



Rural Mentoring Is Good Not Just for Equality but the Economy at Large



The pandemic has had a substantial impact on every aspect of our society, not least the economy. With its most significant fall in four decades, the Indian economy has shrunk by nearly a quarter (23.9%) in June. The shortfall, however, is not just economic, but also moral, as this dip comes in the face of a rural population that has borne the brunt facing issues related to income and other inequalities. That said, although this situation may seem like an opportunity to get stuck into cause and effect thinking, we may be better served by evaluating the avenues for development and resilience.

Recent events notwithstanding, India's growth story over the past few decades has been nothing short of exemplary. That the country has become a force to reckon with, globally, without addressing the perennial issues of income inequality, healthcare, and widespread poverty, is testament to its potential and ability. However, we are now at an inflexion point in our history. One where we must choose between prioritising short-term slapdash interventions or long-term strategies that will help build a nation capable of leading the future. Given what

COVID-19 has shown us about the importance of robust models and resilience, the latter option would be a prudent choice.



Our rural growth story is an essential part of this paradigm. For far too long, we have developed the country's urban centres with an almost myopic focus on developing sectors with a high economic impact. The rural population, critical and forgotten in equal measure, continues to be an afterthought. While they are the subject of issues like financial inclusion or even healthcare, rural India very rarely is on the economic development plan. That discrimination can no longer be the status quo.

The availability of opportunity is just the first step. Enabling people to build on what they have been given is the more crucial intervention. Previously, what used to be within the scope of informal conversations or counselling now falls under the more structured purview of mentoring. While mentoring has started to grow in popularity in more urban regions, the current situation has meant that working professionals across locations have lost jobs. That's where I believe rural

mentoring can play a vital role. In markets that are transitioning from a focus on artisanal jobs (like weaving, for instance, in Yemmiganur) to a mix that includes corporate opportunity, mentoring is a vital catalyst for growth and resilience. It helps employees in these rural regions to develop an approach beyond mere utility by empowering them to move beyond the skills required for their daily tasks.



Access to leaders from corporate India, urban corporate India, can imbibe in the rural workforce a confidence to create their future, not just feed on the crumbs left behind by urban trailblazers. It is here that we, at IndiVillage, have placed our faith in a rigorous and structured corporate mentoring program featuring leaders from some of the country's finest companies. A six-month engagement will see first-time managers at IndiVillage have access to mentoring from these leaders, enabling them to take ownership, define more nuanced career paths, and augment the impact of their leadership ability. Already off to a great start, we expect the program to be a recurring initiative at the company, adding even more value to our hugely inspiring teams in Yemmiganur, AP, and Raichur, Karnataka. The program serves to inspire the mentors too. With the pandemic freeing up time otherwise spent on travel and other logistics, the mentors in our program have spoken about how the initiative gives them the opportunity to pause, develop

an idea, and make a meaningful contribution. This ability feeds into the fact that time, our most valuable asset, is easier to contribute now, shifting the reliance on CSR programs and other altruistic endeavours to the knowledge and intent of well-trained professionals in the corporate sector.



The ability to build a successful company on the back of rural empowerment and community impact is more than a unique attribute; it is a superpower and one we believe many organisations can replicate. That's why we have built a replicable and scalable mentoring program that can easily be adapted and adopted by companies across sectors.

The success of IndiVillage's purpose-led profit model has been nothing short of a transformative experience. Previously the responsibility of nonprofits or other charitable organisations, the results of our model demonstrate that doing business for good doesn't have to be a tradeoff between the moral ground and the bottom-line. Conscious business and capitalism can be mutually inclusive, impactful, and lucrative. And that's what we have seen through the success of our

impact sourcing model. As we see more companies start to explore the idea and develop their iterations of this setup, it is essential to evolve a model that is built for tomorrow, one that empowers leaders to define and deliver their unique contribution. India Inc. must turn its hand to creating equal opportunity and augmenting our collective intelligence at scale. It's only then that we will set the stage for an economy resilient in the face of crises and, more importantly, one with a clear conscience. While building businesses and providing opportunities in rural areas is a step up from the zeitgeist, we cannot be content with tactical and cost-based wins.



**Fostering
development
Volunteerism**

**Urban-Rural
through**

In India, the post-pandemic phase caused the urban-rural divide to grow deeper than before. The containment of the pandemic and the treatment was handled differently in rural India, and even the recovery methods have been uneven compared to the urban regions. Since the availability of resources is higher, and with a belief that the development of the country happens only through urban areas, the recoupment of rural areas has been considerably slower. At IndiVillage, we spent a large part of the past pandemic year finding initiatives that would help reset rural India, and through an experience, we came to an understanding that volunteerism could play a key role in bridging this urban-rural gap.



How does volunteerism aid rural India?

India being the fastest-growing economy is home to **20%** of the world's youth population. Though a majority of the Indian population resides in rural India, the population distribution is highly uneven, as most of the youth migrate to urban regions to find work. This large void can be filled as rural India grows more

through employment opportunities, but until then volunteerism could be a way to stitch the gap closer.

Rural India is home to a hub of entrepreneurship as **54.2 %** of the population is self-employed. Bringing more light to these initiatives through volunteer involvement helps the people of rural India recuperate from the pandemic faster and better. The knowledge gap that exists can also be bridged while the urban can gain varied perspectives through association in rural regions.

Employee volunteering program

For corporate institutions, an employee volunteering program is an effective way to involve their employees to give back to society. The process is simple: The corporate can partner with an NGO or a social enterprise, in a domain that aligns with its larger vision and goal and encourages its employees to dedicate a certain amount of time to activities that are chosen collectively by the corporate and NGO partners. They include ventures such as the building of school infrastructure, skill development and capacity building, financial literacy programs, and volunteering their time in schools. In India, Corporate Social Responsibility was legally mandated in 2014. Under Section 135 of the Indian Companies Act, companies with a certain turnover were required to donate 2% of their average net profit for the past three years to CSR organizations.

There are clear linkages to the benefits of employee involvement in the social sphere. A study by Harvard Business Review revealed that approximately 50% of the global millennial workforce wanted to work with companies that work towards a greater social goal or purpose. There are many proven benefits to employee volunteering programs that include greater job satisfaction, team building, capacity development, and skill-building.

With the onset of the COVID-19 pandemic, employee volunteering engagements

have moved to an online forum. While the shift to an online platform has been difficult, there is a great need for various forms of volunteer support. During Samvāda: Dialogue for Impact, IndiVillage conversed with NGOs, iVolunteer, and Concern India Foundation that work extensively on achieving development goals through employee volunteering engagements.



Pre Pandemic Employee Engagements

Concern India Foundation, an NGO which works towards funding and capacity building of smaller grassroots organizations said that most companies were very keen on engaging employees for volunteering programs. “Over the years, we have received very positive feedback from both corporates and NGO partner organizations. It is a great team-building and capacity building activity for corporate groups and also very useful for NGO partners because employee

volunteering provides additional manpower and financial support. Before the pandemic, we would reach out to our corporate partners and design an intervention based on their requirements in our primary domains: health, education, and community development.”

iVolunteer works in both individual volunteerism and employee volunteering also follow a similar procedure. “We match employees with organizations based on the goals of the corporates and the needs of the organization. The programs are designed for employee engagements, along with the monitoring, and evaluation component and the logistics.”

Virtual Employee Volunteering Engagements

In the time of the pandemic, there has been a great need for any form of support, especially in rural communities. There was also a keen desire amongst individuals to give back and support disadvantaged groups. However, taking into account the need for social distancing and the safety of the volunteers, the shift to an online module was essential.

Concern India Foundation observed that designing an employee volunteer engagement was a tricky process. “The activities need to be for a certain period, and they need to be consistent. Since most office work structures moved online, people are facing a digital overload and may not even want to increase the already heavy screen time for activities like volunteering. Hence, we had to be very creative while moving forward with these activities. Education was an area of interest for corporate volunteers to help provide study materials for students during the pandemic. A very recent event that we had was that the volunteers from CISCO recorded audiobooks for differently-abled children to use in Bangalore”



iVolunteer too faced many challenges in moving employee engagements online. “We took some time to devise programs that could be done online and we also developed a portal which we could use to track employee activities and the amount of time dedicated for the task. We redirected many of our present employee engagements to education programs. One of the activities that we engaged employees in was recording audio files for stories which could be shared with children.”

Apart from domains such as education, the online medium has also proved to be an effective medium to address the challenges in the health space and give back to the frontline workers. “What we noticed was that there was a shift in the interest of the corporates. Many were keen to contribute to the domain of health especially during the pandemic. We had employees make videos giving thanks to frontline workers and making different kinds of gifts for them. We also engaged employees in making masks which were distributed amongst those in need.” said Concern India Foundation.

Whether online or offline, employee volunteering engagements have proven to be an effective way for corporates to train, incentivize, and retain employees.

What can be done next?

In a way, the pandemic has provided an opportunity for us to relook how we approach corporate volunteerism. With the shift to a digital medium, while the nature of engagement is different, it has the potential to be equally impactful. There are multiple forms of volunteer engagements that corporates and impact institutions can engage, to bridge the gap between rural and urban communities. From the employees mentoring rural workforce or rural youth to assisting in a child in education, the possibilities are endless. Engaging employees in volunteering work moves beyond the mandate of the Indian Companies Act and helps create socially conscious and responsible citizens.

If you want to collaborate with us or learn more about volunteering opportunities, please contact impact@indivillage.com.



Doing Good is good for business

The current pandemic has upended the economy, healthcare and generally all social systems on an unprecedented scale. It has also forced our collective attention to focus on the absolute essentials - connectedness, health and sustainability.

As the world wakes up to the need for inherent resilience driven by shared responsibility, it has become imperative to embed purpose and conscience into every aspect of civil society. Businesses, with their substantial role in driving progress, are set to be at the heart of this change. They can no longer afford to operate with a myopic focus on profitability or shareholder earnings. They must have a purpose - a broader vision - one built on driving stakeholder value through a model that balances priorities across people, profits and the planet. In line with this understanding, a new wave of companies are starting to drive the next generation of business growth centred on the philosophy that profits and purpose can, and should, be interlinked. Very visible amongst these are certified B-Corporations.

B Corp certifications (the 'B' stands for beneficial), are issued by B Lab, a non-profit organisation headquartered in the US and awarded to companies based on a comprehensive assessment of their performance in five areas - governance, workers, environment, customers, and community. Certified B Corps are then required to integrate stakeholder governance into their articles of association, making operating with purpose essential to their business model. This is the new breed of business.



As a social enterprise with *Impact Sourcing* at the heart of our philosophy, IndiVillage is the first Indian ITES company to be certified as a B Corp. Our offices in rural India make a substantial impact on the lives of the local community by providing the local educated youth with full and productive employment opportunities and uses its profits to foster greater community development. By providing access to employment to populations that have none, we believe that impact sourcing won't just benefit society at large but will revolutionise the world's understanding of scale and growth delivered in lockstep with social impact. We are bullish about the scalability of our model and its capacity to drive progress while offering exceptional value and quality to our clients. This is evidenced by the fact that some of the world's leading companies like Amazon and Swiggy partner with us for our technical capabilities.

Integrating purpose and social responsibility into the business, however, takes more than just belief. The journey requires time, investment, and diligence to ensure continued success and improvement. The altruistic aspect of our model is balanced by a laser focus on high-quality services, world-class processes, and an elaborate employee development program complete with skills training and

individual mentoring.

After all, responsibility doesn't just end with running sustainability, it also requires organisations to make investments in the communities where they exist, giving back and paying it forward in equal measure.



We've lived far too long in an environment dominated by earnings over equality. Friedmanesque capital values have run their course as companies start to become change agents in the new era of business. Now that we are at a stage where those goals are not just compatible but complementary, companies must take note and evolve accordingly. Development can't be left under the purview of governments and philanthropy. It needs capital and vision, both of which the private sector is well placed to offer.

As we make our way through this phase, unlearning and adapting at every step, it is clear that change is here to stay. Most importantly, with the arrest of the

pandemic heavily reliant on shared responsibility, COVID-19 has made us realise that no one is an island. We cannot survive in isolation. The opportunity that an unfavourable situation creates, often forcibly, is space for introspection. If supplemented by action, this process can be truly transformative.



The Promise of Impact Sourcing in a Post-COVID World

“Outsourcing” used to be a dirty word. The practice called to mind an image of employees on the other side of the globe, working in cramped conditions for little pay, and of businesses who prioritized cost-cutting measures over employee

welfare. However, over the last decade the practice of outsourcing, and the world of work at-large has been changing. The call-center model of the early 2000s has been largely replaced by one of complex, digital microwork. And the welfare of sourced employees is an increasingly important consideration for buyers and suppliers alike. Impact sourcing has risen in popularity by marrying impact for workers with returns for businesses. And in the aftermath of the COVID-19 pandemic, this new model might have more promise than ever before.

What is Impact Sourcing?

The Global Impact Sourcing Coalition **defines** impact sourcing as a business practice where a company prioritizes suppliers that intentionally hire and provide career development opportunities to people with otherwise limited prospects for formal employment. Impact sourcing is often tailored to a local context but some examples include the targeting of women, differently-abled individuals, unemployed youth and those from rural areas. These employees are frequently educated, skilled individuals who, notwithstanding their talent, remain unemployed because of economic and societal barriers to work. Through the provision of employment to these pools of previously untapped talent, impact sourcing allows these individuals, participating businesses and ultimately, society, to all benefit.



Benefits of Impact Sourcing

Though impact sourcing is a socially-conscious practice, by no means does it amount to charity or CSR on the part of companies who partake. The benefits of impact sourcing can be seen by both buyers and the suppliers.

Diverse Talent

Impact sourcing allows companies to access diverse, previously untapped pools of talent. In contrast to traditional outsourcing providers, who often draw from a recycled pool of the same resources, impact sourcing focuses on bringing fresh talent into the workforce and leveraging their wide-ranging skills and willingness to learn and adapt. For many employees, this is their first well-paying job in a professional environment. As a result, impact sourcing employees report higher

levels of motivation and a dedication to completing their tasks in a timely, dedicated manner.

Quality

This diverse talent pool also means that impact sourcing suppliers can provide consistent, high-quality work that often exceeds that of traditional outsourcing providers. By paying employees a fair wage and providing access to training and career development opportunities, impact sourcing firms are able to better retain and nurture their workforce. As a result, they **report** employee attrition rates that are 15-40% lower than traditional outsourcing firms. Over time, these employees are thus able to refine and grow their skills, translating to greater proficiency and improved quality for buyers. And these long-term relationships also mean that companies are able to work with suppliers on more complex, specialized tasks and projects.

Cost

While the base-cost is often comparable to that of traditional BPO hiring models, impact sourcing firms are able to reduce long-term costs to companies by investing in their employees. Because of low-turnover and high job-satisfaction, impact sourcing firms spend less time and money continually recruiting and training new employees. This translates into **long-term cost savings** that they are able to pass on to client companies.

Social Impact



The clear and overwhelming benefit of impact sourcing is the sustainable, transformative impact that this practice has on the lives of employees, their families and their communities. By bringing new employees into the workforce and providing them with a meaningful job, competitive salary and opportunities for skill development, impact sourcing firms empower employees with the means to transform their own lives. And through a **value chain** that includes employees' families and their communities, impact sourcing creates a long-term economic impact in the lives of everyone it touches. By promoting responsible supply chains and social equity, companies that practice impact sourcing are able to use their business for good.

Beyond Business Processes

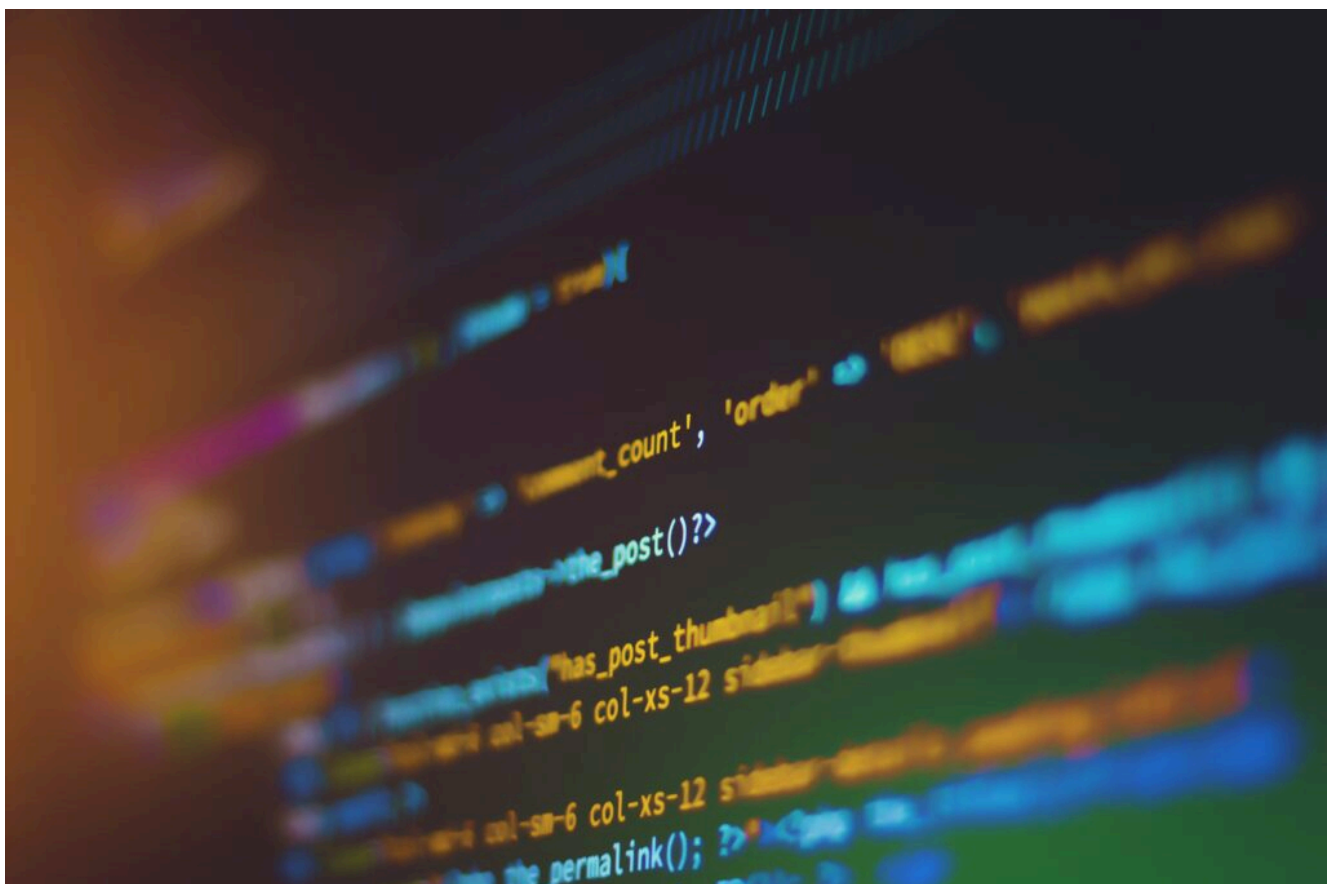
Though the BPOs were once known exclusively for its association with call-centers, customer service and other basic business functions, the industry has undergone a transformation over the last few years. The rise of artificial intelligence and increasing usage of data by tech and non-tech companies alike has created a demand for skilled microworkers who can train algorithms and annotate data. Today's impact sourcing providers are more likely to be found working on a range of digital solutions for companies including ecommerce cataloging, natural-language processing and data annotation for machine learning.

How Does Impact Sourcing fit into a Post-COVID society?

The COVID-19 pandemic has exposed a need for innovative new ways of doing business and work. Through its reflection of market trends and emphasis on resilience across the supply chain, impact sourcing is a promising model for the

future.

While the increasing penetration of artificial intelligence and machine learning systems into large swaths of daily life was already well under way before the start of the pandemic, the last few months have greatly accelerated existing technology trends. Many firms **predict** AI technologies, such as those that increase production, augment human workforces and deliver hyper-personalized products to consumers, will be key to private-sector recovery and adaptation after the virus. And according to a 2019 **report** from research firm Cognilytica, data preparation and engineering tasks account for more than 80% of the time involved in most AI and machine-learning projects. Impact sourcing firms are well-equipped to take on new projects and enhance their existing capabilities in data-labelling and other AI-services. The global market for AI and machine-learning relevant data preparation solutions is **expected** to reach \$1.2 billion by the end of 2023, from about \$500 million in 2018. Skilled digital microworkers will be key to the increased impact of this industry.



COVID-19 has also changed the nature of work. In an effort to cut costs and increase the resilience of their personnel to national and international crises, many businesses are looking to diversify their workforces across geographies and functions. A recent report from global research firm, Gartner, **found** that 32% of organizations are replacing full-time employees with contingent workers. Impact sourcing provides businesses access to a flexible, capable pool of talent without the need to compromise on quality of delivery. Technology firm NTT also conducted a **survey** of 1,250 executives in 29 countries including India, and found that particularly in the IT industry, 45% organisations will outsource more than insource in the next 18 months. In this environment, impact sourcing firms that can ensure the security and consistency of their IT-enable services will be able to play an important role in helping businesses recover and rebuild strength for the coming years.

Finally, impact sourcing provides a prime opportunity for businesses to address the major social fallout from the COVID-19 pandemic. The last few months have completely uprooted our societies, leaving millions around the globe facing mass unemployment, dislocation, hunger and poverty. In India alone, unemployment **remains** at almost 13%. This down from a high of 26% a month earlier, however the pathway toward economic recovery remains very uncertain. By choosing to work with impact sourcing providers, businesses have the opportunity to directly address the needs of some of the most vulnerable members of society and provide those most in need of work with an opportunity to improve their circumstances.

The Future Vision

The future of business and society after the fallout of the COVID-19 pandemic remains very unclear. What is clear, however, is the promise of impact sourcing to create more sustainable and inclusive supply chains of talent around the globe.