and the responses they evoke. And in a city like Pune—progressive and egalitarian on the surface, yet conservative beneath—names can mean a lot.

It can mean battling overt and covert discrimination, or easy acceptance and assimilation. Kamalakar, from a scheduled caste (SC), realised this early on, while in college—he changed his surname from the caste-giveaway ‘Kamble’ to the brahmanical ‘Kamalakar’. “The attitudinal change in the people and groups I interacted with then on was remarkable. Access into the competitive world was so much easier,” says Kamalakar, who now owns a flourishing solar equipment manufacturing unit, Suryatech Solar Systems.

He flaunts the usual trappings of a successful entrepreneur, including a swanky sedan, and is certain that he couldn’t have established himself in business with a surname like Kamble, especially in the initial years. “What is critical for dalits is the initial break-in, the access,” he says. “Once you prove your worth in whatever you attempt, you are accepted.” Some of his business associates have stumbled upon his dalit moorings, but now they don’t really mind.

Kamalakar’s turnover, today, exceeds Rs 1 crore. He has a customer base of over 4,000, a majority from the upper castes, for they are the ones who comprehend the benefits of renewable energy and also have the money to invest. The Erandawane-Kothrud stretch of the city, teeming with upwardly mobile upper castes, is where he cut his teeth in business.

He, however, concedes he is an exception and that not all dalit entrepreneurs can adopt his ways; and, therefore, the need for an enabling and facilitating environment for dalits to turn entrepreneurs. He rues the fact that as a first-generation dalit entrepreneur, he has no network he can tap into, unlike the marwaris or other traditional business communities.

“I couldn’t secure a bank loan of a mere Rs 1 lakh to set up an inverter manufacturing unit, even after trying for years,” recalls Avinash Gawai of Media4U, a consultancy. He had to abandon his ken for manufacturing and veer towards the services sector.

Both Kamalakar and Gawai are members of the fledgling Dalit India Chamber of Commerce and Industries (DICCI) in Pune, a 100-member support group for dalit businessmen and entrepreneurs, that wants to, among other things, press for a state where such name-dropping is not called for.



**NAME GAME:** As Mukund Kamble, he battled discrimination, covert and overt. As Mukund Kamalakar, his name ceased to be a barrier, and made entrepreneurship easier

of an air-conditioning mechanic. Over 180 students have gone through the course over the last few years. The present batch, however, is of five students, an appalling number in a city of 18 million. “We in industry are merely paying lip service,” says Anil J Gole, Vice-President, Human Resources, Voltas, in a surprisingly candid observation. “Affirmative action has to be mandated by legislation, by clear laws. Only then will things move.”

Legislation, however, remains elusive. Irani and his cohorts in the CII have been unable to make much headway in putting together a serious, cohesive, pan-Indian affirmative action campaign. “I wonder why he put his personal reputation on the line by leading a CII group not willing to comprehend the import of the issue or take real, corrective measures,” says D Shyam Babu, a Fellow at the Delhi-based Rajiv Gandhi Institute for Contemporary Studies.

Babu has been involved with industry and government in the affirmative action debate along with Chandra Bhan Prasad, a dalit writer and self-taught anthropologist. The duo dismisses the entire effort as a “charade”. They are not even enthused by the Congress (I) promising, in its election manifesto, an Equal Opportunities Commission and reservations even for the economically weak upper castes in the private sector. “This only complicates matters further,” laments Prasad. “It only means nothing will be done for anyone.”

The other big industry lobby group, the Federation of Indian Chamber of Commerce and Industry (Ficci), fares no better. Ficci even had the gall to present the government with a long quid pro quo list of tax concessions, duty exemptions and investment subsidies for putting up plants and addressing deprivation in predominantly dalit and tribal districts. While Irani affirms that the CII promise on affirmative action was “unconditional”, the general perception is that Indian industry has failed to rise to the occasion and that the government willingly played along for inexplicable reasons. “I cannot expect uniformity of approach by industry,” says Irani.

Left to its own, industry will soft-peddle the issue; even good intentions might not have the desired effect. Legislations are a must

### Caste Conundrums

What the Tatas are now doing is in line with global trends. The NR Madhava Menon expert group, which examined the need for an Equal Opportunities Commission, tracked trends in several democracies. Its report, submitted last year, states: “If one really wishes to work towards equality of opportunity, non-recognition of social identities is simply not an option.”

This flies in the face of Indian industry’s stance of being

unaware of or being blind to caste, race, religion and other differences in hiring. Their refrain has been: merit is the only criterion. This when scholars worldwide have examined the meritocracy argument to subsequently claim that merit in an objective sense doesn't really exist and that it's merely a social construct.

It's a paradox: the goal of a casteless society can perhaps be achieved only by highlighting caste and other differences during the journey. "Denying the presence of caste shields status quo. It's only with the recognition of the caste reality can Indian corporates go beyond tokenism," says Surinder S Jodhka, Director of the Delhi-based Indian Institute of Dalit Studies (IIDS).

Farhad Forbes of the Forbes Marshall Group agrees. "If industry has to make a difference, it's essential to pin down caste, and then track and measure corporate performance along caste-based lines," he insists. He has made a beginning in his group by integrating the caste factor into a number of corporate functions, including that of vendor development (See page 28).

Others are not so sure. PepsiCo, a diversity leader in the US, in fact, takes an extreme position in India, despite its phenomenal work with black Americans and minorities. "Even if the government mandates caste surveys, we will oppose it by seeking legal options," says Pavan Bhatia, Executive Director, Human Resources, PepsiCo India.

### Supplier Diversity

The IIDS, in 2007, conducted a series of studies in India along with the Princeton University that confirmed that dalits and other minorities are discriminated against in the Indian jobs market; it's endemic, irrespective of what captains of Indian industry might claim. Farhad Forbes seconds this. "Personal prejudices inevitably manifest as discrimination. Without a doubt, discrimination is prevalent in the private sector," adds Forbes, who is particularly bothered about the muslim community.

Discrimination manifests itself in many ways besides in the realm of hiring and jobs. "Why is it that a majority of vendors, distributors and dealers of Bajaj Auto belong to a particular community?" asks Milind Kamble of the Dalit India Chamber of Commerce and Industries, a rag-tag support group of dalit entrepreneurs in Pune.

It is in this context that 'supplier diversity', an unfamiliar term in Indian corporate lingo, acquires meaning. Large corporations committed to supplier diversity seek and support businesses owned by the disadvantaged: dalits, minorities, women. "If such empowering concepts and tools take root in India, it will indeed be a boon for companies like mine," says Kalpana Saroj, Chairperson, Kamani Tubes. Saroj, a dalit businesswoman who grew up in Mumbai's slums, recently acquired the sick company and is trying to resurrect it back to life (See page 38).

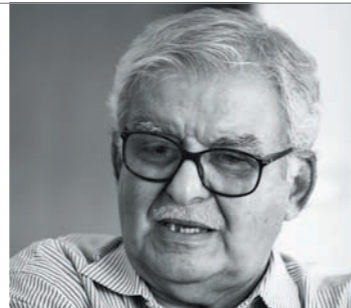
Supplier diversity is an area where companies can make a huge difference. About 3,500 corporate members of the National Minority Supplier Development Council (NMSDC) in the US did transactions worth \$104.7 billion with Asian, black, hispanic and

native American businesses in 2007. Johnson Controls alone did \$1.3 billion of business with 276 minority-owned companies, which supported about 11,000 jobs and paid \$251 million in salaries. Thirteen US corporations that have come together as the Billion Dollar Roundtable (BDR), including General Motors, Ford, Verizon and Wal-Mart, source products and services in excess of \$1 billion annually from minority and disadvantaged suppliers.

The US government too pitches in. In surface transportation, rules stipulate that 10% of federal money should go to minority and women contractors. In the space programme, the figure is 8%. There are several rules favouring contracts to Asian-Americans, Tongans, even Hasidic Jewish Americans! In India, the Madhya Pradesh government, under Digvijay Singh, had put in place a similar piece of legislation, but a regime change rendered it useless.

**“Positive discrimination is on a higher plane than affirmative action to help the downtrodden**

—JAMSHED J IRANI,  
Director, Tata Sons



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### Caste As An Advantage

In India, still, only a small, but growing, section of industry is seeing merit in diversity. Concepts in diversity and related terms—like affirmative action, positive discrimination, equal opportunity and supplier diversity—are creeping into boardrooms in India, primarily due to the activism of a few MNCs exposed to these concepts in the US and elsewhere. However, this clutch of MNCs in India—PepsiCo, P&G and IBM, for instance—have skirted the dalit and caste issue, and have put diversity frameworks in place with a focus only on gender or the differently-abled.

The Dalit Solidarity Network (DSN) in the UK has been try-

## A Measure Of Diversity

A new index quantifies a company's diversity—and links incentives to it

THE CASTE-PROFILING EXERCISE UNDERTAKEN by the Tatas and a few others is timely as the Union Ministry of Minority Affairs has crafted a 'diversity index', which companies and institutions may have to deploy to measure their diversity performance. That is, if a political consensus emerges on its utility. The idea of the index is to link it up with a bevy of tax concessions, funds and other subsidies the government often doles out to industry. The quantum of incentives for a particular company may be decided on the basis of its score on the index. A value of '1' on the band is an organisation with high diversity and '0' is low. Underperformers are to be penalised.

A diversity index is basically a rating of an organisation at the micro or national level based on its employment profile. The index, developed by an expert group appointed by the ministry, limits itself to religion, caste and gender. "We didn't want to burden the index with too many responsibilities," says Amitabh Kundu, Chairman of the expert group and professor at the Jawaharlal Nehru University, on why the differently-abled, for instance, were left out from its purview.

A key proposition of the mechanism is the "eligible population". For instance, a company's record on supporting muslims will be measured on the basis of the muslim population eligible for a post in the region it operates in. Similarly, a diversity score for a large group like the Tatas can be determined on a national basis.

Again, the index lays emphasis on "vertical integration", which means a company cannot merely focus on blue-collar workers, for instance, and claim it's a diversity champion, while the higher categories remain untouched. "An index-driven system is more flexible and acceptable than a rigid reservation or quota-based system," says Kundu, even as he insists that reservations may continue for a while in the public sector and other spaces. "Quotas and an index mechanism can co-exist."

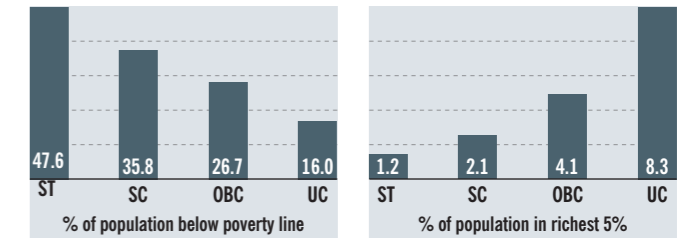
ing to amend the situation. Meera Verma, Director of DSN, is lobbying with MNCs to include caste in their diversity frameworks by getting them to sign on the 'Ambedkar principles', a set of guidelines the network has formulated. Verma believes an MNC cannot have an effective global statement on diversity that "fights shy of being country- or culture-specific within particular contexts" and that "any diversity initiative in India has to focus primarily on caste". There is no escaping caste in India as PepsiCo India is trying to do.

A subtle change of heart can be spied among some MNCs. HSBC recently signed on the Ambedkar principles and is beginning to

## The Great Divide

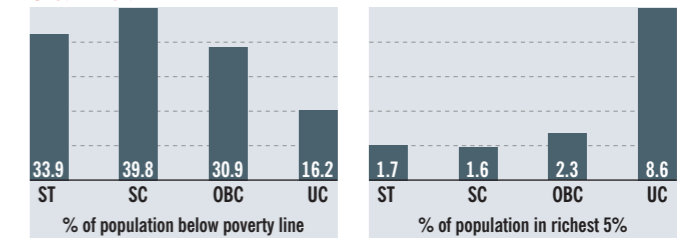
Caste inequalities run deep and wide in India

### Rural India



Rural India poverty line = Rs 356 per person per month  
Richest 5% = Spending Rs 1,200 or more per person per month

### Urban India



Urban India poverty line = Rs 539 per person per month  
Richest 5% = Spending Rs 2,500 or more per person per month

ST: Scheduled tribes; SC: Scheduled castes; OBC: Other backward classes; UC: Upper castes  
Figures for 2004-05  
Source: National Sample Survey Organisation

comprehend the caste complexities in India. The bank has added 'caste' as a non-discriminatory factor in its employment policy.

As the affirmative action and diversity debate gains maturity, there is a need to better understand the numerous terminologies. There is a tendency to use affirmative action and diversity interchangeably. There are subtle differences. In an affirmative action approach, the emphasis is on levelling the playing field, and employers are expected to make an effort to hire, train and promote employees of previously excluded groups. It is numbers-oriented.

Diversity management goes further, and focuses on changing mindsets, organisation culture. It's strategy-driven and is seen as contributing to the organisational goals of profit, productivity and morale. Diversity management builds on affirmative action.

Indian companies are slowly recognising the virtues of diversity as the business case comes out of the shadows. "When there is no diversity, it constrains thinking. Differing viewpoints enrich the workplace. It doesn't diminish. It enhances the competitive advantage of a company," explains Forbes.

Worldwide experiences with African-Americans, hispanics and other minorities, even with dalits in India, have recorded the fact that the disadvantaged work harder. "Tapping from these communities also improves efficiencies. Attrition is very low," says Irani.

"There is a huge amount of idealism among dalits. Non-dalits lack this idealism, and hence, often under-perform," explains Chandra Bhan Prasad. "It is this great sociological phenomenon that American companies harness. US corporations seek black talent and get it in plenty. Three decades ago, black talent seemed absent, since no one sought it." The dalit situation in India is similar and it can be harnessed in a similar transformational way. Corporate India has to take the lead. ■

# THE HANDHOLDER

Why Farhad Forbes helped Vijay Suwase, a dalit, grow from shop floor helper to entrepreneur

**NAREN KARUNAKARAN**

**V**IJAY SUWASE'S KITH AND KIN ARE all engaged in odd, low-paying jobs, as helpers or office boys. Like them, he too, a dalit and a school drop-out, had resigned himself to the life of a helper at the Rs 500 crore Forbes Marshall, the Pune-based process efficiency and energy conservation company, where he channelled all his creative energies.

Although appointed to assist regular workmen load and unload heavy components on to lathe machines, Suwase's abiding curiosity often goaded him to try his hand on the lathes. His tendency to look beyond the small chores he was entrusted with caught the eye of the management. "I was summoned one day and told the company would help me set up a machine shop, and also install lathes, equipment and all tooling required without any cost to me. I was aghast," says Suwase, who immediately consulted his family about the offer.

Suwase's monthly salary of around Rs 3,000 was his family's lifeline. Businesses can be unpredictable, he was told. The family was unsure, till the clincher: the promise of regular machining jobs from Forbes Marshall, as long as he wanted it. Today, he generates an annual turnover of Rs 8.4 lakh, employs two others and works two shifts. "We also helped him with registrations and other statutory requirements," says Farhad Forbes, Director, Forbes Marshall, the man behind this act of faith.

## Broadbasing Workforce

Till a few years ago, Farhad was the typical Indian industrialist, mouthing the usual 'merit' argument: hiring people with below-par competence would be perilous for



A quick caste audit revealed only 5% of Forbes Marshall employees were dalits. A crying shame indeed when scheduled castes and scheduled tribes constitute 24.4% of the population. "As a society, and also in industry, we cannot afford to alienate such a large section. It's imperative to expand our reach and embrace them as a talent pool," he explains.

In the last couple of years, the company's human resources department has been sensitised to the issue of affirmative action. For instance, during campus-recruitment drives, a conscious effort is made to look out for, hire and hand-hold dalits.

**“Supplier diversity is a potent corporate tool. It's far more effective in mainstreaming dalits**

—Farhad Forbes,  
Director, Forbes Marshall

Forbes is amazed with his experience. "Some may not be as good as the best, but they possess this innate zeal to forge ahead, to progress, and achieve what others perhaps can't," he explains. "In fact, far from being a disability for us, I tell my peers in the industry, it has only improved our competitiveness."

The challenge for Forbes is to slowly push affirmative action

from shop floors to the executive and management levels; from blue collars to white collars.

## Mentoring Entrepreneurs

While he is doing his bit to level the jobs playing field, Forbes is passionately involved in mentoring first-generation dalit entrepreneurs for, he believes, this can usher societal changes at a much faster pace. "Supplier diversity is a potent corporate tool," he says. "It's far more effective in mainstreaming dalits."

In addition to driving his own supplier diversity agenda, Forbes is also a popular mentor for entrepreneurs supported by the Bharatiya Yuva Shakti Trust, a Delhi-based NGO. The group he's currently working with includes Subhash Lohakare, a footwear manufacturer with an annual turnover of Rs 31 lakh, and the visually impaired, Shubhangi Vidhate, who runs a thriving photocopying business within the University of Pune campus.

Forbes monitors the progress of this bunch keenly. Lohakare has managed to get a toehold in manufacturing industrial boots due to the association, while Vidhate overcame her initial doubts of her disability being an impediment in the conduct of business. She has gained so much in confidence—she repaid a loan of Rs 50,000 extended to her by the Bharatiya Yuva Shakti Trust within a year—that she now wants to upgrade to an Internet cafe.

Forbes does whatever it takes to support an entrepreneur. For instance, at various points, he has helped Suwase with guidance, groundwork, registration, paperwork, technology help and order support. Meanwhile, Suwase, with four years of tutoring and business experience, is on the prowl. He is hunting for a larger workspace, more employees, and is also negotiating with a couple of banks for a loan. He has enough business to do a third shift. "My next goal is to set up a computer numerical controlled (CNC) machine tool workshop. I am now comfortable with the operations of these complex machines," says a confident Suwase, who often, unhindered, dips into the technology pool at Forbes Marshall. Farhad Forbes, of course, doesn't mind. ■

business and would hurt competitiveness. But then, his years in the US kept haunting him. He had seen for himself, in his student days in the 1970s and also later during his many engagements with Stanford University, the immense changes shaped by affirmative action on the black American community.

Could he start something for dalits, even if in his small way, here in India? "My personal approach to the issue has undergone a sea-change," he confesses, even as he begins to engineer and foster a strong culture of diversity in his company.



PHOTO ILLUSTRATION BY ARINDAM

# OPENING OLD DOORS

At IBM, it's a level playing field for the differently-abled. For Infosys, it's executive jobs for dalits. HSBC wants more women. PepsiCo is embracing women and the differently-abled. Even as India Inc struggles to build workforce diversity, these four companies are shining examples of how intent and action can break barriers

## Infosys Technologies

**A special programme imparts technical and soft skills to dalits and grooms them for corporate life**

**R**AGHAVENDRA AND Chitra had always dreamt of making it big in the IT world. And, they had what it took: a good academic record, high aspirations and a desire to succeed. But, like other members of the dalit community, they had attended educational institutions that were below par, and lacked the technical and soft skills that would make them automatic hires. Fortunately, help was at hand. A little-known Infosys Technologies initiative called Specialised Training Programme (STP), helped them bridge the gap. Today, Raghavendra and Chitra, just like any other Infosians, are living the IT dream.

All the students enrolled in the programme are dalits, though Infosys prefers to refer to them as "socially disadvantaged". Sri-kantan Moorthy, Vice-President, Education & Research, Infosys,

who spearheads the programme, explains: "With the right kind of intervention, we can help people who are willing to work hard and have the desire to succeed, but haven't had access to high-quality education." The programme, he says, is designed for people who are socially disadvantaged, but are in no way any different from regular students except that they may have had fewer opportunities. "The environment from which these students come from does not encourage them to catch up while in college. So, they have to be brought at par with others."

STP is a collaborative effort involving state governments, educational institutes and the corporate world. Right from the first programme—conducted in 2006-07 in collaboration with the Karnataka government and Professor Sadagopan's International Institute of Information Technology—the onus of selecting the dalit students has been on the government.

"We do not interfere in the selection process. Our only demand is that these students should preferably have a first-class engineering degree," says Moorthy. This programme has been rolled out in Karnataka, Andhra Pradesh, Maharashtra, Orissa and Rajasthan. "We have been engaged in at least one programme in all these states. We have also enabled them to conduct their own programmes," notes Moorthy.

### Hands-On Training

Once selected, the students, typically 90-100 per batch, are trained in technical and soft skills. It's not just theory, but a lot of practical training with case studies and hands-on lab sessions. The training is similar to that imparted to Infosys' own fresh graduates: it gives them an essence of what is needed to make a transition from the college campus to corporate life, and teaches them the essentials of software engineering.

The difference is in the pace: unlike the accelerated programme for fresh graduates in Infosys, STP runs for a longer period (typically, six months) and is structured such that it helps everybody grasp and learn. "We've found that once their foundation is strengthened, these students don't need any more intervention or support," adds Moorthy.

Students receive financial assistance in the form of a stipend; they also get laptops with Wi-Fi connectivity, courtesy HP. The training is conducted in partnership with a reputed educational institution. In Andhra Pradesh, for example, the Jawaharlal Nehru Technological University is the education partner, while in Rajasthan, it is the Malaviya National Institute of Technology.

STP is a residential programme. On completion of training, representatives of companies around that area conduct campus tests and interviews. Moorthy says there's absolutely no difference between how somebody would choose students from this programme and how they would have chosen from any other campus. Right from the first batch—where 76 of the 90 dalit students were placed in companies like IBM, HP, Wipro, Infosys and MindTree—the placement record has been in excess of 80%. "If you meet these students today, you'll see they are as good as any other direct hire," says an elated Moorthy.

Infosys recently compared the final test scores of STP students with a typical batch of their own fresh hires. It found that the standard deviation in the former was much lower than in the latter—the test scores of all dalit students was high and very close to one another, while the latter showed a lot of variation.

Chitra, who was part of the first STP batch, says the training has transformed her life. "I always dreamt of working in IT, but didn't have the requisite skills. STP helped me realise this dream." A modest Moorthy, however, says an initiative like STP can truly be called successful only when it reaches out to a much larger audience. For that, state governments and educational institutions need to sustain the programme even without Infosys' involvement.

## IBM

**A division head has to meet targets in terms of hiring and mentoring the differently-abled**

have liked. For him, the maturity IBM has shown in addressing the needs of differently-abled people is unmatched. "The hiring, grooming and retention of the differently-abled is totally process-driven here," Raghavan says, though he is a bit queasy about being classified thus, as it makes him "stick out".

At IBM, the emphasis is not on providing advantages, but on "eliminating disadvantages" and creating a level playing field. "Even with the differently-abled, we hire talent. It's not charity or CSR," explains Ramesh Narasimhan, Director, General Business, IBM, India & South Asia. Raghavan agrees: "It's precisely this approach that gives us dignity, for we know we are here for our abilities," he says. And he has proved them: Raghavan solved the problem of queuing at branches of a client bank by scheduling transactions in a manner that saved 30-50% of customers' time.

### The Business Angle

IBM has always been sensitive to the needs of women and the differently-abled. It hired its first differently-abled employee in 1914 and appointed its first woman vice-president in 1943. But it was in 1995 that Big Blue formulated "diversity as a business strategy". That year, former CEO Lou Gerstner created eight task forces to engage different communities: Asians, gays, people with disabilities, women, and so on.

From its earlier stance of being indifferent or neutral to differences, the global IT major moved to highlighting and celebrating differences. The effort expectedly altered the composition of its already diverse workforce and ultimately helped it bag lucrative contracts in the US, and later, around the world.

Each group of employees at the firm is assigned an 'executive sponsor', like a mentor, usually a person high in the hierarchy. Ramesh Narasimhan is IBM India's executive sponsor for the differently-abled. He has to meet specific targets in terms of hiring and mentoring differently-abled people. "It's like a business target," he explains.

**MAN TO WATCH:** Hari Raghavan topped his B-school and has proven his abilities at IBM. He believes IBM's maturity in meeting the needs of the differently-abled is unmatched

**H**ARI RAGHAVAN topped his batch of MBA students at Mumbai's Narsee Monjee Institute of Management Studies (NMIMS) in 2001. He naturally assumed securing a job would be a breeze when recruiters, including some big names from India Inc, came calling. "When the campus placement exercise drew to a close, everyone except the topper had a job," recalls Raghavan, who is visually impaired. He had been through 60 interactions and had been rejected at the end of each one. Not one employer had the sensitivity to tackle the whys and hows of employing the differently-abled.

Raghavan ultimately landed a job at Tata Finance. Later, he joined GE Countrywide, and today, he is a solutions specialist at IBM India. He believes there has been a change in attitude since his agonising campus interviews, but not to the extent he would

ity and accessibility centres' worldwide, including one in Delhi, the company has leveraged technology for the benefit of the differently-abled. For instance, it has developed solutions, including easy Web browsing, for the visually impaired. "In companies I worked for earlier, I had to arrange and pay for specialised software, which can cost Rs 60,000 upwards. Here, it's given to me without much ado," says Raghavan. It's all about improving productivity. "We can't get away by not doing what we are do-

ing. I don't think it's an option anymore," says Narasimhan. "It's a war for talent."

Strangely, the company is not willing to reveal how many of its 73,000 personnel in India are differently-abled, though there are quite a few. Javed Abidi of the National Centre for Promotion of Employment for Disabled People (NCPEDP), an NGO, describes IBM as a "role model" company. And Abidi, a known corporate basher, doesn't shower praise lightly. Clearly, Big Blue is on the right track.

## PepsiCo India

**It has 258 differently-abled employees. It is looking for more, as they are also more efficient**

**D**IVERSITY GOES back a long way at PepsiCo. When Caleb Bradham, the company's Founder, was developing the cola concoction, the man assisting him was James Henry King, an African-American. In fact, in 1898, it was King who first tasted the drink that ultimately became famous as Pepsi-Cola. Since then, the company has been pushing diversity at the workplace and among its suppliers. The ascension of Indra Nooyi to the post of Chairman and CEO of PepsiCo in 2006 is testament to this fact.

The company has a long association with race-based affirmative action in the US. Given this, it would be natural to expect PepsiCo India to be at the vanguard of affirmative action and diversity efforts in India. However, it has so far shunned caste-driven affirmative action. At the same time, despite starting late, the company has made significant headway in building diversity and embracing a section of the disadvantaged.

PepsiCo India has crafted a countrywide diversity and inclusion agenda that rests on four pillars: women representation, differently-abled employees, disadvantaged women and HIV/AIDS awareness. The programme was unveiled only in 2006. Says Pavan Bhatia, Executive Director, Human Resources, PepsiCo India, who has been driving the programme: "Diverse markets necessitate a diverse employee base that can appreciate and serve diverse customer needs." In its first year, 54 physically-challenged people were employed across PepsiCo plants in India. But the company soon realised that a "structured framework" was needed to meaningfully embed diversity into its operations.

### Matched To Fit

PepsiCo's western market unit (WEMU) took the lead, especially in mainstreaming the differently-abled and disadvantaged women. Among other things, WEMU carried out a job mapping exercise for four kinds of disabilities: orthopaedic, hearing/speech, vision and learning. "Each job, right from that of a security guard to even my own post as HR head, was mapped for suitability with persons having one of the four disabilities," explains Avinash Deolekar, Vice-President, HR, PepsiCo India (WEMU).

Slowly, an enabling environment and an associate workforce sensitive to the needs of the differently-abled emerged. "My

colleagues are very supportive and never lose their patience with me," says Vishwanath Dhondkar, 32, a bottle inspector at PepsiCo's Mahul plant in Mumbai, whose hearing is impaired. For years, Dhondkar, a class X pass, with several vocational courses under his belt, knocked on employers' doors to no avail. He was, therefore, forced to take up odd jobs like newspaper vending and carpentry to earn a living. "I now have a real job and contribute to my joint family's upkeep," says Dhondkar. He is one of the 258 differently-abled employees at PepsiCo India.

These employees have improved efficiency at the company. A case in point: the filling line at Mahul, which has regular changeovers (for instance, when 200 ml bottles are replaced by 300 ml bottles). "We have noticed that the changeover process, when undertaken by the differently-abled, is faster. There is a 20% saving in time," says Saurabh Rajpal, Manufacturing Manager.

Women accounted for just around 4% of PepsiCo India's workforce earlier. This share grew to 9.8% in 2007 and to 12.7% in 2008. And the women have made a difference. At its Aurangabad plant, for instance, a study found the amount of foreign matter detected in the bottling line increased significantly after women were made inspectors. Before women took over, there were 133 instances of foreign matter detected over 10 shifts. This rose to 272, over the same number of shifts, when women were on the job.

PHOTOGRAPHS: SOUMIK KAR



**HEAR, HEAR:** Yudhishtir Sape is hearing and speech impaired. Until PepsiCo hired him, he struggled to find a job. The company is now looking to employ the differently-abled in executive posts



Clearly, the company is reaping rich dividends from its efforts to build diversity. Efforts are now on to seek out and employ differently-abled people in executive positions. A plan to hire ex-servicemen from the armed and para-military forces is also on the drawing board. It may have started late, but PepsiCo India is certainly catching up fast.

## HSBC India

**The CEO is a woman. So are half its managers. But HSBC wants more**

SOMETIME AGO, Naina Lal Kidwai, CEO, The Hong Kong and Shanghai Banking Corporation (HSBC), India, ventured on a personal exercise. Kidwai, the first Indian woman to graduate from Harvard Business School (HBS), tried to locate women from her batch of 1982. She was in for a rude shock: only one other woman from her class was in active service. The others, over the years, had apparently fallen off the corporate map—a shame indeed, and an incredible loss of talent, considering that women made up 26% of a typical class at HBS even in the early-1980s.

Kidwai is apparently determined to alter the situation of brilliant women opting out because they couldn't cope with domestic pulls and pressures. HSBC, which already has an enviable record for the advancement of women—50% of its top managers are women—is tweaking a remarkable 'Women Returner Scheme'. The programme is expected to be the most celebrated one so far in India—the Tata Second Career Internship Programme (SCIP), which attracted 2,000 applications upon launch in March 2008.

The SCIP offers projects to home-bound women on a part-time basis "without the real promise of a job" on completion. "Our programme is much bolder. We'll get women straight from a home into a job," says Ina Bajwa, Associate Vice-President, Organisation

**WOMEN ON TOP:** HSBC has set up a task force, with targets, to pursue gender diversity. Tanuj Kapilshrami, HR Head, says HSBC pays HR consultants more if they successfully place women

Development-Diversity, HSBC.

### Below The Radar

A survey carried out by HSBC in Delhi recently threw up a surprise. "Many women bankers who had quit were keen to return. It's only that no one asked them," says Aditya Narayan Singh Deo, Senior Vice-President, Organisation Development & Change

"A few wondered whether they would fit in after such long breaks." Talent retention is a huge challenge in the financial services sector. The loyalty of those who do return is higher, and with this, HSBC hopes to stem its attrition rate, which hovers around 27%.

HSBC's gender ratio—64.5:35.5—is the best among foreign banks in India, but this hasn't made it sit back. The accent now is on seeking the business case for gender and inclusive leadership. "We set up a task force of 100 employees, largely women, headed by business heads, to pursue gender diversity," says Kidwai. The business heads have submitted three-year action plans, with one-year milestones. The bank is unwilling to reveal the targets.

The bank's strategy stems from the realisation that it's no longer a 'good to do' but a 'need to do' activity. London-based Schneider Ross, diversity and equality experts, recently made a presentation to the management on the diversity imperative. It was revealed that many small and medium enterprises were in the hands of the second generation now, and they are not necessarily males. "As a bank, if we fail to comprehend the need for diversity in our ranks, we may lose out on this category of business," explains Deo.

"We pay additional fees to HR consultants for appointment of women employees," says Tanuj Kapilshrami, HR Head. Its programmes like the Flexible Work Arrangement are a draw for women. The bank is now pushing its flexibility agenda harder: for some functions, HSBC is considering employing people on an hours per year basis, instead of the conventional days per year basis. It all contributes to building a more diverse workforce. ■

—Naren Karunakaran with Nandita Datta