



**Project Title**

TCS: Aligning HR with ESG Goals

**Course Title**

Human Resource Management (Trimester 2)

**Submitted To**

Dr. Elham Malik

**Submitted by**

Group 1

NMIMS , MBA (Digital Transformation), Division B

NAME	ROLL NUMBER	SAP ID
Srushti Jagwani	B004	80662400119
Amisha Aggarwal	B014	80662400182
Ishika Rupareliya	B024	80662400132
Ansh Kumar	B034	80662400152
Prajay Singh	B044	80662400163
Ashwin Kumar Gondi	B054	80662400047
Vaibhav	B064	80662400091

PAPER NAME

**Final Report HRM-1-14-2-14.pdf**

---

WORD COUNT

**2435 Words**

CHARACTER COUNT

**15992 Characters**

PAGE COUNT

**13 Pages**

FILE SIZE

**263.9KB**

SUBMISSION DATE

**Nov 7, 2024 11:53 PM GMT+5:30**

REPORT DATE

**Nov 7, 2024 11:53 PM GMT+5:30**

---

### ● 3% Overall Similarity

The combined total of all matches, including overlapping sources, for each database.

- 1% Internet database
- 0% Publications database
- Crossref database
- Crossref Posted Content database
- 2% Submitted Works database

## 4 Table of Contents

<b>Abstract.....</b>	<b>3</b>
<b>Introduction.....</b>	<b>4</b>
<b>Literature Review .....</b>	<b>5</b>
<i>HR's Contribution to ESG.....</i>	<i>5</i>
<i>TCS's Environmental and Social Initiatives.....</i>	<i>6</i>
<i>Challenges and Best Practices.....</i>	<i>6</i>
<i>Comparison of Major Highlights of SEBI BRSR Guidelines and TCS ESG Practices .....</i>	<i>7</i>
<b>Method .....</b>	<b>9</b>
<b>Results .....</b>	<b>10</b>
<b>Gap Identification .....</b>	<b>11</b>
<b>Recommendations .....</b>	<b>13</b>
<b>References .....</b>	<b>15</b>
<b>Appendix.....</b>	<b>17</b>
<i>Interview Responses.....</i>	<i>17</i>

## **Abstract**

This paper surveys the alignment of HR practices of Tata Consultancy Services with its Environmental, Social, and Governance (ESG) strategy in compliance with the mandates provided under SEBI's BRSR. The study would focus on conducting primary research by conducting an interview with a TCS professional on how effectively the effort of HR is in support of the ESG goals of TCS, including net-zero carbon, diversity and inclusion, and ethical governance. The findings reveal that despite solid ESG policies from TCS, it had issues and challenges such as inconsistent employee engagement, cultural barriers in diversity programs, and gaps in real-time ESG data. Recommendations include making ESG initiatives more local-friendly, reinforcing supplier compliance policy, and enhancing data tracking for ESG performance.

## Introduction

ESG considerations now form an integral part of business strategies around the world, which changes the decisions, practices, and engagement at the workplace. The guidelines of SEBI's BRSR ensure integrated alignment of business practices. TCS today is a trendsetter in embracing ESG-oriented HR practices. The company has achieved sustainable growth and operates in more than 50 countries employing over 600,000 staff. Responsible business conduct involves nine principles formulated by SEBI, covering three dimensions: ethical, employee, and environmental. They established diligent policies and processes for enabling adherence to these three dimensions. TCS was the first Indian company to report its BRSR on May 2022, and this sets the benchmark for ESG disclosures in India.

The company's ESG strategy focuses on attaining an objective of becoming a net-zero carbon emitter by 2030, a pledge to increase the proportion of women in its workforce to 50 percent and improving its community. Hence, TCS's HR initiatives are inherently knitted into its sustainability roadmap.

**Objective:** This report attempts to analyse the human resource strategy of Tata Consultancy Services, an IT services company, considering ESG goals and whether it is compliant with the SEBI BRSR guidelines.

## Literature Review

TCS has approached ESG adoption as a strategy to respond to the growing demand of stakeholders who all want more transparency and sustainability. It is evident that the targets mentioned in introduction, have aligned TCS with the MSCI Global Sustainability Index and the FTSE4Good Emerging Index.

Thus, in the literature review, this study explores how TCS's HR strategies support its ESG goals to ensure compliance and contribute toward building a sustainable organizational culture.

## HR's Contribution to ESG

Studies show that Deloitte (2022) reveals companies that have performed well on ESG have more motivated and content employees and a better reputation in the market. HR will support company diversity and inclusion policies, reduced environmental footprint, and training on ethical governance as an advance in the ESG approach.

TCS adopted this by including initiatives like its Lifelong Learning Program, where the employees are continuously educated regarding new technologies and sustainability practices. As of 2023, more than 43% of its workers have benefited from training in terms of sustainable practices and new technologies so far.

SEBI's BRSR guidelines provide a robust framework for TCS to integrate ESG principles into their core business strategies. Contrasting Scope 1 and 2 reductions with the percentage increase of women in the workforce, it can be found how TCS aligns with BRSR principles 1, 3, 6, and 8.

Enhancing TCS's transparency, accountability, and employee welfare due to BRSR requirement conformity.

### **TCS's Environmental and Social Initiatives**

The company has aimed to attain lower environmental impact by energizing fewer global offices, harvesting renewable sources of energy, and offsetting carbon emissions. On the HR side, there are policies encouraging people to work from home, further minimizing commuting needs and office space.

Under community-focused initiatives, the company has taken several initiatives under social responsibility. These include the Adult Literacy Program and BridgeIT, intended to improve digital literacy in underserved communities. HR initiatives have been constructed around these to encourage volunteers from employees for these social causes. So far, more than 50,000 employees have participated in different volunteering activities through TCS's "Purpose4Life" platform, contributing over 850,000 hours of community service.

### **Challenges and Best Practices**

One of the key challenges in implementing ESG-based HR initiatives is achieving uniformity across all the operations. TCS has a challenge of aligning its ESG objectives with the various local provisions and cultural expectations applicable to it, considering its operations in more than 50 countries. *"Companies that have achieved integration in a global context place significant*

reliance on the HR function to drive compliance and engagement," McKinsey report added in 2023.

Best practice for TCS would be to infuse ESG goals into performance appraisals and reward systems. The company follows through with its HR ESG initiatives by developing ESG scorecards, which are also integrated into the company's performance management systems, so that it can monitor its key performance indicators in relation to carbon reduction, diversity, and employee engagement which they have already started. (For instance, <sup>1</sup> TCS Scores a Gold in the EcoVadis CSR Assessment for Fifth Year in a Row)

## Comparison of Major Highlights of SEBI BRSR Guidelines and TCS ESG Practices

### 1. Compliance with SEBI BRSR Principles

SEBI's BRSR guidelines emphasize the importance of responsible business practices across nine principles. TCS's BRSR report showcases its adherence to all nine principles through its policies and strategic initiatives. <sup>5</sup> The company has integrated the Tata Code of Conduct and various other policies like the Green Procurement Policy and Sustainable Supply Chain Policy into its operations to ensure comprehensive coverage of these principles.

### 2. Social and Environmental Disclosures

- TCS has set a goal for net-zero emissions by 2030, with SEBI dictating that companies act in an environmentally sustainable manner (Principle 6). Components of the initiative are to reduce



3 Scope 1 and Scope 2 emissions by 70% from the base year 2016 and have renewable energy constituted 74% of total consumption.

- BRSR of SEBI also focuses on social factors such as employee well-being, diversity, and inclusion in consonance with Principle 3. TCS has asserted that 36.2% of its employees are women, and it has rolled out the Diversity and Inclusion Program and Purpose4Life that enhance social impact.

### **3. Governance and Compliance**

The BRSR by SEBI has called for a report of the governance practice of the companies with transparency and accountability as its purpose (Principle 1). TCS has followed it through policies such as the Whistleblower Policy and the setting up of Stakeholders' Relationship Committee, which now deals with sustainability issues. In addition, TCS's reporting under GRI standards and assurance by KPMG LLP underlines robust governance practices.

### **4. Performance Metrics and Indicators**

SEBI BRSR lays focus on quantitative parameters for reporting of ESG performance. To this, TCS responded by quantifying key HR metrics such as employee turnover diversity, ratios and women employees in leadership positions. FY 2023-24 reported that the employee turnover levels had come down to 12.5%. And still working on improving the gender quotient in the senior levels with the last 5-year growth at 84%.

### **5. Risk and Opportunity Management:**

The BRSR emphasizes the need for a company to focus on material responsible business conduct issues, meaning risks or opportunities. As such, several material issues have been identified by

TCS, such as carbon emissions reduction and employee wellbeing, of which it has strategized to mitigate the risks and capitalize on opportunities through a comprehensive ESG roadmap.

## **6. Employee Well-being and Social Impact**

SEBI's BRSR guidelines highlight the need for organizations to focus on employee health, safety, and overall well-being. TCS's HR department plays a key role in implementing initiatives such as remote work policies and health support during the COVID-19 pandemic. Over 87% of employees were fully vaccinated, showcasing TCS's commitment to employee health

### **Method**

#### **Organization Overview and ESG Focus**

Tata Consultancy Services (TCS), part of the Tata Group, is a global IT services and consulting firm providing digital transformation solutions like cloud computing, AI, analytics, and cybersecurity across industries such as banking and telecommunications, with annual revenues of approximately USD 27 billion. TCS is dedicated to supporting client innovation and efficiency, aligning its services with sustainability and ESG goals.

#### **Data Collection Procedure**

To assess TCS's HR strategies and their alignment with ESG objectives, we conducted interview with **one of the Consultants of TCS** who is currently a **Delivery Excellence Leader there**, who had ample knowledge about recruitment, diversity, employee development, and sustainability. Conducted online, the interview lasted 50–55 minutes, however **she refused** for recording. Interview questions, detailed in the appendix, focused on TCS's ESG strategies, challenges, and

specific HR-led sustainability initiatives. Proof of interaction and contact details are provided in the appendix.

## **Results**

### **HR's Role in ESG and Alignment with SEBI BRSR Guidelines**

The interviews revealed that TCS has embedded ESG principles into its HR practices, aligning closely with SEBI BRSR guidelines. HR has been the backbone of a formulation policy for diversity, employee well-being, and environment sustainability. These findings match Phase 1 literature review wherein it was understood that TCS incorporates ESG through employee training programs, recruitments on diversity, and awareness campaigns about sustainability.

However, the interviews came with certain challenges such as their uneven application of ESG practices across different regions. That, in turn makes the employees of certain regions not as engrossed with the initiatives because of cultural differences or because they are not aware.

### **HR's Contribution to Net-Zero Carbon Emissions by 2030**

The interview responses also reiterate the fact that HR plays a very high role in driving TCS's sustainability agenda. Policies in working from home, say reducing office energy consumption for example, are some key HR-led initiatives to curb carbon footprint. HR has been the outlet in making 'green' practices the 'new normal' among its employees by encouraging public transport or carpooling also as it introduced passport saver programs that digitize the paper work.

This supports the findings from Phase 1, which indicated TCS's strong commitment to reducing carbon emissions.

## **Measurement of ESG Efforts and Use of HR Metrics**

TCS tracks various HR metrics to measure the success of its ESG initiatives, including gender diversity, employee well-being scores, and participation in sustainability activities. For example, the company aims to achieve 50% gender parity by 2030, and it has already reached 36.2% women in its workforce.

Interviewee indicated that these metrics are regularly reviewed and reported, particularly as part of compliance with SEBI's BRSR guidelines.

## **Diversity, Equity, and Inclusion (DEI) Goals**

The interviewee discussed TCS's progress toward gender parity and other DEI goals, such as promoting an inclusive workplace for underrepresented groups. HR initiatives like leadership development programs for women and mentorship programs are key to achieving these DEI targets. Despite these efforts, interviewee highlighted cultural challenges in implementing DEI initiatives uniformly across TCS's global operations.

## **LIREL Initiative**

LIREL (Learning, Integrity, Respect, Excellence, and Leading with Change) — reflects TCS's core values, guiding both employee conduct and decision-making to support ESG goals. This initiative fosters alignment with corporate strategy and social responsibility in TCS's daily operations.

## **Employee-Driven Environmental and Social Initiatives**

TCS promotes environmental consciousness through employee-led programs like the “*C4L (Cycle for Life)*” app and the “*Bird Habitat Improvement Program*”, which includes biodiversity-focused activities such as sparrow photography competitions and setting up nesting boxes. Additionally, programs like the “*Surya Namaskar Initiative*” focus on mental well-being, and June as “*Sustainability Month*” encourages broader employee engagement in social and environmental causes.

## Gap Identification

Based on the interview analysis, we identified the following gaps in TCS’s ESG and HR alignment:

1. **Employee Engagement in ESG Initiatives:** While TCS has strong policies, employee participation in sustainability programs is inconsistent across regions.
2. **Localized DEI Implementation:** Cultural differences hinder the uniform application of DEI programs, requiring more tailored strategies for different regions.
3. **Real-Time ESG Data and Feedback:** Although HR tracks ESG metrics, there’s a need for more real-time data analysis to continuously improve program effectiveness.
4. **Supplier and Partner ESG Compliance:** Ensuring that suppliers and partners align with TCS’s ESG policies remains a challenge, particularly in areas like labour practices and human rights.
5. **Onboarding and Cultural Integration:** With around 20% of new hires unfamiliar with TCS’s values and processes, integrating them into the core TCS culture remains challenging. There is a need for more structured onboarding programs that reinforce Tata’s core values from day one, especially as TCS continues to expand.

## **Recommendations**

To address the gaps identified, we propose the following recommendations:

### **1. Promote Cross-Functional ESG Knowledge Sharing**

To enhance alignment and cohesion in TCS's sustainability efforts, it's recommended to establish regular knowledge-sharing sessions between key departments such as Quality, CSR, and Talent Development.

For example, the Quality team can provide insights on operational improvements that reduce waste or improve resource efficiency, while CSR can highlight community-focused initiatives that bolster TCS's social responsibility.

### **2. Tailor DEI Programs to Local Cultures:**

To strengthen DEI globally, TCS should adapt strategies to reflect regional cultural differences, enhancing inclusivity and performance. Local cultural assessments align DEI initiatives with workplace dynamics, while stakeholder engagement sets collaborative goals. Cultural awareness training reduces biases and promotes allyship, fostering inclusivity across geographies.

Additionally, developing region-specific DEI metrics ensures initiatives are effective without overgeneralizing cultural traits, helping TCS achieve genuine inclusivity and supporting its goal of 50% gender parity by 2030.

### **3. Improve Real-Time ESG Metrics and Feedback Loops:**

TCS should invest in real-time data analytics tools that track the effectiveness of ESG initiatives. This will allow for quicker adjustments to programs and provide more timely feedback to employees and leadership on ESG performance.

### **4. Strengthen Supplier ESG Compliance:**

TCS should enhance its auditing and monitoring of suppliers to ensure compliance with ESG standards, particularly in labour practices and human rights. Regular ESG training for suppliers and a more rigorous screening process during supplier onboarding could help mitigate compliance risks. Suppliers understanding the importance of ESG will push these principles onto smaller suppliers they depend on, creating a top-down approach to ESG compliance.

### **5. Implement the Human Capital Value and Risk Model:**

TCS should consider adopting the Willis Towers Watson Human Capital Value and Risk Model to systematically measure and align human capital with ESG priorities. This model assesses factors like employee cost, risk, performance, and engagement with ESG initiatives, helping TCS pinpoint high-impact areas for improvement and mitigate risks. Using this evidence-based approach, TCS can ensure its human capital efforts contribute directly to both organizational sustainability and shareholder value, fostering long-term ESG alignment.

## ● 3% Overall Similarity

Top sources found in the following databases:

- 1% Internet database
- 0% Publications database
- Crossref database
- Crossref Posted Content database
- 2% Submitted Works database

### TOP SOURCES

The sources with the highest number of matches within the submission. Overlapping sources will not be displayed.

1	<b>tcs.com</b> Internet	<1%
2	<b>University of Northumbria at Newcastle on 2024-05-07</b> Submitted works	<1%
3	<b>University College Dublin (UCD) on 2024-02-22</b> Submitted works	<1%
4	<b>coursehero.com</b> Internet	<1%
5	<b>University College Dublin (UCD) on 2024-02-25</b> Submitted works	<1%



# Final Report HRM-1-14-2-14.pdf

 Shri Vile Parle Kelavani Mandal

---

## Document Details

### Submission ID

trn:oid:::9832:70462611

### Submission Date

Nov 7, 2024, 11:53 PM GMT+5:30

### Download Date

Nov 7, 2024, 11:54 PM GMT+5:30

### File Name

Final Report HRM-1-14-2-14.pdf

### File Size

263.9 KB

13 Pages

2,435 Words

15,992 Characters



## 25% detected as AI

The percentage indicates the combined amount of likely AI-generated text as well as likely AI-generated text that was also likely AI-paraphrased.

**Caution: Review required.**

It is essential to understand the limitations of AI detection before making decisions about a student's work. We encourage you to learn more about Turnitin's AI detection capabilities before using the tool.

### Detection Groups

- 
**1 AI-generated only 25%**  
 Likely AI-generated text from a large-language model.
- 
**2 AI-generated text that was AI-paraphrased 0%**  
 Likely AI-generated text that was likely revised using an AI-paraphrase tool or word spinner.

#### Disclaimer

Our AI writing assessment is designed to help educators identify text that might be prepared by a generative AI tool. Our AI writing assessment may not always be accurate (it may misidentify writing that is likely AI generated as AI generated and AI paraphrased or likely AI generated and AI paraphrased writing as only AI generated) so it should not be used as the sole basis for adverse actions against a student. It takes further scrutiny and human judgment in conjunction with an organization's application of its specific academic policies to determine whether any academic misconduct has occurred.

### Frequently Asked Questions

#### How should I interpret Turnitin's AI writing percentage and false positives?

The percentage shown in the AI writing report is the amount of qualifying text within the submission that Turnitin's AI writing detection model determines was either likely AI-generated text from a large-language model or likely AI-generated text that was likely revised using an AI-paraphrase tool or word spinner.

False positives (incorrectly flagging human-written text as AI-generated) are a possibility in AI models.

AI detection scores under 20%, which we do not surface in new reports, have a higher likelihood of false positives. To reduce the likelihood of misinterpretation, no score or highlights are attributed and are indicated with an asterisk in the report (\*%).

The AI writing percentage should not be the sole basis to determine whether misconduct has occurred. The reviewer/instructor should use the percentage as a means to start a formative conversation with their student and/or use it to examine the submitted assignment in accordance with their school's policies.

#### What does 'qualifying text' mean?

Our model only processes qualifying text in the form of long-form writing. Long-form writing means individual sentences contained in paragraphs that make up a longer piece of written work, such as an essay, a dissertation, or an article, etc. Qualifying text that has been determined to be likely AI-generated will be highlighted in cyan in the submission, and likely AI-generated and then likely AI-paraphrased will be highlighted purple.

Non-qualifying text, such as bullet points, annotated bibliographies, etc., will not be processed and can create disparity between the submission highlights and the percentage shown.



## Table of Contents

<b>Abstract.....</b>	<b>3</b>
<b>Introduction.....</b>	<b>4</b>
<b>Literature Review .....</b>	<b>5</b>
<i>HR's Contribution to ESG.....</i>	<i>5</i>
<i>TCS's Environmental and Social Initiatives.....</i>	<i>6</i>
<i>Challenges and Best Practices.....</i>	<i>6</i>
<i>Comparison of Major Highlights of SEBI BRSR Guidelines and TCS ESG Practices .....</i>	<i>7</i>
<b>Method .....</b>	<b>9</b>
<b>Results .....</b>	<b>10</b>
<b>Gap Identification .....</b>	<b>11</b>
<b>Recommendations.....</b>	<b>13</b>
<b>References.....</b>	<b>15</b>
<b>Appendix.....</b>	<b>17</b>
<i>Interview Responses.....</i>	<i>17</i>

## Abstract

This paper surveys the alignment of HR practices of Tata Consultancy Services with its Environmental, Social, and Governance (ESG) strategy in compliance with the mandates provided under SEBI's BRSR. The study would focus on conducting primary research by conducting an interview with a TCS professional on how effectively the effort of HR is in support of the ESG goals of TCS, including net-zero carbon, diversity and inclusion, and ethical governance. The findings reveal that despite solid ESG policies from TCS, it had issues and challenges such as inconsistent employee engagement, cultural barriers in diversity programs, and gaps in real-time ESG data. Recommendations include making ESG initiatives more local-friendly, reinforcing supplier compliance policy, and enhancing data tracking for ESG performance.

## Introduction

ESG considerations now form an integral part of business strategies around the world, which changes the decisions, practices, and engagement at the workplace. The guidelines of SEBI's BRSR ensure integrated alignment of business practices. TCS today is a trendsetter in embracing ESG-oriented HR practices. The company has achieved sustainable growth and operates in more than 50 countries employing over 600,000 staff. Responsible business conduct involves nine principles formulated by SEBI, covering three dimensions: ethical, employee, and environmental. They established diligent policies and processes for enabling adherence to these three dimensions. TCS was the first Indian company to report its BRSR on May 2022, and this sets the benchmark for ESG disclosures in India.

The company's ESG strategy focuses on attaining an objective of becoming a net-zero carbon emitter by 2030, a pledge to increase the proportion of women in its workforce to 50 percent and improving its community. Hence, TCS's HR initiatives are inherently knitted into its sustainability roadmap.

**Objective:** This report attempts to analyse the human resource strategy of Tata Consultancy Services, an IT services company, considering ESG goals and whether it is compliant with the SEBI BRSR guidelines.

## Literature Review

TCS has approached ESG adoption as a strategy to respond to the growing demand of stakeholders who all want more transparency and sustainability. It is evident that the targets mentioned in introduction, have aligned TCS with the MSCI Global Sustainability Index and the FTSE4Good Emerging Index.

Thus, in the literature review, this study explores how TCS's HR strategies support its ESG goals to ensure compliance and contribute toward building a sustainable organizational culture.

## HR's Contribution to ESG

Studies show that Deloitte (2022) reveals companies that have performed well on ESG have more motivated and content employees and a better reputation in the market. HR will support company diversity and inclusion policies, reduced environmental footprint, and training on ethical governance as an advance in the ESG approach.

TCS adopted this by including initiatives like its Lifelong Learning Program, where the employees are continuously educated regarding new technologies and sustainability practices. As of 2023, more than 43% of its workers have benefited from training in terms of sustainable practices and new technologies so far.

SEBI's BRSR guidelines provide a robust framework for TCS to integrate ESG principles into their core business strategies. Contrasting Scope 1 and 2 reductions with the percentage increase of women in the workforce, it can be found how TCS aligns with BRSR principles 1, 3, 6, and 8.

Enhancing TCS's transparency, accountability, and employee welfare due to BRSR requirement conformity.

### **TCS's Environmental and Social Initiatives**

The company has aimed to attain lower environmental impact by energizing fewer global offices, harvesting renewable sources of energy, and offsetting carbon emissions. On the HR side, there are policies encouraging people to work from home, further minimizing commuting needs and office space.

Under community-focused initiatives, the company has taken several initiatives under social responsibility. These include the Adult Literacy Program and BridgeIT, intended to improve digital literacy in underserved communities. HR initiatives have been constructed around these to encourage volunteers from employees for these social causes. So far, more than 50,000 employees have participated in different volunteering activities through TCS's "Purpose4Life" platform, contributing over 850,000 hours of community service.

### **Challenges and Best Practices**

One of the key challenges in implementing ESG-based HR initiatives is achieving uniformity across all the operations. TCS has a challenge of aligning its ESG objectives with the various local provisions and cultural expectations applicable to it, considering its operations in more than 50 countries. *"Companies that have achieved integration in a global context place significant*

*reliance on the HR function to drive compliance and engagement,"* McKinsey report added in 2023.

Best practice for TCS would be to infuse ESG goals into performance appraisals and reward systems. The company follows through with its HR ESG initiatives by developing ESG scorecards, which are also integrated into the company's performance management systems, so that it can monitor its key performance indicators in relation to carbon reduction, diversity, and employee engagement which they have already started. *(For instance, TCS Scores a Gold in the EcoVadis CSR Assessment for Fifth Year in a Row)*

## **Comparison of Major Highlights of SEBI BRSR Guidelines and TCS ESG Practices**

### **1. Compliance with SEBI BRSR Principles**

SEBI's BRSR guidelines emphasize the importance of responsible business practices across nine principles. TCS's BRSR report showcases its adherence to all nine principles through its policies and strategic initiatives. The company has integrated the Tata Code of Conduct and various other policies like the Green Procurement Policy and Sustainable Supply Chain Policy into its operations to ensure comprehensive coverage of these principles.

### **2. Social and Environmental Disclosures**

- TCS has set a goal for net-zero emissions by 2030, with SEBI dictating that companies act in an environmentally sustainable manner (Principle 6). Components of the initiative are to reduce



Scope 1 and Scope 2 emissions by 70% from the base year 2016 and have renewable energy constituted 74% of total consumption.

- BRSR of SEBI also focuses on social factors such as employee well-being, diversity, and inclusion in consonance with Principle 3. TCS has asserted that 36.2% of its employees are women, and it has rolled out the Diversity and Inclusion Program and Purpose4Life that enhance social impact.

### **3. Governance and Compliance**

The BRSR by SEBI has called for a report of the governance practice of the companies with transparency and accountability as its purpose (Principle 1). TCS has followed it through policies such as the Whistleblower Policy and the setting up of Stakeholders' Relationship Committee, which now deals with sustainability issues. In addition, TCS's reporting under GRI standards and assurance by KPMG LLP underlines robust governance practices.

### **4. Performance Metrics and Indicators**

SEBI BRSR lays focus on quantitative parameters for reporting of ESG performance. To this, TCS responded by quantifying key HR metrics such as employee turnover diversity, ratios and women employees in leadership positions. FY 2023-24 reported that the employee turnover levels had come down to 12.5%. And still working on improving the gender quotient in the senior levels with the last 5-year growth at 84%.

### **5. Risk and Opportunity Management:**

The BRSR emphasizes the need for a company to focus on material responsible business conduct issues, meaning risks or opportunities. As such, several material issues have been identified by

TCS, such as carbon emissions reduction and employee wellbeing, of which it has strategized to mitigate the risks and capitalize on opportunities through a comprehensive ESG roadmap.

## 6. Employee Well-being and Social Impact

SEBI's BRSR guidelines highlight the need for organizations to focus on employee health, safety, and overall well-being. TCS's HR department plays a key role in implementing initiatives such as remote work policies and health support during the COVID-19 pandemic. Over 87% of employees were fully vaccinated, showcasing TCS's commitment to employee health

### Method

#### Organization Overview and ESG Focus

Tata Consultancy Services (TCS), part of the Tata Group, is a global IT services and consulting firm providing digital transformation solutions like cloud computing, AI, analytics, and cybersecurity across industries such as banking and telecommunications, with annual revenues of approximately USD 27 billion. TCS is dedicated to supporting client innovation and efficiency, aligning its services with sustainability and ESG goals.

#### Data Collection Procedure

To assess TCS's HR strategies and their alignment with ESG objectives, we conducted interview with **one of the Consultants of TCS** who is currently a **Delivery Excellence Leader there**, who had ample knowledge about recruitment, diversity, employee development, and sustainability. Conducted online, the interview lasted 50–55 minutes, however **she refused** for recording. Interview questions, detailed in the appendix, focused on TCS's ESG strategies, challenges, and

specific HR-led sustainability initiatives. Proof of interaction and contact details are provided in the appendix.

## **Results**

### **HR's Role in ESG and Alignment with SEBI BRSR Guidelines**

The interviews revealed that TCS has embedded ESG principles into its HR practices, aligning closely with SEBI BRSR guidelines. HR has been the backbone of a formulation policy for diversity, employee well-being, and environment sustainability. These findings match Phase 1 literature review wherein it was understood that TCS incorporates ESG through employee training programs, recruitments on diversity, and awareness campaigns about sustainability.

However, the interviews came with certain challenges such as their uneven application of ESG practices across different regions. That, in turn makes the employees of certain regions not as engrossed with the initiatives because of cultural differences or because they are not aware.

### **HR's Contribution to Net-Zero Carbon Emissions by 2030**

The interview responses also reiterate the fact that HR plays a very high role in driving TCS's sustainability agenda. Policies in working from home, say reducing office energy consumption for example, are some key HR-led initiatives to curb carbon footprint. HR has been the outlet in making 'green' practices the 'new normal' among its employees by encouraging public transport or carpooling also as it introduced passport saver programs that digitize the paper work.

This supports the findings from Phase 1, which indicated TCS's strong commitment to reducing carbon emissions.

## Measurement of ESG Efforts and Use of HR Metrics

TCS tracks various HR metrics to measure the success of its ESG initiatives, including gender diversity, employee well-being scores, and participation in sustainability activities. For example, the company aims to achieve 50% gender parity by 2030, and it has already reached 36.2% women in its workforce.

Interviewee indicated that these metrics are regularly reviewed and reported, particularly as part of compliance with SEBI's BRSR guidelines.

## Diversity, Equity, and Inclusion (DEI) Goals

The interviewee discussed TCS's progress toward gender parity and other DEI goals, such as promoting an inclusive workplace for underrepresented groups. HR initiatives like leadership development programs for women and mentorship programs are key to achieving these DEI targets. Despite these efforts, interviewee highlighted cultural challenges in implementing DEI initiatives uniformly across TCS's global operations.

## LIREL Initiative

LIREL (Learning, Integrity, Respect, Excellence, and Leading with Change) — reflects TCS's core values, guiding both employee conduct and decision-making to support ESG goals. This initiative fosters alignment with corporate strategy and social responsibility in TCS's daily operations.

## Employee-Driven Environmental and Social Initiatives

TCS promotes environmental consciousness through employee-led programs like the “C4L (Cycle for Life)” app and the “Bird Habitat Improvement Program”, which includes biodiversity-focused activities such as sparrow photography competitions and setting up nesting boxes. Additionally, programs like the “Surya Namaskar Initiative” focus on mental well-being, and June as “Sustainability Month” encourages broader employee engagement in social and environmental causes.

## Gap Identification

Based on the interview analysis, we identified the following gaps in TCS’s ESG and HR alignment:

1. **Employee Engagement in ESG Initiatives:** While TCS has strong policies, employee participation in sustainability programs is inconsistent across regions.
2. **Localized DEI Implementation:** Cultural differences hinder the uniform application of DEI programs, requiring more tailored strategies for different regions.
3. **Real-Time ESG Data and Feedback:** Although HR tracks ESG metrics, there’s a need for more real-time data analysis to continuously improve program effectiveness.
4. **Supplier and Partner ESG Compliance:** Ensuring that suppliers and partners align with TCS’s ESG policies remains a challenge, particularly in areas like labour practices and human rights.
5. **Onboarding and Cultural Integration:** With around 20% of new hires unfamiliar with TCS’s values and processes, integrating them into the core TCS culture remains challenging. There is a need for more structured onboarding programs that reinforce Tata’s core values from day one, especially as TCS continues to expand.

## Recommendations

To address the gaps identified, we propose the following recommendations:

### 1. Promote Cross-Functional ESG Knowledge Sharing

To enhance alignment and cohesion in TCS's sustainability efforts, it's recommended to establish regular knowledge-sharing sessions between key departments such as Quality, CSR, and Talent Development.

For example, the Quality team can provide insights on operational improvements that reduce waste or improve resource efficiency, while CSR can highlight community-focused initiatives that bolster TCS's social responsibility.

### 2. Tailor DEI Programs to Local Cultures:

To strengthen DEI globally, TCS should adapt strategies to reflect regional cultural differences, enhancing inclusivity and performance. Local cultural assessments align DEI initiatives with workplace dynamics, while stakeholder engagement sets collaborative goals. Cultural awareness training reduces biases and promotes allyship, fostering inclusivity across geographies.

Additionally, developing region-specific DEI metrics ensures initiatives are effective without overgeneralizing cultural traits, helping TCS achieve genuine inclusivity and supporting its goal of 50% gender parity by 2030.

### 3. Improve Real-Time ESG Metrics and Feedback Loops:

TCS should invest in real-time data analytics tools that track the effectiveness of ESG initiatives. This will allow for quicker adjustments to programs and provide more timely feedback to employees and leadership on ESG performance.

### 4. Strengthen Supplier ESG Compliance:

TCS should enhance its auditing and monitoring of suppliers to ensure compliance with ESG standards, particularly in labour practices and human rights. Regular ESG training for suppliers and a more rigorous screening process during supplier onboarding could help mitigate compliance risks. Suppliers understanding the importance of ESG will push these principles onto smaller suppliers they depend on, creating a top-down approach to ESG compliance.

### 5. Implement the Human Capital Value and Risk Model:

TCS should consider adopting the Willis Towers Watson Human Capital Value and Risk Model to systematically measure and align human capital with ESG priorities. This model assesses factors like employee cost, risk, performance, and engagement with ESG initiatives, helping TCS pinpoint high-impact areas for improvement and mitigate risks. Using this evidence-based approach, TCS can ensure its human capital efforts contribute directly to both organizational sustainability and shareholder value, fostering long-term ESG alignment.

## References

1. Extreme Networks. (2020, January 6). *Extreme Networks partners with TCS to successfully transform and future-proof its HR function*. PR Newswire.  
<https://www.prnewswire.com/news-releases/extreme-networks-partners-with-tcs-to-successfully-transform-and-future-proof-its-hr-function-300980314.html>
2. Huo, M. L., & Boxall, P. (2018). Are high-performance work systems always a valuable prescription? Examining the moderating effects of workplace climates. *The International Journal of Human Resource Management*, 29(3), 508-530.  
<https://doi.org/10.1080/09585192.2017.1380063>
3. O'Reilly, C. A., & Tushman, M. L. (2023). Organizational competencies in the development of dynamic capabilities. *Academy of Management Journal*, 66(1), 44-68.  
<https://www.proquest.com/docview/2728549099?accountid=32277>
4. Deloitte. (2023). *Socially conscious leadership in today's challenging world*. Deloitte Insights. <https://www2.deloitte.com/us/en/pages/about-deloitte/articles/socially-conscious-leadership-in-todays-challenging-world.html>
5. McKinsey & Company. (2023). *The role of ESG and purpose*. McKinsey & Company.  
<https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/the-role-of-esg-and-purpose>
6. Eccles, R. G., & Strohle, J. C. (2020, September). The challenge of rating ESG performance. *Harvard Business Review*. <https://hbr.org/2020/09/the-challenge-of-rating-esg-performance>



7. Mahdavi, A. (2022, April). 3 ways to boost retention through professional development. *Harvard Business Review*. <https://hbr.org/2022/04/3-ways-to-boost-retention-through-professional-development>
8. Tata Consultancy Services. (2018). *TCS scores Gold in the EcoVadis CSR assessment*. Tata Consultancy Services. <https://www.tcs.com/who-we-are/newsroom/press-release/tcs-scores-gold-ecovadis-csr-assessment-2018#:~:text=The%20company's%20initiatives%20in%20Corporate,commitment%20to%20corporate%20social%20responsibility>

## Appendix

### Interview Responses

1. How does TCS align its HR practices with its ESG strategy and the SEBI BRSR guidelines?

*“Well, TCS has worked hard to ensure HR is in sync with our ESG strategy, especially with SEBI’s new guidelines. We try to integrate ESG in everything we do, whether it’s recruitment, employee development, or even performance reviews. A big focus for us is on diversity—our programs aim for gender parity, and we promote wellness through mental health and work-life balance initiatives. These tie back to the ‘S’ in ESG, the social responsibility part, you know? It’s been an ongoing process to make sure that everything we do reflects our commitment to responsibility and sustainability.”*

2. What role has HR played in TCS’s commitment to net-zero carbon emissions by 2030? Can you share specific HR initiatives supporting this goal?

*“HR has played a pivotal role in supporting TCS’s net-zero goal. We’ve implemented remote work policies that have significantly reduced office energy use, especially since COVID. For example, I noticed a decrease in energy consumption at my own office when we shifted to remote work. We also run awareness campaigns encouraging employees to save energy—like reminding them to turn off devices. Additionally, we promote initiatives like carpooling. I’ve even joined a carpool group, which not only helps the environment but also fosters community among colleagues.”*

3. What HR metrics does TCS use to measure the success of its ESG efforts in employee well-being, diversity, and environmental engagement?

*“We use several HR metrics to gauge how we’re doing with ESG goals. For instance, women make up about 36.2% of our workforce right now, and our goal is 50% by 2030. We also track employee engagement scores and participation in sustainability programs. For well-being, we keep an eye on metrics like absenteeism and mental health resource usage. These help us stay on track and transparent, especially in line with SEBI’s guidelines.”*

4. How does TCS assess the impact of HR-led sustainability initiatives on ESG performance? What tools or methods are used?

*“We use a mix of internal audits and surveys to measure our progress. We get employee feedback on sustainability programs and match it against HR metrics to check if we’re meeting ESG targets. We also have an ESG dashboard that tracks participation in workshops and community projects. Leadership gets regular reports from us on these metrics to see if we’re making a real impact.”*

5. Can you discuss TCS’s progress on DEI goals, such as reaching 50% gender parity by 2030, and the HR strategies behind this?

*“TCS has made notable progress toward our DEI goals, with women currently making up 36.2% of our workforce and aiming for 50% by 2030. We’ve introduced programs like leadership development for women and targeted recruitment strategies. Personally, I participated in a mentorship program where I gained valuable insights from senior female leaders, which I found really empowering. We’re also focused on creating a more inclusive culture with gender-neutral policies and pay parity. I believe these initiatives are something crucial at TCS.”*

6. How does the LIREL Initiative reflect TCS’s commitment to ESG goals?

*“The LIREL Initiative—Learning, Integrity, Respect, Excellence, and Leading with Change—embodies TCS’s core values and integrates ESG principles into everyday operations. It guides*

*decision-making and employee conduct to align with corporate strategy and social responsibility.”*

7. Can you provide examples of employee-driven environmental initiatives at TCS?

*TCS promotes environmental consciousness through the **C4L (Cycle for Life) app** and biodiversity-focused initiatives, like the **Bird Habitat Improvement Program**, which includes sparrow photography competitions and setting up nesting boxes. These programs encourage employees to engage with environmental conservation directly.*

8. How does TCS collaborate with partners and suppliers to align HR-driven ESG policies, particularly regarding human rights and labour practices?

*“We’re very proactive about working with our partners and suppliers on ESG. Every partner is required to follow our Supplier Code of Conduct, which addresses fair wages, safe work conditions, and non-discrimination. HR also plays a part in audits to ensure compliance, and we provide training on sustainable practices to suppliers. With local suppliers, we try to promote fair trade and labour rights, which supports our broader ESG goals.”*

9. What challenges does TCS face in implementing ESG-focused HR strategies in the IT and consulting industry, and how is HR addressing them?

*“One big challenge we face is ensuring consistency in ESG strategies across regions, as different countries have varied regulations and cultural norms. Engaging employees on ESG is another hurdle, especially in areas where ESG isn’t as familiar. To address these, we offer localized training and run awareness campaigns. It’s an evolving process, but we’re working on it.”*

10. What emerging ESG trends or regulations does TCS expect to impact its HR practices, and how is it preparing for them?

*“We’re keeping a close eye on ESG trends, like sustainable workplace practices, stricter carbon regulations, and evolving DEI standards. To stay ready, we’re increasing remote work, reskilling employees for sustainability roles, and enhancing our DEI programs. We’re also focused on improving our reporting to stay compliant with new SEBI requirements as they come up.”*

### Proof of interaction with Kanchan Singh ([LinkedIn](#))

