Tensions and challenges in the management of diversity and inclusion in IT services multinationals in India

Diversity and inclusion have become prominent organizational and societal concerns due to increasing market, firm and workforce internationalization as well as legal, social and economic changes (Shen et al., 2009). In this paper, diversity and inclusion (D&I) management refers to voluntary organizational interventions designed to recognize and accommodate workers' demographic and personal differences into formal and informal organizational structures through deliberate measures and policies, with the aim of maximizing the contribution of staff to organizational goals. Such practices often include the creation of minority interest groups and the provision of career progression support specifically for these workers (Cooke and Saini, 2010).

This US initiated agenda has gained international currency among HR managers and organizational leaders, including those operating in emerging economies (Healy & Oikelome, 2007; Li et al., 2011; Sippola & Smale, 2007). India is a key exemplar among these economies (Stumpf et al., 2010). It is an extremely heterogeneous nation by ethnicity, language and faith. Yet the legal and organizational infrastructure for diversity in India is patchy. Equal opportunities and anti-discrimination legislation are provided in the Constitution and laws to protect the civil rights of vulnerable groups, but these are not fully comprehensive and weakly enforced (Woodard & Saini, 2006). Indeed, in an internationally comparative index of diversity readiness compiled by the SHRM and the EIU (2009), India ranked 41 out of 47 countries.

Such national-level assessments may in part be influenced by the scarcity of empirical research examining the management of D&I in firms in India (Budhwar & Varma, 2010). Consequently, it is important that we address this lacuna by enhancing our understanding of D&I in this environment (Hoque & Noon, 2004; Nishii & Özbilgin, 2007; Kamenou, 2007;

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Greene & Kirton, 2010). India's rapidly expanding IT services sector features extensive multinational knowledge-intensive activity, where the application and impact of D&I initiatives is likely to be salient and so it provides a rich context for the analysis of emerging management patterns (see Ali et al., 2011; Cooke & Saini, 2010).

The research detailed in this paper provides insight into the management of D&I from the perspective of senior organizational leaders in IT services multinationals in India, because of the pivotal role of these actors and organizations in shaping policy and practice, not only within, but also outside their firms. Through this prism, the paper focuses on the relationship between organizational D&I policies influenced by HRM theory and business case arguments and the views and actions of management and staff, as accounted for by the sample.

In particular, the following research questions are explored. How is age, gender and intra- and international diversity viewed and managed by HR leaders in multinational IT services firms in India? What challenges do they face in achieving their goals in relation to the management of D&I policy and practice in these areas and why? To address these questions, original data were collected through qualitative semi-structured interviews with top-level D&I agents in multinational IT services firms in the high-tech clusters of Delhi as well as the industry body, together with the acquisition of organizational policy documents.

The findings reveal tensions between the rhetoric of HRM theories and organizational policies, management practice and employee behavior in the sample firms. Moreover, they cast light on the implications of these tensions for HR management in these organizations, which need to be addressed if the claims advanced by the business-case and resource-based perspectives are to be realized and the management of D&I is to be successfully aligned with their business and HR strategies.

Diversity management is a relatively nebulous functional construct, punctuated by contrasting interpretations and continuing debate (Foster & Harris, 2005; Oswick, 2010). This is because it effectively constitutes a blanket term for the management of a growing list of intersecting individual differences, which vary with respect to the degree to which they are directly visible. Depending on national and organizational context, these include but are not limited to age, gender, ethnicity, disability, religion, social and marital status, sexual orientation, personality and culture (Shen et al., 2009).

Diversity management builds on the social categories covered by conventional equal opportunities policies to include personal characteristics, with the emphasis placed on positive voluntary action rather than compliance with external legislation (Jayne & Dipboye, 2004; Kossek et al. 2005). Valuing, harnessing and utilizing demographic diversity and overcoming negative discrimination and segregation are the commonly espoused aims and ambitions of diversity advocates and related policy statements (Healy et al., 2010).

For some, this equates to a bifurcation with the more traditional framework of equal opportunities, evidenced through the identification of a range of distinguishing features (see for example, Kandola & Fullerton, 1998; Liff, 1997). However, the degree to which these constitute practical or analytical contours is subject to ongoing debate, as is the extent to which there is evidence of any real shift (Kaler, 2001). At firm-level, this can be particularly apparent due to overlaps in practice and a tendency for the moniker of diversity management to be merely superimposed on to equal opportunities policies, thereby obfuscating differentiation on the behalf of HR practitioners and organizational members (Foster & Harris, 2005; Oswick, 2010).

Nevertheless, analyses of HRM discourse and policy developments show that diversity

management continues to eclipse equal opportunities in many firms (Kirton & Greene, 2009; Tatli, 2011). This shift toward D&I can in part be attributed to business case arguments, which are a defining feature of this management focus (Kamenou, 2007). Drawing on this line of rationale, a range of organizational benefits can potentially stem from the acquisition and maintenance of a diverse workforce. To begin with, management may be able to exercise greater influence over equality and diversity issues by drawing them into the corporate agenda and aligning them with their business and HRM strategies (Zanoni & Janssens, 2004). This can offer associated benefits in relation to corporate ethics, image and social responsibility (Kandola, 1995; Jayne & Dipboye, 2004).

For many organizations, customer diversity is growing. Tapping into new markets has become an imperative, because trade and business internationalization is intensifying. A diverse workforce is likely to assist in attracting a larger and more diverse customer base both domestically and abroad, thereby supporting market expansion. However, at the same time, competition over human capital is also increasing and becoming nationally and organizationally boundaryless (Scott et al, 2011), especially in high-tech fields such as IT (Saxenian, 2005). In light of this, the introduction and application of D&I initiatives offers the scope to improve recruitment, retention, talent leverage and flexibility (Armstrong et al., 2010; Scott et al., 2011).

D&I management can also enhance the utilization of the skills, knowledge and potential of an organization's human resources. This rationale is very much supported by the internalized focus of the Resource-Based View (RBV) of the firm. The RBV argues that human resources and their valuable, rare and inimitable skills and knowledge are the key to sustainable competitive advantage through the creation of innovative goods and services (Barney et al., 2011). Firms must therefore accumulate distinctive human resources, a goal assisted by workforce diversity.

However, the parameters for achieving optimum diversity and corresponding performance levels are unclear and empirical evidence attesting to this link is weak and inconsistent to say the least (for critical analyses see Ali et al., 2011; Kochan et al., 2003). This is largely due to the obstacles presented in isolating the impact of D&I management relative to other interventions and influences on firm performance. A complication further problematized by the reality that many organizations do not actually have very diverse workforces and the tendency for the contributions and innovations generated by a diverse HR mix to be ambiguous (Shen et al., 2009).

In addition, the achievement of D&I goals can be undermined by individual and intra-group tensions and competing interests, which can spill over into organizational practice and behavior (Van Knippenberg & Schippers 2007; Shore et al., 2009). What is clear from the literature is that senior managers and effective diversity management programs play a central role in moderating these tensions in combination with the development and maintenance of an inclusive organizational culture and associated HRM practices. Consequently, it is important to investigate the role played by HR leaders and any evidence of tensions between rhetoric and practice in shaping the degree to which practices are aligned in firms seeking to manage D&I as part of their business and HR strategies.

IT services firms in India: Rich territories for emerging D&I patterns

The lure of claims made by protagonists of the business case and RBV have transcended national boundaries, extending the application of D&I practices beyond the established equal opportunities institutional frameworks of the US and EU. However, there is a paucity of empirical research into D&I management in organizations in emerging economies, where the impact is potentially fundamental, given that equal opportunities legislation may be scarce (Healy & Oikelome, 2007). D&I practice is therefore likely to be refracted by national norms and attitudes even in multinationals seeking to pursue a global approach, due to the

multidomestic nature of diversity practices in these organizations (Kamenou, 2007; Nishii & Özbilgin, 2007; Sippola & Smale, 2007).

Multinational activity is strongly evident in India's IT services sector (Athreye, 2005). Much of this activity has facilitated the rapid growth of the sector from $8 billion in 2000 to $63.7 billion in 2010, with revenues forecast to hit a sizeable $225 billion by 2020 (NASSCOM, 2011). As such, it represents a prodigious success story. Yet this expansion is likely to intensify the already severe recruitment and retention difficulties faced by firms in this sector that stem from extensive competition, turnover and skill shortages (Holtbrügge et al., 2010; Raman et al., 2007). High levels of so-called 'boundaryless' and 'protean' career behavior among IT workers, characterized by self-directed agency and interfirm mobility, serve to compound these recruitment and retention challenges (Author, 2009; Dickmann & Baruch, 2011). Set against this context, D&I management can be used as a means of tackling skills gaps and gaining a competitive advantage in relation to recruitment and retention.

The adoption of a strategic approach to HR and D&I management is growing among multinationals in India (Holtbrügge et al., 2010), particularly those engaged in the production of services rather than physical goods (Ali et al., 2011). Indeed, 'knowledge-intensive multinational operations are more likely to take a comparatively more proactive approach to [diversity management] to leverage competitive advantage than long-established, domestic firms in traditional industrial sectors' (Cooke & Saini, 2010: 495). Because of this, it is important that we gain insight into the reality of D&I management in these types of organizations in India to understand the challenges that organizational leaders face in implementing D&I practices in this environment and how is this shaped by organizational behavior.

Central channels of diversity in IT services firms in India: Age, gender, intra- and inter-national heterogeneity

A review of extant D&I literature demonstrates that many studies focus on gender, age and intra- and inter-national diversity (for a review, see Li et al., 2011). In this paper, the term intra-national diversity covers variation within India by ethnicity, language, religion, social class and region/state. International diversity refers to the incorporation of staff from outside India.

Drawing on the RBV of the firm, numerous authors argue that a gender, age and intra- and inter-national balance improves organizational performance (Ali et al., 2011; Frink et al., 2003; McMillan-Capehart, 2005; Li et al., 2011). This is because the acquisition of such variation brings together a broad range of attributes, skills and knowledge. Through doing so, creativity and innovation are potentially heightened through the assembly of intangible and socially complex resources, which contribute to enhanced competitive advantage and performance. However, most studies do not examine each of these dimensions. Instead, they focus on just one or two of the aforementioned demographic variables. In the context of India and its IT services sector, these categories of diversity are particularly under-examined and this needs to be addressed urgently given that any related policies are likely to influence access to the opportunities and rewards offered by knowledge-intensive forms of work (World Bank, 2005).

As in other countries including the US and UK, the IT services sector in India is populated by and associated with relatively young workers (NASSCOM, 2011). However, this tendency is likely to be more pronounced in this national context because the median age in India is 25.1, which is much lower than the medians for the UK and US at 40 and 36.8 respectively (United Nations, 2010). In India, thirty per cent of the population is under 15 and less than five per

cent are aged over 65, compared with a 65+ OECD average of 23.6% (OECD, 2011). While the recruitment of young workers offers the scope to assemble a more educated and flexible workforce (Beaver & Hutchings, 2005), a preponderance of young workers may affect performance levels on the basis of the RBV, as this may conflict with the goal of achieving an age balanced workforce. Moreover, the valuable knowledge and experience held by older workers may be lost due to early exit. In the face of this, countering such behavior and achieving a balance is likely to be challenging, given that the management of this channel of diversity is often shaped by societal norms and attitudes in relation to ageing (Riach, 2009).

With respect to gender, women have played an important but under acknowledged role in supporting the expansion and success of IT services firms in India, particularly in fields such as Business Process Outsourcing (BPO). However, a large proportion leave employment by the time they reach thirty due to personal and familial reasons (Cooke & Saini, 2010). It is unclear how this impacts IT services firms in India and how this behavior is influencing the development of gender D&I measures.

India is also an extremely multicultural society, with eclectic heterogeneity by religion, language, ethnicity and social status (Budhwar, 2009; Som, 2007). This diversity is likely to be amplified in the IT services sector, due to the highly internationalized nature of this sector and associated talent flows (Saxenian, 2005). This context therefore provides an ideal setting for the realization of the type of workforce diversity advocated by the business case and RBV perspectives. Yet we do not know enough about how practice and behavior corresponds with firms' D&I policies or the management challenges faced by organizational leaders in seeking to create a diverse and inclusive working environment.

Methods

The researcher sought to address the research questions specified in the introduction by examining how organizational leaders deal with D&I challenges in a targeted sample of IT services firms in India (see table 1). An estimated 150 IT services firms out of the 1200 member firms of the industry association in India had formal D&I policies in place at the time of the study (Senior Representative, Industry Body). This sampling frame was refined by focusing on firms operating in the high-tech clusters of Delhi, because this region has the largest number of IT companies in India. In addition, such clusters arguably act as incubators of developments in HRM more broadly (Saxenian, 2005). A focus on these areas also held environmental variation relatively constant, enabling any evidence of patterns or divergences to be observed in relation to the research participants' views and experiences of D&I management.

Multinationals were selected because of the increasing interest in D&I in these firm types among academics and practitioners (see Childs, 2005; Kamenou, 2007; Sippola & Smale, 2007). This is in part because these organizations are likely to be more internationalized and demographically diverse and have more developed HRM and diversity practices relative to domestic-only firms (Özbilgin, 2005). They also enable the internationalization of the concept of diversity management and associated practices to be examined in organizational settings that are likely to be illustrative of these developments (Boxenbaum and Battilana, 2005). Moreover, they provide insight into the interpretation and translation of these trends in business settings in India (Risberg and Søderberg, 2008).

Sampling strategy

Access to these firms was facilitated through contacts established with industry actors and agencies representing and/or operating in the high-tech clusters of Delhi. Participation

requests were disseminated to twenty-five firms that fit the target sample and engaged in the delivery of IT services[1]. Each of the firms sampled had a formal diversity management policy in operation.

The researcher sought access to CEOs and top-level HRM representatives from the firms because their role or position enabled them to provide an overview of the HRM and D&I challenges faced by their organization. These participants were also targeted because the significance of their role in shaping the outcomes of diversity interventions is emphasized across the literature (Cocchiara et al., 2010; Konrad, 2006; Scott et al., 2011; Shen et al., 2009); including those that focus specifically on IT services firms (Childs, 2005). Such a lens therefore provided an invaluable insight into strategic views and challenges faced in achieving diversity and organizational goals in the distinctive environment in which IT multinationals operate. Access to staff within the firms was requested but the participants ultimately did not facilitate this. The viewpoint obtained may not have provided a micro-level insight into the potentially contrasting interpretations and experiences held by individuals at different levels with these firms, who are of course critically important in shaping D&I management, practice and behavior. However, it did provide a unique and broader meso-level view, which was well suited to addressing the study's research questions.

To enrich this perspective and to triangulate the data collected from these research participants, an in-depth interview with a representative of the industry body was performed to gain an overarching perspective on D&I management among firms in the sector and to check the resonance of the views expressed by the firm representatives. Details concerning the sample composition are outlined in table 1.

Insert Table 1 about here

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[1] In this paper, an inclusive definition of IT services is adopted, encompassing a range of computer- and software-related activities, including business process outsourcing (BPO), consultancy and systems architecture, engineering, integration and infrastructure services (NASSCOM, 2011).

Eight of the fifteen interviewees were male and seven female. The mean age of the participants was 46, spanning from 33 to 58 years of age. Each was university-educated and of Indian nationality.

Data collection and analysis

In keeping with the study's qualitative research design, a semi-structured interview schedule was developed to allow participants to express their views in their own words and to enable points of interest that emerged during the interviews to be explored (Cassell, 2009). The schedule was designed to enable the study's research questions to be addressed and to examine the principal forms of diversity identified by the participants themselves. Each of the participants highlighted the channels of diversity examined in this paper. As a consequence, the major themes explored in the schedule centred on the discussion of their approach to HRM strategy and diversity management, the policies and measures in operation to manage age, gender and intra- and inter-national diversity and their views on the nature and degree of the tensions and challenges they encountered in these areas.

Before commencing the data collection process, the interview schedule was piloted to ensure that the questions were relevant and would generate valid and reliable data. Any ambiguity or uncertainty over the phrases or terminology highlighted in this process was identified and then adjusted. During each of the interviews, the researcher's interpretation of the participants' views was checked with the interviewees to enable reflexivity and to check that the researcher's understanding resonated with that of the participants.

The duration of the interviews spanned from 45 to 90 minutes. Each interview was digitally recorded and then professionally transcribed. This transcription was double-checked to ensure the accuracy and integrity of the transcripts. Many of the interviewees also supplied relevant

organizational literature, including guides highlighting the diversity and corporate social responsibility initiatives in operation in their firms, policy documents, annual reports and recruitment brochures. The lengths of these documents ranged from 21 to 164 pages. These papers were useful in providing insight into the nature and extent of the D&I measures in place. In addition, they were used to consolidate the interview data and to triangulate the participants' accounts of organizational policies and data.

A template-based approach was adopted for the integrated analysis of the interview and documentary data, because it is well suited to the examination of participants' perceptions and allows for iterative flexibility (King, 2012). An initial template was devised to reflect the *a prioiri* themes, channels of diversity and research questions investigated in the study. Higher order themes of gender, age and intra- and international diversity were created together with related subcategories framed by the focus of the research questions and study themes. This preliminary template was tested using five of the transcripts to enable the suitability of the coding to be examined. As a result, some of the sub-categories were refined as appropriate. A final template was then produced and administered with the use of Nvivo 9, which assisted in organizing and managing the analysis of the entire data set (Bazeley, 2007).

The quotes presented in the following section are representative and/or illustrative of the experiences and arrangements identified in the analysis (Rynes & Gephart, 2004). Anonymity and confidentiality were offered to all of the participants in the study and so this is preserved in the sample details provided in table 1 and the interview data presented in the following section (Bell & Wray-Bliss, 2009).

Findings

The interview and documentary data revealed that D&I management were key elements of the HR strategies adopted by the sample firms and were embraced extensively to enhance the integration of their business and HR strategies. The nature and degree of policy engagement with D&I management is outlined in the last column of table 1. Common policies included explicit commitments to diversity and equal opportunities underpinned by initiatives such as employee affinity network groups, leadership and mentoring programs, and flexible working opportunities.

The interview and documentary data revealed that the policies in place were very much driven by strategic HR and business case interests. The sample firms were rapidly expanding but faced severe recruitment and retention difficulties. In light of this, D&I management was seen as a tool for assuaging these challenges, at least to some extent. In the business environment in which they operated, if a firm did not offer D&I policies, they could potentially lose talent to competitor firms, while innovations in this regard could provide a source of competitive advantage, albeit short-lived due to on-going competitor replication. A strategic approach to D&I management was required, as recruitment and retention directly impacted on organizational performance in terms of costs and service delivery, particularly as turnover rates were of substantial significance to clients in commissioning services, because of the potential impact on service levels. Furthermore, D&I management was also a corporate social responsibility concern, due to the importance of a firm's image and policies in providing a competitive advantage in attracting and retaining staff as well as winning client work.   In addition, a strategic approach to diversity management was adopted because a heterogeneous workforce was perceived to enhance creativity and innovation, although the participants and firms expected rather than validated this putative link.

In line with these drivers, each of the participants stated that age, gender and intra- and international diversity were the main foci of their D&I interventions. The researcher did not impose or restrict the interviewees to these categories. The participants' focus on these particular categories reflects the challenges faced by the firms in India and the extent to which it was deemed necessary to recruit and retain talent across these dimensions in order to be able develop more creative and innovative workplaces.

The findings presented below are illustrative of the accounts and data provided by the participants. Where variations in the views and experiences of the participants and the firms in which they led management of human resources were identified, this is highlighted in the text below.

Age diversity: The management of a young but increasingly intergenerational workforce

The documentary data supplied by the participants featured commitments to age diversity and inclusion as part of their strategies to enhance staff utilization and retention, through fostering supportive working environments and career opportunities. These goals were very much influenced by the rationales of the RBV and business case arguments. However, the analysis of the participants' accounts and organizational data cast light on the tensions and challenges faced with regard to organizational realities, practice and behavior.

The documentary data revealed that the mean age of staff across the sample firms offices in India ranged from twenty-four to twenty-eight, with the large majority of employees aged below thirty. This was attributed by the participants to the age structure of the working population in India, the relatively short history of this 'new' sector and its presence in India, and the recruitment and HR planning strategies adopted by the firms. Two of the companies were established in India in the 1960s and 70s respectively, whereas the remaining firms had only been operating in the country or been established since the late 1990s. The sector and

each of the firms had expanded rapidly and so experienced an almost constant need to recruit new staff to capitalize on the available growth opportunities, particularly given the speed and scale of turnover experienced (please see below).

These features combined with the nature and level of the knowledge, skills and qualifications required meant that most of their recruitment centred on hiring graduates directly from university campuses, who were up-to-date with current and emerging software and technologies. The recruitment of these individuals however generated a number of challenges. Some of the participants characterized these recruits as often 'immature' and 'undisciplined', requiring substantial investment in their training and development to induct and integrate them into the organization and its culture. Attrition among this group was also often high, with rates as high as 80% reported by the participants, particularly among those engaged in the delivery of BPO services. The research participants indicated that this career behavior was most pronounced among graduate staff with three to seven years' experience, before and after which, retention was typically more stable. This was linked to age- and generation-related expectations and aspirations. The following two quotes are indicative of the participants' views on these developments:

'This generation born after '90 … Generation Y … have started getting into IT in the last three/four years. Their aspirations are different. Their thinking is different. Their value systems are different. Their loyalties are different. They would like everything today. If not, that's it' (Firm 8, Chief Executive Officer).

'Earlier people would join and maybe retire from the organization. Now the youngsters specifically are changing … they might change jobs every six months … This trend is very prevalent till the age of 30/32. Then things typically become more stable' (Firm 5, Senior HR Manager).

The interview data revealed that the degree of protean and boundaryless career behavior exercised by staff varied according to their age/generation and the stage at which they were at in their careers. This is not to say that career behavior of this nature diminished after being in the industry or with a firm for over seven years, because there was pressure for individuals to keep advancing in their careers. However, for this group, this action was primarily driven by internal competition and could prompt firm exit and/or a change in career path and occupation.

> 'The moment you have the feeling that you have a successor you're gone, you're
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> dead' (Firm 7, National HR Lead).

One of the organizations included in the sample had members of staff who had been with them for up to 16/17 years, which was very much the exception. This was because workers with this extensive but dated experience faced almost unrelenting pressure to engage in skill upgrading to remain at the cutting edge of developments in software and IT.

To improve the retention of knowledgeable and experienced staff and to support age diversity, the participants stated that they had developed a range of interventions to accommodate varying needs and behavior and to enable staff to grow within the firm. This included the development of varied career paths with the organizations to complement the growth and diversification of their businesses, but also to reflect the link between age and rapid change in skills, qualifications and software. Individuals hired as software engineers could potentially progress through to technical or project leadership roles. Following this, they may then either be given the option of continuing a technical line of work through continuous skill upgrading or moving into business development, for example.

Widening age diversity also prompted the development of a variety of D&I interventions. Short-term or immediate rewards and incentives are associated with workers in this field of

work, including on-the-spot credits and rewards (see for example, Author, 2010). However, there was an increasing need to tailor and enhance the flexibility of incentives available to support the retention of staff above the age of thirty.

> 'A fresh university graduate would like everything cash-in-hand rather than waiting for things going into their retirement funds. But if we have somebody who is mid age, then they start thinking about saving towards their retirement, so we have redesigned the compensation and HR initiatives to take care of these kind of various needs' (Firm 2, Global HR Lead).

As well as responding to these drivers, there was also a need to create a more inclusive working environment and culture to support intergenerational interaction and cohesion. For example, social networking platforms were used extensively to communicate with colleagues by recent university recruits and young members of staff, whereas these technologies were not used to the same extent by older or more senior workers who typically relied on telephone, email or face-to-face contact. Consequently, interventions were deemed necessary to develop intergenerational relationships and knowledge sharing, but these barriers between age groups were yet to be overcome.

Each of the participants made reference to their efforts to create an inclusive environment. Yet at the same time, long-term firm or industry tenure was in some cases regarded as almost negative behavior. This revealed conflicting tensions between widely held views and the implementation of related initiatives, which undermined the D&I policies operating in the firms as well as efforts to extend organizational commitment.

> 'I have been in the IT industry eleven years. That makes me a relic … In fact, we are creating a rogues gallery of people who have spent more than ten years in the company' (Firm 1, National HR Lead).

The participants indicated that when tenured employees reached forty years of age, the position of these individuals reportedly became more precarious because of these attitudes, the pressure to constantly keep their skills up-to-date and scrutiny over their level of remuneration relative to younger staff. Effectively, employees of this age and above were perceived to have reached their shelf life. In such instances, the participants conceded that these individuals ran the danger of being fired because they could be deemed overpriced for the roles that they were performing.

The RBV and business case arguments do not specify an optimum degree of age diversity and it may be that the implicit age and tenure barriers operating at the firms were a product of the national context, the nature of these firms and their performance and cost-benefit concerns. However, negative attitudes and practices arguably served to stifle the benefits that could be gained from increased age diversity and ran counter to the firms' stated policy goals of supporting and enhancing this type of diversity to improve organizational performance and develop a sustainable competitive advantage, as advocated by the RBV.

(ii) Gender diversity: An attenuated balance

At a sectoral-level, female representation was estimated to be 27% (Senior Representative, Industry Body), which is comparable with the proportions found in the USA at 26.2% (Adya, 2008). Across the sample, female representation ranged from fourteen to forty per cent, with women most prevalent in areas such as BPO and testing. As well as being segmented into these roles, women were also primarily concentrated in low ranking positions. The documents provided by the participants underscored the objective of enhancing gender diversity and in some cases promising 'gender neutrality' and/or 'affirmative action' to support equality of opportunity, business interests and corporate social responsibility commitments.

Female participation was reported by the interviewees and the representative from the industry body to be increasing. This was in part due to a more equitable gender balance in the number of students graduating with engineering degrees. As engineers were the main focus of recruitment for these firms, this was assisting in improving the gender balance, along with organizational policies, targets and even quotas. Interestingly, gender balance and attrition rates were published in company reports and were reported to be of increasing interest to clients. The management of diversity and inclusion in the firms was therefore influenced by external actors, reinforcing the need for the RBV to extend beyond its preoccupation with an internalized focus.

A range of measures was deployed to attract and retain women. These included: self-defence training, special facilities for women during pregnancy, the option of extended maternity leave (from three months to up to twelve), crèche facilities, home working and flexible working hours.

Interestingly, part-time working arrangements were virtually non-existent, except in areas such as HR. Over 95% of the IT services workforce in India was estimated to be full-time (Senior Representative, Industry Body). Long working hours were very much the norm. This was particularly the case in the context of software development where reduced working hours or employee discretion over their temporal and locational working arrangements was severely restricted.

> 'It's not a nine-to-five government job. When there is no work, good. If you're into a project, there are deadlines to be met and we need to meet those deadlines' (Firm 5, Senior HR Manager).

In part to respond to these irregular working hours, one measure that was becoming increasingly common across the sample included the provision of shuttle or cab transportation

to and from work or the local metro stop. Each of the interviewees perceived these services to play an important role in enhancing the participation and inclusion of women.

> 'After eight o'clock, we have our own cabs that we have for the women employees. They get a cab with a guard to make sure that you are dropped home … soon we will be running this cab facility 24/7' (Firm 3, Senior HR Manager).

However, despite the introduction of these measures, women's participation was often circumscribed by the intersection with age. The tendency for a large proportion of females to exit the workforce at the age of thirty remained entrenched, despite the gender D&I interventions implemented by the sample firms.

> 'Once they are in a stage where they get married … we see a lot drop out. Unfortunately you can't help it. When she finds that she has got a good match who wants her to migrate to another part of the country, she resigns. It's a case of the marriage proposal or the job … After the marriage … the girl will go, sit idle and just do nothing' (Firm 4, Senior HR Manager).

This behavior was adduced to a combination of societal, marital and familial pressures. Consequently, the practices introduced by the participants typically had a limited impact on the behavior of their female staff.

> 'Even today, women are supposed to be second fiddle. If I and my wife go back home in the evening after a hard day, I will go to the TV, see cricket and she will go to the kitchen to make tea, it's the culture … if I did it, it's the news in the locality that look yesterday I made tea for my wife. You can't imagine that' (Firm 1, National HR Lead).

Clearly, this was a male-oriented view, which conflicted with the aspirations of the female interviewees (see the quote above). However, surprisingly, the research participants stated that complaints in relation to discrimination and unequal treatment were very rare.

'Frankly speaking, I don't even get to hear those escalations or that they're being discriminated against or that they're not being given the role or promotion or salary increase. You don't see any difference' (Firm 2, National HR Lead).

This may be because the participants did not wish to disclose such information. Alternatively, it could be that female members of staff were not active in pursuing their concerns and this could be attributed to not only social attitudes but also the shortcomings of the legislation in India to tackle gender discrimination. Nevertheless, further research into the apparent silence of women is needed to investigate the views, experiences and exercise of voice among this sizeable minority.

Each firm had measures to support women's return to work following childbirth. However, even so, the participants indicated that many women chose not to return to work. For those returning to fields of work outside BPO such as software development, they often faced the same challenges and pressures as those in the later stages of their careers noted above, depending on the length of time that they took out of work and the degree to which technical knowledge was fundamental to their role. Even in non-technical areas, they would often be assigned to roles with relatively limited career progression opportunities. The strategic goals and commitments extolled by the organizations in their policy documents were therefore not fully supported by organizational practice or worker behavior, thereby impeding the realization of the D&I benefits espoused by the RBV and business case arguments.

(iii) Intra- and inter-national diversity: ethnicity, religion, social class and nationality

The documents supplied by the participants highlighted their firms' goals and commitments in relation to enhancing the integration of staff from diverse multicultural backgrounds, so as to encourage creative, innovative and inclusive working environments as internationally competitive and expanding 'global firms'. Diversity by religion, ethnicity, language, social class and regional origin was extensive in each of the sample firms' Indian offices.

To support an inclusive environment, the firms and participants had encouraged the creation of representative groups, organized events and installed facilities. Language, religion and cultural awareness training was provided to enhance staff cohesion and understanding. This was increasingly required as the firms housed staff from a growing range of social backgrounds and so-called tier 1 and 2 cities and universities. In addition, religious- and geographic-related celebrations were organized, with all members of the organization invited to attend. While this served to recognize and accommodate the diversity evident within these firms, the interviewees stated that staff and management at all levels frequently made reference to so-called 'castes' and so effectively recognized and reinforced the legitimacy of these distinctions by religion, ethnicity, social class and region/state.

International diversity in the firms' Indian offices was less pronounced. Although this may be offset to some extent by the level and forms of diversity discussed above, the participants referred to attempts to recruit talent from outside India, including efforts to recruit from universities in the UK and US. This was due to the increasing recognition of the need to address existing imbalances in this regard.

> 'Increasingly people are realising that their workforce can't be all Indian. You
> need to have a lot more diversity in your workforce and so they are putting effort
> to bring that diversity' (Senior Representative, Industry Body).

As multinationals, each firm operated across multiple national sites, with Firm 6 operating in over fifty countries. Yet non-Indian nationals typically accounted for less than ten per cent of overall staff for Firms 1-7 in their office in India. For example, only 6.8 per cent of Firm 2's workforce was non-Indian. This was partly due to the relative size of their national operations outside India, but also the difficulty in attracting foreign talent both at home and abroad.

The business case for diversity by nationality was emphasized by each of the research participants because of the role that this played in diffusing knowledge and winning international business. Employees with technical and functional competencies were rotated between countries to help grow the business, work on projects or fill skill shortages. However, such talent flows were largely one directional, as it was reported to be difficult to get foreign talent or expats to work in India other than for a short number of weeks or less than six months. Thereby limiting the degree of international diversity and its potential impact of competitive advantage and performance. To some extent this may be shaped by the restricted forms of diversity championed by the sample firms in India.

Discussion and Conclusions

Interest in the management of diversity and inclusion in India is expanding rapidly among managers, academics and policy makers (Budhwar & Varma, 2010). This has stimulated an increase in related inquiry. However, there is still a need for this research to not only catch up with contemporary organizational developments, but to also provide a deeper understanding of the reality of D&I rather than merely quantifying the practices in operation (as noted by Cooke & Saini, 2010; Hoque & Noon, 2004; Nishii & Özbilgin, 2007; Kamenou, 2007; Greene & Kirton, 2010).

This study addressed this need by examining D&I management in leading IT services multinationals in India through the lens of top-level managers, because of their role in shaping practice and behavior. The findings from this study revealed a variety of countervailing tensions along the dimensions of age, gender and intra- and inter-national variation that limit the scope for not only strategic alignment, but also the materialization of the gains vaunted by the RBV and business case arguments. In place of this, a somewhat pragmatic approach to workforce diversity was adopted in order to keep abreast of D&I policy developments in competitor firms domestically and internationally and to be viewed as socially responsible organizations both internally and externally.

With respect to age, each of the participants had introduced measures to enhance commitment and respond to the interests of a young but increasingly intergenerational workforce. Yet at the same time, firm members held views concerning staff tenure/age limits and their associated wage costs, which shaped practices and behavior within their organizations. In order to counter this, there is a need to expand training opportunities and the range of non-technical career paths available within these organizations, which are likely to grow as they expand and move up the value chain into new areas of service provision. In addition, there is a need for effective training along the lines proposed by Cocchiara et al. (2010), combined with cultural change to tackle the views and attitudes of staff and senior managers. This must be reinforced by challenging these views and attitudes rather supporting them through the semiotics of organizational practice and discourse, such as referring to older staff as relics or assembling an old rogue's gallery.

These findings also highlight the role of age, industry and societal context in shaping so-called 'boundaryless' and 'protean' career behavior (Saxenian, 2005; Dickmann & Baruch, 2011). The interaction between these dimensions is currently under acknowledged in the existing literature on these types of career behavior and so greater understanding and analysis of these variables is required.

Women's representation was not only segmented but also moderated by age. A range of interventions was in evidence but domestic, family and societal pressures moderated the nature and duration of women's participation. Without addressing these pressures, it is unlikely that organizational measures will lead to dramatic changes in this behavior. Part-time arrangements may enable some women to remain in work. However, it must be noted that in other national and organizational contexts, where it is women who primarily work part-time, such arrangements can impact on the career progression and training opportunities available to part-timers (see for example, DTI 2004). Therefore it is important that in introducing these arrangements, they may increase gender diversity, but also curtail women's opportunities. The findings from this study underscore the need for future research to gain insight into women's views on D&I in this environment in order to investigate the degree of discrimination and segmentation in operation in this important area of the knowledge economy in India.

A range of interventions designed to enhance intra-national D&I was in place across the sample. Yet longstanding views with regard to ethnic social classes known as caste remained persistent. It is clear that the legitimacy of these attitudes needs to be tackled both within and outside these firms. This is something that ought to be championed by organizational leaders as well as members of staff. Again, this emphasizes the need for the RBV and business case to adopt a broader internal-external lens if the goal of attaining a diverse and inclusive firm is to be achieved. Many of the organizations included in this study worked closely with the industry body, which amplified their influence at a national level. Therefore, they were well placed to influence attitudes both within and outside their firms.

Indeed, the influence of these actors and their role in shaping the landscape for D&I arguably extends to the attraction of foreign talent from developed countries. The appeal of working in India is of course likely to be shaped by individually held perceptions of living and working

conditions in the country, but also the extent to which the support for D&I from these actors and organizational rhetoric and practice is communicated internationally (SHRM & EIU, 2009). Without acting as agents of change in relation to these perceptions, it is likely that the difficulties the firms encountered in attracting international talent into their Indian offices are likely to continue.

In terms of the study's limitations, the sample structure does not provide a polyphonic insight and so may have been affected to some extent by management- and in some cases single-respondent bias. It may also be that the researcher's country of origin and related views on diversity influenced the interpretation of the data and the firms' policy interventions. However, the interview data was triangulated with documentary evidence and the views of a key actor from the industry body to check the researcher's interpretation and the accounts of the participants, which together with double checking the interpretation and coding, served to filter this influence and limit the potential for the findings to be skewed or biased.

The external validity of the findings was potentially influenced by the sampling strategy and the size and composition of the sample, but the lens acquired by this study provides a unique insight into the strategic policy agendas of senior HR executives in an increasingly challenging and important environment for the management of human resources. Moreover, the objective of the study was not to generalize or quantify D&I practice. Instead the aim was to gain a deeper insight into the challenges and tensions generated by D&I management in this important and dynamic emerging environment and to contribute to the literature examining the application and viability of the business case and RBV rationales.

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