ELEVATING WOMEN IN IT: HCLTECH'S EFFORTS TO REPAIR THE BROKEN RUNG

About

Through our Women in India Inc. project, in partnership with the Bill and Melinda Gates Foundation and the Center for Economic Data and Analysis (CEDA), we are spotlighting organisations that have demonstrated excellence in gender representation. This series of case studies focuses on selected private-sector organisations that have recently emerged as positive outliers in their respective sectors. The goal is to document gender-inclusive practices in the workplace by unpacking their gender-inclusive hiring, retention, and advancement practices and policies, inspiring others to adopt similar systematic approaches to bridge the gender gap.

The Udaiti Foundation

The Udaiti Foundation (TUF) is building data-backed evidence to accelerate Women's Economic Empowerment (WEE) in India. Udaiti focuses on improving the availability and accessibility of quality work for women, addressing barriers to women's work and entrepreneurship, and strengthening enablers that can create impact. We aim for every Indian woman to achieve her full economic potential as it will be a critical lever to help India become a $10 trillion economy in the next decade.

Centre for Economic Data and Analysis

The Centre for Economic Data and Analysis (CEDA) has been set up by the Economics Department of Ashoka University with the primary objective of facilitating informed and data-driven discussion about key socio-economic developments in India. CEDA's in-house data portal hosts data from various administrative and official surveys covering fields including demography, employment, public finance, food prices and high frequency macroeconomic indicators. The data is supplemented with deep-dive analysis covering various dimensions of critical issues relating to the Indian economy. In addition to these, CEDA is currently working on an ambitious project to understand and find ways to overcome the demand-side barriers that are keeping women out of the workforce.

Women in India Inc.

'Women In India Inc.' (WIIn) is a collaboration between CEDA and TUF as a part of a larger CEDA project on women's economic empowerment. With the support of the Bill and Melinda Gates Foundation, CEDA has embarked on a wide-ranging project to understand and find ways to overcome the demand-side barriers that keep women out of the workforce. To achieve this, we at CEDA are taking a three-pronged approach – Inform, Investigate, Intervene – in order to enable women's entry, retention and progression in India's workforce. Visit https://ceda.ashoka.edu.in/womens-econ-empowerment/ for more details.

Inside this Story

Executive Summary

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> *"My first job was with a company I joined through campus placements. I worked there for four years and never got promoted. I had played dev lead and client-facing roles for two large projects. My utilisation was through the roof. I completed a leadership certificate program. And still, I was overlooked for promotions. Despite asking my manager multiple times about what more I could do, he would give me vague answers like "keep doing what you're doing." Eventually, I moved out when I realised that no women in my business unit were getting promoted."*
>
> *- Prerna Singh,[1] Software Developer*

India's Information Technology (IT) sector has made significant strides in growing gender diversity numbers through focused hiring, yet a familiar pattern persists—women's representation declines as they advance up the organizational hierarchy. Women's participation, which stands at 35% in entry level roles in IT falls to just 17% at senior leadership levels.[2] While organisations continue to make progress towards their gender diversity goals, this "broken rung" problem—barriers faced by women in advancing from junior roles to managerial levels—is a serious impediment to the ultimate goal of achieving gender parity.

A handful of organisations have recognised this issue and are actively taking steps to address it. The organisation has been a signatory of the United Nations Women's Empowerment Principles (UN WEP) since 2012. In the past five years, gender diversity at senior leadership levels has grown by 24%[3] and the percentage of women on the Board of Directors has increased from 30.76% in 2021-22 to 35.71% in 2023-24. In recognition of their progress, HCLTech was featured in the Bloomberg Gender Equality Index 2022[4] and has received numerous other accolades.

What policies, programs and practices has the organisation implemented towards retaining and advancing women within their workforce? In this case study, we examine these and their impact, in an effort to inspire and guide professionals in Diversity, Equity & Inclusion (DE&I), Human Resources (HR), and leadership roles who are working to create more gender-diverse and

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1 Names have been changed to protect the privacy of the individuals concerned.
2 Economic Times: India's give big IT firms see net exit of 25000 women in FY'24
3 How diverse practices are bringing change at HCLTech
4 Bloomberg Gender Equality Index 2022

inclusive workplaces.

Methodology

This report was prepared by The Udaiti Foundation (TUF), using a mix of primary and secondary research methods over an eight-month period from January to September 2024. It was developed as part of a larger project led by the Centre for Economic Data & Analysis (CEDA), Ashoka University, on 'Partnering with the private sector to increase women's economic empowerment'.

The Udaiti team employed a combination of primary and secondary research methods to prepare this case study. Primary methods included interviews with program owners and management teams at HCLTech, while secondary methods involved analysis of sector reports, company annual reports, DE&I reports, news articles and press releases.

1 **Discussions with Program Owners and the DE&I Team**
The Udaiti team conducted 4 interviews with the DE&I team at HCLTech between January 2024 and September 2024. The TUF team aimed to get an understanding of HCLTech India's gender-focused programs across the employee life cycle. As discussions moved forward, retention and advancement of women employees surfaced as the two major areas of focus. The insights from these discussions were supplemented with information collected through secondary research, and any knowledge gaps, clarifications, and follow-ups were conducted over email.

2 **Document Analysis**
Over the course of six months, HCLTech's team shared material on their gender diversity programs and practices, which TUF analysed. Additionally, the team reviewed publicly available material such as HCLTech's annual reports, Business Responsibility and Sustainability Reporting (BRSR) disclosures, as well as articles and reports on the organisation's diversity journey, and the IT sector overall. In developing this case study, TUF has also referred to data and research insights gathered as part of the Close the Gender Gap (CGG)[5] project.

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5 Close the Gender Gap, 2023, The Udaiti Foundation

The State of Gender Diversity in the Indian IT sector

The Information Technology (IT) sector in India stands out as a leading employer of women. With 647,000 women employed in IT firms listed on the National Stock Exchange (NSE) alone, the sector boasts a significantly larger female workforce compared to others. It has also been one of the fastest-growing sectors globally, driven by rapid technological advancements and increasing digitalization across various domains.[6, 7]
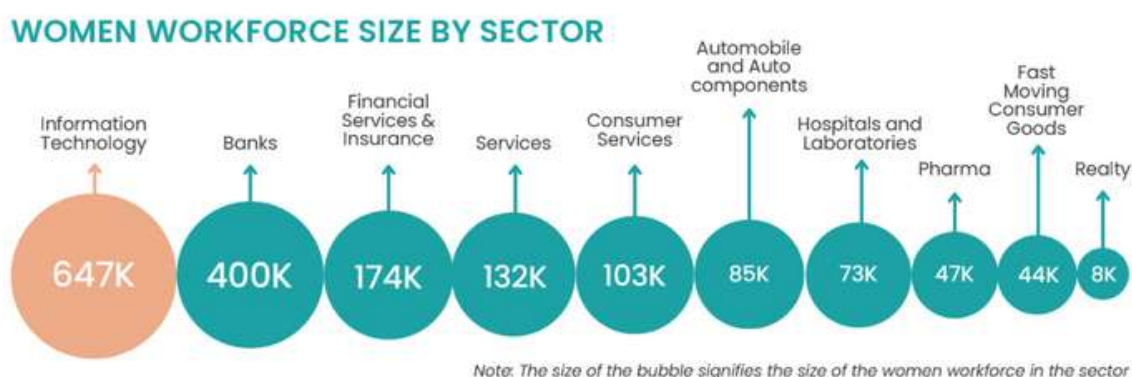

WOMEN WORKFORCE SIZE BY SECTOR

Information Technology — 647K
Banks — 400K
Financial Services & Insurance — 174K
Services — 132K
Consumer Services — 103K
Automobile and Auto components — 85K
Hospitals and Laboratories — 73K
Pharma — 47K
Fast Moving Consumer Goods — 44K
Realty — 8K

Note: The size of the bubble signifies the size of the women workforce in the sector

Figure 1: *Women workforce size by sector, Close the Gender Gap, 2023, The Udaiti Foundation. Note: This analysis focuses exclusively on NSE-listed IT firms.*

Women make up 34% of the employees in NSE-listed IT firms (2022-23), a figure that has remained relatively stable since 2021. This fares relatively better than most other sectors such as Banking and Financial Services at 26% or Service Sector at 15%.[8] While the diversity ratio at entry levels in the IT sector is 35%, it diminishes to 17% at senior levels.[9] The sector retains 87% of its women workforce, but this is below the 93% average retention rate seen in others. Moreover, the turnover rate for women in IT stands at 23%, noticeably higher than the 18% turnover rate across other sectors. Viewed in conjunction with these statistics, the fact that the female workforce participation in IT has remained the same since 2021 suggests that it may have plateaued.

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6 Close the Gender Gap, 2023, The Udaiti Foundation
7 2024 Technology Industry Outlook, 2024, Deloitte
8 Close the Gender Gap, 2023, Sector Scorecard.
9 Economic Times: India's give big IT firms see net exit of 25000 women in FY'24
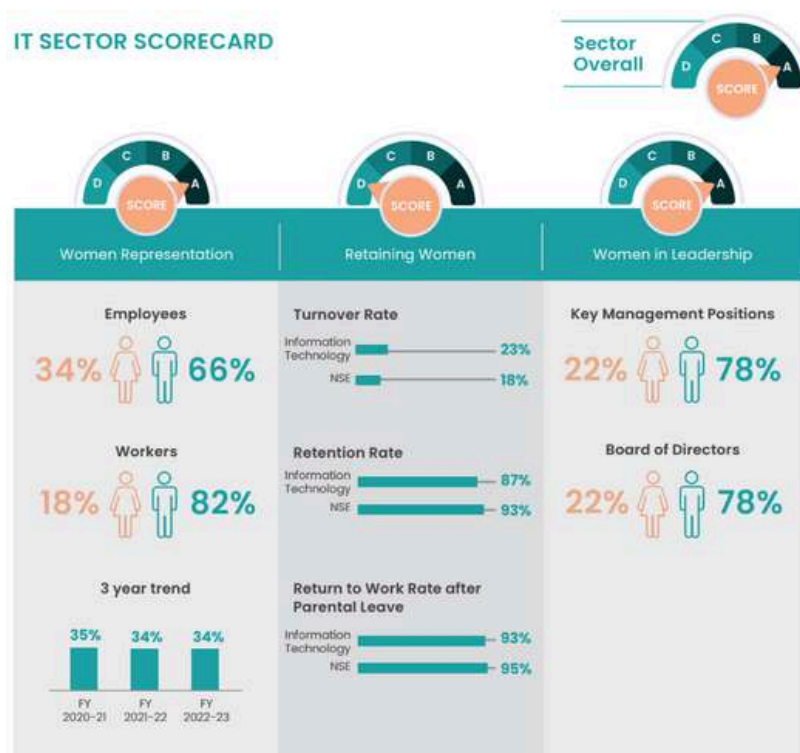
Figure 2: *Women in the IT sector overview, Close the Gender Gap, 2023, The Udaiti Foundation. Note: This analysis focuses exclusively on NSE-listed IT firms.*

Simply adding headcount is not enough to bring gender balance. A clearer indication of the success of women in the technology space includes an assessment of the proportion of leadership roles held by women, whether women are rapidly advancing within firms, the attrition rates of women employees and the reason behind these, and what is being done to address the long-existing disparity in career progression opportunities.

The Broken Rung Problem

In their *Women in the Workplace 2023* report,[10] McKinsey & Co identified the "broken rung" as the biggest obstacle faced by women on the path to leadership roles. The broken rung occurs at the early critical step up from junior roles to managerial positions. Men are promoted to managerial roles at a higher rate than women, creating a domino effect that limits the number of women who can rise to senior positions later on. The underrepresentation of women in early managerial[11]

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10 Women in the Workplace 2023

11 In this case study, terms like 'managerial roles,' 'senior roles,' and 'leadership roles' are used interchangeably to indicate career progression for women employees. While definitions vary slightly across companies and reports within the IT sector, these terms collectively reflect career advancement within the larger context of this case study.

positions significantly impacts the leadership pipeline, particularly in India's IT sector.[12] The NASSCOM report titled "India's Tech Industry: Women for the Techade" provides insights into the representation of women in India's IT sector. According to the report, women constitute 35% of the total industry workforce. Notably, there has been a twofold increase in women at the executive level over the past three years.[13]

However, other sources indicate that women hold a smaller percentage of executive positions. For instance, Skillsoft's 2022 Women in Tech Report[14] for the India Region states that only 7% of executive-level positions are occupied by women. These discrepancies highlight the ongoing challenges in achieving gender parity in leadership roles within India's tech industry.

There are a number of reasons why the broken rung exists. One is unconscious bias in performance evaluation. According to a study[15] by MIT Sloan professor Danielle Li, women employees are evaluated on performance whereas men are evaluated on their potential, with the result that they are 14% less likely to be promoted. Despite progress in tech, biases persist about what makes a good leader. Leadership roles are often associated with traditionally masculine traits, like assertiveness or decisiveness, which can lead to women being overlooked for promotions.[16] In India, a substantial number of women exit the workforce at middle management levels, with estimates suggesting that 30-40% of women in these roles leave, resulting in fewer women reaching senior leadership positions.[17]

Informal networks play a significant role in career progression, and women are often excluded from these circles, where important decisions about promotions are made. Manisha Girotra, CEO of Moelis India puts it this way: "Boys' clubs still operate that many times do not give women the right kind of projects (that can advance them in their career) thus demotivating many women who see their juniors [male colleagues] becoming senior and moving ahead."[18]

The lack of mentorship, role models, and sponsorship adds another layer to the issue. With fewer women in leadership positions, there are fewer role models to guide and mentor younger women through the promotion process. Mentorship alone, however, is not enough—sponsorship, where a senior leader actively advocates for an employee's promotion, is more impactful but often less accessible to women. Finally, the culture in IT can be highly competitive, and imposter syndrome —a psychological pattern where individuals doubt their accomplishments—can disproportionately affect women, making them less likely to advocate for themselves.[19]

To level the playing field for women and make access to opportunities more equitable, multiple cross-functional interventions are required, including gender-sensitive career development

12 Women in the Workplace 2024: The 10th Anniversary Report
13 India's Tech Industry: Women for the Techade
14 Skillsoft's 2022 Women in Tech Report: India Region
15 Potential and the Gender Promotion Gap
16 Women Rising: The Unseen Barriers
17 Fixing the Broken Middle Rung
18 Red Flag: Why are so few women checking into India Inc's C-Suite?
19 What's holding women back?

programs, mentorship and networking opportunities, and platforms to spotlight women's achievements.

Inside HCLTech: Fixing the Broken Rung

HCLTech, founded in 1991, is one of India's pioneering IT services companies, currently with a presence in 60 countries and 220,000+ employees. Women make up 29.2% of its workforce, up from 23% in 2014.[20] The organisation has made significant progress in reducing turnover rates among its female workforce. In 2021, HCLTech's turnover rate for women stood at 22.05%, notably lower than the broader IT sector's rate of 30% for 2021-2022. By 2023-2024, HCL further reduced this rate to 12.72%, significantly outperforming the sector average of 20%.

Figure 3: *Turnover rate at HCLTech in comparison to women in NSE-listed IT firms. Close the Gender Gap, 2023, The Udaiti Foundation. Note: This analysis focuses exclusively on NSE-listed IT firms.*

20 How diverse practices are bringing change at HCLTech

HCLTech has set itself a goal to achieve 40% women in the overall workforce and 30% in senior leadership roles by 2030.[21] To achieve this, their diversity and inclusion initiatives are designed towards not just increasing the number of women hired but fixing the broken rung problem during the early to middle stages of their career.

Discovering Why and Why Not

The foundation of HCLTech's diversity, equity and inclusion program is built on two core initiatives aimed at understanding what motivates women to stay in the workplace and what challenges they face in advancement and retention.

1 **Insightful Conversations**
These 1:1 meetings between managers and their female reportees focus on understanding what drives their retention and growth within the company. By gathering feedback, these discussions highlight positive factors that foster loyalty while uncovering potential triggers for attrition, such as unconscious workplace bias. Thought-provoking questions about women's experiences and career paths provide valuable insights for the organization to better support their development. The feedback collected helps identify key areas for improvement, empowering managers to create strategic plans and implement effective solutions.

2 **Why Not initiative**
This initiative run for senior management women, focuses on identifying the reasons that prevent women from being promoted. This provides crucial input on whether the gap is related to skills, bias, or oversight. High-performing women employees, in particular, are monitored and their promotion decisions are reviewed to ensure fairness and the absence of bias. For instance, the cases of women who received the highest two ratings but were not promoted in the past two years are proactively examined to understand the reasons why and take corrective action.

In addition to organisational sensitisation and training programs designed to eliminate bias, the insights from these interventions help them monitor instances on the ground and take corrective action as necessary.

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21 He For She Alliance Report | Page 15

Skill Development at Every Level

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"What women employees need at different stages of their career is different. Until a Tech Lead or Project Manager roles, the need is for technical and functional skills. But when they have to move up to managerial roles like Solutions Architect or Program Manager, they need some enablement to develop a new set of behavioural skills as well," says **Sudha N. V., Group Manager - Training & Development, Diversity and Inclusion**. Accordingly, HCLTech has customised learning interventions for women employees at different points in their careers.

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Three key units are involved in the design of skill-building programs at HCLTech— the hiring team, the project delivery team, and the DE&I team. **Chandini Kamal, Human Resources leader at HCLTech** explains why the context and content also comes from hiring managers. *"What are the skills a hiring manager looks at when hiring laterally from outside the organisation? We study this to understand the skill gaps and address the same within our internal talent pool through training. This ensures our current workforce to move up to the next level. While meritocracy is at the foundation, to ensure equity, women employees get additional support and focused interventions to help them be aware of the opportunities and skill needs at the next level and work towards developing them."*

Once the initial learning framework is set, the training & development team steps in to provide consultation and help develop the curriculum. This is periodically revised based on feedback from program graduates, leaders' inputs on areas of focus and skill gaps, and recommendations from the performance appraisal team regarding training needs. The following programs have been run at HCLTech for the past eight years, catering to the diverse needs of women employees at different points in their career. All the programs are carefully designed to foster career advancement at every stage, starting from the early phases of an employee's career.

(1) **Ignite**
The Ignite program focuses on employees at the E1-E2 levels, providing foundational support for growth. This 16-week program is designed to advance

the careers of junior-level women employees in technical roles. It aims to improve gender diversity at mid-management levels by upskilling women for strategic roles at the onset of the leadership ladder. Ignite offers learning opportunities through a blended curriculum, customised to the unique needs of each participant.

2 **Momentum**

The Momentum program targets those at the E3-E4 levels, helping them build momentum in their professional journey. This program, also a 16-week initiative, has been designed to accelerate the advancement of women in mid-level positions. It aims to create a robust succession plan and professional development roadmap for employees who typically manage small teams or lead specific projects, balancing operational responsibilities with strategic input. Here, there is a higher emphasis on building leadership skills in addition to technical and functional expertise.

According to internal employee surveys, both Ignite and Momentum have significantly improved women employees' career progression prospects, boosted confidence in technical roles, and strengthened the pipeline of female talent ready for leadership positions. These initiatives have led to a 20% increase in retention and a 10% higher promotion rate among participants.

3 **Surge Ahead**

Finally, the Surge Ahead program is tailored for employees at the E5-E6 levels, equipping them with the tools and strategies needed to excel in leadership and advanced roles. This 16-week program is designed to address the critical business goal of building a strong leadership pipeline for women, positioning them for success in senior leadership roles. This program focuses on a unique combination of mentoring and coaching from senior leaders and tackling the evolving competency needs of women as they progress into more senior-level strategic positions. A distinctive feature of the program is its learning sustenance structure, where past participants actively contribute to shaping the program's next phases, lead peer mentoring circles, and serve as mentors and coaches, fostering a cycle of continuous growth and support.

Piloted in 2014 and formerly known as Ascend, Surge Ahead was awarded the Brandon Hall Gold Award in 2017 for 'Best Advancement Program for Women to Advance in Leadership Roles'. HCLTech reports that the program has successfully addressed the mid-management leaky pipeline, with an 86% retention rate among participants and 55% being promoted post program completion.

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Prelude
This is a six-month invite-only program aimed at identifying and preparing high-performing women at the E4 level for leadership roles (within HCLTech, these start at E5 onwards). It is tailored to different career tracks (technical and managerial) based on the employees' interests and delivered through a mix of experiential, video-based self-study modules, and classroom, discussion-based sessions by Subject Matter Experts (SMEs). The curriculum includes themes such as stakeholder management, critical thinking, business storytelling, design thinking, etc., that prepare women to develop their leadership skills. Participants are assessed midway through the program and upon completion by an assessment panel to make it accountable and outcome-focused.

HCLTech also offers a lateral learning platform that alumni of these programs can access anytime to further upskill themselves via technical, functional and behavioural tracks. More recently, the organisation has launched a Virtual Inclusion Lab, aimed at training employees on leadership capabilities with a particular focus on inclusion. The goal of the program is to make inclusive leadership a part of HCLTech's organisational DNA.

Visibility, Networking, Inspiration

Having visible role models helps to retain and motivate the talent in the workplace. According to a 2022 study[22] by LinkedIn, 43% of women believe that they would be more successful if they had women role models at work and one in four women admitted that they changed jobs because there were no role models for them to look up to or be inspired by in their previous companies. HCLTech has recognised this need and rolled out a range of programs that foster a motivating workplace for women.

One of these is the *Accomplished Women* program, which identifies high-performing women within the company and connects them with senior leadership. Through dedicated forums and

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22 Lack of role models hindering women's career progress

profile-sharing, participants gain visibility and direct access to new project opportunities. This is supplemented by the Role Model Program that offers women employees direct connections to senior leaders who serve as mentors and sources of inspiration. These relationships motivate employees and help them navigate their own paths to success.

> "We as women face many challenges. One of the things I have learnt from my experience is to be authentic, to make sure you are who you are and that you're not apologising for it. Find sponsorship in your networking group and never be afraid to ask for help."
>
> - Kavita Kushalani, Sr. Sales Director[23]

Untold Stories and **Athenas** celebrate the personal and professional achievements of women at HCLTech, with stories published across the organization to enhance their visibility and reinforce a sense of belonging. These narratives highlight contributions both at work and beyond, encouraging others to follow in their footsteps. Women sharing their own stories and paths to success helps to mitigate imposter syndrome and confidence issues in others. For inspiration and wisdom from beyond HCLTech, there is **Feminspiration**, a platform where women leaders from client companies engage with HCLTech employees, offering insights into leadership and gender perspectives that inspire both personal and professional growth.

The **Board Lunches** initiative facilitates quarterly interactions between HCL's Board Members and senior women employees, providing a space to discuss and enhance Diversity, Equity & Inclusion (DE&I) strategies while ensuring that women's voices are part of the organization's strategic agenda. Finally, the **Allyship Program** empowers DE&I Champions to foster inclusion within teams by calling out non-inclusive behaviours and promoting allyship. Together, these initiatives create a supportive ecosystem where women can thrive and inspire others to do the same.

Maternity-friendly Policies

Maternity is one of the key reasons why women leave the workforce mid-career, owing to increased personal responsibilities, changing priorities and health needs. To support and retain their employees during the motherhood phase, HCLTech offers a number of initiatives in addition to flexible hours, remote work, child care assistance, and parental leave.

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23 Women Connect Network

One is the Momtastic Program—an initiative by the DE&I team that supports employees transitioning into motherhood and eases their decision-making process. Another is the Mom Care Program, designed to support new mothers in postpartum recovery, set up a personalised healthcare team for mother and child, and ensure a healthy work-life balance for the employee.

Employees who are away on maternity leave are assigned a buddy so that they do not feel disconnected or out of touch with the workplace. There is a Manager's Toolkit designed to sensitise and guide managers on effectively supporting women team members who are pregnant. HCLTech offers an extra month of paid maternity leave in addition to the government-mandated 26 weeks. Once employees return to work, they are offered role alignment support to ensure that their reintegration is smooth. All these help to retain women employees during this crucial period in their life. HCLTech's current return to work post maternity stand at 99.8%.

The Returnship Program

Women often struggle to find a job or restart their career after taking a break for maternity, caregiving or other personal reasons. HCLTech's Returnship program is specifically designed to help such women re-enter the workforce. It helps them learn new technologies and get mentored by SMEs in a flexible setup. Upon successful completion of the training, participants are offered opportunities for intern roles, with the potential to convert to full-time. For those needing further support, additional training and interventions are provided to ensure their readiness for the role.

Conclusion & Way Forward

At HCLTech, gender diversity at every level continues to be a focus area. **Kamal** explains, *"We are always focused on improving the gender diversity numbers. In fact, it is a bonusable target parameter for all our business leaders up to the CEO-minus-one level. We regularly publish our numbers to the Board and externally as well. Sponsorship from the highest echelons is a given whenever we propose initiating or expanding DE&I initiatives and we are actively looking to engage with third parties to enhance these."*

HCLTech's future plans include the use of machine learning algorithms to identify and address

biases in hiring and performance management. The organisation is working to enable data-driven insights' measurement of the effectiveness of its gender inclusion initiatives and making data-backed adjustments for better outcomes. HCLTech's DEI Centre of Excellence team is also in the process of creating an influencer programme where the powerful and inspirational effect of women leaders will be amplified across the organisation to create a ripple effect to inspire other women in the organisation.

HCLTech's journey towards elevating the presence and advancement of women in tech through proactive, supportive measures is a great example of how intentional, targeted, well-executed programs can address the unique challenges women face in the workplace. Their focus on understanding the needs, motivations and challenges of women employees, tailor-made skill development programs to help women thrive at work, and platforms to help women get mentorship and inspiration, have not only improved retention and promotion rates for women but also created a more inclusive and equitable work environment.

As with any long-term initiative, stewardship from the leadership level and continuous efforts are required to build on this foundation and address emerging challenges. As long as the organisation continues to hold candid dialogues with its women employees and takes active measures to support them, the eventual goal—create a sector where women not only enter but thrive, progressing into leadership roles and shaping the future of the sector—can be achieved.

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