

The Path to Inclusive Leadership: Addressing Diversity in the Workplace Pipeline



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Diversity, equity, and inclusion (DEI) are crucial for a respectful work environment. In culturally diverse India, DEI should be a primary focus for organizations. Our research uses a 25-item questionnaire to evaluate DEI policies, training effectiveness, appraisal quality, and job meaningfulness. The analysis reveals the current DEI state in Indian organizations, showing both progress and areas needing attention. Significant positive correlations with the leadership pipeline include training on unconscious bias, a supportive environment, DEI goals, and policies for women's advancement. However, maternity/paternity leave and data masking software showed negative correlations. This study highlights future research directions on DEI in India.

Keywords: Diversity, Equity, and Inclusion, Leadership Pipeline, Gender

1. Introduction

Diversity and inclusion (DEI) have become critical issues in the corporate world. It is essential to create a healthy work environment where every employee feels valued and respected. Diversity refers to the differences among people in terms of their race, ethnicity, gender, age, religion, disability, and other characteristics. Inclusion, on the other hand, is the process of creating a work environment that is welcoming and supportive of all employees, irrespective of their differences.

India is a diverse country, where DEI are pivotal aspects that enrich the fabric of our society. Reflecting the nation's heterogeneous cultural, linguistic, and religious tapestry, organizations should strive to create an environment where every employee feels valued and respected. DEI is also essential in Indian organizations due to the changing demographics of the country, with more women and people from different backgrounds entering the workforce. The Indian workforce is becoming increasingly young and diverse, and organizations need to adapt to this changing demographic to remain competitive. By championing diversity and inclusion, we can create a more equitable and united India, where every individual can thrive, regardless of their background, fostering a sense of unity in our collective diversity.

A growing number of studies have emerged in the last decade that investigate the Diversity and Inclusion practices at country and organizational levels. They focus on best practices of few of the organisations who have successfully managed to have a culture where they practice diversity. Most of the studies, however, often focus on

Western countries, using survey studies or case studies. This study therefore approaches Diversity and Inclusion with a primary focus on Indian organizational dynamics, which may differ significantly from that of the west. Very few studies have investigated the DEI process from the lenses of HR professionals collectively. Therefore, this study aims to fill a portion of this research gap through a structured questionnaire filled specifically by HR Professionals of nearly 250 companies across India and at various levels. A collective understanding could help us from the lenses of the HR professionals together.

In the U.S. and UK, workforce diversity may include gender, race, ethnicity, religion, age, disability, immigration status, social class, political association, marital status, parental status, and sexual orientation, among other categories (Nadler and Kufhal, 2014). These, however, have been scrutinised majorly in terms of hiring and appraisal processes. In this paper, we focus on the role of diversity and inclusion in creating a leadership pipeline. By researching and highlighting the factors influencing the leadership pipeline, we aim to create a model which will promote organizations to focus on the aspects that might be a hinderance to it.

2. Literature Review

DEI in a workplace is a rising subject that calls for the immediate attention of all organizations. Gender differences and cultural biases in the workplace are one of the major reasons women are underrepresented in all leadership roles (ranging from 16% for centre directors to 45% for associate directors) (Lerman et al., 2022).

A diverse workforce is beneficial to an organization in numerous ways, including increased creativity and innovation, improved problem-solving, and enhanced decision-making processes. Research has shown that promoting DEI can lead to enhanced innovation, higher employee engagement and retention, and improved financial performance (Herring, 2009; Hunt *et al.*, 2015). For instance, a study by McKinsey & Company (Hunt et. al, 2018) found that companies in the top quartile for gender diversity on their executive teams were 21% more likely to have above-average profitability than companies in the bottom quartile. Another study by Deloitte (Diversity and Inclusion, 2017) found that inclusive teams outperform their peers and generate up to 30 percent higher revenue per employee and greater profitability than their competitors.

Inclusive organizations promote an atmosphere of trust, collaboration, and open communication, which can lead to enhanced employee engagement, job satisfaction, and retention (Mor Barak *et al.*, 2016; Nishii *et al.*, 2018). Research has shown that inclusive leadership, which involves demonstrating behaviours that make all employees feel valued and included, can lead to enhanced team performance and job satisfaction (Shore *et al.*, 2011; Dinh *et al.*, 2014). Inclusion leads to better employee engagement, retention, and job satisfaction. In fact, a study by Deloitte found that inclusive teams outperform their peers by 80% in team-based assessments (Hunt *et al.*, 2015). Therefore, promoting DEI has become a critical strategy for organizations to enhance their performance and competitiveness.

According to a survey conducted by Deloitte (2018), only 30% of Indian organizations have a formal DEI strategy in place, which is significantly lower than the global average of 69%. The study also found that only 25% of Indian organizations had a diverse leadership team. The lack of diversity at the leadership level makes it

difficult for organizations to promote DEI effectively. A study by PwC (2019) found that 75% of Indian companies have a gender diversity policy, but only 36% have a diversity policy for people with disabilities. Another challenge possibly faced by Indian organizations is unconscious bias, which refers to the implicit attitudes or stereotypes that people have toward certain groups of people. This could prevent organizations from hiring, promoting, or retaining employees from diverse backgrounds with varying requirements. The lack of sufficient evidence of its presence and effects in Indian organizations makes it imperative to be further explored. (Sharma et.al, 2020). Unconscious bias is often considered one of the barriers keeping women from achieving leadership positions

(Gharbi and Ayari. 2015; Eagly and Mladinic 1995).

A study by Catalyst (2018) that works to promote gender equality in India, found that Indian women are often subject to unconscious bias, which results in fewer opportunities for career advancement. The research also found that women in India hold only 14.4% of board seats and 3.2% of CEO positions in the BSE 500 companies and further the representation of women on boards in India is the second lowest among the 26 countries studied. The 'leaky pipeline' is a metaphor for how women become underrepresented minorities in the STEM fields, which also occurs in corporate workplaces; With many dropping out of the workforce due to various reasons such as lack of support for childcare and elderly care responsibilities, lack of flexibility, and gender bias. According to the World Economic Forum, India ranks 112th out of 153 countries in the gender gap index, with a score of 0.668 out of 1.0 (World Economic Forum, 2020). According to a report by the World Economic Forum, India ranks 108th out of 153 countries in terms of gender parity.

However, there has been some progress in increasing the representation of women in leadership roles, driven by policies such as the mandatory requirement for at least one-woman director on the board of listed companies, and the voluntary adoption of the Women's Empowerment Principles by some companies (India Briefing, 2023) In recent years, many companies in India have appointed diversity officers or chief diversity officers to oversee and coordinate their DEI initiative (The Economic Times, 2018), which includes women. This reflects a growing recognition of the need for a focused and strategic approach to DEI.

2.1 Diversity Officers and the Involvement of Management in DEI

A diversity officer is responsible for developing and implementing strategies to promote diversity, equity, and inclusion in the workplace (Rosencrance, L 2022). They work closely with leadership to ensure that DEI initiatives align with the organization's overall strategy and goals. By having a dedicated diversity officer, organizations can ensure that DEI is given the attention and resources it deserves (Goldstein et. al, 2022). Their primary responsibility is to advocate for diversity and ensure that organizations are committed to creating a workforce that reflects a broad spectrum of backgrounds, experiences, and perspectives. By actively promoting diversity, these officers contribute to a more innovative and dynamic workplace (Stanley *et al.*, 2019), where employees bring varied skills and ideas to the table, by influencing them with effective leadership and collaboration efforts (Douglas & Little, 2017). Additionally, diversity officers help mitigate biases and discrimination, creating a culture where all individuals feel valued and supported. This not only enhances employee morale and

engagement but also positively impacts organizational performance and reputation (Dover et. al, 2020)

The involvement of top management in the diversity and inclusion process is paramount for the success and sustainability of a diverse workplace, increase competitiveness with other organizations and increase financial performance (Vlas et. al., 2022). When leaders actively champion diversity, it sends a powerful message throughout the organization that inclusion is a core value. Therefore, to focus on feasible equity and inclusion, managers at higher posts would also need to take the lead in the strategic development of DEI (Martins, 2020). Top management sets the tone for the entire workforce by establishing inclusive policies, allocating resources, and holding all employees accountable for fostering a diverse environment; so, to instigate change, senior managers need to commit to DEI, and should reflect on risks of delegating this to specialized functions (Hellerstedt et. al., 2023). Imitating DEI initiatives merely because they 'are in fashion' risks creating superficial efforts to address diversity concerns even if these initiatives in the long run might instigate change (Prasad, Prasad, & Mir, 2011). Their commitment ensures that diversity and inclusion initiatives are integrated into the strategic vision of the company, aligning with overall business goals. When leaders actively participate, they also serve as role models, demonstrating the importance of embracing differences and promoting a culture of respect. The involvement of top management not only strengthens the credibility of diversity and inclusion efforts but also facilitates the creation of a workplace where individuals from all backgrounds feel valued and empowered to contribute their unique perspectives (Pless and Maak, 2004), ultimately fostering innovation and organizational success.

2.2 Unbiased Appraisal Process

The importance of bias-free appraisal in the realm of diversity and inclusion cannot be overstated. Performance appraisals (PA), which form the basis for professional development and career advancement, must be conducted without the influence of biases to ensure a fair and equitable workplace. A study by Micacchi et. al (2023) highlighted that creating PA systems with rater–ratee feedback sessions and calibration mechanisms lead to fairer perceived PAs, with PA justice being associated with public employees' work engagement. A commitment to eliminating biases from appraisal processes is instrumental in creating an inclusive environment where all employees, regardless of their background, have equal opportunities to showcase their skills and contributions. By adopting unbiased evaluation methods, organizations not only foster a sense of trust and transparency but also actively work towards dismantling systemic barriers that may disproportionately impact certain groups. A bias-free appraisal system contributes to a more diverse leadership and workforce, promoting meritocracy and reinforcing the principles of equal opportunity. This approach not only enhances employee satisfaction and engagement but also strengthens the overall effectiveness and competitiveness of the organization in today's diverse and dynamic business landscape.

2.3 Leadership Pipeline

The leadership pipeline refers to an organization's procedure of building and maintaining their leadership succession. A six-passage model to understand leadership

requirements was developed by Charan *et al.* (2000). This “Pipeline model of leadership development” outlines the crucial skills for successful management transitions from the very bottom of an organization (managing oneself) to the very top (managing the enterprise). Dai G et. al (2011) further confirmed this model and pointed out the need to clearly define critical leadership skills at different levels of management in order for companies get their most capable employees the right developmental experiences and help them transition from one position level to another. A study conducted in 2008, recruiting 15,840 teachers, 583 assistant principals, and 312 principals aimed to measure which teachers are being approached by school leaders to consider leadership (Myung et. al, 2008). Findings suggested that while principals tapped teachers who felt better equipped to take on higher roles along with those who have more school-level leadership experience, they’d also tend to disproportionately tapped teachers who were male and shared their ethnicity.

3. Methodology

The objective of the study was to understand the diversity, equity, and inclusion practices prevailing in the organization with reference to gender. For this, we approached 250 organizations’ HR professionals to respond to the 25-item questionnaire specially curated for the aim of the study (Annexure A). The structured questionnaire investigated various parameters like DEI policies, training programs effectiveness, quality of appraisal process, and meaningfulness of the job and was based on the literature outlined above. The questionnaire was self-administered to get valid responses. The average age of our respondents was 43.2 years, there were 202 male respondents and 48 female respondents. The data were collected from healthy mix of organisations from ITES, Manufacturing, Hotel, and Aviation.

4. Results

The data was first analysed using descriptive statistics using SPSS, where we assessed the frequency distributions and conducted pattern analysis on our variables. We then applied inferential statistics in order to predict the variables influencing the leadership pipeline using correlation and regression variables. The percentage distribution of various factors revealed that organisations are slowly preparing themselves for inclusion practices. but there are some critical areas where these practices are not fully implemented, but only discussed as plans. The current state of DEI in Indian organisations, as highlighted in our survey results, first captures the presence of a Chief Diversity Officer.

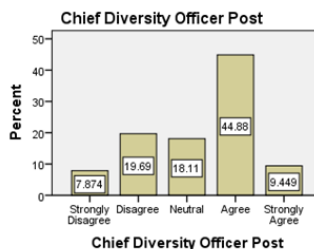


Figure 1 Presence of Chief Diversity Officer

Most organizations reported having a dedicated post of Chief diversity officer, while a few organizations did not- Out of 253 respondents, approximately 28 percent of the organisations did not create a separate chief diversity officer's position, due to which, the respondents reported not having any chief diversity officer. However, almost 54 percent of the respondents reported having a chief diversity officer in their organization. Having a Chief Diversity officer may help in having more fair recruitment, training, and advancement processes. The organization will make a conscious effort to minimize biases against diversity candidates. Our next significant observation was made regarding the involvement of the top management in gender-related issues.

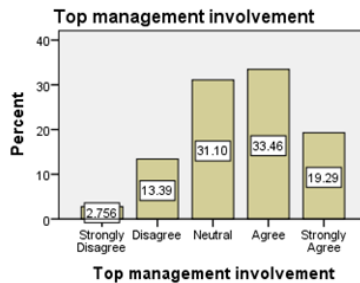


Figure 2 *Involvement of Top Management*

Approximately 16 percent of respondents disagreed with the statement that gender-related issues are reported to the top management, and around 53 percent of respondents reported that the issues related to diversity are reported to the top management and the top management is involved in diversity-related matters. However, a huge chunk of respondents (31 percent) remained neutral on this statement. Positive progress can be observed when top management is more involved in this process, and having a dedicated chief diversity officer in the organization ensures that the right narratives reach the top echelons. Sometimes, however, despite the presence of chief diversity officers, some gender-related issues are not consistently elevated to the top management. A common reason for such an occurrence can be biased, unclear, and secretive management processes.

Our next variables involved having a bias-free career advancement (Figure 3) and appraisal (Figure 4) processes.

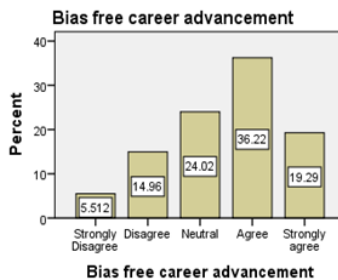


Figure 3 *Bias-free career Advancement*

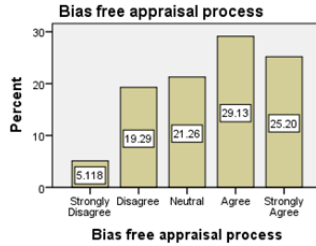


Figure 4 Inclusion of Appraisal Processes

The concern of bias free appraisal and career advancement process is very evident in our findings. Though many respondents reported having bias-free appraisals and career advancement opportunities, a considerable percentage of respondents also reported otherwise. Around 45 percent of respondents experienced diversity-related biases during the appraisal process and subsequently during the career advancement process. They do not agree that the appraisal and career advancement process in their organization is bias-free. One of the reasons why women do not reach the upper echelons of the organization is bias in the appraisal and career advancement process. A fair and transparent process would facilitate deserving employees to reach the top management positions of the organization. We then delve into the tasks and likability of the work assigned (Figure 5) to the employees as well as the leadership pipeline (Figure 6).

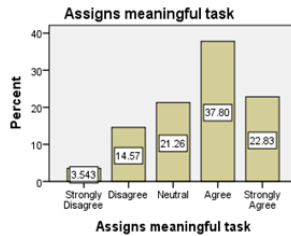


Figure 5 Assignment of Meaningful Tasks

With respect to finding the tasks assigned to them meaningful, our findings report that around 39 percent of respondents reported that they do not agree that their organizations assign meaningful tasks or tasks of organizational level significance to them, while around 61 percent reported receiving meaningful work to perform.

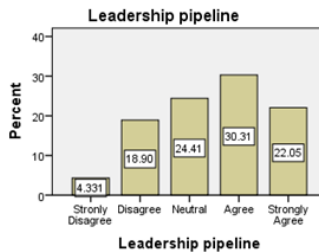


Figure 6 Existence of the Leadership Pipeline

The effect of the same can be seen in the creation of leadership pipeline of women. Around 48 percent of respondents reported that their organisation did not create a leadership pipeline for women employees. Special effort is required to retain women employees and have a pool of women employees at the top management level, but most organizations seem to be lacking that vision. If a meaningful task is not assigned to women employees, then chances are there that they may not perform well and, hence, not be ready for the leadership pipeline.

While the abovementioned items focused more on the existing environment surrounding DEI, the following few items delve in what the organisation could / should do to promote such practices in the future, Starting with a budget, goals, and a strategy for DEI.

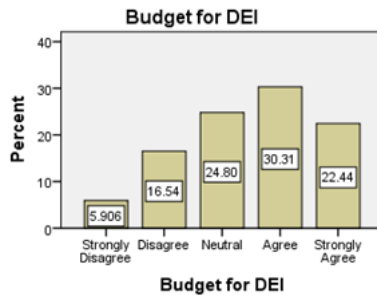


Figure 7 Budget for DEI

The findings regarding the DEI budget (Figure 7) indicated that around 53 percent of respondents agreed that their organizations had dedicated budgets for the DEI initiatives. This allocation indicates an awareness among Indian companies of the need for structural support to foster diverse, equitable, and inclusive workplaces. However, with only a little over half of organizations reportedly investing in DEI, it also points to a gap where many companies may still be in the early stages of adopting or prioritizing DEI practices. An almost similar percentage of respondents indicated that their organization had clarity regarding DEI goals and strategy (Figure 8). However, a significant percentage were either neutral (25% and 20%) or disagreed (22% and 26%) that their organization has any such provisions or goals.



Figure 8 DEI Goals and Strategy

It is a general perception that the views are biased for diversity candidates and if the data regarding their gender was masked, views would be more neutral (Figure 9).

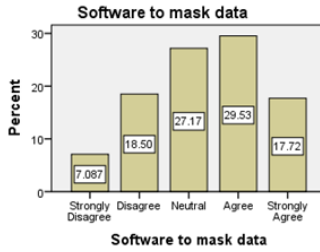


Figure 9 Software to Mask Data

Many organisations have started practicing such initiatives, while many others have not yet started masking of data. Around 53 percent of respondents reported that their organisation is yet to start the masking of gender data, while 47 percent agreed that their company did mask the data. Masking data may help especially during the recruitment and appraisal process. To fully leverage the potential of having a diverse workforce, data masking can be one of the very important steps.

Apart from this, with reference to parental leaves (Figure 10), around 62 percent of respondents reported having favourable maternity/paternity policies in their organization, and around 38 percent did not agree with the same.

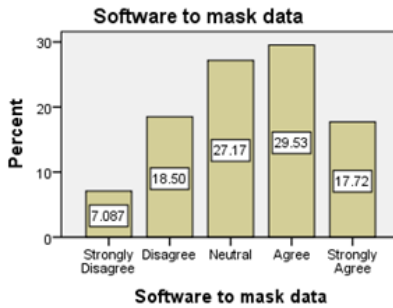


Figure 10 Software to Mask Data

Ideally, such policies should be well developed in all organizations. Therefore, the number of people disagreeing with having a good maternity/paternity leave being in double digits is a call for action.

The above responses highlighted the general percentages surrounding the main important themes. Correlations and regression analyses were then performed to study the relationship between variables such as policies for women's advancement, training programs for mindset change, job aids for moments of need, policies for maternity/paternity leave, unconscious biases training, software to mask data, DEI goals, and strategy, environment conducive to promote diversity, and the leadership pipeline (Table I). The formula to calculate the Pearson correlation coefficient (r) between two variables X and Y is

$$r_{xy} = \frac{n \sum x_i y_i - \sum x_i \sum y_i}{\sqrt{n \sum x_i^2 - (\sum x_i)^2} \sqrt{n \sum y_i^2 - (\sum y_i)^2}}$$

Where,

- n is the sample size
- x_i and y_i are the individual sample points indexed with i

Table I Correlation between Leadership Pipeline and its Determinants

Correlation between leadership pipeline and its determinants	
	Leadership pipeline (r)
Policies for women advancement	.609**
Training program for mindset change	.614**
Job aids	.599**
Policies for maternity/paternity leave	-.492**
Unconscious biases training	.660**
Software to mask data	-.481**
DEI goals and Strategy	.629**
Conducive environment	.659**

The formula for a simple linear regression model, where we predict a dependent variable Y based on an independent variable X, is:

$$Y = \beta_0 + \beta_1 X + \epsilon$$

where:

- Y is the predicted or dependent variable,
- X is the independent variable,
- β_0 is the intercept (the value of Y when X=0),
- β_1 is the slope coefficient (indicating the change in Y for a one-unit change in X),
- ϵ epsilon is the error term (the difference between actual and predicted values).

All the relationships were significant and positive, other than policies for maternity/paternity leave and software to mask data. These factors were negatively related to the leadership pipeline. This indicates that more days of maternity/paternity leave would cause more hindrances in creating a leadership pipeline if organizational policies for maternity/paternity leave are high.

While all variables displayed a significant regression score at the .001 to .05 levels, the relationship of maternity/paternity leave and software to mask data was negatively related to the leadership pipeline (Table II). The results of predictive analytics also reveal that the training on unconscious bias to the leaders helps in the creation of a leadership pipeline

Table II Regression Coefficients of Independent and Dependent Variables

Regression coefficients of independent and dependent variables			
Independent Variables	Standardized Coefficients Beta	t	Sig.
Policies for women's advancement	.154	2.721	.007
Training program for mindset change	.171	3.085	.002
Job aids for moments of need	.192	3.475	.001
Policies for maternity/paternity leave	-.142	-2.530	.012
Unconscious biases training	.269	4.560	.000
Software to mask data	-.129	-2.367	.019
DEI Goals and Strategy	.184	3.189	.002
Environment Conducive to promote diversity	.234	3.758	.000
R ² = 0.63, Dependent variable- Leadership Pipeline			

Table III Model Regression Analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.794 ^a	.630	.618	.714
a. Predictors: (Constant), Conducive environment, Software to mask data, Policies for maternity/paternity leave, DEI goals and Strategy, Training program for mindset change, Job aids, Policies for women advancement, Unconscious biases training				

The factor unconscious bias training is leading among other factors with the highest effect size ($r = 0.660$; $\beta=0.269$) (Table II). In other words, it indicates that with every unit change in the unconscious bias training, there will be a .269 percent change in the leadership pipeline of women. Similarly, an environment conducive to promoting diversity is the second most important factor that influences the creation of a leadership pipeline ($r = 0.659$; $\beta=0.234$). The third most important factor which influences leadership pipeline creation is the job aid that we provide to women employees of the organisation ($r = 0.599$; $\beta=0.192$). The job aid provided at the moment of need facilitates the management of the work-life balance of the working mother. The next most important factor that influences the leadership pipeline is DEI goals and strategy ($r = 0.629$; $\beta=0.184$). The clarity in goals and strategy towards DEI would help organizations approach a problem in a very structured manner. When the destination is clear, the formation of the path is possible. After that the predictive analytics also revealed some of the important HR practices like policies for women advancement, training on mindset change, masking of data and maternity leave/paternity leave policies influence the leadership pipeline significantly.

Hence, the top seven factors which influence building an efficient leadership pipeline are

- Training on unconscious bias and mindset change
- Conducive environment to promote diversity
- Job Aid at the moment of need
- DEI goals and strategy
- Policies for women advancement
- Maternity / paternity leave (negative relationship with leadership pipeline)
- Software to mask data (negative relationship with leadership pipeline)

5. Discussion

The analysis of the data sheds light on the current state of Diversity, Equity, and Inclusion (DEI) practices in Indian organizations, which highlight both positive strides and areas that require urgent attention. One significant aspect of organizational commitment to DEI is the presence of a Chief Diversity Officer (CDO). While a majority of organizations reported having a dedicated CDO, approximately 28 percent did not have such a position. This absence may be a factor contributing to the lack of uniformity in implementing inclusion practices across all areas. The role of a CDO is crucial in ensuring that diversity-related issues reach the top management, as seen in our results. The involvement of top management in gender-related issues is a crucial factor in fostering a more inclusive workplace. The survey results indicate a positive trend, with around 53 percent of respondents reporting that top management is actively engaged in diversity-related matters. However, a notable 31 percent remain neutral on

this aspect, suggesting a need for more consistent and transparent communication channels between employees and top management. The appraisal and career advancement processes play a pivotal role in shaping the employee experience.

Unfortunately, a concerning 45 percent of respondents reported experiencing diversity related biases during these processes. This underscores the need for organizations to scrutinize and rectify biased management processes that may hinder the career progression of certain demographic groups. The meaningful assignment of tasks to employees is a key factor in fostering engagement and satisfaction. The finding that 39 percent of respondents do not feel that their organizations assign meaningful tasks to them raises concerns about job satisfaction and organizational commitment. This issue is further exacerbated when considering its impact on the creation of a leadership pipeline, particularly for women. Nearly half of the respondents indicated that their organizations have not established a leadership pipeline for women employees, reflecting a need for targeted efforts to address gender disparities in leadership roles.

The correlation and regression results illuminate significant and positive correlations across most factors, underscoring the importance of these elements in fostering a conducive environment for diversity and inclusion. Policies for women's advancement, training programs for mindset change, job aids for moments of need, unconscious biases training, and a well-defined DEI strategy all exhibited positive associations with the leadership pipeline, suggesting that organizations investing in these areas are more likely to have a robust and diverse leadership cadre.

However, two notable exceptions emerged in the form of policies for maternity/paternity leave and the use of software to mask data. Contrary to the positive correlations observed in other variables, these factors exhibited negative relationships with the leadership pipeline. The negative association suggests that organizations with high emphasis on maternity/paternity leave policies and data masking software face more challenges in creating a leadership pipeline. This intriguing finding prompts a closer examination of the potential hindrances associated with these practices.

The negative correlation with maternity/paternity leave policies raises questions about the unintended consequences of well-intentioned family-friendly policies. It could be speculated that organizations with more comprehensive leave policies may inadvertently encounter hurdles in developing a leadership pipeline, possibly due to perceptions of extended absences impacting career advancement or other organizational dynamics. Further qualitative exploration is warranted to understand the nuanced reasons behind this negative relationship.

Similarly, the negative correlation with software to mask data introduces a layer of complexity. While the common perception is that data masking enhances objectivity and reduces biases, our findings suggest a potential downside in terms of hindering the development of a leadership pipeline. A majority of this could be accounted towards the organization wanting to know more about who they are hiring for significant senior and management level positions. This counterintuitive result calls for a deeper examination of the organizational dynamics and potential unintended consequences associated with anonymizing certain data.

Future research should delve into the specific mechanisms and contextual factors that contribute to these unexpected findings, providing organizations with actionable

insights to refine their DEI strategies and ensure a more effective pathway for diverse talent to ascend into leadership roles.

5.1 Contribution to Current DEI studies in India

The findings presented in this study contribute significantly to the landscape of Diversity, Equity, and Inclusion (DEI) research in India by offering a nuanced understanding of the current state of organizational practices. The identification of a Chief Diversity Officer (CDO) position in a majority of organizations sheds light on the evolving commitment towards inclusion, while the absence of this role in nearly 28 percent of surveyed organizations emphasizes the need for more comprehensive adoption of DEI strategies. The insights into gender-related reporting to top management and the prevalence of biases in appraisal and career advancement processes provide valuable empirical evidence of the challenges faced by diverse employees. Additionally, this study delves into the organizational initiatives such as budget allocations, clear goals, and strategies for DEI, uncovering areas where organizations may need to strengthen their commitment. The examination of practices like data masking and parental leave policies adds depth to the understanding of the tools and policies employed in fostering inclusive workplaces. Finally, the identification of negative correlations between maternity/paternity leave policies and data masking with the leadership pipeline underscores critical areas where improvements are necessary. Overall, these findings enrich the discourse on DEI in India, providing actionable insights for organizations and policymakers aiming to create more equitable and inclusive work environments.

5.2 What Should Organisations do?

Looking towards the future, initiatives such as having a dedicated budget, clear goals, and a strategy for DEI are crucial. While a substantial portion of respondents acknowledged the existence of such provisions, a significant number remained neutral or disagreed. This suggests that organizations need to ensure not only the existence of DEI initiatives but also clear communication and understanding of these initiatives at all levels.

The analysis also explored the use of software to mask gender data as a potential strategy to mitigate biases. While over half of the respondents reported their organizations had not yet implemented this practice, there is recognition of its potential impact on promoting neutrality in evaluations. Concerning parental leave policies, a significant number of respondents reported favourable maternity/paternity policies. However, the fact that around 38 percent disagreed with the presence of such policies emphasizes the need for comprehensive and universally accepted measures in this regard. The predictive analytics conducted to study the correlation between various variables revealed positive relationships between most factors and DEI. Notably, policies for maternity/paternity leave and software to mask data were negatively related to the leadership pipeline. This suggests that organizations need to pay special attention to these areas to ensure a smoother pathway for diverse employees to progress into leadership roles. In conclusion, while there are positive indicators of organizations embracing DEI practices, there are clear areas requiring immediate attention. Establishing consistent communication channels, addressing biases in appraisal and career advancement processes, and implementing comprehensive

strategies for DEI are essential steps for organizations aiming to create inclusive and equitable workplaces.

1. **Champions for Diversity are Needed** - people who will take strong personal stands on the need for change, role model the behaviours required for change, and assist with the work of moving the organization forward. Top management commitment is crucial but not sufficient. Many organizations are addressing the leadership requirement by the formation of task forces or advisory committees on diversity or Diversity officers.
2. **Culture and Management Systems Audit** - A comprehensive analysis of the organizational culture and human resource systems such as recruitment, performance appraisal, potential assessment and promotion, and compensation should be undertaken. The primary objectives of this audit are: (1) to uncover sources of potential bias unfavourable to members of certain cultural groups, and (2) to identify ways that corporate culture may inadvertently put some members at a disadvantage.
3. **Follow-up**- The final component, follow-up, consists of monitoring change, evaluating the results, and ultimately institutionalizing the changes as part of the organization's regular ongoing processes. Like other management efforts, there is a need for accountability and control for work on diversity. Accountability for overseeing the change process might initially be assigned to the diversity task force, or if available, manager of diversity. Ultimately, however, accountability for preserving the changes must be established with every manager.

Actions to Promote Inclusion

1. **Craft Inclusive Ads.** A thoughtful job ad goes a long way toward attracting diverse talent. Pay attention to the wording of the post. Create gender neutrality by using terms such as “salesperson” rather than “salesman”
2. **Make your Policies and Attitude Known,** companies that truly value an inclusive culture look for opportunities to demonstrate their commitment. Reinforcement solidifies the notion both internally and externally that inclusion practices are integral to the brand and its work environment
3. **Unconscious Bias from Senior Leaders Downward** all in the company should examine themselves for underlying assumptions or attitudes commonly referred to as unconscious bias. Because they are triggered by the brain making quick decisions, unconscious biases “pop up” rather than arise from beliefs someone knows he or she possesses.
4. **Reduce Macroaggressions,** which are another contributor to negative employee experiences. In contrast to obvious improper or insulting behaviour. Many microaggressions occur in the choice of language people commonly use. microaggressions may initially come off as compliments until thought about more carefully. Praising a woman for negotiating like a man is a classic example of macroaggression.

5.3 Scope for Future Studies

The findings from the current study on Diversity, Equity, and Inclusion (DEI) practices in Indian organizations open up a rich landscape for future research endeavours. Firstly, exploring the long-term impact of the presence or absence of Chief Diversity

Officer (CDO) positions on organizational culture and employee experiences could provide valuable insights into the effectiveness of this role in driving DEI initiatives. Further investigation into the reasons behind gender-related issues not consistently reaching top management, even with the presence of CDOs, would shed light on barriers within management processes. Additionally, delving deeper into the specific biases reported in appraisal and career advancement processes can uncover patterns that may inform targeted interventions.

Future studies may also focus on the correlation between organizational practices and the creation of a leadership pipeline, especially for women. Understanding the factors hindering the development of a diverse leadership cadre can guide organizations in implementing strategies to bridge the gender gap at higher levels. Moreover, a more comprehensive examination of the impact of budget allocations, DEI goals, and strategies on organizational culture and employee satisfaction would contribute to the evolving field of DEI research.

Additionally, exploring the reasons behind organizations' hesitation or resistance towards masking gender data, as revealed in this study, could provide valuable insights into the perceived challenges and benefits associated with this practice. Additionally, investigating the effectiveness of parental leave policies and their correlation with employee satisfaction, retention, and career progression could inform the development of more inclusive family-friendly policies.

Lastly, the negative correlations identified in the predictive analytics regarding maternity/paternity leave policies and data masking with the leadership pipeline raise intriguing questions. Future research could delve into the nuanced dynamics at play and explore whether modifying these policies positively influences the development of a diverse leadership pipeline.

5.4 Limitations

Despite the valuable insights provided by this study on Diversity, Equity, and Inclusion (DEI) practices in Indian organizations, certain limitations should be acknowledged. Firstly, the data collection relied on self-reporting through surveys, introducing the potential for response bias. Participants may have been inclined to provide socially desirable responses, impacting the accuracy of the information gathered. It is also possible that they were uninformed about the DEI practices in their organization themselves, resulting in many neutral responses. Additionally, the cross-sectional nature of the study limits our ability to establish causal relationships between variables. Longitudinal studies would be beneficial in capturing the dynamic nature of DEI initiatives over time as well.

The sample size, though considerable, may not fully represent the diverse spectrum of organizational structures and industries in India. This limitation may impact the generalizability of the findings to the broader organizational landscape. Furthermore, the study did not delve into specific cultural, regional, or industry-based nuances that might influence the implementation and effectiveness of DEI practices. Future research could benefit from a more granular chief analysis of these contextual factors.

The study primarily relied on quantitative data, leaving many qualitative nuances unexplored. Incorporating more qualitative methodologies such as interviews or focus groups could offer a more in-depth understanding of employees' experiences and

perceptions regarding DEI within their organizations. Moreover, the study focused on the perceptions and practices within organizations but did not explore the impact of external factors, such as societal attitudes or governmental policies, on DEI initiatives. A more comprehensive investigation into these external influences would provide a holistic view of the challenges and opportunities organizations face in fostering inclusive workplaces.

Despite these limitations, this study lays a solid foundation for future research in the evolving field of DEI in Indian organizations, offering insights that can guide more nuanced investigations and interventions in the pursuit of equitable and inclusive workplaces.

6. Conclusion

The findings of this study underscore the critical role of effective DEI practices in shaping an inclusive, supportive, and fair workplace culture in India. Our analysis highlights how DEI elements, such as training on unconscious bias, the establishment of clear DEI goals, and specific policies for women's advancement, are positively correlated with building a strong leadership pipeline. This suggests that when organizations invest in DEI-focused training and policies, they are better positioned to foster talent development and inclusivity at all levels. However, the negative correlations observed with maternity/paternity leave and data masking software indicate areas where organizations may face implementation challenges, potentially hindering DEI progress. Today, Gen Z candidates view an organization's commitment to diversity and inclusion as an important factor when choosing an employer. This generation is on course to make up a larger proportion of the global workforce than millennials and Gen X, so businesses need to be in tune with their priorities. Companies that lack a comprehensive diversity strategy and aren't investing in people from different backgrounds risk coming off as stagnant, causing five-star talent to choose a company they can grow with.

While there is still a long way to go before organizations can claim to be truly diverse and inclusive, organizations must continue to work on creating a more inclusive culture where all employees feel valued and supported. By doing so, they can create a workplace where everyone can thrive and contribute to the organization's success.

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8. Annexure I

The Following questionnaire measures the diversity initiatives of an organisation. Respondents are required to mark each statement as per their degree of agreement with the statement, where 1-Strongly Disagree, 2- Disagree, 3- Neutral, 4- Agree and 5-Strongly Agree

Sr.no	Items
1	My organization has created a post of Chief Diversity Officer
2	My organization promotes inclusive policy
3	My organization support diversity candidates at the time of recruitment
4	My organization support policies to promote women advancement
5	In my organization people talk openly about diversity initiatives
6	My organization has grievance handling and women development cell
7	In my organization, relevant training programs are provided for change in the mindset of employees
8	My organization bring issues related to gender to the top management
9	My organization ensure bias free appraisal process
10	My organization ensures bias free career advancement
11	My organization creates leadership pipeline for women employees
12	My organization provides meaningful task to its employees
13	My organization has environment conducive to promote diversity
14	My organization provide work flexibility to it employees
15	My organization has dedicated budgets to support the DEI programmes
16	My organization has clearly defined DEI goals and strategy
17	My organization offers robust DEI training and coaching for leaders
18	My organization has adopted software that masks data related to gender, race and religion in resumes
19	My organization's leaders do what is right

20	My organization conducts training programmes to recognise unconscious biasness at workplace
21	My organization offers job aids for support in moments of need
22	My organization has well-defined policies for maternity/paternity leave.
23	In my organisation managers offer equal opportunities to people of all different backgrounds
24	In my organization the career progression system offers equitable opportunities for career growth among all employees
25	In my organization employees feel comfortable sharing their opinions and ideas with co-workers and managers, even if they differ

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