



INSIDE India's workplaces

ONE MILLION YOUNG INDIANS ENTER THE job market each month, yet around 60 percent of Indian employers struggle to fill vacancies, according to surveys. India's widely advertised demographic dividend remains, for now, a misleading metric.

Two-thirds of all Indians are 35 or younger, and those of working age in that number are potentially at the most productive period of their lives – but many struggle to find meaningful work. India's most recent Economic Survey by the finance ministry attributes the disconnect to a mix of inappropriate learning in higher education and a lack of factory-floor skills training.

This makes the search, cultivation and retention of talent arguably the most important challenge for businesses in India, one made even more pressing by the country's eroding labor-cost advantages relative to rich economies, as well as other regional economies.

It's a seller's market for talent, says Brunswick's AZHAR KHAN, and companies are going to great lengths to win the bidding war

The internal role of human resources at businesses in India has never been more critical, nor the battle for top-tier talent more fierce.

Companies that have historically taken a compliance-led approach to engaging their workforce are now adopting a new brand of "office chic," no longer resisting the idea that employees – especially the youth – favor a portfolio view of employment rather than a lifelong commitment.

India's technology services companies have pioneered the movement to create a workplace environment that spurs camaraderie and creativity, autonomy and passion – and yet still places huge emphasis on career progression and culture.

Wipro and Infosys, two giants in tech services, have built self-contained micro cities for tens of thousands of employees, with libraries, food courts and numerous other amenities, calling to mind the sprawling tech campuses of Silicon Valley. In effect, these tech companies institutionalized workplace



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cool, which largely meant building a strongly incentivized environment of continuous learning and development for driven young workers.

The IT titans have been joined by others in manufacturing and financial services as employers try to stand out in a seller’s market for talent.

Godrej, one of India’s oldest conglomerates, launched a “Culture Lab” in 2011 to encourage ideas and innovation among its young staff. An experimental incubator based out of the group’s suburban Mumbai headquarters, the Lab explores “what it means to be modern and Indian” through talks, conferences and performances, and an online repository for content on topics such as gender and sexuality. Open to both employees and the public, Godrej says insights from the Lab have helped shape several group efforts, including the group’s diversity and inclusion initiatives.

But it has been India’s legion of startups that have refined workplace culture to something more akin to “chaotic cool.” These startups have been a lightning rod for young India, reflecting risk-taking, breathless, often reckless expansion. That, in fact, has been their big trick in attracting academically rich recruits from conservative employment backgrounds, such as banking, consulting and multinationals.

Though not offering much in terms of career progression – over three quarters of respondents to a recent poll of India’s Millennials felt they will have left their employers by 2020 – the startups compensate with innovation, notably in encouraging and supporting activities with a social purpose.

At Flipkart, one of India’s leading e-commerce businesses, employees can apply for grants of up to \$4,600 to take part in challenges that help them fulfill personal passions. Bharat Financial Inclusion, a microfinancier, has a program that trains people who dropped out of school before 10th grade to become managers within five years of joining; many trainees have gone on to become regional heads.

But in a country of striking heterogeneity, a common thread is family. That, too, is reflected in workplace culture. Extended family often live under a single roof, and leading employers now offer a culture that embraces the family. Health insurance for in-laws of staff, “family days” for parents of employees – some CEOs even send letters to parents thanking them for their son’s or daughter’s contribution to the company and informing them of promotions. Such small gestures are crucial in binding a family to a firm, reassuring

nervous parents that their investment in their child’s education has been worthwhile.

Kevin Freitas, who has led HR strategy for large Indian companies in both the old and new economy, believes that while small gestures are crucial, the most important building block of workplace culture is “open information sharing across the organization.” In a frenzied business environment, typified by India’s startup community, sharing information is essential because “uncertainty about a company’s direction can lead to stress and departures,” Freitas says.

Technology is enabling such connectivity and corporate India is an enthusiastic adopter. Since its launch last October, Facebook is reported to have signed around 800 Indian companies to Workplace, its enterprise communication app, making India one of the top five in the world for the platform.

Technology is also transforming the way businesses find and recruit talent. Shortlist, a startup that uses technology to help Indian firms source and screen talent, has called time on the résumé. Paul Breloff, Shortlist’s CEO, argues the traditional résumé “lacks the reliable signals of whether the candidate is actually going to be a good fit for the job on aspects such as mindset, soft skills, and competencies like attention to detail.”

Technology is also helping Indian companies filter the tens of thousands of applications they receive – often for a single position. According to a recent survey, India ranks favorably in its adoption of online assessments, video interviews and applicant tracking, with around 53 percent of recruitment professionals using these tools, compared with around 46 percent globally.

Nor has government been slow in responding to workplace culture. In Mumbai, more than 25,000 square feet of coveted office space was recently leased for daycare centers after an amendment in a maternity benefits law passed. The law required firms with 50 employees or more to provide childcare facilities either on the premises or close by.

While companies experiment with different benefits and programs, all share the same goal: convey respect, lift morale, and build trust. It is no secret these matter immensely to employees. But it works both ways: businesses benefit, measurably. An analysis of public companies by Great Place to Work India revealed that companies that were among the most trusted by their employees consistently outperformed major Indian stock indices – in 2017, they did so by a factor of four.