ABOUT COMMUNITY BUSINESS

Community Business is a unique membership based non-profit organisation whose mission is to lead, inspire and support businesses to improve their positive impact on people and communities. Community Business provides training, facilitation and advice to some of the world’s leading companies in Corporate Social Responsibility (CSR) and its major areas of focus include: CSR strategy, corporate community investment, diversity and inclusion and work-life balance. Founded in 2003 and based in Hong Kong, Community Business currently works with a number of organisations, small, medium and large, committed to CSR. For more information, visit www.communitybusiness.org

ACKNOWLEDGEMENTS

Community Business thanks Bank of America Merrill Lynch for sponsorship of this report and the entire Diversity and Inclusion in Asia Country View series. Individual reports are available for China, Hong Kong, India, Japan and Singapore.

Community Business thanks Nirmala Menon of Interweave Consulting Pvt Ltd for reviewing the entire report and the following experts for reviewing different sections of the publication: Farzana Aslam, Senior Teaching Consultant at the Faculty of Law, University of Hong Kong for reviewing the Legal Context section; Saundarya Rajesh, Founder - President of AVTAR Career Creators for reviewing the Gender and Generations sections, Jayakanthan Muthusubramanian, an Organisational and Development professional for reviewing the Disability section and Shubha Chacko, Director of Aneka for reviewing the Sexual Orientation and Gender Identity section. In addition thank you to Shalini Mahtani and Kate Vernon for reviewing and providing editorial comments and Sandy Chan for managing design and production.

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Foreword by Community Business

This Diversity and Inclusion in Asia Country View: India forms one of a series of such reports for the Asia Region. This series is designed to give business managers and those responsible for their diversity and inclusion strategies in Asia a high level understanding of the key diversity issues pertinent to each market. It focuses on the key areas of: gender, culture, generations, disability and sexual orientation and gender identity. In so doing it draws on third party information sources as well as Community Business’ own extensive research and work in this area. As markets are constantly evolving, this report is supported by a regularly updated online resource which provides details of further reports and links to third party organisations.

Recognising that all companies are different and have their own drivers and priorities for addressing diversity, companies are advised to use this information as a reference and starting point only. Community Business strongly encourages companies to take the time to engage with their business leaders and employees locally to understand to what extent the issues highlighted in this report are relevant to them and where their most pressing issues lie. Only through such engagement can companies get a true understanding of the issues and develop approaches and solutions that are appropriate and relevant to the local context.

Community Business is grateful to the sponsorship of Bank of America Merrill Lynch for making this Diversity and Inclusion in Asia Country View: India and the other reports in the series possible. Through this support they have demonstrated their leadership and commitment to increasing understanding of diversity and inclusion in Asia.

Kate Vernon
Managing Director and Head of Diversity & Inclusion
Community Business
Foreword by Sponsor

Bank of America Merrill Lynch strongly believes that aligning diversity to their growth strategies and operating principles will help companies stay relevant and competitive in the global economy.

To further our commitment, Bank of America Merrill Lynch is proud to be sponsoring a series of country publications that provide an overview of pertinent diversity themes. These publications aim to:

• Serve as a knowledge resource for companies wanting to develop their diversity strategy.
• Influence the lens through which leaders think about diversity and inclusion.
• Provide information to international readers interacting with Asian-based businesses.

While diversity and inclusion in Asia is at a nascent stage, several companies, including ours have put in place measureable steps to link diversity to our businesses including initiatives to engage with our clients on this topic. We know the business case for diversity in the workplace - it drives innovation, balanced and thoughtful leadership, optimal client solutions, and inspires the best in people and teams. In our organisation, we are driving a more diverse and inclusive culture through:

• Focused recruiting and retention initiatives.
• Targeted development and mentoring programs.
• Analysis of our workforce profile.
• Identifying where we need to be tomorrow and 10 years on in terms of workforce diversity.

One of Bank of America Merrill Lynch’s Operating Principles is to be the best workplace. Our company is focused every day on delivering that promise by creating an environment where every employee has the opportunity to achieve his or her goals. To this end, we recognize that differences in thought, style, culture, ethnicity and experience make the company stronger and better able to meet the diverse needs of our customers, clients and the communities we operate in.

On behalf of Bank of America Merrill Lynch, I would like to thank Community Business for partnering with us on this initiative and providing a much needed insight into diversity in Asia.

Ruth A. Ferguson
Head of Human Resources, Asia Pacific
Bank of America Merrill Lynch
EXECUTIVE SUMMARY

Diversity & Inclusion in India
India represents myriad social, political, cultural and economic processes and breathtaking diversity. Building on the strength of being one of the world’s oldest civilisations and emerging from decades of British colonial rule to become the world’s largest democracy, India is becoming a hotbed for bold and innovative ideas for solving some of the most pressing issues of the time. India’s diversity is displayed in the social and business environment, and presents both challenges and opportunities for companies operating in the country.

Gender
The discussion around diversity in the Indian workplace has so far focused primarily on women. This is understandable given that India has long been a male-dominant society that is steeped in traditional family roles. As a result women face significant gender inequalities in many aspects of Indian life, including, but in no way limited to, access to education and equal and full participation in politics. Recognising the challenges faced by Indian women and the social and economic imperative of increasing female participation in the labour force, the Government of India is introducing initiatives to promote greater opportunities for women.

Furthermore, there are enormous disparities between women in rural and urban areas in terms of career choice, attainment of economic freedom and exposure to the global economy. Whilst professional women seem increasingly eager for the opportunity to develop and advance their career, the number of women in leadership roles remains low. There are many reasons for this, including traditional family expectations for women to focus on matrimonial life and children, lack of corporate support for working mothers and lack of female role models.
Culture
Any discussion about Indian national culture has to begin with a word of caution as India’s culture is rich and complex, and can be overwhelming for anyone new to the country. In addition, given the cultural and regional diversities in India, it is very hard to talk about one national culture and any attempt at providing major characteristics of India’s national culture will at best broad generalisations. The richness of India’s culture is demonstrated through the wide variety in language and religion. There is also the issue of caste, which although rarely openly acknowledged continues to exert influence over Indian society. The Indian workplace is characterised by different cultural norms to the west, impacting for example, the way workplace relationships are formed and the way work is done. Multinational companies operating in India are beginning to understand that in order to compete with a growing number of world-class home grown Indian businesses, it is important to strengthen their cultural sensitivity and develop local Indian talent. As such, many multinationals are providing local talent with greater international exposure and opportunities to be heard at a global level.

Generations
India has the largest Gen-Y population in the world - in both absolute and relative terms. It is therefore not surprising that the discussion around generational diversity in India is dominated by issues concerning Gen-Y. Many companies are aware that the attitudes and aspirations of this new generation of workers are vastly different from their predecessors. They know too that the future of their businesses in India rests on their ability to engage with this generation effectively. As such, the overriding concern for companies in India is to look for innovative ways to both attract and retain this young talent.

By contrast there is a relative lack of attention paid to India’s older generation, known in India to some as the Free-Gen cohort. Most companies have no strategy in place to retain or use the older workforce - yet as Free-Gen begins to retire, corporate India is faced by a shortage of experienced directors and a huge potential loss of expertise.
Disability
As in many Asian countries, people with disabilities in India face bias, prejudice and unequal opportunities in education and work. For some, the religious concept of karma is important in shaping attitudes towards disability in India, and for them, disability is perceived as a punishment for misdeeds in previous lives. Although steps are being taken by the Government to increase access to education and job opportunities for people with disabilities, employment rates remain low. This may be partly because the Indian private sector lacks incentive, knowledge and experience in hiring people with disabilities. There are however a handful of companies in India who are increasing their employment of people with disabilities as part of their efforts to be socially responsible employers and help disadvantaged members of society.

Sexual Orientation and Gender Identity
Section 377 of the Indian Penal Code, a British legacy, which criminalises what is termed as ‘carnal intercourse, against the order of nature’, was read down by the Delhi High Court in a historic judgment in July 2009. Since then same sex behaviour among consenting adults in private has been decriminalised. Despite this important development, sexual orientation and gender identity are not issues commonly discussed in Indian society or the workplace. Despite a considerable population of sexual minorities, most people in India claim to not know any lesbian, gay, bisexual or transgender (LGBT) individuals. As a result, LGBT individuals are often disempowered politically, economically, and socially. Strong family values among Indian society mean that LGBT individuals may be forced to conform to traditional gender roles, including heterosexual marriage. Nevertheless, social attitudes towards LGBT individuals are slowly changing - particularly in urban areas, with a small group of LGBT individuals, as well as NGOs, becoming more vocal in asserting their rights. This gradual shift is reflected in the corporate world, where a handful of leading multinational and large local companies are pioneering corporate initiatives around sexual orientation and gender identity. For most companies in India, however, the diversity conversation has not really moved beyond women, and it will likely be a long time before LGBT becomes a mainstream corporate issue.
Other - Caste, Education, Religion, Language and Urban Rural Disparity
Although rarely openly discussed, the traditional Indian caste system, which classified people into a hierarchy of social groups, continues to exert an influence on Indian society. Education, religion and language also play a significant role in determining one's social standing - and in turn how one may be treated. Another important diversity issue in India is the disparity between rural and urban areas.

Going Forward
Although India faces many of the diversity issues common to other countries, such as gender, culture and disability, the challenges for India are complicated by its rich history, multiculturalism and a growing and fiercely competitive labour market. While India has so far kept up with the growth and demands of its booming economy, a much bigger challenge will lie in sustaining its growth. India’s economy is predicted to grow fivefold in the next 20 years.¹ In order to keep pace and emerge as a winner, companies operating in India may well benefit from the competitive advantage and opportunities generated through adopting a strategic approach towards creating a diverse and inclusive work environment. To succeed in India, it is crucial that companies understand the business case for diversity an inclusion in the Indian context.
BACKGROUND

India, officially the Republic of India, is a country in South Asia. Home to the Indus Valley Civilization and a region of historic trade routes and vast empires, the Indian subcontinent was recognised for its commercial and cultural wealth for much of its long history. India is home to a multi-ethnic, multi-lingual and multi-religious society. This is indeed a unique country when it comes to diversity, with 22 official languages, 29 states each with their own distinct traditions and character, and a population rich with diverse religious faiths, customs, food habits and attire.

India has undergone significant transformation since its independence in 1947. Economic reforms since 1991 have transformed it into one of the fastest growing economies - the country has achieved a steady GDP annual growth rate in the range of 6 to 10% during the last 3 years. In 2008, 34 Indian companies were listed in Forbes Global 2000 ranking. It serves as a significant global hub for knowledge-based economic activities, both as an ‘offshoring’ and ‘outsourcing’ destination and as an incubator of indigenous firms. India also offers a large and growing domestic market for goods and services - an estimated 250 million people out of its 1.1 billion population fall within the middle class. India has also become a prestigious educational powerhouse and respected source of IT talent.

India’s diversity has always been recognised as a source of its strength. Not only is the country as a whole highly diverse, but the business environment within India is becoming increasingly diverse as well, as people are being drawn across regional boundaries by the growth of new jobs. However, it must not be forgotten that this diversity has also shaped some of the greatest dissonance in India. Manifested in aspects like the extreme wealth gap between urban and rural areas, malnutrition, under-developed infrastructure, shortage of skilled labour, corruption, discrimination, religious violence, child labour and pollution. While India is making progress in terms of reducing extreme poverty, more than 410 million Indians still live in poverty, making India the world’s largest concentration of poor people. To thrive in the face of these multi-faceted challenges and abundant opportunities, India will have to constantly adapt to the diverse circumstances both domestically and globally. For multinational and local companies alike, diversity and inclusion may well become a powerful strategy towards achieving that goal.
COUNTRY OVERVIEW

Brief history
• One of the world’s oldest civilisations, made its home in the Indus River Valley around 2500BC.
• The Maratha Empire consolidated control of Central India after centuries of transition through several Kingdoms around different parts of the country.
• The British established its rule by 1803. After years of struggle for freedom, India attained independence in 1947.
• Following the end of the British colonial rule in the 1940s, India underwent significant economic reforms.

Geography
• The 7th largest country and second most populous state in the world - population size is over 1.2 billion.
• Closest neighbouring countries include China, Bhutan, Nepal, Pakistan, Myanmar and Bangladesh. The Ganges is the longest river originating in India.
• India is organised into 28 provinces and 7 union territories.
• The capital city, New Delhi, ranks number 32 in GDP and number 2 in population amongst 65 large cities in the world.6

Economy
• GDP per capita (purchasing power parity) (2011) - US$3,700, ranks 160 in the world.8
• Ranks 134 out of 183 economies on the Ease of Doing Business Index 2011.9
• Ranks 124 out of 183 in the Index of Economic Freedom 2011.10
• Unemployment rate (2011) - 9.8%.11
• Second largest labour force in the world - 487.6 million (2011).12
• Population below poverty line - 25%.13
• 21st largest commodities exporters of the world. Major categories of export commodities include petroleum products, precious stones, machinery, iron and
steel, chemicals, vehicles, apparel - in the amount of US$298.2 billion (2011). Largest export markets are US 12.6%, UAE 12.2%, China 8.1% and Hong Kong 4.1% (2010). 14

- 13th largest importer of the world. Major categories of import include crude oil, precious stones, machinery, fertilizer, iron and steel, chemicals - in the amount of US$451 billion (2011). Largest countries of origin include China 12.4%, UAE 6.5%, Saudi Arabia 5.8%, US 5.7%, Australia 4.5% (2010). 15

Box 1: Key Diversity Statistics: India 16

<table>
<thead>
<tr>
<th>Population</th>
<th>1,205 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Population</td>
<td>30%</td>
</tr>
<tr>
<td>Labour Force</td>
<td>487.6 million</td>
</tr>
<tr>
<td>Ethnic Groups</td>
<td></td>
</tr>
<tr>
<td>Indo - Aryan</td>
<td>72%</td>
</tr>
<tr>
<td>Dravidian</td>
<td>25%</td>
</tr>
<tr>
<td>Mongolian and other</td>
<td>3%</td>
</tr>
<tr>
<td>Median Age</td>
<td>26.2 years</td>
</tr>
<tr>
<td>Life Expectancy</td>
<td>67.14 years</td>
</tr>
<tr>
<td>Fertility Rate</td>
<td>2.58 children</td>
</tr>
<tr>
<td>Languages</td>
<td></td>
</tr>
<tr>
<td>Hindi</td>
<td>41%</td>
</tr>
<tr>
<td>Bengali</td>
<td>8.1%</td>
</tr>
<tr>
<td>Telugu</td>
<td>7.2%</td>
</tr>
<tr>
<td>Marathi</td>
<td>7%</td>
</tr>
<tr>
<td>Tamil</td>
<td>5.9%</td>
</tr>
<tr>
<td>Urdu</td>
<td>5%</td>
</tr>
<tr>
<td>Gujarati</td>
<td>4.5%</td>
</tr>
<tr>
<td>Kannada</td>
<td>3.7%</td>
</tr>
<tr>
<td>Malayalam</td>
<td>3.2%</td>
</tr>
<tr>
<td>Oriya</td>
<td>3.2%</td>
</tr>
<tr>
<td>Punjabi</td>
<td>2.8%</td>
</tr>
<tr>
<td>Assamese</td>
<td>1.3%</td>
</tr>
<tr>
<td>Others</td>
<td>7.1%</td>
</tr>
<tr>
<td>Religions</td>
<td></td>
</tr>
<tr>
<td>Hindu</td>
<td>80.5%</td>
</tr>
<tr>
<td>Muslim</td>
<td>13.4%</td>
</tr>
<tr>
<td>Christian</td>
<td>2.3%</td>
</tr>
<tr>
<td>Sikh</td>
<td>1.9%</td>
</tr>
<tr>
<td>Other</td>
<td>1.9%</td>
</tr>
</tbody>
</table>
**LEGAL CONTEXT**

“If there is one constitutional tenet that can be said to be underlying theme of the Indian Constitution, it is that of ‘inclusiveness’. [The] Indian Constitution reflects this value deeply ingrained in Indian society, nurtured over several generations. The inclusiveness that Indian society traditionally displayed, literally in every aspect of life, is manifest in recognising a role in society for everyone. Those perceived by the majority as ‘deviants’ or ‘different’ are not on that score excluded or ostracised.”

*High Court of Delhi, Naz Foundation v Government of NCT of Delhi, 2 July 2009*

**India’s Constitution**

India’s Constitution makes broad provisions for the individual’s right to equality and protection against discrimination, including equality before the law, prohibition of discrimination on grounds of religion, race, caste, sex or place of birth, and equality of opportunity in matters of public employment. Of particular relevance are Articles 14, 15, 16 and 17:

**Article 14:** The State shall not deny to any person equality before the law or the equal protection of the laws within the territory of India.

**Article 15:** (1) The State shall not discriminate against any citizen on grounds only of religion, race, caste, sex, place of birth or any of them.

(2) No citizen shall, on grounds only of religion, race, caste, sex, place of birth or any of them, be subject to any disability, liability, restriction or condition with regard to -

(a) access to shops, public restaurants, hotels and places of public entertainment; or

(b) the use of wells, tanks, bathing ghats, roads and places of public resort maintained wholly or partly out of State funds or dedicated to the use of the general public.

(3) Nothing in this article shall prevent the State from making any special provision for women and children.
LEGAL CONTEXT

(4) Nothing in this article or in clause (2) of article 29 shall prevent the State from making any special provision for the advancement of any socially and educationally backward classes of citizens or for the Scheduled Castes and the Scheduled Tribes.

**Article 16:** (1) There shall be equality of opportunity for all citizens in matters relating to employment or appointment to any office under the State.

(2) No citizen shall, on grounds only of religion, race, caste, sex, descent, place of birth, residence or any of them, be ineligible for, or discriminated against in respect of, any employment or office under the State.

**Article 17:** 'Untouchability' is abolished and its practice in any form is forbidden. The enforcement of any disability arising out of 'Untouchability' shall be an offence punishable in accordance with law.

The Supreme Court and the High Courts under Articles 32 and 226 respectively, have the power to enforce constitutional guarantees of fundamental rights. However, the Indian Constitution binds only the state and public institutions, and not the private sector. The only provision that binds both the public and the private sector is Article 17 which outlaws ‘untouchability’ - discrimination against India's lowest caste - and forbids its practice in any form.

**Equal opportunity legislation in India**

There is no comprehensive anti-discrimination legislation which enforces or penalises discriminatory activities committed by citizens and organisations in India. There is also no definition of ‘discrimination’ under the law. However, there are seven specific pieces of legislation (Box 2) providing some basis for equality on the grounds of race, sex, religion, place of birth, or social status.

Despite laws designed to protect and prevent discrimination, some social and cultural practices in India have profound discriminatory impact. In addition, the traditional caste system, as well as differences in religion and language, can divide Indian society.

India has instituted statutory commissions such as the National Human Rights...
Commission and the National Commission for Women to monitor and review state actions and make recommendations for better enforcement of human rights and women’s rights. These recommendations are however not binding upon the Government. In view of that, there are plans to set up a new legal framework for tackling grievances of the minority population through the establishment of an Equal Opportunity Commission (EOC) with authority to investigate, gather data, conduct audits, advocate and render advice. However, the proposed framework does not visualise an authority which can redress grievances and grant relief to private individuals.\(^{17}\)

Equal opportunities in the workplace
As India continues to grapple with long-existing forms of workplace discrimination such as caste, race, gender, religion and sexual orientation, newer forms of biases - such as age and HIV/AIDS - are emerging. Indeed, according to the International Labour Organisation, 12% of the working population in India reported some form of discrimination in the workplace.\(^{18}\) In the absence of comprehensive equal opportunities legislation in India, the role of the private sector in creating a level playing field for women and minorities in the workplace is becoming increasingly important.

Box 2: Equal Opportunity Provisions: India

<table>
<thead>
<tr>
<th>Legislation</th>
<th>Introduced</th>
<th>What the Law Says</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maternity Benefits Act (MBA)</td>
<td>1961</td>
<td>The MBA prohibits dismissal or unfavourable variation of employment conditions of women on account of maternity leave. The law seeks to provide payment for medical bonus, leave and maternity benefits.</td>
<td>Breach of these provisions is punishable with imprisonment and/or fine.</td>
</tr>
<tr>
<td>Equal Remuneration Act (ERA)</td>
<td>1976</td>
<td>Discrimination on the basis of gender, in matters of wage fixing, transfers, training and promotion is prohibited. It provides for payment of equal remuneration to men and women and for the prevention of discrimination against women in recruitment and employment.</td>
<td>There is a provision under the ERA for the constitution of an Advisory Committee for the purpose of increasing opportunities for women. A criticism of the ERA is that enforcement is inadequate - in both rural and urban areas - women are often paid less than men for the same job.</td>
</tr>
</tbody>
</table>
### Legal Context

<table>
<thead>
<tr>
<th>Law</th>
<th>Year</th>
<th>Summary</th>
<th>Examples and Implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Mental Health Act (MHA)</td>
<td>1987</td>
<td>The MHA provides for the treatment and care of mentally ill persons, including prohibition from treatment to any indignity (whether physical or mental) or cruelty or being used for research (Article 81).</td>
<td>The MHA stresses institutionalisation but lacks provisions on after-discharge care and rehabilitation measures. It allows for research to be conducted on mental patients as long as attending physician or guardians agree.</td>
</tr>
<tr>
<td>Scheduled Caste and Scheduled Tribe</td>
<td>1989</td>
<td>The SCSTA aims to prevent atrocities against scheduled castes and scheduled tribes and promote social inclusion of Dalits. (See ‘Other’ section below). It lists offenses against disadvantaged persons and provides for penalties for offenders.</td>
<td>The SCSTA has had only a modest effect in curbing abuse. The number of acquittals is 6 times more than the number of convictions and more than 70 percent of the cases are still pending.</td>
</tr>
<tr>
<td>The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act (PWDA)</td>
<td>1995</td>
<td>The PWDA outlaws discrimination and provides for participation and equality of persons with disabilities in terms of education, employment, promotion at work, creation of barrier free environment and social security. PWDA is applicable to Government-run or supported organisations only. Types of disability covered include blindness, low vision, leprosy-cured, hearing impairment, locomotor disabilities, mental illness and mental retardation.</td>
<td>The public sector is required to make reservations for persons with disabilities of up to 3%. The private sector is not under any legal obligation to make reservations for persons with disabilities but the Government is required to provide incentives to employers in private and public sectors to ensure that at least 5% of the workforce consists of persons with disabilities.</td>
</tr>
<tr>
<td>The National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act</td>
<td>1999</td>
<td>The Act aims to create an enabling environment and assist people with disabilities to live independently or with their families and to facilitate equal opportunities for and protection of rights of the disabled.</td>
<td></td>
</tr>
<tr>
<td>National Rural Employment Guarantee Act (NREGA)</td>
<td>2005</td>
<td>The NREGA aims at enhancing livelihood of households in rural areas of India by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The Act mandates 33 percent participation for women.</td>
<td>Recognised as a revolutionary piece of law seeking to safeguard the right to work, implementation of the NREGA has been hindered by issues such as lack of ancillary support like childcare, and corruption. The limitation to manual labour hinders work or training that creates long term positive impact on rural livelihoods.</td>
</tr>
</tbody>
</table>

*Notes:*
- SCSTA: Scheduled Caste and Scheduled Tribe Prevention of Atrocities Act
- PWDA: Persons with Disabilities Act
- NREGA: National Rural Employment Guarantee Act
KEY DIVERSITY ISSUES IN INDIA
Box 3: Key Gender-related Diversity Indicators: India

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Percentage/Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women as a percentage of total population (2011)</td>
<td>46.2%</td>
</tr>
<tr>
<td>Female literacy rate (2011)</td>
<td>65.5%</td>
</tr>
<tr>
<td>Women as a percentage of the national labour force (2010)</td>
<td>29.0%</td>
</tr>
<tr>
<td>Female labour participation rate (2010)</td>
<td>33.0%</td>
</tr>
<tr>
<td>Tertiary education female to male ratio</td>
<td>0.66</td>
</tr>
<tr>
<td>Female directorships in listed companies (2010)</td>
<td>5.3%</td>
</tr>
<tr>
<td>Length of statutory paid maternity leave</td>
<td>12 weeks</td>
</tr>
</tbody>
</table>

Status of Women in India

India is traditionally a male dominant society, with strong gender roles assigned to men and women. However, the status of women in India within the family, extended family, society and the workplace does vary greatly between rural and urban areas, and is often influenced by the level of education.

Poor performance on gender equality

India ranks 112 out of 134 countries on the United Nations Development Program’s Gender Empowerment Measure. This is despite improvement in the past decades in terms of some of the most striking forms of discrimination against women - including protection from violence, education, health, employment and political participation. Gender inequalities are prevalent in present day India. According to a study by South Asians for Human Rights in 2010, as many as 70% of women, Hindu and Muslim, throughout India, and across classes, report that they need permission to go to work. A staggering 86% say they need permission from their husbands for all activities.

- **At home:** Male to female ratio in India is 0.89 to 1, amongst the lowest in the world. There is an expectation that women’s dominant role in life is to serve her husband. The dowry tradition (whereby a women brings money and estates into a marriage) is prohibited by law but continues to exert pressure on families to marry off their daughters early - the mean age of marriage in India being 20. This has reinforced a preference for boys and a neglect for educating girls.
In education: Female literacy rate in India has grown significantly in recent decades (65.5% in 2011\textsuperscript{32}) but is still significantly lower than that for men (82.14% in 2011\textsuperscript{33}) and ranks 122 out of 134 countries.\textsuperscript{34} Female to male ratio worsens significantly advancing through education levels, dropping from 0.96 to 0.70 from primary to tertiary education.\textsuperscript{35}

In politics: The number of women participating in decision-making organs is low. Women make up only 11% of the Lok Sabha (House of the People) and 10.7% of the Rajya Sabha (Council of States). Internationally, India ranks 98 in the world in terms of female representation in parliament.\textsuperscript{36}

Indian women are under-represented in leadership roles
Gender inequality in India translates into poor female representation in leadership roles in education, in politics and at work:

- Percentage of female teachers is regressive throughout primary, secondary and tertiary levels, dropping from 59% to 47% to 40%.\textsuperscript{37}
- Efforts are being made to amend the law in India and boost the ratio of female legislators to one-third, however at present women make up only 11% of the legislature.\textsuperscript{38}
- In 2011, out of 21,550 board seats among nationally and regionally listed companies in India, only 1,025 seats are taken by women. Taking into account multiple directorships, these seats are shared among 850 women, meaning that only 5.3% of board directors in India are women. Around 2,830 listed companies (88.5%) have no women directors at all.\textsuperscript{39}

Government-led initiatives
The Government of India has promulgated laws to protect women’s rights (see Legal Context section). However, the overall application and enforcement of laws is weak. In rural areas in particular, religion is seen to have a stronger influence on women than the law.\textsuperscript{40} Aside from law, the Government of India has taken positive administrative steps in the past few decades to promote the societal and economic development of Indian women, including:

- Establishing the Ministry of Women and Child Development in 1985 as a part of the Ministry of Human Resource Development to drive the holistic development of women and children.\textsuperscript{41}
- Setting up the National Commission for Women in 1992 with the objective of representing the rights of women in India and to provide a voice for their
issues and concerns. The focus of their campaigns has included dowry, politics, religion, equal representation for women in jobs and the exploitation of women for labour.\textsuperscript{42}

- Running Women Training Institutes at both the regional and national levels as part of the Skill Development Initiative Scheme of the Ministry of Labour and Employment aiming to provide employable skills to school leavers and existing workers.\textsuperscript{43}

**Women in the Workplace**

**Rural versus urban women**

There is great disparity in career choices between women in rural and urban India. In rural areas, most women are found in professions such as teaching in schools, healthcare, government agencies, rural banking and social work through voluntary organisations. On the other hand, in larger cities today, it has become more commonplace for women to occupy professional roles in the private sector. Whilst these women are enjoying greater economic freedom than ever before, it should be remembered that they represent only a small proportion of the total female population in India.

**Representation of women in the workplace**

Today’s employment market in urban India offers a far greater range of choices for women than were available 10 to 15 years ago. These opportunities are apparently aptly matched by female talent’s professional ambition, as an extraordinary 85\% of highly educated women consider themselves ‘very ambitious’ and more than 80\% aspire to hold a top job in India.\textsuperscript{44} Although an increasing number of women are graduating from technology and business schools, and are sought after in the current employment market, the reality remains that women are not well represented in the Indian workplace.

According to Community Business’ own study of women on corporate boards in India,\textsuperscript{45} the percentage of executive director roles held by women and the number of companies with female executive directors is low in India (Box 4).
Community-Business’ Gender Diversity Benchmark for Asia 2011\textsuperscript{46} which looked at the representation of women in multinational companies in five locations across Asia, found that women in India hold 14.91% at middle level positions and a mere 9.32% of senior positions. India performs consistently poorly in the study, lagging behind other Asian markets such as Hong Kong, China, Singapore and Malaysia in terms of representation of women at all levels (Box 5) - and performing only slightly better than Japan at senior levels.

### Box 5: Average Representation of Women at Management Levels in the Indian Workplace\textsuperscript{47}

<table>
<thead>
<tr>
<th>Junior Management</th>
<th>Middle Management</th>
<th>Senior Management</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>55.41%</td>
<td>Malaysia</td>
<td>27.57%</td>
</tr>
<tr>
<td>Singapore</td>
<td>54.19%</td>
<td>Hong Kong</td>
<td>44.50%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>53.17%</td>
<td>Singapore</td>
<td>39.74%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>51.62%</td>
<td>Malaysia</td>
<td>36.00%</td>
</tr>
<tr>
<td>Japan</td>
<td>45.37%</td>
<td>Japan</td>
<td>26.11%</td>
</tr>
<tr>
<td>India</td>
<td>28.71%</td>
<td>India</td>
<td>14.91%</td>
</tr>
</tbody>
</table>

**Gender issues in the workplace**

According to the Center for Work Life Policy, around 45% of working men and women think that women are treated unfairly in the workplace because of their gender.\textsuperscript{48} Community Business’ own research and a review of gender studies on India also reveal the wide range of barriers to Indian women’s greater participation in the workplace, particularly at senior levels. These include:

- **Male-dominated workplaces:** Indian women can find it difficult to be taken seriously in the workplace and are often assumed to leave their jobs mid-career to look after their family. As a result women have to work extra hard to
establish their credibility and get their voices heard. Working women in India have reported having to confront the male ego constantly in the workplace\(^{49}\) and that men do not respect female bosses.\(^ {50}\)

**Lack of corporate support:** Most companies do not have gender-specific policies to encourage female staff into leadership positions. Channels for working women to voice grievances or seek support on career development are also rare in the private sector. In general, women also suffer from limited access to and control over resources, poor access to information and opportunities for improving skills.\(^ {51}\)

**Insufficient support for work-life balance:** With statutory maternity leave standing at 12 weeks, young married women shouldering family expectations of childbearing and childcare find it difficult to balance work and private life. Support is also lacking from their own families - according to a survey in 2011, 18% of the female respondents complained about conflicting roles and responsibilities, and said they faced complaints from in-laws who demand them to quit their job for the family.\(^ {52}\)

**Inadequate representation:** Women are not adequately represented in trade unions, employees’ organisations and in society in general. The consequences are that they have limited channels through which they can seek to address and improve their working conditions, thereby reinforcing their lack of ability to demand and implement better working practices.\(^ {53}\)

**An organisational ‘glass ceiling’ or a self-imposed ‘invisible filter’:** A survey in 2011 shows that aspirations among working women to reach the top dwindle as they become more senior - dropping from 63% at entry-level to 48% at mid-career level.\(^ {54}\)

**Sexual harassment:** There are mandatory guidelines, known as Vishaka Guidelines, for the resolution and prevention of sexual harassment which hold employers responsible for providing a safe work environment for women.\(^ {55}\) The law mandates procedures to be put in place for complaints handling. However these guidelines are rarely implemented.\(^ {56}\)

**Few female role models:** With a lack of female candidates in the senior management pipeline, there is a lack of female role models to inspire and motivate other women.
Diversity Initiatives - Women

As in many other Asian markets, the conversation around diversity in India typically starts with a discussion on gender and the challenges faced by women. What stands out for India is the tremendous potential fueled by a booming economy. Endowed with abundant female labour supply, and some outstanding and ambitious women who are eager to express themselves through their career, India is well positioned to create workplaces that tap the full potential of female talent. The opportunity has never been greater for large local companies and multinationals operating in India to attract, retain and develop top female talent. Some initiatives that are being introduced include:

- Establishing women’s networks for young and high-potential female managers.
- Running focus group discussions with top female talent to understand their challenges, goals and opportunities.
- Introducing training for high potential female talent to develop their career navigation and leadership skills.
- Providing flexible work arrangements to support women to meet the demands of their work role and their life.
CULTURE

India’s Cultural Diversity

The culture of India has been shaped by its long history, vast geography, diverse demographics and the unique mingling of religious practices, languages, customs, and traditions. As a pluralistic society, India has managed to preserve established traditions while absorbing new ideas and spreading its cultural influence to other parts of Asia. This has in part been made possible by the prevalence of English as the most important language for national, political, and business communications, even though Hindi is the mother tongue for most Indians.

Indian cultural values

With its richness, diversity and complexity, it is difficult to summarise Indian culture in a few sentences, but key features and trends include:

- **Strong family values**: Family plays a significant role in Indian culture. Important life decisions are often made with wider family interests in mind. Some prominent examples include high incidence of arranged marriage and low divorce rates, although this is beginning to change, particularly in the urban areas.

- **Social image**: India is a society that is concerned about social image, whether for individuals or for the family as a whole. Indians are greatly concerned by the prospect of damaging their reputation and family name - with serious consequences such as being evicted from the family or in extreme cases, death.

- **Caste**: Although family plays an important role in the life of Indians, it is often caste or the region one comes from that determines one’s values and behaviour. Caste can also determine the level of education and wider opportunities that are available.

- **Hinduism**: Over 80% of the population is Hindu and the cultural legacy of Hinduism is deeply ingrained throughout the country. Any analysis of Indian world view, therefore, stems from the structure of Hinduism.

Cultural dimensions in India

In India’s diverse society, conflicts and dissonance pervade many aspects of Indian
life. Amidst mutual cooperation and tolerance among communities, there are significant problems of discrimination or bias - particularly on grounds of caste, religion, language, or the region one comes from (see ‘Other’ section).

Cultural Diversity in the Workplace

Cultural issues in the Indian workplace

The values and norms demonstrated in the local Indian workplace are very different from those in the West. For example, Indian organisations tend to be more people-driven than process-driven. Building relationships over time through conversation, hospitality, and loyalty is important, whilst friendship and kinships are often considered more important than expertise in the Indian workplace. However, this may be changing, as material success and creativity become more highly valued. India also has a unique concept of time - Indian culture sees time as a cycle, with past, present and future possibilities all mingled into one. In the workplace, this translates into meetings that start roughly, rather than precisely, on time. Given these cultural norms, for some, the Indian corporate landscape can be difficult to navigate.

Cultural issues in the multinational workplace

For those working in multinationals operating in India, factors like educational and professional track record, personality fit, communication style, global exposure and mobility are important determinants of one’s success. Whilst local leadership in multinationals operating in India are largely made up of local Indian executives, a challenge for local talent can be to secure representation at global levels.

Indeed, Community Business’ research\(^\text{57}\) shows that there are specific cultural challenges for local Indian employees working in multinational companies which can limit their career progression. These include Indian executives feeling disempowered by lack of local decision-making and struggling to get their voices heard beyond their home country. Cultural differences in terms of communication style can also undermine credibility, trust and ability to influence globally.

- **International exposure**: Indian executives feel that an ‘international stint’ is a pre-requisite for career growth; that there is a need to prove themselves in a non-Indian market to build their experience and establish their credibility. However, this is not possible for everyone, and may be especially challenging for female talent.
Global voice: Indian executives find that they struggle to get their voices heard and to defend their views with counterparts across the globe, limiting their ability to influence matters at a global level.

Communication style: The communication style of Indians is built upon an inherent desire to please and a reluctance to say ‘no’. This does not always work well in a multinational environment which favours direct and up front communication. This hesitancy to give honest feedback or communicate bad news can be misinterpreted as trying to hide information, and such perceptions can undermine trust and relationship building with colleagues outside of India.

Leadership potential: Indian executives perceive that global roles tend to be filled by employees from mature markets rather than emerging markets like India. They attribute this in part to the perception outside India that Indians are not strategic - that they are technical experts but not necessarily great leaders.

Diversity Initiatives - Culture

For local Indian companies, where workforces are made up of predominantly Indian employees, the issue of cultural diversity centres on the issue of integrating people from various regions of India, with potentially different religions, language, education and beliefs. For multinational companies however the focus is very different. Aware of the need to build a strong pipeline of Indian leaders to drive their aggressive growth strategies in the region, multinational companies are keen to better understand cultural issues in the workplace - and particularly those that might be impeding the career progression of their local top talent. For many, efforts are increasingly focused on expanding cross-cultural competency in order to allow more Indian talent to contribute to global success. Specific initiatives include:

- Taking steps to better understand the working styles and preferences of local Indian talent.
- Identifying talent processes that might be biased towards Western concepts of leadership - and therefore potentially disadvantaging Indian employees.
- Introducing targeted development programmes for high potential Indian talent.
- Providing cross-cultural training and opportunities for Indian executives to work on global teams.
Demographics of India Population

**Figure B – Population Pyramid for India, 2010**

![Population Pyramid for India, 2010](image)

**Box 5: Key Age-related Diversity Indicators: India**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population aged over 65 (2011)</td>
<td>5.5%</td>
</tr>
<tr>
<td>Estimated population aged over 60 (2030)</td>
<td>32.7%</td>
</tr>
<tr>
<td>Fertility rate (2011)</td>
<td>2.62 children</td>
</tr>
<tr>
<td>Average median age (2011)</td>
<td>26.2 years</td>
</tr>
<tr>
<td>Average life expectancy (2011)</td>
<td>67.2</td>
</tr>
<tr>
<td>Population growth rate (2012)</td>
<td>1.3%</td>
</tr>
</tbody>
</table>

**A booming workforce**

India’s population, which stood at 340 million at the time of independence in 1947, is more than 1.2 billion today and is expected to touch 1.4 billion in 2025 and 1.6 billion in 2050. The sheer size of India’s population might be daunting, but its age structure opens possibilities. The fact that India’s population bulges in the prime working-age group (15-59) is a major asset for sustaining its economic development. About 35% of its population today is in that group, and this is expected to peak around 2020 when about 64% of the country’s total population will belong to the working-
age group. To put this in perspective, it has been estimated that India’s working-age population will increase by 136 million by 2020, whereas China’s will grow by a mere 23 million.\(^\text{65}\)

**Gen-Y in India**
In India, Gen-Y (those born between 1980 and 1990) makes up more than half of the population and is the largest Gen-Y population in the world. This cohort is playing a crucial role in the Indian workforce, as most of India’s high-potential employees (64%) and middle managers (55%) are Gen-Y. Growing up in the country’s first wave of broad and dynamic economic development, Indian Gen-Y is keen to participate in the country’s growth and take the country forward. Influenced by India’s democratic political system and the legal heritage left by colonial rule, Gen-Y in India share a sense of ambition, entrepreneurship and technological connection, while those living in urban areas are particularly well-positioned for global interaction.\(^\text{66}\)

**Indian’s silvers**
Despite high fertility rate and low median age, the elderly population in India is still the second largest in the world.\(^\text{67}\) For India, this sector of the population presents a challenge, as 80% live in rural areas, 30% live below poverty line, 90% are from the unorganised sector with no social security and 73% are illiterate and dependent on physical labour.\(^\text{68}\) Interestingly, a significant proportion of the elderly are still economically active. Out of approximately 91 million Indians over the age of 65 today, 22 million are still working. This number is estimated to go up to 127 million by 2025 and 324 million by 2040. By 2050, they will constitute 25% of the Indian population.\(^\text{69}\) Being the first post-independence cohort in India, and growing up in an era of new found national freedom, this older generation shares a strong sense of nation, responsibility and bureaucracy. At the same time they are often seen as resistant to change and uncomfortable with conflict.\(^\text{70}\) Most of those in this older generation are ‘first timers’ – not having seen their parents live to their age - and are often under-prepared for old age. Some fear that the majority of these older people, who have lived most of their life with their joint or extended families, are on the verge of isolation or marginalisation due to urbanisation and the rise of nuclear families.\(^\text{71}\)
Government-led initiatives
In light of the challenges posed by the size of the elderly population, the Indian Government has taken steps to promote the health, well-being and independence of senior citizens around the country, including:

• The National Policy for Older Persons in 1999 to encourage individuals and families to make provisions of the elderly and supports NGOs to provide care and protection to the elderly, with an objective to make older people fully independent citizens.\(^72\)

• Providing financial assistance to NGOs who provide welfare services to the elderly and encourage productive ageing.

The Indian Government is not actively addressing issues posed by the surge in Gen-Y population.

Generational Diversity in the Workplace
As elsewhere in the world, India is experiencing the phenomenon of four generations in the workforce for the first time. An India-centric Generation Cohort theory is often used to define the Indian workforce generations into four categories: Free-Gen (1941 to 1960), Gen-X (1961 to 1970), E-Gen (1971 to 1980) and Gen-Y (born after 1981).\(^73\)

Understanding the Gen-Y workforce
India’s higher education system produces more than seven million graduates, of whom 3.1 million join the workforce each year.\(^74\) The discussion around generational diversity in the Indian workplace is overwhelmingly focused on Gen-Y. Despite the size of this cohort, not all Gen-Y are employment-ready, therefore those who are well-qualified are highly sought after.\(^75\) Most companies in India are aware that engaging Gen-Y has become a top priority.

Studies have shown that India’s Gen-Y is a “demanding workforce - dynamic, ambitious, optimistic, embrace change, have a clear sense of direction, business savvy, technologically capable and connected”.\(^76\) Beginning their career at a time when an increasing number of multinationals set up operations in India, it has been observed that members of the Gen-Y workforce are distinctly different from their
predecessors in various aspects:

- Have an expectation to work flexibly.
- Willing to work in shifts but averse to working long hours.\(^77\)
- Value diversity and more open about issues like gender and sexual orientation.
- Need inspiring leadership and role models but not afraid to challenge them.
- Need supervision and structure.
- Look for opportunities to pursue their entrepreneurial abilities even in a corporate environment.\(^78\)
- Value visibility and recognition early on in their careers.\(^79\)

**Silver ceiling**\(^80\)

Whilst efforts are being focused on developing the skills of the Gen-Y workforce, little or no attention has been given to the Free-Gen. This reflects not only traditional attitudes towards older people, but also a perceived weaker business case for employing Free-Gen from the corporate perspective. Society in general expects older workers to gradually shift to social services or entrepreneurship and few measures are taken to leverage their skills and experience in the corporate environment.

Research has shown that a majority of employers across a variety of industries have no strategy in place to retain or use the older workforce.\(^81\) Although there is no mandatory retirement age, for most companies in India, the normal retirement age is around 58 to 60. It is feared that as Free-Gens begin to retire, India will be faced by a shortage of seasoned directors with cross functional experience who can take up the mantle as their organisation look to diversify from their core businesses.\(^82\)

**Managing multigenerations**

For the first time, companies in India are managing employees from multiple generations - cohorts of employees who have been shaped and influenced in different ways by India’s unique social, cultural and historical context. Differences between these generations can easily lead to misunderstanding and conflict in the workplace. Gaining a better understanding of generational dynamics and finding ways to enable different generations to work more effectively together is critical.

**Diversity Initiatives - Generations**

When it comes to generational diversity, the majority of companies in India are preoccupied with meeting the challenges posed by their Gen-Y workforce. Many
companies are keenly aware that the success of their business hinges on their ability to fully engage their younger employees. As such they are being driven to introduce programmes and initiatives designed to attract and retain Gen-Y. Examples include:

• Introducing fast track programmes for high potential talent.
• Providing flexible work arrangements and opportunities to engage in corporate social responsibility.
• Introducing initiatives that harness the energy, enthusiasm and creativity of younger employees.
• Providing opportunities for overseas assignments.
• Finding ways to reduce the hierarchy driven structure.
Disability in India

It is difficult to source accurate data relating to the number of people with disabilities in India. India’s Planning Commission estimates that 5% of the Indian population is disabled. This amounts to about 40 to 80 million people with disabilities. However, according to the Ministry of Statistics and Programme of Implementation of the Government of India, people with disabilities form only 1.8% of the total population.

A growing concern

Looking ahead, the number of disabled people in India is expected to rise sharply as age related disabilities grow. It should be borne in mind that a large number of disabilities in India are preventable, including those arising from medical issues during birth, maternal conditions, malnutrition, as well as accidents and injuries. The challenge for India is for the health sector to proactively address the issue of disability, moving from treatment to prevention, especially in the rural areas.

Social attitudes towards people with disabilities

In India, people with disabilities are often excluded from education, training and health services. Attitudes towards people with disabilities have traditionally been influenced by:

- **Stigma and bias**: Negative attitudes held by family members, and often people with disabilities themselves, deter people with disabilities from taking an active part in the family, community or workforce. Given the prominence of religion in India, the concept of karma is important in shaping attitudes towards disability. This means that disability is often perceived as a punishment for misdeeds in the past life or wrongdoings of the parents, or a curse of God. Among various forms of disability, those suffering from mental illness face the worst stigma and are subject to severe social exclusion.

- **Social marginalisation**: People with disabilities are largely ignored, in both the community they live in, in politics and in education. Policymakers have been criticised for adopting a mere welfare approach to disability. Illiteracy, unemployment and poverty are high among people with disabilities and they...
face significant challenges in getting married and having families.\textsuperscript{90}  

- **Stereotypes:** There are myths surrounding disability and beliefs about what people with disabilities can or cannot do. Unfortunately, the media often ridicules disability which reinforces stereotypes.

- **Lack of barrier-free environment:** Places like markets, restaurants, cinemas, schools, colleges, training institutions, offices and the transport system are often inaccessible for people with disabilities. Living in an inaccessible environment, many people with disabilities remain either confined inside their homes or live in disability institutions or organisations.\textsuperscript{91}  Although guidelines for disabled-friendly buildings already exist, these guidelines are not legally binding.\textsuperscript{92}

**Government-led initiatives**

India has ratified the United Nations Convention on Rights of Persons with Disabilities and the Government has declared its commitment to apply rights based legislation to the private sector.\textsuperscript{93} Some steps have been taken towards fulfilling that commitment including improving the education level of children with disabilities through laws, policies and schemes.

- There is a mandatory 3% reservation for disabled students in all educational institutions aided by the Government. However, there are criticisms of lack of monitoring and penalising mechanisms.
- The Sarva Shiksha Abhiyan - the Education for All Movement - driven by the Indian Government - enforces a zero-rejection policy.\textsuperscript{94}

The Government has also taken initiatives in terms of raising awareness and promoting the welfare of people with disabilities, such as:

- Allowing 3% reservation for people with disabilities in the Government under Section 33 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act (1995). However, the Act does not apply to the private sector and therefore has almost no implications on the employability of persons with disabilities in the private sector.
- Providing incentives, awards and tax exemptions to private sector employers to ensure that at least 5% of their workforce is composed of people with disabilities.
as part of the National Policy for Persons with Disabilities adopted in 2006.

- Providing vocational training and financial assistance for generating activities to disabled persons through National Handicapped Finance and Development Corporation (NHFDC).
- Presenting awards to outstanding employees with disabilities, best employers, and private enterprises creating barrier free environments.
- Setting up the National Handicapped Finance and Development Corporation to channel funds to people with disabilities.  
- Office of the Chief Commissioner for Persons with Disabilities is authorised to look into complaints relating to deprivation of rights of people with disabilities.

**Disability in the Workplace**

**Low employment rate for people with disabilities**

Approximately 80-90% of people with disabilities in India who are of working age are unemployed. The gap in employment between people with disabilities and those without has increased over the past decades. There are more than 687,632 people with disabilities on the live register of 81 Employment Exchanges across the country waiting for openings in government jobs. Many more people with disabilities are either registered with private placement agencies, underemployed, or are not aware of employment agencies or exchanges. Notably, employment rates vary significantly by type of disability - whilst those with mental illness and visual disabilities have very low employment rates, those with hearing disabilities, speech and locomotor disabilities have relatively higher employment rates.

**Discrimination against people with disabilities**

Disability is not a popular issue among corporate India - around 73% of business entities in India do not have any policy to employ people with disabilities. A mere 0.28% people with disabilities are employed by the private sector, and multinationals have hired only 0.05% of people with disabilities in India. This is attributed to the fact that there are few incentives in this regard. For those who are employed, they are often paid less than their colleagues. They are also often placed in positions for which they are over-qualified in terms of experience, skill and qualifications and are often given less responsibility and denied promotions.
Challenges faced by people with disabilities in the workplace
As elsewhere in Asia, key obstacles to the greater employment of people with disabilities in India include:
- Lack of knowledge around the issue of disability itself.
- Negative perceptions and false assumptions about disabled individuals and their ability to perform in the workplace.
- Employers’ limited experience of working with or interacting with people with disabilities.
- Lack of knowledge about where to find people with disabilities with the right skills and experiences.
- Concerns about potential costs and resources required to support people with disabilities in the workplace.
- Lack of knowledge about technological advancements in the field of assistive aids and devices enabling people with disabilities to work on par with non-disabled.
- Mismatch of skills preached in special schools, vocation training centres and sheltered workshops compared to skills required by job profiles.\(^\text{102}\)

Diversity Initiatives - Disability
Given the large size of the disabled population in India, a significant number of businesses are probably already employing some people with disabilities. However, to a large extent, due to lack of corporate awareness, the potential of employees with disabilities has not been fully appreciated. For the most part employing people with disabilities is seen as a philanthropic gesture or act of corporate social responsibility. However, some progressive companies are beginning to recognise that people with disabilities represent an untapped talent pool and are discovering that people with disabilities often have greater sense of loyalty and focus in their work, whilst offering at least equal productivity and quality.\(^\text{103}\) Types of initiatives include:
- Conducting accessibility audits for business premises.
- Conducting manager sensitisation programmes.
- Partnering with NGO partners for the selection process.
- Promoting greater awareness of disability Disability Day/Awareness Week.
- Providing people with disabilities specific skills required for jobs.
SEXUAL ORIENTATION AND GENDER IDENTITY (LGBT)

General Attitudes in India

Sense of denial
Public discussion of homosexuality in India has been inhibited by the fact that sexuality in any form is rarely discussed openly. The result is that despite a significant population of lesbian, gay, bisexual and transgender (LGBT) citizens - ranging from estimates of 30 to 100 million - most Indians claim not to know any LGBT individuals. Across Indian society, there has been the perception that homosexuality is a foreign evil - that LGBT individuals do not exist in India but for Western influence. This despite there being many religious, cultural and literary references to same-sex love in India. Indeed, some view homosexuality as ‘unnatural’, a ‘perversion’ or a ‘disease’ and members of the gay community as ‘harbingers of moral and sexual degradation’. In a way this is a vicious cycle, because lack of open discussion about sexuality, lack of sex education and counseling at school has reinforced a society that denies the very existence of LGBT individuals.

Lack of acceptance
Despite decriminalisation of same sex behaviour in 2009, acceptance of LGBT in India remains low. India is deeply conservative and patriarchal - characterised by strong family expectations and alienation of those who deviate from traditional gender roles. For the most part, LGBT individuals are invisible in Indian society and issues such as forced marriage, discrimination, social stigma and ostracisation of sexual minorities are still very much a reality.

LGBT discrimination
Members of the LGBT community face challenging living conditions in many parts of India. Discriminatory treatment in workplaces, schools, hospitals and other institutions remain widespread. Indications of such attitudes include:

- Rejection by family and community: To many Hindus, homosexuality is considered a threat to family life and the institution of marriage. Adolescents who do not fit into established gender-roles are punished - sometimes violently. Lack of tolerance for LGBT individuals is often reflected in ordinary
SEXUAL ORIENTATION AND GENDER IDENTITY (LGBT)

conversations and ultimately is a part of the social fabric ingrained in families, communities and the workplace. Many LGBT individuals from small towns, without any access to the wider LGBT community, face a lonely struggle to stay true to their sexual orientation and gender identity.

- **Unequal access to public services:** Bias and mistreatment pervade medical establishments and other official institutions in India. For transgender individuals, access to decent education, housing and welfare is limited. The vast majority of transgender individuals live in slums and have limited job opportunities, often resorting to sex work or begging.¹⁰⁸

- **Political and economic disempowerment:** LGBT individuals are vulnerable to falling victim of arbitrary and brutal state actions in the form of harassment, violence or abuse. Most transgender individuals cannot vote, rent property or open a bank account as they would be required to indicate their gender.¹⁰⁹

- **Lack of information:** Lack of support groups and help lines puts LGBT individuals at a disadvantage. HIV is one of the sad consequences and is a significant social problem as there are at least 2.31 million people living with HIV in India.

**Legal context - sexual orientation**

Consensual same sex behaviour among adults in private was decriminalised in a landmark decision by the Delhi High Court on 2 July 2009. The Court read down provisions of Section 377 of the Indian Penal Code on the basis that it violated the fundamental right to equality and non-discrimination enshrined in the Indian Constitution. This was a turning point for many LGBT individuals and is expected to play a crucial role in re-shaping mindsets regarding sexual orientation in India going forward. However, the impact of this decision in relation to issues such as employment, housing facilities, insurance schemes, public welfare and transfer of property remains unclear, and the decision itself is the subject of an appeal. At present, there is still no sexual orientation discrimination law in India and same-sex marriages continue to be illegal.

**Legal context - gender identity**

Indian law does not contain explicit prohibition against discrimination on the basis of gender identity. However, the Delhi High Court asserts that such prejudice and discrimination is “against the liberty, equality, privacy and dignity of transgender
people” and therefore unconstitutional. Again, the impact of this decision in actually improving living and working conditions for transgender individuals in India remains uncertain.

**Gradually changing attitudes**
Attitudes towards LGBT in urban India are gradually changing with gay pride marches taking place in cities. There are some relatively open gay scenes in major cities such as New Delhi, Mumbai, Bangalore and Kolkata. A few magazines, e-zines and e-bookstores targeted at the LGBT community have emerged, and there are more non-governmental organisations dedicated to LGBT. The LGBT community itself has also become increasingly vocal and articulate in asserting its rights. Over 300 people gathered in New Delhi in celebration of the two year anniversary of decriminalisation of consensual same sex behaviour, although it was observed that many of those who attended chose to hide behind masks for fear of being recognised and ridiculed at home and at work. It is worth noting that in stark contrast to urban areas, LGBT communities in conservative rural India live in much more hostile and isolating environments, suffering discrimination, stigmatisation and denial in silence.

**Government-led initiative**
The Unique Identification Initiative in India - a nation-wide initiative whereby the Government seeks to issue unique identity numbers to all Indian residents - has for the first time included ‘transgender’ along with ‘male’ and ‘female’ in the gender-identification column. The census and the election identity card also has a column for ‘Others’ under gender. These are signs that the Government is beginning to formally recognise sexual minorities in Indian society.

**LGBT Issues in the Workplace**
Sexual orientation and gender identity are issues not commonly spoken of in the Indian workplace. Conservative mindsets prevail and LGBT employees have worked in a pervasive culture of silence that denies them acceptance and visibility.

**Challenges faced by LGBT individuals in the workplace**
As elsewhere in Asia, LGBT individuals in India face a number of challenges in the workplace. These include:

- **Self stigma:** Given the general prevailing attitude to LGBT individuals, many
internalise this deep stigma and have issues about self image and esteem.

- **Fear of ‘coming out’**: LGBT employees are wary of the negative impact of ‘coming out’ and how it may affect their career advancement, so they often conceal their identity. The number of employees who are open in the workplace is minimal.

- **Lack of awareness and respect for sexual minorities**: There is a lack of training on diversity issues and a lack of support from senior management. LGBT employees face harassment from colleagues and superiors, ranging from avoidance, gossip and open ridicule. LGBT employees are often expected to behave as if they were heterosexuals.

- **Lack of information**: LGBT employees are not visible in Indian workplaces and companies often fail to see the need to address the needs of LGBT employees.

- **Isolation**: LGBT employees can face isolation in the workplace and have difficulty connecting with other LGBT employees.

- **Lack of sexual orientation and gender diversity policy**: Few companies have processes to deal with sexual orientation and gender diversity issues in the workplace and there is no external body to refer to in case of discrimination, harassment and rights violation. LGBT employees do not enjoy equal access to benefits.

- **Lack of role models**: There are few openly gay or transgender role models in the Indian corporate world.

**Diversity Initiatives - LGBT**

Most Indian companies, private and public, have remained passive on the issue of sexual orientation and gender identity, and LGBT issues are not on the radar for most companies. A small number of leading multinational companies and large Indian corporations are warming up to the fact that creating safe and open workplaces for LGBT employees is good for productivity, and that ensuring inclusiveness for all employees is essential for recruiting and nurturing top talent. Some steps taken towards this end include:

- Organising awareness raising events to discuss LGBT workplace issues.
- Running training programmes to sensitisce employees regarding LGBT rights.
- Sharing of LGBT best practices within the business community.
- Creating LGBT networks or employee resource groups.
OTHER

There are a number of other important diversity issues that are specific to India - largely related to its rich cultural diversity. These include education, caste, religion and language. Disparities between those in the urban areas versus those in the rural areas is also a significant issue.

Caste

India’s caste system has strong historic ties to Hinduism. It delineates clear social strata, assigning highly structured religious, cultural, and social roles to each caste and sub-caste. The population belonging to disadvantaged castes in India is enormous. India’s lowest caste - the ‘Untouchables’, also referred to as the ‘Scheduled Caste’, ‘Harijan’ or ‘Dalit’ amount to about 200 million. Despite government action, these groups suffer some of the worst forms of ostracism, exploitation and segregation in India.

• **Stigma and conflict:** Dalits are not racially different from their upper-caste neighbours, but the stigma is inherited and permanent. Whilst caste barriers have mostly broken down in large cities, inter-caste conflicts remain frequent especially in rural India.

• **Discrimination:** Although caste discrimination has been outlawed and the concept of untouchability has been abolished, changes in attitudes are slow. The National Campaign on Dalit Human Rights points out that Dalits continue to suffer nearly 140 forms of work and descent-based discrimination at the hands of the dominant castes, such as segregation in schools, prohibition from exercising rights to vote and lower wages.

• **Crime and violence:** It has been observed by Dr Ambedkar, a prominent Indian leader himself born into an Untouchable class, that caste violence has been on the increase since India’s independence.

• **Employment:** Dalits typically perform jobs that are considered foul and degrading.

Under the Indian Constitution, disadvantaged castes are entitled to affirmative actions with the objective to reduce caste-based employment discrimination. These include:
• Employment quota system: The Reservation Policy in India allocates 17% of public sector jobs to Scheduled Castes, and a further 8% to Scheduled Tribes.\textsuperscript{116} This is a controversial approach, seen by some as forcibly promoting the mainstreaming of the underprivileged.\textsuperscript{117}

• Lower entrance requirements: Disadvantaged castes are given more lenient entrance and promotion requirements for roles in the civil service, the public sector, and educational institutions.

• Training and benefits: Special training programmes and benefits from special development funds are provided to members of disadvantaged castes.

Education
As part of the legacy of the caste system, family credentials and background are critical to one’s standing in Indian society. Central to this is one’s educational background. In the workplace, this is reflected in the level of interest in the college or business school that people graduate from. People associate with others in their ‘business school batch’ and constantly assess their performance with their peers. Graduates from the better known institutes enjoy privileges over local engineering or management schools. This affects hiring, teamwork and promotion in organisations.

Religion
India is the birthplace of four of the world’s major religions: Hinduism, Jainism, Buddhism and Sikhism, and is one of the most religiously diverse nations in the world. Religion plays a central and definitive role in the life of most people, and most Indians associate themselves with a religion. Amidst this diverse religious scene, Hinduism is the dominant religion - over 80% of Indian population professes Hindu - while Muslim is the largest minority.

Although religious tolerance is established by law, religious minorities continue to face multiple challenges such as under-representation in employment in both the private and public sectors and are often hired only in low-skilled and low-paid jobs.

Language
India is one of the world’s most linguistically diverse nations. Whilst Hindi is the single most widely spoken language, English serves as an important medium for higher education, business and Government and provides a communication
bridge between people in the North and South. The ability of Indian graduates to communicate in English is a major contributing factor in the growth of the IT and BPO industry in India over the past 10 years. Some argue that English skills are the single most influential factor determining access to education, economic and social advancement in India. Conversely those who are unable to master the English language face discrimination and diminished opportunities. Indeed, it is easy to overlook the fact that proficiency in English is unattainable for the vast majority of the Indian population - although country-wide figures are extremely difficult to ascertain, it is believed that only 3% of the Indian population has some level of English literacy, whether spoken or written. This can create unequal competition and disempowerment in terms of access to knowledge, job opportunities, healthcare and the judicial system.

**Urban-rural disparity**

The widening gap between urban and rural India in the past few decades has become a matter of concern in India. This gap is manifested in a number of ways:

- **Economic:** Income and consumption expenditure in urban areas is significantly above that of rural areas. Quality of life in terms of living conditions, nutrition and basic infrastructure is significantly lower in rural India.
- **Social:** Urban areas enjoy better access to public services such as education, health care and family planning compared to rural areas.
- **Global awareness:** There is a greater exposure to media and higher level of awareness around international trends and development in urban India. The significant urban-rural disparity also translates into challenges for corporate India. Companies have increasingly looked to recruiting employees from so-called ‘second tier’ and ‘third tier’ cities in more rural areas to tackle the acute shortage of talent in large cities like Bombay, New Delhi, Bangalore, Hyderabad, Chennai and Kolkata. Whilst rural talent may be educated and skilled especially in the technology, IT and business process outsourcing fields, they are disadvantaged in terms of international exposure and the ability to connect and build rapport with colleagues from urban areas. Obvious differences such as different English accents shape a sub-culture within the larger corporate culture in large Indian cities. For rural talent working in urban centres, this sub-culture is characterised by separate social clusters and sometimes discriminatory treatment from their urban colleagues. With rural talent forming between 40-
60% of the workforce in major commercial hubs, large Indian companies are keenly aware of the importance of integrating urban and rural talent in the workplace. It can be easy for multinational companies operating in India - particularly those focused in the major cities to overlook some of these more India specific diversity issues. In many instances, companies are made up of professionals from very similar backgrounds or a certain level of society. The challenge for companies is to examine how truly reflective their workforces are of the diversity of India and what steps their companies can take to be more inclusive of people from a wider variety of backgrounds in India.
India faces many of the diversity issues common to other countries, such as addressing the challenges faced by women and cultural minorities, increasing the employment of people with disabilities, adapting to the demands of its younger generation and creating inclusive workplaces for LGBT employees. However, the way diversity has been defined in India and its current framework in society is very different. India’s unique multiculturalism, competitive environment and developmental challenges means that these familiar issues must be interpreted and understood with a different lens. A large variety of diversity factors have shaped India’s present working environment, and for companies in India, understanding these dimensions is crucial for business success in this vast subcontinent of economic opportunities.

As India becomes an increasingly important market for companies across the world, local Indian talent will become more influential in both regional and global platforms. Indeed, studies have shown that there are more Indian CEOs than any other nationality except American. Seen as adaptive, confident and filled with huge aspirations, the world is looking to Indian talent for bold and innovative ways to tackle the myriad challenges it faces and navigate the uncertainties posed by its complex domestic environment. Today’s generation of Indian managers grew up in a country that provided them with the experience so critical for today’s global marketplace.

Enriching the workforce with diversity and reaping the full benefits of an inclusive workplace not only makes perfect business sense, but will provide the fuel and impetus so critical to India’s sustained development. Beginning with discussions around gender, there is now plenty of room for companies in India to understand and integrate a wider range of key diversity issues into their employment and development strategies. There is also a need to develop a framework that is relevant to the Indian context.
Please visit the Community Business website at: www.communitybusiness.org/countryviews/india.htm for a list of current key resources relating to diversity and inclusion in India, including:

- Community Business related research and publications
- Other related research and publications.
- Key organisations in India.

All web references are accurate as of February 2012.

2. Source: http://www.indexmundi.com/india/gdp_real_growth_rate.html
7. Source: http://www.economist.com/countries/India/
25. Source: http://www.wikigender.org/index.php/India
An employee is eligible for 10 weeks’ paid maternity leave if:
1. she has worked under a continuous contract for not less than 40 weeks immediately before the commencement of maternity leave;
2. she has given proper notice of pregnancy to her employer such as by presenting a medical certificate confirming her pregnancy; and
3. she has produced a medical certificate specifying the expected date of confinement if so required by her employer.

With the agreement of her employer, a pregnant employee may decide to commence her maternity leave from 2 to 4 weeks before the expected date of confinement. If the employee does not decide on the date, or fails to secure her employer’s agreement, the employee shall commence her maternity leave 4 weeks before the expected date of confinement. Maternity leave commences on the date of confinement if it occurs before the scheduled maternity leave.


For more information: http://www.indiatoggether.org/combatlaw/vol2/issue3/harass.htm


For more information: http://www.nationmaster.com/country/in/Age_distribution

Source: http://www.nationmaster.com/graph/peo_age_str_65_yea_and_ove-age-structure-65-years-over

Source: http://www.indexmundi.com/india/total_fertility_rate.html

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ibid


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Source: Youreach “Facts on Old Age”: http://www.youthreachindia.org/portal/Description.asp?id=47&CatID=3&type=2

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Source: Breaking the Silver Ceiling, AVTAR career creators, 2010


Source: http://socialjustice.nic.in/npopcomplete.php


KEY RESOURCES & REFERENCES

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96 For more information: http://siteresources.worldbank.org/INDIAEXTN/Resources/295583-1171456325808/Chapter05.pdf
100 ibid
103 For more information: http://siteresources.worldbank.org/INDIAEXTN/Resources/295583-1171456325808/Chapter05.pdf
104 See “Same-Sex Love in India” by Ruth Vanita and Saleem Kidwai
106 Source: http://orinam.net/take-action/campaign-for-open-minds/lgbt-campaign/
107 For more information: http://www.economist.com/node/13962740?story_id=13962740
109 ibid


Source: http://www.dalitindia.org/guest/caste_racism.htm

For more information: http://www.enotes.com/topic/Caste_system_in_India

For more information: http://www.ncdhr.org.in/ncdhr2/dalits-untouchability/dalits-untouchability

For more information:
http://www.ambedkar.org/NHRCReport/1.pdf
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Source: http://www.dsnuk.org/other/Submission%20to%20the%20Trade%20and%20Industry%20Select%20Committee.pdf

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For more information about our diversity and inclusion programs, www.bankofamerica.com/diversity

For more information about career opportunities at Bank of America Merrill Lynch, www.bankofamerica.com/careers
Other publications in the Diversity & Inclusion in Asia Country View series:

For details of other publications produced by Community Business, please see: www.communitybusiness.org
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