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Of Career, Empathy & Inclusion...

International panellists bring to light the dynamics at play in today's workplaces

*Wishing you a happy,
healthy 2021!*

FOUNTAINHEAD OF EXCELLENCE

CONSCIOUSLY BUILDING DIVERSITY & INCLUSION:
**UNIFYING TEAMS, IMPROVING
CORPORATE PERFORMANCE**

A PANEL DISCUSSION



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In Brief

A team of international panellists looked at the many efforts to increase diversity in teams. The panellists looked at some of the individual and social challenges in building a more diverse, tolerant and inclusive workplaces. They also examined the role of diversity and inclusion in unifying teams and improving corporate performance.



NIRMALA MENON

Founder and CEO
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I have worked for many years in Diversity and Inclusion (D&I), particularly in the Indian context. Diversity simply translates into differences. These can be visible like gender, colour, height or weight. But a very large part of diversity is invisible to us—these are one’s thought processes like ‘How do I engage in teamwork? How do I make decisions? How do I deal with power and authority?’

We are all familiar with the concept of iceberg. 10% of a person is visible while 90% is hidden. But many times, we tend to judge people by the 10% of

what we see of them. The value of diversity is really in the other 90% that is quite invisible to us.

Diversity is a fact of nature; everything in this world is diverse. Not even twins are the same. Why is it that suddenly corporates are talking about diversity? How does it matter to a company? Well, the simple fact is that today we are a globalized village. Nothing has proven this better than the pandemic. One tiny virus in China has made the world go down on its knees and we have realised how interdependent we are.

We think that only big companies practise diversity and inclusion, but even small businesses do this very intuitively, because diversity is all about

good business.

The D&I Lesson from a Kirana Store

There is a small kirana store where I live in Indira Nagar, Bangalore, run by a Keralite. I am from Kerala and, for the last seven years, I have been buying a lot from there, simply because he stocks the stuff that Malayalis consume. The other day, he told me that he was going to expand his shop and take on board a partner. I guessed it could be a Keralite, probably his brother-in-law. But he said, “Not a Keralite, but a local Kannadiga.” He reasoned that he already has earned the trust of Malayali customers and now he wants to reach out to Kannadigas. He is not even a 10th standard pass but he has got these business concepts in place.

It is good business sense to have diversity and inclusion in many ways.

As human beings, we are all wired to people like us. Unconsciously, we may resist some people saying that the vibes are not right or the chemistry is not working. That is not good for business. Boardrooms today insist on having D&I. It doesn't come to us naturally, but we need to do this intentionally. A big portion of our talent pool has not really been tapped and fully leveraged. Tapping it though, is not an easy journey. People who come from diverse backgrounds invariably have different life experiences, which are very valuable in improving innovation. We want people to come with different tools. That happens only when we have diverse people sitting at the table and solving a customer problem.

Today, there is a lot of urgency around D&I and many events have happened around the world—the death of George Floyd followed by movements like ‘black lives matter,’ and ‘all lives matter.’ It had its repercussions in India too with Hindustan Unilever rechristening its ‘Fair & Lovely,’ to ‘Glow & Lovely.’ The ripple effect is tremendous. It is a very emotional, politically sensitive and an extremely complex subject that has made inroads into almost every other topic and subject that we can think of. It paves the way for a great discussion.



I worked in Pond's, which was taken over by Lever. In late 90s, I left Pond's and joined Coca-Cola as marketing director of North America. Till then, I had not thought of diversity.

In Argentina, I was looking after Marketing in South America where the people were Spanish-speaking, football crazy and a lot more outgoing. It was a very different kind of group. From there, I went to Atlanta in early 2000. I was running the global brands of Coca-Cola, which were the most valuable brands in the world then.

A Campaign and a Damage Control

Coca-Cola had a dispute with its African American employees who blamed that Coke was discriminating against them in promotions and advancements. They had a lot of data to show that they were not being given equal chances compared to their white colleagues. This was something new to me. As I was looking after brands, I didn't think it affected me at all.

But the dispute became more charged and went to court. There was a movement in social media for boycott of Coke. We knew the charges were not true. The Coca-Cola brand head was an African-American and there were many

African-Americans in my team.

From a brand perspective, we created a multi-lingual campaign about how Coca-Cola is for everyone. We stressed the importance of inclusiveness in the campaign. Eventually, the lawsuit got settled. As part of the settlement, everyone in the company was given in-depth training on unconscious biases and in combating them through self-awareness.

The Dress and Prejudice

Later, I joined Molson Coors as the CEO of International Business where I had another interesting experience. One of my colleagues on the senior executive team was a lady born in South Africa, a white, and living in the US for over a decade. She was a great professional and quite empathetic.

My digital e-commerce team was headed by another woman, also a white. She dressed like a young college girl. Whenever she gave presentations in the meetings, the senior executive would dismiss her as ineffective and not being serious enough in her work. This was triggered by the way the lady of my e-commerce team dressed. This went on for a month.

I was the mentor of the lady running my e-commerce team. I talked to her, told her that the contents of her presentations were quite superior but that she was not heard to, in the

boardroom, owing to certain impressions and unconscious biases that she unintentionally created. I suggested what she could do differently the next time she presented, so people could listen to her. I also talked to the Senior Executive lady and drove hard the importance of not getting diverted due to biases. Suddenly, the relationship changed between them for good.

In a diverse team, initially people don't listen to each other. But when they realise that diverse people add tremendous value to the solutions, better communications happen. Companies with diverse boards perform 5 to 10% better than those that do not have a diverse board.

Companies must ensure that all, including those from under-privileged background are given equal opportunities. India has been addressing this for decades.



For Microsoft, talent was a priority and we created a very diverse organisation. Bill Gates believed in hiring the best talent from all over the world. I have been told that in the early eighties, Bill Gates sent his CTO to hire from Indian IITs, primarily from a talent perspective. These individuals showed up in Seattle and

became early millionaires. Microsoft helped them evolve culturally as well.

Microsoft's diverse perspective in terms of building a localised product to make sure it worked all over the world helped them to build world-class products through localisation. They also hired lots of Chinese engineers in the early 80s who helped Microsoft to have a world-class product in the form of Excel or Word. So, if I look back, it was a very incidental evolution for Microsoft through focussing on talent.

Espoused vs. Lived Culture

Culturally, if you have to measure how you're doing, there is a simple measure. It is the distance between the espoused culture and the truly lived experiences. Having worked at Microsoft for about 22 years, I have seen how its cultural journey has evolved quite a bit, more so in the last 7 years.

Back then, we used to have product reviews with Bill Gates or senior executives. We would get ridiculed if we didn't have a good idea and if it was not liked by the senior management. That was the culture we had.

We have since seen a big change. Any cultural change requires awareness building and we have gone through that shift, from awareness of diversity to celebrating diversity and holding leaders accountable for it. We always acknowledge the differences as an

organisation.

It was always in our culture in the form of a check box for diversity but we never truly implemented it in the company. After awareness building, it required organisational commitment all the way from leadership and full credit goes to our human resources leadership team for working on this. For about three years, we were all asked to learn by-heart the top ten inclusive behaviours and attitudes. In all the conference rooms, we would have posters of inclusive behaviours. We all have subconscious biases and to overcome these, we need to ask questions; we need to listen to others. Those are the simple top 10 behaviours.

As leaders, we started listening and made make sure that all the voices were heard in meetings. We developed muscle memory for diversity across the organisation. After about three or four years into practising D&I, the distance between the espoused culture and the lived experiences has become much shorter. Now D&I is a core commitment of leaders in the organisation and a core component in our performance reviews. It is not an individual impact or a product P & L impact that matters but how the employee delivered that success is important.

D&I and Cool Innovations

Diversity helped us in building some really cool innovations. Microsoft is

known for building accessible products. For example, you don't need a keyboard or a mouse to operate Windows. There are several visually challenged people who don't use keyboard and mouse to operate Windows seamlessly. That perspective has evolved by having lots of differently enabled people in a large organisation.

The leaders have to create an environment where everyone feels they can contribute. There is a safety net within the organisation and leaders hold their managers accountable for creating an inclusive environment. Coming down to the next level of managers who are the front line leaders, demonstrating these role model leadership behaviours on every occasion is extremely critical. We now look at diversity across the board.



Diversity and inclusion (D&I) as a concept is 40 years old. As a management concept, it is very young. It was propagated by a person called Lewis Griggs in the early 1980s. Most companies that Lewis talked to could not get their hands around it.

D&I is not affirmative action. It is not equal employment. Diversity is a fact; inclusion is a choice. From my work experience, inclusion leads to

diversity and not the other way around. You can have a very diverse organisation with zero inclusion and the organisation will fail. Inclusion therefore comes first. If you are inclusive, you will automatically be diverse. There will always be some things in the diversity bucket, some in the inclusion bucket and some which will be common to both.

We now have the highest number of women CEOs in the world in the Fortune 500 list—38 of them. In almost every single year, this number was less than 5%. For the first time, we are at 7.5%. Obviously, the world has taken some note of D&I.


Only when we are in a minority in some situation, we will feel the need for diversity and inclusion. When in majority, we'll never feel its need. When we sit in a meeting where nobody else speaks our language, then we'll understand its significance better.

Lessons from Three Companies

From my personal experience in India, I'll talk about three companies—Nokia, PepsiCo and Aditya Birla group. In Nokia, 40% of my management team was women, which was then the highest among all Indian corporations. When I went to PepsiCo, I had only one woman manager in my management team. When I left, we had 40% women in that team. Both in Nokia and PepsiCo, we strove to get people from different

economic strata and different disciplines.

At the end of my first year in PepsiCo, our women-to-men ratio was not strong enough. So we took a conscious decision to move it up significantly. I said that 70% of all hiring in future must be women. When we set this target, the HR and leadership teams thought it was not possible. I persisted with trying it out. It is easy to set a target but extremely important to change people's habits and especially, some of the things men do when they interview women. The hiring manager asked questions like, "When do you plan to get married? When do you plan to have a kid? If your husband gets another job in another town, will you go away?" In PepsiCo, we realised that this can't work. So we did a huge session with all the hiring men-managers to drive the message that these are 'no- no' questions.



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The Masking and the Change

The current CHRO of PepsiCo Ms Pavitra Singh, looking after talent, came up with a wonderful idea of masking the CVs that were sent to the hiring managers. That increased the ratio of women-to-men intake to 2:1. We changed all job descriptions to make it unisex. We had to teach men the benefits of diversity. There are conscious and unconscious biases. Some of the men walked up to me and asked me if they had a future in the company as we were hiring so many women. So, we had to ensure that we recognised talent and consistently promoted the best people.

During my term in PepsiCo, at the end of the appraisal process, I would ask

the team to show me the women's ratings versus men's ratings. In all those years, women scored higher ratings than men. These ratings were not done consciously at all.

We had eleven job brands in PepsiCo. In three, women earned more than men and in three, men earned more than women. In the rest, they were roughly similar, but nowhere was the difference more than 10%. PepsiCo India was the only equal employment, equal salary company across PepsiCo, globally.

In PepsiCo, we used to classify the cities and towns into green, red and yellow. We were surprised that many young girls opted for the challenging red

and yellow cities than the comfortable green ones.

In ABG (Aditya Birla Group), we have women at 14%. Our target in the next few years is to move it up to 25%. In my current strategy team, I have more than 40% women. In the textiles and other business that I run, I'm trying to push it up but it'll take some time, the reason being that manufacturing organisations have typically tended to rely on men and not women. So we need a huge mind-shift change. In one of our large textile plants, for the first time, we have a night shift manager who's a woman. She is a 25-year-old girl who insisted on the position and did not want to be discriminated against. ■