

Promoting Diversity and Inclusion (D&I) in Global Business Services (GBS) Organizations

July 2021



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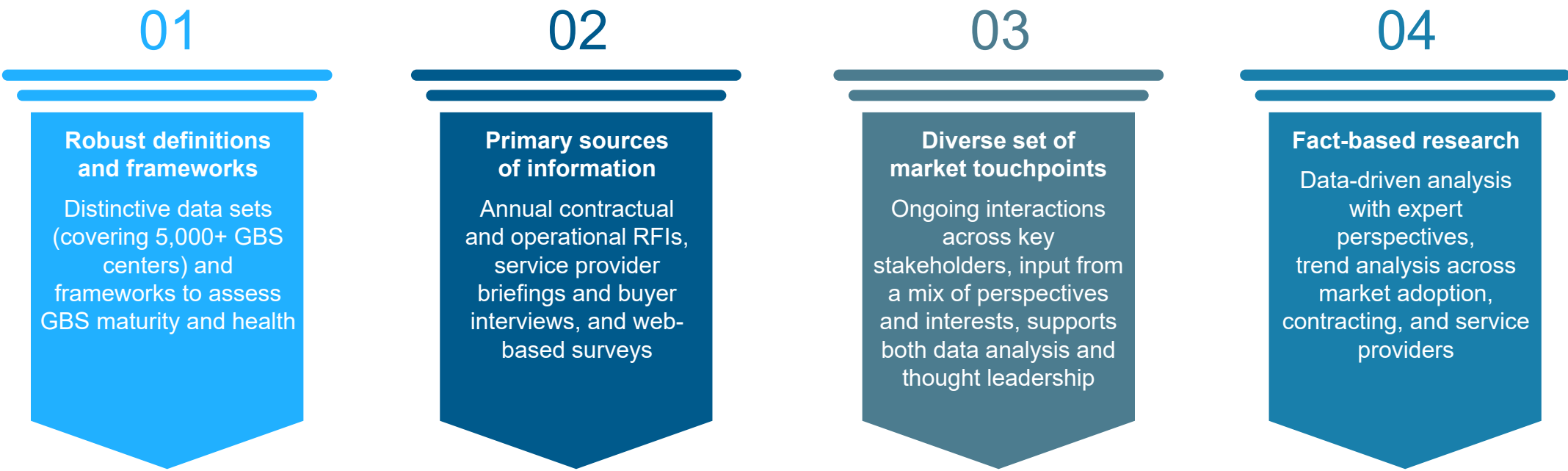
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Our research methodology is based on four pillars of strength to produce actionable and insightful research for the industry



Year-round tracking through proprietary tools and IP (such as the GBS database and location database) covering 6,000+ GBS centers globally

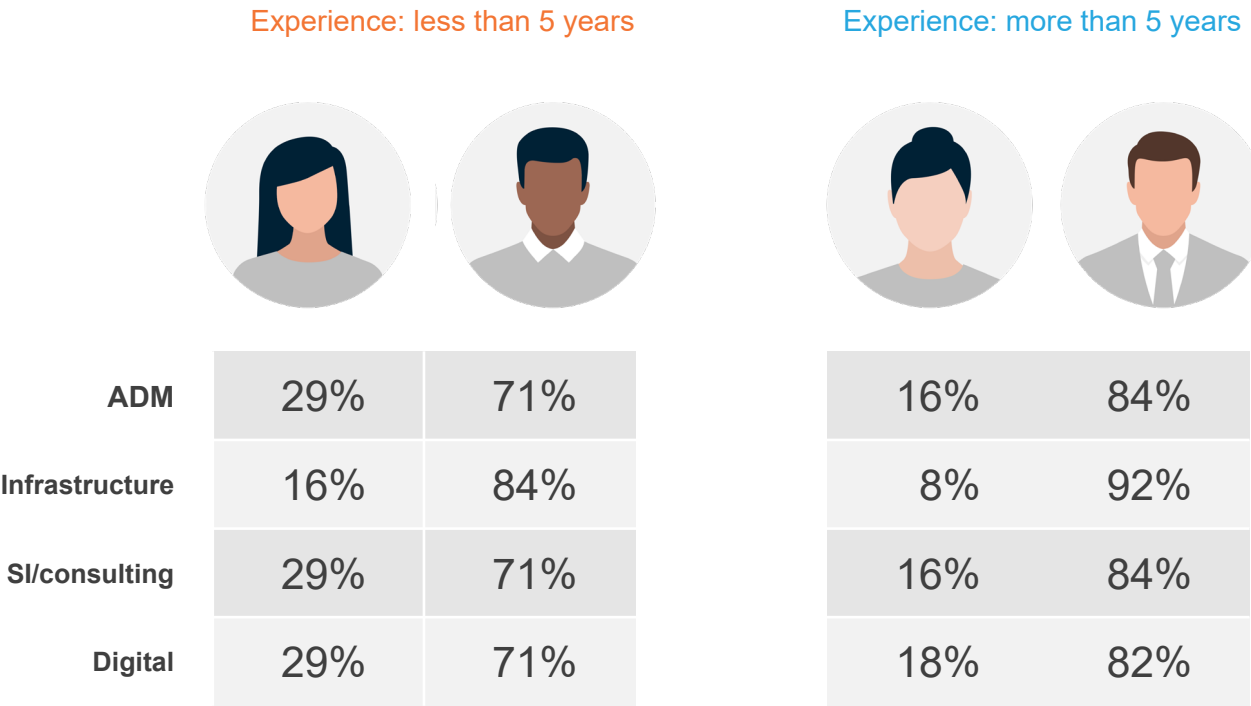
Over 30 years of experience advising clients on strategic IT, business services, engineering services, and sourcing

Executive-level relationships with buyers, GBS organizations, service providers, technology providers, and industry associations

Thought leadership and expertise on Work From home (WFH) and Work At Home Agent (WAHA) model implementation within the global services industry

Gender diversity in IT teams among leading India-based GBS organizations is improving, but slowly

Percentage of men and women in leading India-based GBS organizations^{1,2} – IT teams only
2020



- The proportion of women employees tends to be lower among senior/experienced roles
- Notably, the proportion of women is similar in various IT subfunctions, except infrastructure services, among junior (less than five years of experience) and senior employees (more than five years of experience)
- However, the overall share of women is lower (approximately half) among senior employees compared with junior employees due to factors such as migration or career breaks
- The share of women employees has increased marginally year-on-year over the last decade. Several GBS organizations are hiring more women and creating targeted hiring/retention policies to achieve better gender diversity

¹ Analysis based on a sampling approach
² Data representative of binary gender categories – male and female; does not include individuals of other gender identities and expressions
Source: Inputs from market participants; recruitment firms; Everest Group (2021)

Multiple industry leaders affirm the business case for D&I

“ A diverse mix of voices leads to better discussions, decisions, and outcomes for everyone.
– Sundar Pichai, CEO, Google ”

“ We are building products that people with very diverse backgrounds use, and I think we all want our company makeup to reflect the makeup of the people who use our products.
– Sheryl Sandberg, COO, Facebook ”

“ We have a very diverse environment and very inclusive culture, and those characteristics got us through tough times. Diversity generated better strategy, better risk management, better debates, and better outcomes.
– Alan Joyce, CEO, Qantas ”

“ The best innovation comes from inclusive work environments that foster diverse ideas, nurture people with diverse talent and backgrounds, and create strong relationships with diverse communities.
– Mark Parker, CEO, Nike ”

“ We celebrate our diversity. We know that it makes us stronger and moves everyone forward.
– Tim Cook, CEO, Apple ”

“ ... at every level, more women were rated by their peers, their bosses, their direct reports, and their other associates as better overall leaders than their male counterparts – and the higher the level, the wider that gap grows.
– Leading surveyors for Harvard Business Review ”

“ When women sit on an executive committee, the nature of interactions changes...but one woman there is not enough, you need several of them.
– Vice President, Europe, of a leading global healthcare company ”

“ There's a pure and simple business case for diversity: Companies that are more diverse are more successful.
– Mindy Grossman, CEO, WW International ”

GBS organizations can reap multiple benefits from promoting D&I initiatives

Diverse perspectives in decision-making

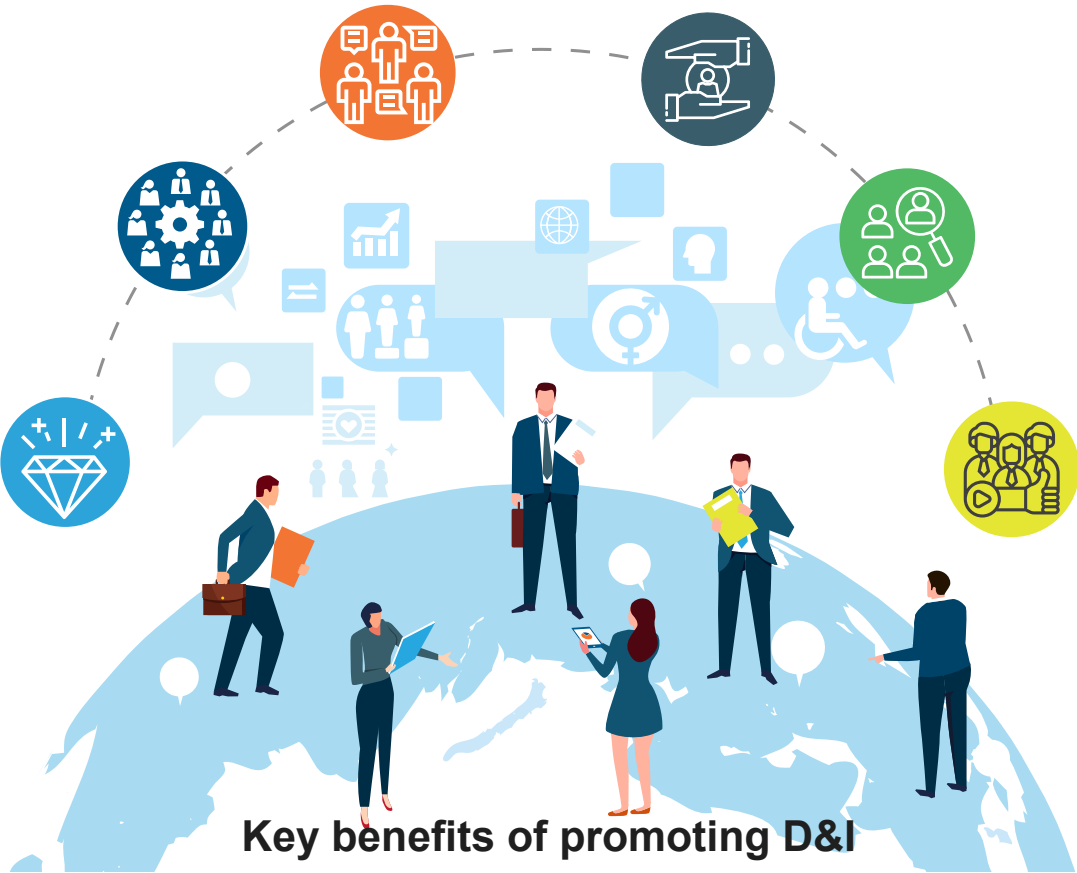
Groups with diverse perspectives have a more holistic understanding of the issues their firms face and spur greater collaborative effort, leading to improved decision-making.

Inclusive culture

Gender equality ensures that all employees within the organization have access to equal opportunities in developing their careers in a workplace free from bias.

Enhanced branding

Prospective employees are increasingly viewing gender equality as a baseline attribute of well-managed GBS organizations.



Reduced employee turnover

GBS organizations that promote gender equality reap benefits of higher retention rates, access to a high-performance workforce with lower absenteeism, and reduced employee turnover.

Access to a larger resource pool

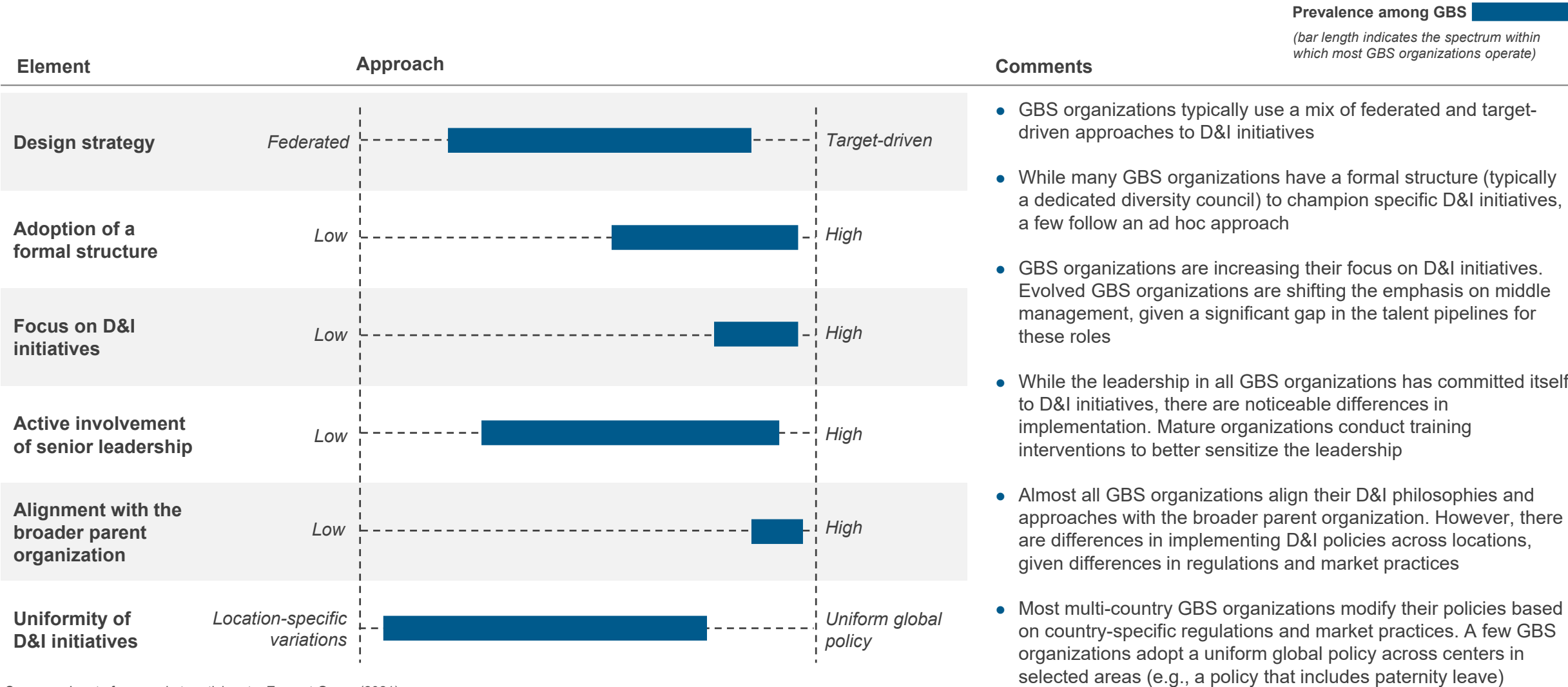
In the age of talent scarcity, GBS firms can access and attract a wider talent pool by consciously removing barriers that might prevent certain groups from participating actively within the organization.

Increased productivity and employee satisfaction

A diverse and inclusive workplace allows employees to feel comfortable and express themselves feely, enhancing productivity and employee engagement.

Source: Inputs from market participants; recruitment firms; Everest Group (2021)

Different GBS organizations adopt different approaches to manage their D&I initiatives



Source: Inputs from market participants; Everest Group (2021)

Leading global organizations adopt various policies to promote equality



Maternity leave



Paternity leave



Flexible working options



Sabbatical



Childcare



Miscellaneous

India			India, Philippines, and China	India	India
Many GBS firms provide maternity leave beyond the government mandate, given that policies are relatively restricted and GBS firms are trying to differentiate themselves in terms of employee flexibility.	Although there are no regulations mandating paternity leave, GBS firms usually provide three to seven days of paternity leave to differentiate themselves as employee-friendly. Best-in-class GBS organizations also provide additional unpaid leave to male employees.	In the backdrop of COVID-19, GBS organizations are evaluating extending flexible working options (WFH, WFA, etc.) to employees.	While there are no regulations that mandate a sabbatical, some GBS organizations offer a sabbatical (up to 6-12 months) on special requests, especially in India.	Multiple benefits are offered to parents / women employees per regulations (e.g., offering additional paid/unpaid leave for childcare and providing breastfeeding mothers the option of reduced working hours) and industry practices (e.g., consultation, lactation rooms, and kindergarten facilities).	Accenture India has a six-month internship to build a skilled transgender talent pool The company lets employees use their preferred name in internal systems, provides consultation for gender dysphoria, and covers sex-reassignment surgery as part of its medical insurance.
Other geographies			Poland	Other geographies	
Maternity leave policies are relatively relaxed, especially in Poland, and there are limited instances of GBS organizations providing leave beyond government regulations.	Regulations mandate paternity leave, and there are limited instances of GBS firms offering leave beyond government regulations.	While employment laws do not include flexible working arrangements, some GBS organizations provide flexible working hours and work from home options in special cases.	Regulations mandate that GBS firms provide unpaid leave to their employees on request, with no ceiling on the leave duration; however, these companies may recall the employee back to work if unpaid leave extends beyond three months.	No mandated benefits, but leading GBS firms provide childcare facilities (e.g., nursing rooms, doctor consultations, and tie-ups with crèche providers)	

Source: Inputs from market participants; recruitment firms; Everest Group (2021)

Evolved GBS organizations adopt various practices during the employee life cycle to promote D&I

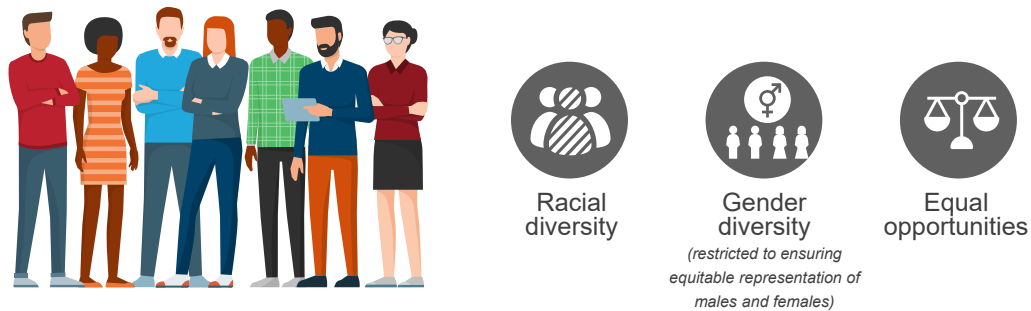
Best practices to promote diversity and inclusion

- Visible commitment from the leadership
- Awareness among employees on diversity and inclusion
- Equal growth opportunities
- Change in organizational mindset
- Elimination of unconscious bias / use of gender-neutral terms
- Accountability with managers



GBS organizations must look beyond gender diversity and evolve their approaches to D&I to address evolving workforce expectations

Traditional approach



Key outcomes

Compliance

- Most GBS organizations have comprehensive diversity and inclusion policies that ensure gender and racial diversity at the workplace and bolster employer brand in talent markets
- While these policies are robust, they might prove insufficient in addressing emerging themes around diversity and inclusion

Employer brand

Evolving themes



Social capital

As diversity and inclusion moves beyond traditional gender and racial roles, **GBS organizations have widened the scope of their D&I policies to address themes** such as ensuring diversity among leadership roles, creating gender-neutral policies and benefits, and instituting mechanisms for social accountability

Employee experience

GBS organizations need a more robust approach to design, implement, and track D&I initiatives

Leading India-based organizations are expanding their D&I initiatives beyond traditional gender diversity initiatives



After 26 weeks gender neutral parental leave policy, Novartis India extends **insurance benefit plan to Lesbian, Gay, Bisexual, Transgender, and Intersex (LGBTI) employees, single parents, live-in partners, and their dependent children.**

TCS offers **health insurance benefits to LGBT employees.** The company's new health policy redefines "spouse" as a partner and **covers up to 50% of the cost of sex or gender reassignment surgery.**

Swiggy has **hired a transgender technology specialist**, who will run an in-house LGBT support group.

Accenture India has extended its **26-week maternity leave to all eligible employees, regardless of gender or marital status.**

Zomato announced a **26-week paid leave for parents of all genders and sexualities** and a US\$1,000 bonus per child for new parents.

Star and Disney India have **launched a diversity resource group for women and Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ) employees** to support and represent their diverse workforce.

Tata Steel asks **LGBTQ+ employees to declare partners**, avail benefits under new HR policy.

Case study

A leading global financial services company took a three-step approach to increase diversity at its India GBS



Consistent communication

- Re-created how its brand and culture are presented at campus events by sending employees with diverse gender identities to represent the firm
- Revamped its communications to ensure that corporate advertising and communications emphasize the firm’s inclusive culture by featuring women/LGBTQI executives in marketing posters and website materials



Proactive outreach

- Proactively participated in local campus activities, particularly those targeted at women:
- Interacted with students on careers in different industries by sharing personal experiences
 - Awarded prizes to the top two women students



Focused initiatives

- Conducted several programs specifically designed for women:
- A 12-month program targeting high-potential women employees and managers to address gender-based myths
 - A two-year global mentoring program, in which high-potential women employees are mentored by executive board members to support the employees in their careers
 - A network for women, where women leaders share inspiring personal experiences

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Has attained the status of a dream company at campuses, giving it preferential access to top talent.



Hires more than one-third women graduates from campus recruitment, a 1.5-2x increase over the last few years.



Has been able to retain 80-85% of women employees hired through campus recruitment versus 70% of male hires.

Research calendar

GBS/SS Talent Excellence

■ Current release

Published reports

Release date

Talent Handbook for Language Skills: Answering the Calls for a Global Marketplace	November 2019
Innovative Talent Practices to Build the GBS of the Future	November 2019
European Digital Services Talent Handbook: Prepare for Digital Disruption	June 2019
Playbook: Integrating Work From Home (WFH) in the Global Business Services (GBS) Delivery Model	June 2020
Workforce Productivity: The Next Frontier in Improving Organizational Efficiency	June 2020
Engineering Services Skills Handbook: Preparing for Next Wave of Growth in Global ER&D	July 2020
Winning the War for Talent: An Enterprise Guide to Building a Sustainable Workforce Strategy	July 2020
Charting the Skilling Journey to Build the IT Services Talent of Tomorrow: Replacing the Commodity IT Services Role Definitions	August 2020
Future of Work-From-Home in GBS Separating Hype from Reality	May 2021
Building a Differentiated Global Business Services (GBS) Employee Value Proposition (EVP)	May 2021
Promoting Diversity and Inclusion (D&I) in Global Business Services (GBS) Organizations	July 2021

Upcoming reports

Release date

Skilling Strategies for GBS Organizations Pinnacle Model Analysis 2021	Q3 2021
Unlocking GBS Workforce Productivity	Q3 2021
Role of Next Generation Technologies in Talent Acquisition	Q3 2021
Next-generation Talent Practices for Evolving GBS Needs	Q3 2021

Note: For a list of all of our published Talent Excellence GBS reports, please refer to our [website page](#)





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