5. INDIAN IT AND IT ENABLED SECTORS

5.1. Overview

The area of the study is Information technology and Information Technology Enabled Services which is the fastest growing sectors in India. It has an annual compounded annual growth rate (CAGR) of 28 per cent during the last five years, attracts more than 10% of total FDI flowing into India (Annual Report-Ministry communications and IT, Government of India, 2010-2011) and a GDP contribution of an estimated 6.4 %. It comprises of hardware, software and IT and BPO services. Low labour cost, talented and available employee pool leveraged India as the popular off shoring destination. IT and ITES industry is one of the prominent sectors that put India on the world map as big player in the global economy.

The decision to choose Indian IT and ITES sector as the focal area of research was a conscious one. The following factors influenced my decision.

1. Indian IT and ITES industries hold a significant position in the economy of modern India.
2. It works in the perspective of a global environment.
3. Performance on job has a direct implication on the revenue generated.
4. An interesting aspect in Indian IT and ITES sector is its workforce composition. At present Indian IT and ITES sector IT and ITES industry 2.5 million strong workforces is an accumulation of diversities.
5. In India, IT and ITES industry is considered to be the largest employers of women employees.
6. IT sector is one of the largest employers of skilled and educated persons. The work in this sector is intellectual in nature, making the inclusion of people with physical disability in the workforce feasible and viable option
7. The emerging trend of Indian IT companies recruiting from abroad brings about a fair mix of nationalities.
8. Regular exposure to diverse culture through onsite deputation and infusion of expatriates among the team leads to working in an atmosphere of constant change, rich in diversity – beliefs, gender, capability, orientation, generation wise.
9. Majority and Prominent players in IT and ITES Industry are private players. The quota (Reservation system mostly based on caste, popular in India as part of affirmative actions) till date doesn’t apply to private sector). There have been demands from some political parties at various junctures to extend the reservation system to private sector. It will be interesting to examine the strategies adopted by the IT –ITES sector to combat these pressures and address the issue of assimilation of weaker sections in workforce without discrimination.

10. Employees in the sector reflect a young demographic profile in India.

Thus the Indian IT and ITES sector employs around 2.5 million, the workforce composition, experiencing an influx of women employees, includes employees who belongs to different nationalities, differs in the element of physical ability, have possibly varied sexual orientations and undoubtedly practices different religions.

5.2. A Composite Diversity profile of the organizations in the study

The organizations in this study vary in terms of their employee strength, Origin and scale of operations. The organizations in this study can be broadly grouped as High profile (22%), Large (36%), Medium (32%) and small (10%) according to the number of employees. Organizational data and organizational profile is added as Item: E in the Appendix. Majority of the organizations presents themselves as equal opportunity employers. (Among the organizations in the study 75% responded as equal opportunity employer).

- On a query to state how a diverse workforce will contribute to the organizations growth the choices was in the following order
  - Access to new labour pool/and attraction of high quality employees
  - Promotes company image and reputation
  - Economic effectiveness, competitiveness, competitive advantage and profitability
  - Commitment to equality and diversity as company value
  - Enhanced customer satisfaction and service level, Innovation and creativity.

- Gender is the diversity dimension in which majority of the diversity and inclusivity policies are concentrated on. 82% of the organizations have gender inclusivity policies
and practices. The depth and coverage of these initiatives vary. Variables like size of the company scale of operations and outlook influences the extent of diversity efforts.

- 69% of the companies in the study have included disability in their diversity initiatives or CSR activities.
- Indian IT and ITES sector consist of
  - Multinationals of Indian origin
  - Multinationals of foreign origin in India and
  - Organizations with operations only in India

Among the Indian MNCs seventy four percent of companies have included nationality in their diversity statements or policies.

- 45% of organizations included in the study recognizes and mentions sexual orientation in their diversity statements or non-discrimination policies. But apart from being a part of the diversity statements, the organizations lacked in specific measures addressing sexual orientation.
- Religion and Caste doesn’t seem to have much significance as a diversity dimension in IT and ITES industry.