

MOBILISATION AND ORGANISATION OF ITES-BPO SECTOR LABOUR IN INDIA: STATUS, CONSTRAINTS AND EMERGING TRENDS

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I. Introduction

In India, the boom of employment in IT Enabled Services and Business Process Outsourcing (ITES-BPO) Sector, in the recent past, brought several transformations in the labour market. These include: emergence of non-standard or atypical forms of work organisation (in terms of scheduling of working hours; changed notions of evaluation and monitoring and control of workforce and so on.); transformations in the nature, quality and structure of workforce (vis-à-vis age and gender compositions, human resource endowments); and alterations in the approaches and perceptions of workers towards work, work culture and ethics. Yet another major aspect is the emerging profile of employment relations in the sector, which is characterised by a dismal scenario of mobilisation of workers in the sector.

During the initial years of BPO sector, the penetration of trade union activities has been minimal or nearly absent. On the one hand, the employers were found successful in keeping trade unions away, by following a variety of changed human resource management strategies, which *inter alia* prompted the newly created working class in the sector to consider trade unions as 'unwanted' institutions (Norohna and D'Cruz, 2006; Remesh, 2004a). On the other hand, the conventional trade union movement itself is finding it too difficult to effectively organise the workers in the BPO sector, who view themselves as 'empowered' professionals and entertain changed attitudes and notions towards work, workplace relations and collectivity of workers (Remesh, 2004; 2004a). Notwithstanding this, the initial empirical research works suggest towards acute degree of stress at workplace and low levels of job satisfaction due to the atypical form of work and technologically aided work organisation in the BPO firms, as well as growing insecurities and vulnerabilities confronted by the workforce (Remesh, 2004; 2004a). The past few years also saw a proliferation of discussions in the media highlighting the aspects of stressful work, rigid control mechanisms, lack of implementation of pro-active labour legislations and policies, and negation of worker rights (especially related to collective bargaining and freedom of association under trade unions). It is against this backdrop, the recent sporadic attempts towards mobilising the BPO workers need to be assessed. The current phase of trade union movement (apropos the BPO sector) needs to be seen as a historical conjecture, where the unions are to convince and organise a highly 'informed' and 'satisfied' target groups, the profile of whom vary drastically from the conventional clients of trade unions – i.e., workers in the informal sector and lower rungs

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of organised sector employment, who generally found welcoming the helping hands of external actors to fight exploitation from employers and to enhance their conditions at work.

A key concern of the present essay is to delineate and discuss some of the crucial aspects /factors that are identified so far as barriers to unionisation in the sector. This exercise, which would be carried out with the help of available empirical insights, is towards contextualising the present scenario of worker mobilization in the sector. An attempt is also made to trace some of the emerging trends in the quality and nature of its workforce, approaches/policies in the industry and the changing approaches of key stakeholders and so on, which cumulatively indicate a more promising scenario for worker mobilisation in the near future.

II. `Representation Insecurity` and Constraints to Mobilisation

The available empirical research and discussions in the ITES-BPO sector in India strongly suggest that the sector is characterised by some degree of `representation insecurity` or `voice-insecurity` (Remesh, 2004 b). Near absence of trade unions or similar organisations in the sector, till recently, is reflective of this aspect. Striking absence of collective bargaining and social dialogue institutions, dismal scenario labour law implementation and a strong inclination of the firms towards managing industrial relations on an individual basis, technologically aided surveillance mechanisms and so on cumulatively led to a situation, where the industry is characterised with totalisation of labour control or the `end of employee voice`.

The dismal profile of trade union activities in the outsourcing sector of India, during the early phase of the industry, could be due to a host of reasons, which include unique profile of the workforce engaged in the sector, atypical nature of work and work organisation, mobile nature of work and high rates of turn over of the industry, Issues related to the newness of occupations in the sector (and thus, lack of experience of stakeholders in tackling the issues) and so on. Some of these aspects are elaborated subsequently to arrive at certain conclusions on the organising issues in the sector.

Confused Identifies? `Professionals` versus `Exploited`?

It is widely established in informed discussions that the employees in the ITES-BPO sector are more comfortable in associating their status with that of `professionals` or `executives`. The superior work environment, use of state of the art technology in day-to-day work, better salary structure, catchy designations, smart and young peer workers and so on prompt the workers to believe that the job being carried out is that of an `executive` or `professional`. The socio-economic and demographic profiles of the workforce also add to this conceptualisation of `professional identities`. During the formative years of the sector, the employees are mostly drawn from urban middle class, who are fascinated with western ways of living and modern work environments. These youngsters (with average age between 25-30), who are educated in urban centers and with parents who possess better educational and professional backgrounds often misconstrue work as `fun`

and 'workplace as yet another campus'. Due to their differently conceived identity as 'professionals' or 'executives', most of the respondents did not find their issues and problems similar to exploited 'blue collar' workers in the conventional manufacturing and service sector employments (Remesh, 2004; Noronha and D'Cruz, 2006). This preference of the employees towards 'professional' identity is also reflective in the nomenclatures of the pioneering collectives or employee associations in the sector (Sandhu, 2006).

The pioneering field level studies in the sector also suggest that a significant proportion of the employees are from well-off segments of the society and thus, do not treat their job as a primary breadwinning activity of their family. Due to this, the employees often do not entertain any long-term plans with their current occupation. They consider it as transitory and stopgap. This short-term approach *inter alia* leads to undermining the importance of long-term considerations at workplace, such as unionisation and collective representation.

Planned Avoidance? Aspects of Work Organisation and HR Management

It is also widely acknowledged that the lower degree of trade unionism or collectivity among the workers is closely related to the technology aided work organisation and controls practiced in the sector. The work arrangements and interactions at workplace are pre-designed and implemented, leaving the workers minimum scope for any 'undesirable' socialisation aiming at organisation or formation of employees collectives (Remesh, 2004 a; Upadhyaya and Vasavi, 2006). The employees have to work continuously and in their endless run after work targets, they do not even find any time for thinking about collectivity and trade unionism.

At the same time, owing to the specific demands of managing imotional labour, the firms are found providing some alternative voice mechanisms, primarily as a safety valve. These are designed to create avenues for the workers to ventilate the grievances of the employees with least damage to the firm. Creation of such 'empowering' situations, to compensate the voice-deficit of workers, are found central to the changed paradigm of human resource management in the sector. Accordingly, the human resource (HR) divisions in these modern firms are found organising consultative forums (such as intranet discussion forums) and group activities for recreation (such as organisation of competitions, get together/parties, picnics) and so on. These shock-absorbing mechanisms are, however, only meant for 'healthy' recreation and reenergising the employees. The HR divisions also strive to orient the workers that any 'misuse' of the alternative consultative facilities would eventually lead to punitive measures (Remesh, 2004 a). Thus, the 'collectivity' and 'solidarity' in the viewpoint of management assume a narrow meaning, which is directly related to the productivity enhancement. Due to this 'controlled socialisation', the intranet discussion forums in many of the firms are often used for circulating jokes and tips for 'productivity improvement'. Further, these pre-designed group efforts in the workplace help the management to divert attention of employees from organising for genuine reasons.

On the whole, the HR practices in the ITES-BPO sector indicate a changed paradigm of personnel management vis-à-vis that of the conventional manufacturing/ service sectors. The task of camouflaging work as fun is vested with Human Resource (HR) managers. They pay attention to a host of issues, varying from hiring the right people to charting out their career options to the employees. Further, it is their task to ensure that the creativity and productivity of the workers are effectively tapped to strike the 'right' balance between work and fun, thereby creating a 'productively docile' workforce. The management strives to ensure that the creativity and productivity of the workers are effectively tapped to strike the 'right' balance between work and fun, thereby creating a 'productively docile' workforce.

The essence of personnel management in these modern firms, thus, shifts from control and punitive actions to care and counseling. Following a conceptualisation of Peetz (2002), Noronha and D'Cruz (2006) views these changed HR practices as exclusivist and inclusivist strategies, successfully used by Indian BPO firms to keep trade unions at bay. The authors explain that the pursuance of such strategies reflect the enhanced prominence attached to 'corporate culturalism' by the firms, which aims at winning the "hearts and minds" of employees through emotional management and involvement schemes. Remesh (2005) also highlights the growing importance attached to corporate culture and caring mechanisms by the BPO firms. It is explained that through cultural and 'normative' controls the firms seek to infuse customer oriented values and corporate ethos in the employees. These values are further strengthened through customer orientation trainings, training manuals and performance assessments. Performance appraisals and counseling are often used as opportunities through which the managerial ethoses are translated to the agents, through a language of training and 'individualised' personality development. This helps the firm to alter the image of the exercise from that of a 'control' to 'development'. For instance, unlike the conventional work regimes, here, the priority of the management lies more on 'counseling' those employees who fail to meet the targets, than resorting a formal procedure of disciplinary action. A closer analysis of the personnel management in the sector thus suggest that the firms in the sectors are more inclined towards the idea of "prevention is better than cure" and accordingly, calculate the possible areas of conflicts and find out preventive and preemptive measures so as to avoid a possible worse dealings in the future. These caring strategies often force the employees to consider themselves as part of the organisation and to think that it is even unethical to unionise as the firms have already explained the terms and conditions at the time of recruitment (Noronha and D'Cruz, 2006).

The observance of a dualistic pattern of workforce (where a major proportion of workers are in non-permanent jobs) also allows the firms to check any initiatives towards mobilising and organising. Further, the 'inherent' rigidities in the work organisation, which are camouflaged as 'flexibilities' enable the firm to observe a close watch on the agents and discard the possible 'problem makers', from time to time. The firms were found using these 'inflexibilities' as effective modes, while taking punitive actions towards the 'organisers', (Remesh, 2004 a).

'Individualisation' to Combat Collectivity?

The philosophy of work organisation in BPOs is based on Individualisation (Remesh 2004 a). Employees are molded to act as individuals who reports to and are monitored by another individual. Even in project-based teamwork, this is the core principle that binds the work relations. It is widely internalised among the BPO employees that salary is a personal matter, which should not be shared with peers in the workplace. The firms in their code of conducts highlight that discussing salary and related matters with fellow-workers would invite warnings and disciplinary action.

Promoting individualised situations lead to greater isolation and lower likelihood of establishing broader social networks of information and support. The scope for the agents to interact among themselves and similar employees outside is limited and the employees often do not find any chance to mingle with outsiders, as their entire move right from the doorsteps of homes till return are planned by the firm. Quite often, the arrangements are made in such a way that the employees are picked up from their homes and dropped directly inside the firms' premises. As the refreshment and recreation faculties are provided inside, the workers need not find any reason to go out of the company premises. Even within the firms, the world of the employees is mostly confine to the process in which they are involved. Despite their 'highly educated' status, the understanding about the employees in other BPO firms and on the functioning of trade unions are found at abysmally low levels. Even within the firm, the agents' orientations were mostly confined to the process in which they are involved.

The firms are found keen in nipping out any sprouts of organisation in the bud itself. Those agents who are vocal against the management decisions are found forced to quit the job, through carefully planned sacking mechanisms. A most frequently used firing mechanism is to isolate and depress the leaders. The firms are found reiterating a notion among the employees that the decision of management is final and more or less irreversible. Also, it is fairly made clear to the workers that their vertical mobility in the job ladder is more linked to their healthy relations with the management, than their performance ratings. Any move from the agents against the interest of the management is viewed seriously and followed with punitive measures. All these prevent the employees even from attempting towards organising themselves, even if they find some time or ways to do that.

The firms also ensure a live environment of competitive spirit among the employees that works against forging strong bonds of collectivity and cooperation. For instance, periodic display of performance statistics helps the management to promote competition (in terms of productivity) among the workers, which ultimately brings in 'individualisation' to the central stage. Linking performance with incentives/punitive actions, thus, helps the firms in two ways. Firstly, it forces the workers to stress continuously. Secondly, it retains a competitive spirit among the employees.

Mobilisation of 'Mobile' Labour? Constraints of Attrition and Outsourcing

The mobile nature of the workforce in the industry also raises challenges to the mobilization of workers in the sector. As part of their efforts towards improving the career profile, workers in BPOs are found moving in and out of the industry or between firms very frequently and quickly. Further, the stressful and monotonous nature of work and consequent low level of job satisfaction also results in high attrition rates (Upadhya and Vasavi, 2006). With growing levels of attrition (both push and pull) in the sector, the average period of service/retention of a particular employee in a particular firm is less than two-three years. To conventional conceptualizations, this is too short a time period to successfully organise and bring the workers under the trade union umbrella. This aspect, combined with the fact that a majority of workforce even do not plan to continue in the industry for a long time (as they see it as only stop-gap engagement) make the organising question more complicated. Upadhya and Vasavi (2006) view that a continual churning out of workforce often provides the firms a high degree of flexibility - to scale up or down the size of workers. It is also important here to note that many of the caring strategies being followed by the firms are designed as responses to check undesirable attrition of workers. Workers also find their short-duration jobs inappropriate to entertain organisational activities and rather consider quitting and attrition as modes for resolving their workplace worries and grievances, permanently (Noronha and D'cruz, 2006).

The process of outsourcing and the implied mobility of work across country borders, as part of global production chains, also bring in issues apropos organisation building. Firstly, as evident from the developments in the recent past, the flow of work towards less developed countries or cheap labour destinations is with a built-in conflict between the workers in east and the west. In the recent past, the IT sector trade unions in the west were found opposing outsourcing to developing countries on account of job loss and pressurising to set limits for the extent of outsourcing. The western workers, who are anxious about Indians taking away their jobs, are often identified as a major source of abusive calls being experienced by the BPO employees on a day-to-day basis. This conflict between the interests of workers in developed countries and their counter parts in developing countries (such as India) is a major hurdle that acts against the international unification of workers in the sector. At times, the fear of retaliation from the western workforce has even forced the Indian workers to view skeptically the discussions in the media (undermining the competency and efficiency of Indian firms) as well as even organisational initiatives being carried out in the country, at the behest of international trade unions.

Trade unions are also at loss while dealing with workers who work in multinational companies and/or with international work processes as part of global production systems and value chains. Since there are no accepted codes of conducts for various stakeholders and prescribed labour standards (nationally and/or internationally) concerning the outsourcing sector. Further, at least in its formative years, many trade unionists thought that the industry would be short living in India, as the work could move any other day to a destination, where the labour is still cheaper.

A Mismatch? Aspirations of Employees and Promises of Trade Unions

An observant review of the discussions on employees' perceptions towards trade unions indicates a mismatch between the aspirations of employees and the promises and proposals of trade unions. It is widely noted that, the employees are generally not agreeing to the trade unions due to several counts. Firstly, as explained earlier, they do not understand how the 'professionals' would require a union, which is demeaning and bringing down their status to that of blue-collar workers (Remesh, 2004 a; Noronha and D'Cruz, 2006; Sinha, 2004). Sandhu (2006) explains that the first collective of professionals in India was very keen in clarifying their non-trade union status and describing it as similar to a collective of executives. Noronha and D'Cruz (2006) finds that mostly the workers are not aware of the functioning and advantages of trade unions in the sector and view trade unions as a possible threat in view of the footloose nature of capital. Unlike the conventional workers (and even their own counterparts in western countries), the Indian BPO workers are more informed and qualified (Upadhya and Vasavi, 2006) and thus they knew the 'adverse consequences' of trade unionism in the sector. They perceive that undesirable organisations would not only lead to their own job loss but also to a possibility of complete losing of outsourced jobs to other competing countries engaged in the business. Sandhu (2006) relates this strong attitude of workers against the trade unions to a structural transformation of the middle class of the country during the post-liberalisation period, where the new middle class attach a greater value to the 'professional identities' provided by BPO work and discards any demeaning collectivisation acts such as trade unionism. The workers with this new middle class perception propagate emphatically that they are no more interested in collective bargaining and unionisation, which would be leading to stoppage of work and reduction in efficiency and productivity. Often, they doubt whether there is any scope for trade unions while the firms are already taking care of the welfare of employees in the best possible manner. They also believe that the salaries and perks are the best in the industry and there is no point in comparing and confusing it with those of their western counterparts, as there would be definitely differences in emoluments vis-à-vis cost of living in the country where business is located. Rather than conventional agenda of trade unions, the workers are more interested in activities that aim at capacity upgradation and efficiency improvement. They would like to know market trends to move towards the next desirable position and are interested in knowing what are the upcoming areas of job prospects. They could not imagine sitting in *dharnas* and attending trade union meetings and rallies in the hot sun.

During this phase of the industry, the trade unions are also finding it very difficult to mobilise workers who work in flexible work arrangements and in transnational business. Firstly, there is a mismatch between the organisational ability of the conventional trade unions and the requirements of the modern workforce in BPOs. Yet another factor that delayed the trade union interventions in the sector was the ideological confusion that the unions faced due to the perceived or accepted identity of 'professionals' by the employees (Noronha and D'Cruz, 2006). The higher salary and perks received by the employers also probably misled the trade unions for some time, as it was initially thought out to be a sector that provides comparatively decent employment vis-à-vis other

conventional sectors. However, it was only with some time lag that the trade unions were found bothering about the insecurities and vulnerabilities in the sector. Even today the discussions of trade unions are revolving around stringent control mechanisms as well as stress at work. Social security issues, effective implementation of labour laws and so on are also gradually picking up momentum. A comparison of the current issues of trade union concerns in India, with those of their western counterparts, point towards a visible lag in terms of the nature of issues being handled by the trade unions in their respective regional contexts.

III. The Organising Question: New Initiatives and Rays of Hope

It is evident from the foregoing discussion that due to multiple factors the penetration of trade unions in the ITES-BPO sector of India has been minimal in the first phase of advent and growth of the sector. However, it would be wrong to conclude that this sector would continue to be a trade union-free zone for years to come. Already there are spurts of organised collectivity among BPO workers in different parts of the country. Formation of IT and ITES workers collectives in the southern BPO hubs of Bangalore and Hyderabad, with the help of international trade union organizations and the recent efforts to spread these activities to other cities such as Chennai and Delhi confirm this trend. In Mumbai also there are visible beginnings of worker collectives in the sector (Young Professionals Collective, 2005). Similar is the case with Kerala, a region which is already known for mobilization of workers in the other segments of labour market (Sinha, 2004).

An analysis of the activities being carried out by the above mentioned collectives (Sinha, 2004; Young Professionals Collective, 2005) suggests that the new organisational initiatives are taking care of the changed requirements of the workers in BPO sector. For instance, while discussing the activities of IT Professionals Forum in Kerala Sinha (2004) explains that the areas of interventions of the collective includes providing information on job opportunities, information on IT policies and global trends, providing interfaces with academia and professionals and so on.

Though these professional forums and collectives are not similar to conventional trade unions, in their nature and functioning these associations need to be seen as rudimentary or pilot forms that make the ground for the advent of more detailed trade union initiatives in the sector, perhaps in different forms and with newer agendas. It is also important to note that after a lag of few years some of the central trade unions -- for instance, Centre of Indian Trade Unions (CITU) -- are now focusing on the organising aspect of modern service sector employees, including those in BPOs.

Several other trends in the sector also indicate the possibility of trade unionisation getting momentum in the near future. A major aspect related to this is the increasing average age of workers in the sector. This would imply a more mature approach of workers towards labour market issues and collectivisation, as the proportion of those who treat the job in the sector as stopgap/temporary and as source of 'pocket money' earning would decline. Conformingly, the latest insights from the field suggest that more and more workers are

now treating the work in BPO as long term career and thus entertain permanent interests with the industry. This changed attitude would definitely help the efforts towards building collectivity for advancement of terms and conditions at work. Recent evidences also suggest that the educational attainments of the workers in the sector are high, compared to the initial conceptualization of college goers and under graduates joining the industry -- and even vis-à-vis their western counterparts (Upadhya and Vasavi, 2006).

The fact that the recruitment activities of workers to BPO firms are now being spread to smaller cities and urban centers would also lead to a change in composition of the workforce, which was predominantly constituted by the 'urban creamy layer' in the early phase of the sector. The emerging change in the composition of workforce is expected to alter the 'elite' image of the workforce, to a greater extent, and make trade union interventions more acceptable.

The resistance of the workers towards forming associations is also declining gradually. For instance, a recent survey based on Mumbai reveals that "78 per cent of the respondents were in favour of employee associations, while 55 per cent indicated that they would join one"(Young Professionals Collective, 2005). There are also indications that the employers are also gradually approving the requirement of trade unions in the workplace to jointly fight undesirable issues such as attrition of trained and talented workers (Sandhu, 2006). The recent clarifications of government that all the labour laws are equally applicable to the sector and the ongoing efforts of Government towards effective policy formulation are also suggesting towards the emergence of a more encouraging framework for healthy trade unionism in the sector. Thus, the approaches of various stakeholders towards collectivity in the sector are gradually changing and the worker associations are increasingly being viewed as desirable institutions to improve workplace relations and social dialogue.

IV. To Conclude

It is evident from the discussion in the essay that worker associations and collectives would find enhanced roles in ITES-BPO sector in the near future. However, the successful transformation of these associations as trade union institutions would, to a greater extent, depend on how the trade unions in India could appropriately alter their approaches in organising. This *inter alia* demands experimentation of new strategies to reach the potential target groups and gaining newer images, meanings and acceptability to trade unions. Needless to say that this would require utilization of opportunities provided by new technology (to coordinate the workers as well as to empower them by providing resources), and replication of learning from successful experience in other countries. The government could also facilitate and strengthen these efforts by stipulating directive guidelines, evolving appropriate policies and facilitating avenues for social dialogue.

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