

# Making diversity, equity, and inclusion relevant to the global workforce

*Even though issues related to diversity, equity, and inclusion (DEI) have assumed a prominent position within multinational corporations, many companies might not be paying attention to the specific needs of global workers who are either based in their home countries or have become part of the global diaspora in Western countries. **Nikita** writes about the case of India, where the diversity, equity, and inclusion agendas of private companies do not make room for traditionally marginalised groups like the lower-caste groups.*

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Issues related to diversity, equity, and inclusion (DEI) have assumed a prominent position in corporations. With global businesses having a large employee base spread across the world, it is important to account for different cultural norms and adopt the global DEI strategies as per the local environment to be truly inclusive of diverse voices. However, these strategies and initiatives in global companies are often heavily influenced by Western social, political, and legal factors, which hardly map to the context of the other nations where the firm operates ([Kelly, 2021](#)). As a result, multinational companies might not be paying attention to the specific needs of global workers based in their home countries as well as the global diaspora in Western countries.

A case in point here is India, where DEI agendas of private companies do not have any place for traditionally marginalised groups like the lower-caste groups.

## India's case: caste in the labour market

In India, the current patterns of caste-based socio-economic inequality have their roots in the ancient social stratification in Hinduism. This stratification divides society into caste categories based on people's occupations, broadly as upper castes (priests, royals, business owners, etc.) and lower castes (labourers, street sweepers, etc.). A member of each caste is born with a definite occupation, and this occupation is passed down through the generations. Thus, there has been inequality in the distribution of economic and social rights linked to employment, income, education, and property, such that the lower-caste groups have been put at an extreme disadvantage ([Madheswaran & Singhari, 2016](#)). Moreover, the lower castes have been mistreated, some even dehumanised as 'untouchables' and denied fundamental human rights, which continues even today in some parts of rural India ([Hoff, 2016](#)). According to India's 61<sup>st</sup> National Sample Survey census (2004-05), the upper-caste population was 30% of the Indian population whereas the rest 70% belonged to various historically disadvantaged lower caste groups ([NSS, 2018](#)).

While the government of India recognises this socio-economic inequality towards the lower caste and provides reservations in government-run educational facilities and jobs, most corporate organisations have stayed away from implementing even basic measures like reporting lower-castes' representation data in their firms ([Haq, 2012](#)). Over the years, labour market research has provided sufficient evidence for caste-based discrimination in corporations, highlighting caste-based biases in hiring decision-making and gaps in employment and wages ([Thorat et al., 2021](#)).

In 2011, India's first-ever (and latest) state-wise caste census of private organisations revealed that the percentage of lower caste workers in the private sector in most industrialised states rarely corresponds to their strength in overall populations ([Iyer, 2011](#)). The inequality in employment increases at senior levels in corporate organisations. In their empirical study on the top 1000 companies listed on the Indian stock exchange in 2010, [Ajit et al. \(2012\)](#) found that the minuscule upper castes held approximately 93% of the board directorships and lower castes made up the remaining 7%. Industry leaders have argued that their hiring practices are merit-based and the under-representation might be due to the lack of well-qualified lower-caste workers ([Aravind, 2022](#)). Although labour market researchers have shown that equally qualified lower-caste employees are at a disadvantage compared to their upper-caste counterparts when applying for jobs, linking the underrepresentation to caste-based discrimination ([Banerjee et al., 2009](#); [Siddique, 2011](#); [Thorat & Attewell, 2007](#)).

Over 1300 global corporations employ 1.3+ million employees through their capability centres in India ([Ghosh & Gupta, 2021](#)). These global firms have the potential to fix the existing inequities by bringing their holistic approach to DEI and adapting it to the local environment. On the contrary, while these global companies typically have DEI policies that provide affirmative actions for disadvantaged groups in Western countries, they do not include caste in their DEI agenda in India ([Aravind, 2022](#)). In their research with Indian subsidiaries of major MNCs, [Haq \(2012\)](#) highlighted that Indian corporate culture defines diversity only on gender (primarily focusing on women) and corporate leaders do not indicate any willingness to include caste-based affirmative actions ([Haq, 2012](#)). While most of these companies have anti-racism policies, they even hesitate to have a conversation about caste in India ([Aravind, 2022](#)).

As a result of turning a blind eye to the backdrop of global diversity, caste-based prejudice not only exists in the Indian workforce but also persists within the Indian subcontinent diaspora working in other countries. Research has highlighted the grievances of lower-caste employees in Silicon Valley in the United States (US), emphasising the need for policy interventions for lower-caste employees ([Kurien, 2022](#); [Pariyar et al., 2022](#)). In 2020, several employees from the biggest technology giants in the US came forward to release a statement describing caste-based discrimination and harassment, which even led to a lawsuit being filed against one of the accused companies ([Kamath, 2021](#); [Krishnamurthi & Krishnaswami, 2020](#)). While this event was considered a pivotal moment in shedding light on the existing caste-based discrimination in the workplace, most companies stayed away from including caste-based affirmative actions and expanding their DEI strategy to be inclusive of the global context.

## Way forward

The modern employee workforce is more diverse than ever given the focus on the global market and global talent. Hence, companies need to curate a global DEI agenda which is driven by the socio-economic context of local employees as well as expatriates of a particular country/region. This context-specific approach to inclusion will help to harness the full potential of a global workforce.

As a starting point, corporations need to focus on collecting, analysing and reporting demographic data of their marginalised employees as this will help them to establish a baseline, identify discrepancies, facilitate affirmative actions and measure results ([Barbedette, 2021](#)). Corporations should measure and report this data as part of workforce analytics to understand the existing diversity landscape. Currently in India, the caste of employees is not captured at the hiring stage; thus, the companies lack any data about caste-based diversity in their workforce ([Aravind, 2022](#)). Transparently reporting diversity data is considered a powerful behaviour change tool and has been shown to encourage social commitment and responsibility towards gender diversity in developing countries ([Cicchello et al., 2021](#)).

Second, companies should attempt to understand the needs and obstacles faced by marginalised employees through surveys, employee interviews, and focus group discussions (FGDs). Insights gained by these qualitative methods can shape an organisation's DEI priorities, ensuring that investment in DEI is directed toward the most pressing problems of these employees. These methods complement workforce analytics as they offer further insightful data that cannot be obtained from quantitative analyses alone.

Third, a crucial step would be to develop and implement a redressal mechanism to report issues pertaining to that marginalised employee groups. Currently, most organisations have no mention of caste in their code of conduct, have no advisory body to deal with such complaints, and have no specific guidelines to prevent caste-based discrimination ([Aravind, 2022](#)). Thus, organisations should build a formal complaint procedure to escalate any incidences of discrimination and abuse specific to the marginalised group's concerns.

A word of caution to the companies that take the first steps towards expanding their DEI agenda to local environments would be to be sensitive in managing discussions and actions related to the marginalised communities. For example, as the topic of caste is seldom discussed in the workplace, it will be important to give full context and intention behind data collection while reiterating the focus on inclusion so that employees understand that they will benefit from sharing the data. Similarly, while setting up a redressal mechanism and collecting data non-anonymously (like FGDs), it will be crucial to provide an environment where marginalised employees feel safe to share their viewpoints and experiences.

Acknowledging global issues in DEI policies of companies will be a step toward a more equitable and diverse work environment. Thereby, understanding demographic data and establishing redressal mechanisms will be crucial to informing and designing the right support system for marginalised groups.



*Notes:*

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