Chapter 10

Qualitative Analysis

10.1 Introduction

With the globalisation of world economy, the business landscape has changed forever. From a stable, predictable and seller’s paradigm, the business has changed to uncertainty and discontinuity and buyer’s market. Technology, products and financial capital are increasingly prone to duplication by the competitors. Therefore, organisations need those resources which are not prone to duplication by competitors. Employees are now viewed as human resource because their talents, skills, motivations and commitment can lead to increased performance at both individual and group level which is capable of increasing organisation’s competence and performance.

In this chapter, many Top management people of the selected ITES companies have been interviewed with a view to judge/evaluate the HR and HR practices. These interviews also helped to evaluate the overall organisational performance of these ITES companies.

The Selected ITES companies interviewed are as under:

- ZS Associates Ltd., Pune
- Tata Consultancy Services, Pune
- Infosys, Pune
- IBM India Pvt. Ltd., Pune
- Patni Computer System Ltd. Pune
- Zensar Technologies, Pune
- Wipro Technologies Ltd., Pune
- WNS Global Services, Pune
- Cognizant, Pune
- Persistent, Pune
10.2. Some Measurement Norms

The selected ITES companies, as per section 10.1 have been interviewed and their appreciation noted and evaluation discussed in the succeeding paragraphs. The interview schedule has been given in Appendix ‘A’. The interviews have been conducted on the following performance measurement norms and some other important criterias.

- Core Competence
- Change Management
- Crisis Management
- Product/Service/Process orientation
- Employee Motivation (self-motivated / works for incentives)
- Leadership Style
- Customer Focus
- Strategies for talent retention & attrition control
- Maintenance of quality of products & services
- Performance Appraisal System
- Promotion Policy
- Compensation
- Employee Welfare
- Innovation
- Training & development of employees
- IT aspirations
- Strategies for being a World Class IT / ITES company
- Work Culture
- Strategic Flexibility & Interchangeability
- Productivity Management
- Focus Commitment
- Organisational structure
Tolerance for ambiguity

The interviews have been done mostly personally and on e-mail (internet) basis.

10.3 ZS Associates Ltd.

ZS Associates is a global management consulting firm specializing in sales and marketing consulting, capability building, and outsourcing. ZS has deep expertise across the sales and marketing spectrum, from the strategic to the tactical. ZS Associates is imbued with a passion for learning, innovating, and helping companies succeed. ZS is committed to delivering the best solutions to solve client problems – and developing outstanding people to do it – a hallmark that continues to define the success of ZS today.

A structured interview of the present officials working at the top management and ‘Continuum pattern’ of the determinants arrived at, are given as under. The main thrust core competencies of the company are:

- Talent
- Work Culture

ZS culture can be described as both casual and intense. We have a high-energy workplace in which the focus is on high-quality results. We value creativity and are open to new ideas. ZS cultivate an entrepreneurial spirit by encouraging individual initiative, recognizing that each person contributes to the firm’s innovation. Work at ZS is done in a team-focused environment. Our language is framed by the use of "we" and "us," not "I" and "me"

The main traits are discussed below:

i) Organisational Matrix and Hierarchy Level (50 percent)

- Functional Matrix

ii) Hierarchy Level

- Many Few

iii) Training & Development (95 percent)

- Low High

iv) Acceptance of change (95 percent)
Rigid

v) Focus Commitment and crisis management (90 percent)

Low/High

vi) Infrastructural (Technological) development (90 percent)

Low

High

vii) Leadership style (90 percent)

Instructive

Participative/Delegative

viii) Employee motivation – Self Motivation (90 percent)

Low

High

ix) Employees working for incentives (10 percent)

Low

High

x) Strategic Flexibility and Interchangeability (90 percent)

Low

High

xi) Crisis Management (90%)

Low

High

xii) Innovation (90 percent)

Low

High

xiii) Work culture (95 percent passionate)

Less

More

xiv) Tolerance for ambiguity (15 percent)

Less

More
The interview also helped to acquire following information

- **Product / Service based Company**

ZS is service based company

- **Quality of Products / Services**

Quality of products / services is maintained through Internal and External Audit, continuous focus on Quality Management programme (which covers quality check, quality assurance)

- **Strategies for talent retention & attrition control**

Empowerment, passionate work culture, diversified work

- **Performance Appraisal System**

Ranking Method (employee is evaluated on the scale of 1 to 5, 5 = best, 1 = worst) rater rates an employee on the above scale for the different parameters like project performance, service, communication, technical skills etc. then collectively points are assigned to an employee). Employees are appraised in every six months.

- **Promotion Policy**

Promotions are based upon the performance and expertise

- **Employee Welfare**

Loan to employees, Medical insurance, assistance to employees in educational programmes

- **IT aspirations**

Adapting innovative technologies, recruiting best talent, training to existing workforce to remain competitive

- **Strategies for being a World Class IT / ITES company**

Empowerment, passionate work culture, diversified work.
10.4 Tata Consultancy Services (TCS)

Tata Consultancy Services is an IT services, business solutions and outsourcing organization that delivers real results to global businesses, ensuring a level of certainty that no other firm can match.

TCS offers a consulting-led integrated portfolio of IT and IT-enabled services delivered through its unique Global Network Delivery Model, recognized as the benchmark of excellence in software development. Core competence of this ITES Company is values and customer focus. TCS understand that their clients need to do more with less, respond quickly to the needs of their markets and get more strategic advantage from IT. TCS helps customers to achieve their business objectives by providing innovative, best in class consulting, IT solutions and services. Leading Change, integrity, respect for individuals, excellence, learning & sharing are the values TCS believe in.

A structured interview of the present officials working at the top management and ‘Continuum pattern’ of the determinants arrived at, are given as under. The main thrust core competencies of the company are:

- Customer Focus is very high (90 percent)
- Adherence to the values is also very high (95 percent)

The main traits are discussed below:

i) Organisational Matrix and Hierarchy Level (80 percent)

- Functional
- Matrix

ii) Hierarchy Level

- Many
- Few

iii) Training & Development (85 percent)

- Low
- High

iv) Acceptance of change (90 percent)

- Rigid
- Adaptable
v) Focus Commitment and crisis management (90 percent)

vi) Infrastructural (Technological) development (90 percent)

vii) Leadership style (80 percent)

viii) Employee motivation – Self Motivation (60 percent)

viii) Employees working for incentives (40 percent)

ix) Strategic Flexibility and Interchangeability (80 percent)

x) Innovation (90 percent)

xi) Work culture (90 percent passionate)

xii) Tolerance for ambiguity (20 percent)

xiii) Productivity Management (90%)

xiv) Crisis Management (90%)
The interview also helped to acquire following information:

- **Service based Company**
  
  TCS is mainly a service based company

- **Quality of Products / Services**
  
  Quality of services / product is the main concern of TCS and it strives hard to achieve continuous improvement in quality of services and products through meeting various standards of quality. The ability of TCS to deliver high quality services and solutions is unmatched. This is the world’s first organisation to achieve an enterprise – wide Maturity Level 5 on both CMMI and PCMM, using SCAMPIsm, the most rigorous assessment methodology. Additionally, Integrated Quality Management Systems (iQMS) integrated process, people and technology maturity through various established frameworks and practices including IEEE, ISO 9001:2008, ISO 27001, ISO 20000, ISO 14001, OHSAS 18001 and Six Sigma.

- **Strategies for talent retention & attrition control**
  
  Effective appraisal system, training& development programmes, career path, HR practices etc.

- **Performance Appraisal System**
  
  Self- Appraisal System. Appraisal is done yearly for senior employees and bi annually for the trainees

- **Promotion Policy**
  
  Promotion is competency based, role based.

- **Compensation**
  
  For Junior employees pay is fixed; but at senior level the pay is 60% fixed and 40% variable. The variable pay is based upon the performance of these senior employees.

- **Employee Welfare:**
  
  Employee fitness programmes, flexible work timings, crush facility, work from home, workshops, seminars for employee development, yoga sessions, sports etc.

- **IT aspirations**
  
  Global top 10 by 2010 (TCS is on 4th position now)
• Strategies for being a World Class IT / ITES company: Diversification, expansion of business

10.5 Infosys

Established in 1981, Infosys is a NASDAQ listed global consulting and IT services company with more than 114,000 employees. From a capital of US$ 250, we have grown to become a US$ 4.8 billion company with a market capitalization of approximately US$ 33 billion.

In a journey of over 29 years, Infosys has catalyzed some of the major changes that have led to India's emergence as the global destination for software services talent. Infosys pioneered the Global Delivery Model and became the first IT Company from India to be listed on NASDAQ. Our employee stock options program created some of India’s first salaried millionaires.

A structured interview of the present officials working at the top management and ‘Continuum pattern’ of the determinants arrived at, are given as under. The main thrust core competencies of the company are “CLIFE”.

C = Customer Delight

L = Leadership by Example

I = Integrity & Transparency

F = Fairness

E = Pursuit of Excellence

The main traits are discussed below:

i) Organisational Matrix (60 percent)

ii) Training & Development (90 percent)
iii) Acceptance of change (95 percent)

Rigid [ ] High

iv) Focus Commitment and crisis management (90 percent)

Low [ ] High/Matured

v) Infrastructural (Technological) development (90 percent)

Low [ ] High

vi) Leadership style (80 percent)

Instructive [ ] Participative/Delegative

vii) Employee motivation – Self Motivation (80 percent)

Low [ ] High

viii) Employees working for incentives (20 percent)

Low [ ] High

ix) Strategic Flexibility and Interchangeability (80 percent)

Low [ ] High

x) Innovation (95 percent)

Low [ ] High

xi) Work culture( 90 percent passionate)

Less [ ] More

xii) Tolerance for ambiguity ( 20 percent)

Less [ ] More

xiii) Productivity Management ( 90 percent)

Routine [ ] Craft

xiv) Crisis Management (90 percent)
The interview also helped to acquire following information

- **Product / Service based Company**

Infosys is mainly a Service based company

- **Quality of Products / Services**

At Infosys success comes through an enduring commitment to innovation, industry leadership and quality through the highest standard in quality software delivery – Carnegie Mellon University CMMI Level 5 Certification, ISO, EN9100, Six Sigma and Baldrige standards framework. At Infosys, Quality is described as "a never ending journey towards excellence."

Infosys was the very first Indian company to deploy world-class corporate governance practices, the first to publish quarterly financials and adhere to GAAP accounting standards of seven major countries, providing financial transparency in all operations.

- **Strategies for talent retention & attrition control**

Best work culture, Promotion, Salary hikes and Reward to the best performers

**Performance Appraisal System**

Infosys has its own application for employee appraisal. It uses combination of many complex methods.

**Promotion Policy**

In Infosys promotions are based upon the last performance scores; hence its performance based

**Compensation**

50 % pay is fixed and 50% is variable. Variable pay is dependent upon the performance of the employees.

**Employee Welfare**

Workshops for employees on the issues of Stress Management; it does conduct fitness programmes, free health check-ups for employees.
• **IT aspirations**

To achieve global Industry Leadership

• **Strategies for being a World Class IT / ITES company**

Infosys gives thrust upon customer focus, Employee satisfaction, and conducive work environment.

**10.6 IBM India Pvt. Ltd.**

IBM is the only IT Company in the world and also in India that offers end-to-end solutions to customers from hardware to software, services and consulting. IBM helped pioneer information technology over the years and it stands today at the forefront of a worldwide industry that is revolutionizing the way in which enterprises, organizations and people operate and thrive.

A structured interview of the present officials working at the top management and ‘Continuum pattern’ of the determinants arrived at, are given as under. The main thrust core competencies of the company are:

• **Innovation**

IBM Research is playing a critical role in the development and application of new technologies that are revolutionizing information technology and science. With 3,000 employees in eight laboratories in six countries, the IBM Research Division has a broad and aggressive agenda in most fields underlying information technology, particularly in computer science. From its origin in 1945 as a Columbia University-based laboratory devoted to science, IBM Research has continually evolved its scope and mission, and played an essential role in the rapidly changing IT industry by producing a constant stream of pioneering contributions to both science and technology. Mainframe is the noteworthy innovation for which IBM is known for; IBM’s mainframe products have delivered significant new technologies to the market for many years.

The main traits are discussed below:

i) Organisational Matrix (60 percent)
ii) Training & Development (85 percent)

Low  \[\rightarrow\] High

iii) Acceptance of change (95 percent)

Rigid  \[\rightarrow\] Adaptable

iv) Focus Commitment and crisis management (90 percent)

Low  \[\rightarrow\] High

v) Infrastructural development (90 percent)

Low  \[\rightarrow\] High

vi) Leadership style (80 percent)

Instructive  \[\rightarrow\] Participative/Delegative

vii) Employee motivation – Self Motivation (70 percent)

Low  \[\rightarrow\] High

viii) Employees working for incentives (30 percent)

Low  \[\rightarrow\] High

ix) Strategic Flexibility and Interchangeability (80 percent)

Low  \[\rightarrow\] High

x) Innovation (95 percent)

Low  \[\rightarrow\] High

xi) Work culture (90 percent passionate)

Less  \[\rightarrow\] More

xii) Tolerance for ambiguity (20 percent)

Less  \[\rightarrow\] More

xiii) Productivity Management (95 percent)
The interview also helped to acquire following information

- **Product / Service based Company**

IBM is Product and Service based company

- **Strategies for talent retention & attrition control**

Best work culture, diversified work, Good work life balance, recognition etc.

- **Performance Appraisal System**

360 degree feedback method, Ranking Method is used for appraising the performance of employees. Appraisal is done in every six months.

- **Employee Welfare**

  - IBM offers a range of personal benefits such as medical schemes, dental schemes, health screening, wellness programs, retirement and insurance program as a part of employee welfare

- **IT aspirations**

  To achieve global Industry Leadership

- **Strategies for being a World Class IT / ITES company**

  Continuously inventing and innovating technology, in the field of Information Technology and Science

### 10.7 Patni Computer Systems

Patni Computer Systems Ltd. is a provider of Information Technology services and business solutions. The company employs over 15000 people, and has 23 international offices across the Americas, Europe, and Asia-Pacific, as well as offshore development
centres in 8 cities in India. Patni’s clients include more than 400 Fortune 1000 companies.

A structured interview of the present officials working at the top management and ‘Continuum pattern’ of the determinants arrived at, are given as under. The main thrust core competencies of the company are:

- **Modernisation**

Patni’s core competency in legacy modernization is augmented by proven methodologies and strategic alliances with leading modernization tool vendors. Patni provides enhanced flexibility to organizations looking towards modernizing/migrating their legacy systems and applications by using a combination of proprietary methodologies, accelerators, customized tools, processes, and industry practices, that help reduce complexities and costs involved in modernizing legacy systems.

The main traits are discussed below:

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<th>i) Organisational Matrix (10 percent)</th>
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<td>Functional Matrix</td>
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<tr>
<th>ii) Training &amp; Development (75 percent)</th>
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<th>iii) Acceptance of change (70 percent)</th>
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<td>Rigid</td>
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<th>iv) Focus Commitment and crisis management (70 percent)</th>
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<th>v) Infrastructural (Technological) development (70 percent)</th>
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<tr>
<th>vi) Leadership style (75 percent)</th>
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<tr>
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<th>vii) Employee motivation – Self Motivation (50 percent)</th>
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<td>Low</td>
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<td>High</td>
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<tr>
<th>viii) Employees working for incentives (50 percent)</th>
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The interview also helped to acquire following information

- **Product / Service based Company**

  Patni Computers is product and service based company and it is mainly process oriented.

- **Quality of Products / Services**

  At Patni, integrated six sigma technique focuses on process improvement; quality systems create strong predictive and diagnostic focus, delivering measurable performance to clients’ ‘Critical to Quality’ parameters - faster turnaround, higher productivity

- **Strategies for talent retention & attrition control**

  Adequate Growth opportunities, employee empowerment
• **Performance Appraisal System**

Ranking Method is used for appraising the employees. Employees are appraised annually.

• **Promotion Policy**

Promotions are based upon the performance

• **Employee Welfare**

Medical insurance, loans to employees at low interest rate

• **IT aspirations**

To achieve global IT services leadership in providing value-added high quality IT solutions to the clients in selected horizontal and vertical segments, by combining technology skills, domain expertise, process focus and a commitment to long-term client relations

• **Strategies for being a World Class IT / ITES company**

Patni is striving for excellence with an operating discipline, benchmarked with the best globally

**10.8 Zensar Technologies**

Zensar Technologies is a globally focused software and services company spread across eighteen countries across the world. Zensar provides end-to-end services from IT development to Business Process Outsourcing, from consulting to implementation. With more than 5400 associates and sales and operations presence across US, UK, Germany, Sweden, Finland, Middle East, South Africa, Singapore, Australia, Japan and Poland, the Company delivers comprehensive services in mission-critical applications, enterprise applications, e-business, BPO Services.

A structured interview of the present officials working at the top management and ‘Continuum pattern’ of the determinants arrived at, are given as under. The main thrust core competency of the company is:

• **Customer Focus**
Zensar strives hard towards creating value to its customers business, Zensar has built and consolidated a comprehensive portfolio of services in IT and BPO, lending a wide range of benefits from cost arbitrage, to unmatched quality, differentiated value to a holistic strategic partnership with its customers; and further lending a significant advantage by offering models to customers that best suit their business needs traversing the context areas down to the core focus areas of the customer.

The main traits are discussed below:

i) Organisational Matrix (75 percent)

- Functional
- Matrix

ii) Training & Development (85 percent)

- Low
- High

iii) Acceptance of change (80 percent)

- Rigid
- Adaptable

iv) Focus Commitment and crisis management (85 percent)

- Low
- High

v) Technical Infrastructural development (85 percent)

- Low
- High

vi) Leadership style (85 percent)

- Instructive
- Participative / Delegative

vii) Employee motivation – Self Motivation (70 percent)

- Low
- High

viii) Employees working for incentives (30 percent)

- Low
- High

ix) Strategic Flexibility and Interchangeability (75 percent)

- Low
- High
x) Innovation (90 percent)

xi) Work culture (80 percent passionate)

xii) Tolerance for ambiguity (25 percent)

xiii) Productivity Management (85 percent)

xiv) Crisis Management (85 percent)

The interview also helped to acquire following information

- **Product / Service based Company**

Zensar is a Service based company

- **Quality of Products / Services**

Zensar's Quality Management System has been created over a span of 15 years and is based on international frameworks and benchmarks it uses:

- **ISO 9001:2008**: Basic system for defining our QMS and to assess QMS effectiveness
- **SEI CMM/CMMI**: Best practices for software engineering and continuous process improvement
- **Total Quality Management (TQM)**: Used to bring about overall improvement and business excellence
- **Six sigma**: Use as a tool for systematic analysis and process improvement

- **Strategies for talent retention & attrition control**

Employee empowerment, growth opportunities, promotion

- **Performance Appraisal System**
Self-Appraisal system is used for evaluating employee performance. Employees are appraised annually against certain KRAs (Key Result Area).

- **Promotion Policy**
  Promotion is based upon the employee performance and the attainment of targets.

- **IT aspirations**
  Innovate to enhance the customer’s competitive advantage to add agility to their business

- **Strategies for being a World Class IT / ITES company**
  Continuous innovation, extensive customer focus

### 10.9 Wipro Technologies Ltd.

Wipro IT Business, a division of Wipro Limited (NYSE:WIT), is amongst the largest global IT services, BPO and Product Engineering companies. In addition to the IT business, Wipro also has leadership position in niche market segments of consumer products and lighting solutions. The company has been listed since 1945 and started its technology business in 1980. Today, Wipro generates USD 6 billion (India GAAP figure 2009-10) of annual revenues. Its equity shares are listed in India on the Mumbai Stock Exchange and the National Stock Exchange; as well as on the New York Stock Exchange in the US.

Wipro makes an ideal partner for organizations looking at transformational IT solutions because of its core capabilities, great human resources, commitment to quality and the global infrastructure to deliver a wide range of technology and business consulting solutions and services, 24/7. Wipro enables business results by being a ‘transformation catalyst’. It offers integrated portfolio of services to its clients in the areas of Consulting, System Integration and Outsourcing for key-industry verticals.

A structured interview of the present officials working at the top management and ‘Continuum pattern’ of the determinants arrived at, are given as under. The main thrust core competencies of the company are:

- **Innovation**
Wipro is at the forefront of technological and business co-innovation with 136 patents and invention disclosures. With enhanced business performance at the core of its deliveries due to its strong R&D and Innovation focus, Wipro gets an enviable 95 percent repeat business.

- **Customer Focus**

Wipro make our clients business more efficient through a combination of process transformation, outsourcing, consulting and technology products and services. Wipro endeavours to deliver reliability and effectiveness to its customers by maintaining high standards in service offerings through robust internal processes and people management systems.

The main traits are discussed below:

i) **Organisational Matrix (60 percent)**

- Functional
- Matrix

ii) **Training & Development (85 percent)**

- Low
- High

iii) **Acceptance of change (80 percent)**

- Rigid
- Adaptable

iv) **Focus Commitment and crisis management (85 percent)**

- Low
- High

v) **Infrastructural development (85 percent)**

- Low
- High

vi) **Leadership style (85 percent)**

- Instructive
- Participative/Delegative

vii) **Employee motivation – Self Motivation (70 percent)**

- Low
- High

viii) **Employees working for incentives (30 percent)**

- Low
- High

ix) **Strategic Flexibility and Interchangeability (75 percent)**
The interview also helped to acquire following information

- **Product / Service based Company**

Wipro is a Product & Service based company

- **Quality of Products / Services**

In line with Wipro’s belief in constant innovation, over the years, Wipro has been a pioneer in adopting and adapting several improvement methodologies like Lean, Six Sigma, Kaizen, etc. to further the efficiency of its processes. Wipro was the first to adopt Six Sigma in IT delivery, way back in 1998; Lean methodology was adopted from the world-class Toyota Production System for improving the efficiency of the delivery engine; again a first in the industry, in the year 2005. Wipro has become extremely proficient in the application of these methodologies for internal processes as well as in our customer’s organizations, achieving significant improvements not only in the customers’ IT processes but also critical business processes.

- **Strategies for talent retention & attrition control**

Group Medi-claim Insurance Scheme, Personal Accident Insurance Scheme, Subsidized Food and Transportation, Company Leased Accommodation, Recreation, Cafeteria,
ATM and Concierge facilities, Corporate Credit Card, Cellular Phone / Laptop: Cellular phone and / or Laptop are provided to the employees on the basis of business need.

- **Performance Appraisal System**

360 degree Feedback Method is used for employee performance appraisal. Employees are appraised once in a six months. Output / Result, competency, ability to complete a given task within a given task are the criterias considered for evaluating employee performance.

- **Promotion Policy**

Promotion is based upon the employee performance

### 10.10 WNS Global Services

WNS is a leading global business process outsourcing company. Deep industry and business process knowledge, a partnership approach, comprehensive service offerings and a proven track record enable WNS to deliver business value to many of the world’s leading companies.

A structured interview of the present officials working at the top management and ‘Continuum pattern’ of the determinants arrived at, are given as under. The main thrust core competencies of the company are:

- **Customer Focus**

As a leading global BPO (business process outsourcing) company, WNS "extends the enterprise" of some of the world’s best brands. Through its [global delivery network](#) and a [comprehensive outsourcing services offering](#), WNS deliver business value to its clients by combining operational excellence and deep domain - industry and functional – knowledge

**Flexibility** is the cornerstone of company’s success. Not all organizations seek to implement radical change. We engage with equal passion with clients seeking to implement a “trial and learn” model, one process at a time, and with those aiming to transform multiple processes or complete functions at once.

Delivering the entire spectrum of business processes – from shared back office processes to industry-specific front and middle office processes, all the way to complex, actionable research and analytics, WNS changes the game for its clients.
The main traits are discussed below:

i) Organisational Matrix (70 percent)
   - Functional
   - Matrix

ii) Training & Development (85 percent)
   - Low
   - High

iii) Acceptance of change (80 percent)
   - Rigid
   - Adaptable

iv) Focus Commitment and crisis management (80 percent)
   - Low
   - High/Matured

v) Infrastructural (Technological) development (85 percent)
   - Low
   - High

vi) Leadership style (85 percent)
   - Instructive
   - Participative/Delegative

vii) Employee motivation – Self Motivation (70 percent)
   - Low
   - High

viii) Employees working for incentives (30 percent)
   - Low
   - High

ix) Strategic Flexibility and Interchangeability (80 percent)
   - Low
   - High

x) Innovation (90 percent)
   - Low
   - High

xi) Work culture (80 percent passionate)
xii) Tolerance for ambiguity (25 percent)

xiii) Productivity Management (85 percent)

xiv) Crisis Management (80 percent)

The interview also helped to acquire following information

- **Product / Service based Company**
  
  WNS is a service based company

- **Quality of Products / Services**
  
  At WNS, operational excellence is at the heart of everything they do. Their quality value proposition is based on service delivery value chain – Transition, Stabilize and Improve. They leverage their proven assets, tools and methodologies across the entire chain – from transition and stabilization - to ensure seamless and smooth BPO operations, applying ISO standards and LEAN and Six Sigma methodologies to reduce inefficiencies and enhance productivity on a continuous basis

- **Strategies for talent retention & attrition control**
  
  Growth opportunities, work culture

- **Performance Appraisal System**
  
  Ranking Method, Self – appraisal method is used for appraising the performance of the employees. Performance appraisal is done in every six months. Employees are evaluated on the basis of their subject knowledge, Skills and output / Result.

- **Promotion Policy**
Promotions are based upon the performance ratings

- **Compensation**
Decisions regarding pay hikes, bonus, incentives is mainly dependent on the performance of the employee.

- **Employee Welfare**
Medical insurance, assistance to employees in educational programmes

- **IT aspirations**
Enabling the clients to outperform with passion for service and innovation

- **Strategies for being a World Class IT / ITES company**
Operational efficiency, emphasis on quality management, cutting-edge processes for clients.

10.11 Cognizant

Cognizant is a leading provider of information technology, consulting, IT infrastructure and business process outsourcing services. By leveraging highly flexible business processes, a seamless global delivery network and deep domain expertise, Cognizant delivers a better “return on outsourcing.” Cognizant was one of the first IT services companies to organize around key industry verticals and horizontals. This enables Cognizant to establish extremely close partnerships that foster continuous operational improvements and better bottom-line results for clients.

A structured interview of the present officials working at the top management and ‘Continuum pattern’ of the determinants arrived at, are given as under. The main thrust core competencies of the company are:

- **Customer Focus**
Cognizant is proud to have built a culture attuned to anticipating and understanding its clients’ needs, and then working in close partnership with them to make their businesses stronger — more productive, more profitable, more capable of capturing market opportunities — and thus more valuable.

As a customer-centric, relationship-driven partner, cognizant is redefining the way companies experience and benefit from global services. Its unique delivery model is infused with a distinct culture of high customer satisfaction. Cognizant delivers a trusted partnership, cost reductions and business results.

The main traits are discussed below:
i) Organisational Matrix and Hierarchy Level (50 percent)

ii) Hierarchy Level

iii) Training & Development (90 percent)

iv) Acceptance of change (90 percent)

v) Focus Commitment and crisis management (90 percent)

vi) Infrastructural (Technological) development (90 percent)

vii) Leadership style (80 percent)

viii) Employee motivation – Self Motivation (70 percent)

ix) Employees working for incentives (20 percent)

x) Strategic Flexibility and Interchangeability (75 percent)

xi) Innovation (90 percent)

xii) Work culture (85 percent passionate)
The interview also helped to acquire following information

- **Product / Service based Company**
  Cognizant is product and service based company

- **Quality of Products / Services**
  Quality of Services and products is enhanced through continuous monitoring the performance of the products and services. At Cognizant they have rigorous quality management programmes
  - **Strategies for talent retention & attrition control**
    Pay hikes, growth opportunities, employee empowerment

- **Performance Appraisal System**
  Competency based performance appraisal system & Ranking Method is used for appraising the employees.

- **Promotion Policy**
  Promotions are based upon the performance

- **Employee Welfare**
  Medical insurance, assistance to employees in educational programme
• **IT aspirations**

To be a leading provider of information technology, consulting, IT infrastructure and business process outsourcing services

• **Strategies for being a World Class IT / ITES company**

Using the IT infrastructure, business processes, technology innovation, know how for making the client’s businesses stronger

**10.12 Persistent**

Persistent is one of the leading outsourced software product development (OPD) specialists, offering customers the benefits of offshore delivery. We deliver services across all stages of the product life cycle, which enables us to work with a wide range of customers and allows us to develop, enhance and deploy our customers’ software products. From R&D to development, testing, support and professional services, we lever it all.

A structured interview of the present officials working at the top management and ‘Continuum pattern’ of the determinants arrived at, are given as under. The main thrust core competencies of the company are:

- Technology driven company
- Committed to the highest standard of ethics and integrity

The main traits are discussed below:

i) **Training & Development (85 percent)**

![Low to High Continuum Pattern](image)

ii) **Acceptance of change (80 percent)**

![Rigid to Adaptable Continuum Pattern](image)

iii) **Focus Commitment and crisis management (85 percent)**

![Low to High Continuum Pattern](image)

iv) **Infrastructural development (85 percent)**

![Low to High Continuum Pattern](image)

v) **Leadership style (80 percent)**

![Low to High Continuum Pattern](image)
vi) Employee motivation – Self Motivation (70 percent)

Low

High

vii) Employees working for incentives (30 percent)

Low

High

viii) Strategic Flexibility and Interchangeability (70 percent)

Low

High

ix) Innovation (90 percent)

Low

High

x) Work culture (80 percent passionate)

Less

More

xi) Tolerance for ambiguity (30 percent)

Less

More

tax) Productivity management (90 percent)

Routine

Craft

xiii) Crisis Management (85 percent)

Low

High

The interview also helped to acquire following information

- **Product / Service based Company**
  Persistent is a product and service based company.

- **Quality of Products / Services**
  Persistent is dedicated to Quality - quality of products, quality of service, quality of relationships, quality of communications & quality of their promises.
• **Performance Appraisal System**

Combination of Weighted Checklist, Management by Objectives is used for employee appraisal. Employees are evaluated annually by the project manager.

• **Promotion Policy**

Promotion is based upon the employee performance

• **Employee Welfare**

Round-the-clock access to an on-locale gymnasium, badminton and TT courts, a sprawling library and a large cafeteria, Even the routine seminars and training sessions for the employees on various issues.

• **IT aspirations**

Delivering value to the customers through innovation and by consistently improving efficiency.

• **Strategies for being a World Class IT / ITES company**

Working with customers to help them proficiently deliver products to maximize their core business.
Table 10.1: Summary of Traits ITES Company wise

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Items – Description</th>
<th>Rating (Per cent)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>ZS (1)</td>
</tr>
<tr>
<td>1</td>
<td>Organisational Structure – Matrix</td>
<td>50%</td>
</tr>
<tr>
<td>2</td>
<td>Training &amp; Development</td>
<td>95%</td>
</tr>
<tr>
<td>3</td>
<td>Acceptance of Change</td>
<td>95%</td>
</tr>
<tr>
<td>4</td>
<td>Focus Commitment</td>
<td>90%</td>
</tr>
<tr>
<td>5</td>
<td>Infrastructure Development</td>
<td>90%</td>
</tr>
<tr>
<td>6</td>
<td>Leadership Style</td>
<td>90%</td>
</tr>
<tr>
<td>7</td>
<td>Employee Motivation (self)</td>
<td>90%</td>
</tr>
<tr>
<td>8</td>
<td>Motivation due to incentives</td>
<td>10%</td>
</tr>
<tr>
<td>9</td>
<td>Strategic Flexibility &amp; Interchangeability</td>
<td>90%</td>
</tr>
<tr>
<td>10</td>
<td>Crisis Management</td>
<td>90%</td>
</tr>
<tr>
<td>11</td>
<td>Innovation</td>
<td>90%</td>
</tr>
<tr>
<td>12</td>
<td>Work Culture (passionate)</td>
<td>95%</td>
</tr>
<tr>
<td>13</td>
<td>Tolerance for Ambiguity</td>
<td>15%</td>
</tr>
<tr>
<td>14</td>
<td>Productivity Management</td>
<td>95%</td>
</tr>
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</table>
### Table 10.2: Summary of Ratings of Parameters (determinants)

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Item : Description</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Organisation Structure (Matrix type)</td>
<td>50% ZS, 50% Cognizant, 10% Patni</td>
<td>70% WNS, 60% IBM, 60% Wipro</td>
<td>80% Infosys, 80% TCS, 75% Zensar</td>
</tr>
<tr>
<td>2.</td>
<td>Training &amp; Development</td>
<td>75% Patni</td>
<td>85% TCS, 85% IBM, 85% WNS, 85% Zensar, 85% Wipro, 85% Persistent</td>
<td>95% ZS, 90% Cognizant</td>
</tr>
<tr>
<td>3.</td>
<td>Acceptance of Change</td>
<td>70% Patni</td>
<td>80% WNS, 80% Zensar, 80% Wipro, 80% Persistent</td>
<td>95% ZS, 95% Infosys, 95% IBM, 90% Cognizant, 90% TCS</td>
</tr>
<tr>
<td>4.</td>
<td>Focus Commitment</td>
<td>70% Patni</td>
<td>80% WNS</td>
<td>90% ZS, 90% TCS, 90% IBM, 90% Infosys, 90% Cognizant, 85% Zensar, 85% Wipro, 85% Persistent</td>
</tr>
<tr>
<td>5.</td>
<td>Infrastructure Development</td>
<td>70% Patni</td>
<td>----</td>
<td>90% ZS, 90% TCS, 90% IBM, 90% Infosys, 90% Cognizant, 85% Zensar, 85% Wipro, 85% WNS, 85% Persistent</td>
</tr>
<tr>
<td>6.</td>
<td>Leadership Style</td>
<td>50% Patni, 70% Cognizant</td>
<td>80% Persistent, 80% TCS, 80% Infosys, 80% IBM</td>
<td>90% ZS, 85% Zensar, 85% Wipro, 85% WNS</td>
</tr>
<tr>
<td>7.</td>
<td>Employee Motivation (self)</td>
<td>50% Patni, 60% TCS</td>
<td>70% WNS, 70% Zensar, 70% Wipro, 70% Persistent, 70% IBM, 70% Cognizant</td>
<td>90% ZS, 80% Infosys</td>
</tr>
<tr>
<td>Sr. No.</td>
<td>Item : Description</td>
<td>Low</td>
<td>Medium</td>
<td>High</td>
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<td>---------------------------</td>
</tr>
<tr>
<td>8</td>
<td>Motivation due to incentives</td>
<td>10% ZS, 20% Infosys</td>
<td>30% IBM, 30% Cognizant, 30% WNS, 30% Zensar, 30% Wipro, 30% Persistent</td>
<td>50% Patni, 40% TCS</td>
</tr>
<tr>
<td>9</td>
<td>Strategic Flexibility &amp; Interchangeability</td>
<td>----</td>
<td>75% Zensar, 75% Wipro, 70% Patni, 70% Persistent, 75% Cognizant</td>
<td>90% ZS, 80% TCS, 80% Infosys, 80% IBM, 80% WNS</td>
</tr>
<tr>
<td>10</td>
<td>Crisis Management</td>
<td>70% Patni</td>
<td>80% WNS</td>
<td>90% ZS, 90% TCS, 90% IBM, 90% Infosys, 90% Cognizant, 85% Zensar, 85% Wipro, 85% Persistent</td>
</tr>
<tr>
<td>11</td>
<td>Innovation</td>
<td>70% Patni</td>
<td>----</td>
<td>90% ZS, 90% TCS, 95% Infosys, 90% IBM, 90% Zensar, 90% Wipro, 90% WNS, 90% Cognizant, 90% Persistent</td>
</tr>
<tr>
<td>12</td>
<td>Work Culture (Passionate)</td>
<td>60% Patni</td>
<td>80% WNS, 80% Zensar, 80% Wipro, 85% Cognizant 80%Persistent</td>
<td>95% ZS, 90% TCS, 90% IBM, 90% Infosys</td>
</tr>
<tr>
<td>13</td>
<td>Tolerance for Ambiguity</td>
<td>----</td>
<td>15% ZS, 20% TCS, 20% Infosys, 20% IBM</td>
<td>30% Persistent, 30% Wipro, 25% Patni, 25% Zensar, 25% WNS, 25% Cognizant</td>
</tr>
<tr>
<td>14</td>
<td>Productivity Management</td>
<td>----</td>
<td>80% Patni, 85% Zensar, 85% WNS</td>
<td>95% ZS, 90% TCS, 90% Infosys, 95% IBM, 90% Wipro, 90% Cognizant, 90% Persistent</td>
</tr>
</tbody>
</table>
CHAPTER 11
SYNTHESIS AND DISCUSSION OF RESULTS

11.1 INTRODUCTION

In the present chapter, based upon the empirical and qualitative studies, certain thrust points pertaining to performance appraisal system and promotion policy of the selected ITES companies have been presented. With the help of X-ray Metrics factor, the chapter also presents performance metrics and financial performance metrics of studied companies. The Financial Performance Metrics of the considered companies is suitably presented in the form of Financial and Marketing Dashboards. The learning issues provide wealth of information’s about the strong and weak points of the organisations. A holistic approach of the above synthesis has been presented logically and an emerging model of innovation has been suggested.

Earlier chapter eight exclusively deals with Innovation Manifestations, wherein the concepts like ‘Disruptive Innovation’, three innovation imperatives, Innovation Blitz, and Slow Innovation mechanism have been covered adequately. With the understanding of these factors, an emerging model of Fast Innovation “Innovation Blitzkreig” has been evolved in the present chapter.

➢ Hyperinnovation Parameter

Hyper innovation includes degree of novelty (newness) as well as complexity (diverse ideas). One of the hyper innovation recommended principle has been suitably suggested in this chapter while considering the various determinants of CSF/KPIs have been discussed.

Before we analyse the studies some of the parameters are given below:

- **Key Performance Indicators (KPIs):** It is a measure of reflecting how an organisation is doing in a specific aspect of its performance.

- **Critical Success Factors (CSFs):** It is a broader term and it’s a key activity needed to achieve the given strategic objectives of the organisation. A KPI is one representation of CSF.

- **Dashboards:** It acts as the primary analytical application in any organization. The Dashboard provides critical indicators together so that the information is available in one snapshot. Dashboards are the simplest type of Performance Measurement
System; a dashboard combines the company’s numerous metrics, targets & performance data into one online or printed document. A dashboard enables executives and managers to easily digest the company’s aggregate performance data.

- **X-ray factor Analysis**

a) X-ray factor Analysis makes visible individuals ‘interconnectedness and interactions – and can identify the central people and the peripheral, the ‘connectors’ and ‘boundary spanners’, the bottlenecks, unsung heroes and untapped resources, as well as distinguishing the different sub-groups amongst staff and leadership.

b) Another application is to map the energy network of an organisation i.e the energising people and the de-energising ones (the attractors vs. energy-sappers) or it can map the problem-solving/brainstorming networks, in order to identify capacity for innovation. Thus, almost like an X-ray of an organisation, it provides scan of our people information.

11.2 **SYNTHESIS OF THE STUDIES**

Herein a final analysis of all the ingredients under the hypothesis has been attempted and a relationship between them has been tried out to establish as a measure of performance metrics.

**Hypothesis:** There are certain constraints/ lacunae in the existing performance appraisal system and promotion policy of ITES companies.

This hypothesis can be conveniently subdivided into subthemes – thrust points, as under:

- **Performance Appreciation Metrics:**
  a) Performance Appraisal System.
  b) Performance HR Metrics.
- **Financial Performance Metrics**
- **Analysis of Promotion Policy of studied companies.**
11.2.1 Performance Appreciation Metrics:

- Performance Appraisal System

In the light of above mentioned hypothesis, the following table (Table no.11.1) presents gist of empirical study, pertaining to the existing Performance Appraisal System and other relevant issues considered in the study.
Empirical Study

Table 11.1: Determinants of Empirical Study

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Item</th>
<th>ZS (%)</th>
<th>TCS (%)</th>
<th>Infosys (%)</th>
<th>IBM (%)</th>
<th>Patni (%)</th>
<th>Zensar (%)</th>
<th>Wipro (%)</th>
<th>WNS (%)</th>
<th>Cogniz (%)</th>
<th>Persis (%)</th>
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<td>80</td>
<td>25</td>
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<td>--</td>
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<td>(Functional aspects)</td>
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<td>Vision shared by the top management</td>
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<td>Sr. No.</td>
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<td>ZS (%)</td>
<td>TCS (%)</td>
<td>Infosys (%)</td>
<td>IBM (%)</td>
<td>Patni (%)</td>
<td>Zensar (%)</td>
<td>Wipro (%)</td>
<td>WNS (%)</td>
<td>Cogniz (%)</td>
<td>Persis (%)</td>
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<td>Employee transferability to other job (job rotation)</td>
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<td>Identifying the gaps in desired &amp; actual performance</td>
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<td>Communication of objectives through immediate boss</td>
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<td>Zensar (%)</td>
<td>Wipro (%)</td>
<td>WNS (%)</td>
<td>Cogniz (%)</td>
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</tr>
<tr>
<td>24</td>
<td>Performance appraisal system requires some changes</td>
<td>25</td>
<td>35</td>
<td>28</td>
<td>25</td>
<td>45</td>
<td>20</td>
<td>32</td>
<td>20</td>
<td>27</td>
<td>25</td>
</tr>
<tr>
<td>25</td>
<td>Adequate promotion policy</td>
<td>90</td>
<td>80</td>
<td>85</td>
<td>75</td>
<td>60</td>
<td>50</td>
<td>70</td>
<td>60</td>
<td>85</td>
<td>70</td>
</tr>
<tr>
<td>26</td>
<td>Promotion policy require some changes</td>
<td>10</td>
<td>10</td>
<td>15</td>
<td>05</td>
<td>30</td>
<td>20</td>
<td>10</td>
<td>15</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>27</td>
<td>Higher productivity through new technology</td>
<td>50</td>
<td>24</td>
<td>22</td>
<td>29</td>
<td>16</td>
<td>55</td>
<td>20</td>
<td>23</td>
<td>60</td>
<td>30</td>
</tr>
<tr>
<td>28</td>
<td>Participative leadership</td>
<td>80</td>
<td>60</td>
<td>75</td>
<td>70</td>
<td>--</td>
<td>50</td>
<td>50</td>
<td>20</td>
<td>55</td>
<td>60</td>
</tr>
<tr>
<td>29</td>
<td>Initiative for knowledge management</td>
<td>30</td>
<td>30</td>
<td>80</td>
<td>25</td>
<td>30</td>
<td>30</td>
<td>40</td>
<td>40</td>
<td>50</td>
<td>60</td>
</tr>
<tr>
<td>30</td>
<td>Increasing productivity through knowledge management</td>
<td>60</td>
<td>30</td>
<td>30</td>
<td>20</td>
<td>50</td>
<td>25</td>
<td>--</td>
<td>15</td>
<td>30</td>
<td>--</td>
</tr>
</tbody>
</table>
Qualitative Analysis

Qualitative Analysis is depicted in Table 11.2. Top management people of the selected ITES companies have been interviewed with a view to judge/evaluate the HR practices. These interviews also helped to evaluate the overall organisational performance of these ITES companies.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Item</th>
<th>ZS (%)</th>
<th>TCS (%)</th>
<th>Infosys (%)</th>
<th>IBM (%)</th>
<th>Patni (%)</th>
<th>Zensar (%)</th>
<th>Wipro (%)</th>
<th>WNS (%)</th>
<th>Cogniz (%)</th>
<th>Persis (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Organisational Structure based on Matrix form</td>
<td>50%</td>
<td>80%</td>
<td>80%</td>
<td>60%</td>
<td>10%</td>
<td>75%</td>
<td>60%</td>
<td>70%</td>
<td>50%</td>
<td>--</td>
</tr>
<tr>
<td>2</td>
<td>Training &amp; Development</td>
<td>95%</td>
<td>85%</td>
<td>90%</td>
<td>85%</td>
<td>75%</td>
<td>85%</td>
<td>85%</td>
<td>90%</td>
<td>85%</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Acceptance of Change</td>
<td>95%</td>
<td>90%</td>
<td>95%</td>
<td>95%</td>
<td>70%</td>
<td>80%</td>
<td>80%</td>
<td>90%</td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Focus Commitment</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>70%</td>
<td>85%</td>
<td>85%</td>
<td>90%</td>
<td>85%</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Infrastructure Development</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>70%</td>
<td>85%</td>
<td>85%</td>
<td>90%</td>
<td>85%</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Participative Leadership Style</td>
<td>90%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>50%</td>
<td>85%</td>
<td>85%</td>
<td>85%</td>
<td>70%</td>
<td>80%</td>
</tr>
<tr>
<td>7</td>
<td>Employee Motivation (self)</td>
<td>90%</td>
<td>60%</td>
<td>80%</td>
<td>70%</td>
<td>50%</td>
<td>70%</td>
<td>70%</td>
<td>70%</td>
<td>70%</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Motivation due to incentives</td>
<td>10%</td>
<td>40%</td>
<td>20%</td>
<td>30%</td>
<td>50%</td>
<td>30%</td>
<td>30%</td>
<td>30%</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>9</td>
<td>Strategic Flexibility &amp; Interchange ability</td>
<td>90%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>70%</td>
<td>75%</td>
<td>75%</td>
<td>80%</td>
<td>75%</td>
<td>70%</td>
</tr>
<tr>
<td>Sr. No.</td>
<td>Item</td>
<td>ZS (%)</td>
<td>TCS (%)</td>
<td>Infosys (%)</td>
<td>IBM (%)</td>
<td>Patni (%)</td>
<td>Zensar (%)</td>
<td>Wipro (%)</td>
<td>WNS (%)</td>
<td>Cogniz (%)</td>
<td>Persis (%)</td>
</tr>
<tr>
<td>--------</td>
<td>-----------------------------------</td>
<td>--------</td>
<td>---------</td>
<td>-------------</td>
<td>---------</td>
<td>-----------</td>
<td>------------</td>
<td>-----------</td>
<td>---------</td>
<td>------------</td>
<td>------------</td>
</tr>
<tr>
<td>10</td>
<td>Innovative approach</td>
<td>90%</td>
<td>90%</td>
<td>95%</td>
<td>95%</td>
<td>70%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
</tr>
<tr>
<td>11</td>
<td>Crisis Management</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>70%</td>
<td>85%</td>
<td>85%</td>
<td>80%</td>
<td>90%</td>
<td>85%</td>
</tr>
<tr>
<td>12</td>
<td>Work Culture (passionate)</td>
<td>95%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>60%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>85%</td>
<td>80%</td>
</tr>
<tr>
<td>13</td>
<td>Tolerance for Ambiguity</td>
<td>15%</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
<td>25%</td>
<td>25%</td>
<td>30%</td>
<td>25%</td>
<td>25%</td>
<td>30%</td>
</tr>
<tr>
<td>14</td>
<td>Productivity Measures/Approach</td>
<td>95%</td>
<td>90%</td>
<td>90%</td>
<td>95%</td>
<td>80%</td>
<td>85%</td>
<td>90%</td>
<td>85%</td>
<td>90%</td>
<td>90%</td>
</tr>
</tbody>
</table>
11.2.1.1 Analytical deductions pertaining to Performance Appraisal System of selected ITES companies:

a) Performance Appraisal System:

The satisfaction level of the employees/ respondents regarding their existing performance appraisal system is as follows:

<table>
<thead>
<tr>
<th>Name of the Company</th>
<th>Satisfied (+ve) %</th>
<th>Not Satisfied (-ve) %</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCS</td>
<td>65</td>
<td>35</td>
</tr>
<tr>
<td>Patni</td>
<td>55</td>
<td>45</td>
</tr>
<tr>
<td>Zensar</td>
<td>60</td>
<td>40</td>
</tr>
<tr>
<td>Wipro</td>
<td>68</td>
<td>32</td>
</tr>
<tr>
<td>Persistent</td>
<td>60</td>
<td>40</td>
</tr>
<tr>
<td>ZS</td>
<td>70</td>
<td>30</td>
</tr>
<tr>
<td>Infosys</td>
<td>72</td>
<td>28</td>
</tr>
<tr>
<td>IBM</td>
<td>75</td>
<td>25</td>
</tr>
<tr>
<td>WNS</td>
<td>70</td>
<td>30</td>
</tr>
<tr>
<td>Cognizant</td>
<td>73</td>
<td>27</td>
</tr>
</tbody>
</table>

Critical Comment: It is generally observed from the above data that the majority of the employees of the companies are in consonance and feel satisfied with the existing performance appraisal system.

(b) Performance HR Metrics

Performance Metrics for the selected ITES companies has been formulated with the following Key Performance Indicators (KPIs) and certain common traits:
Table 11.3: Performance HR Metrics of the Selected ITES Companies

<table>
<thead>
<tr>
<th>Key Performance Indicators (KPIs)</th>
<th>ZS</th>
<th>Info</th>
<th>TCS</th>
<th>IBM</th>
<th>Patni</th>
<th>Zen</th>
<th>Wipro</th>
<th>Cogni</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Satisfaction</td>
<td>75%</td>
<td>65%</td>
<td>60%</td>
<td>73%</td>
<td>50%</td>
<td>55%</td>
<td>63%</td>
<td>60%</td>
<td>Secondary sources</td>
</tr>
<tr>
<td>Talent retention</td>
<td>92%</td>
<td>89%</td>
<td>88%</td>
<td>85%</td>
<td>77%</td>
<td>80%</td>
<td>80%</td>
<td>89%</td>
<td>Secondary sources</td>
</tr>
<tr>
<td>Training &amp; Development</td>
<td>95%</td>
<td>90%</td>
<td>85%</td>
<td>85%</td>
<td>75%</td>
<td>85%</td>
<td>85%</td>
<td>90%</td>
<td>Qualitative Analysis</td>
</tr>
<tr>
<td>Interchangeability/ Flexibility</td>
<td>90%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>70%</td>
<td>75%</td>
<td>75%</td>
<td>75%</td>
<td>Qualitative Analysis</td>
</tr>
<tr>
<td>Feedback/ follow-up</td>
<td>50%</td>
<td>32%</td>
<td>40%</td>
<td>40%</td>
<td>70%</td>
<td>50%</td>
<td>40%</td>
<td>50%</td>
<td>Empirical Study</td>
</tr>
<tr>
<td>Crisis Management</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>70%</td>
<td>85%</td>
<td>85%</td>
<td>90%</td>
<td>Qualitative Analysis</td>
</tr>
<tr>
<td>Performance based Reward/ Incentives</td>
<td>30%</td>
<td>50%</td>
<td>30%</td>
<td>25%</td>
<td>25%</td>
<td>35%</td>
<td>25%</td>
<td>32%</td>
<td>Empirical Study</td>
</tr>
<tr>
<td>Innovative approach</td>
<td>90%</td>
<td>95%</td>
<td>90%</td>
<td>95%</td>
<td>70%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>Qualitative Analysis</td>
</tr>
<tr>
<td>Acceptance of change</td>
<td>95%</td>
<td>95%</td>
<td>90%</td>
<td>95%</td>
<td>70%</td>
<td>80%</td>
<td>80%</td>
<td>90%</td>
<td>Qualitative Analysis</td>
</tr>
</tbody>
</table>

(Note: In the above table Zen stands for company name Zensar while Cogni. Stands for company name Cognizant)

Further categorizing the selected eight ITES companies on basis of Performance HR Metrics (Refer Table 11.3) as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selected Companies</td>
<td>ZS, Infosys, TCS, Wipro</td>
<td>Zensar, Cognizant, IBM</td>
<td>Patni</td>
</tr>
</tbody>
</table>

11.2.  Financial Performance Metrics

Financial Performance Metrics for the selected ITES companies has been formulated with the help of certain key performance indicators (KPIs) like, revenue, EVA, net profit and some Key Financial Ratios (KFRs) like Return on Capital Employed (ROCE) and Margin on Sales percentage (MoS) yet at the same time Earning Per Share (EPS) has also been considered.
X-RAY METRICS FACTOR

Metrics can serve as leading indicators of problems, opportunities and future financial performance. Just as X-rays (now MRIs) are designed to provide deeper views of our body metrics can show problems and opportunities that would otherwise be.

I) INFOSYS: Financial Performance Metrics of Infosys is depicted in table 11.4

Table 11.4 Financial Performance Metrics of Infosys

<table>
<thead>
<tr>
<th>KPIs/ KFRs</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (Rs in cr)</td>
<td>1,900.57</td>
<td>2,604</td>
<td>3,623</td>
<td>4,761</td>
<td>6,860</td>
<td>9,028</td>
<td>13,149</td>
<td>15,648</td>
</tr>
<tr>
<td>Net Profit (Rs in cr)</td>
<td>629</td>
<td>808</td>
<td>958</td>
<td>1,243</td>
<td>1,904</td>
<td>2,421</td>
<td>3,783</td>
<td>4,470</td>
</tr>
<tr>
<td>EVA (Rs in cr)</td>
<td>510</td>
<td>454</td>
<td>689</td>
<td>1,132</td>
<td>1,540</td>
<td>2,122</td>
<td>2,286</td>
<td>3,563</td>
</tr>
<tr>
<td>Return on Capital Employed (ROCE) in %</td>
<td>54.42</td>
<td>46.94</td>
<td>37.51</td>
<td>13.73</td>
<td>61.12</td>
<td>45</td>
<td>46</td>
<td>41</td>
</tr>
<tr>
<td>Earning Per Share in Rs. (EPS)</td>
<td>95.05</td>
<td>122.07</td>
<td>144.61</td>
<td>186.59</td>
<td>70.38</td>
<td>87.86</td>
<td>66.23</td>
<td>78.15</td>
</tr>
<tr>
<td>Margin on Sales percentage</td>
<td>43%</td>
<td>42%</td>
<td>37%</td>
<td>36%</td>
<td>36%</td>
<td>35%</td>
<td>35%</td>
<td>36%</td>
</tr>
</tbody>
</table>
From the above analysis it is evident that there has been continuous and rapid increase in the revenue, net profit and EVA of the Infosys while Return on Capital Employed (ROCE), Earning Per Share (EPS) and Margin on Sales (MoS) is found to be fluctuating.

II) Tata Consultancy Services (TCS): Financial Performance Metrics of TCS is depicted in table 11.5
**Table 11.5 Financial Performance Metrics of Tata Consultancy Services (TCS)**

<table>
<thead>
<tr>
<th>KPIs/ KFRs</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (Rs in cr)</td>
<td>3062</td>
<td>4114</td>
<td>4915</td>
<td>8051</td>
<td>8123</td>
<td>13264</td>
<td>18685</td>
<td>22620</td>
</tr>
<tr>
<td>Net Profit(Rs in cr)</td>
<td>863</td>
<td>1145</td>
<td>1176</td>
<td>1518</td>
<td>1831</td>
<td>2717</td>
<td>3757</td>
<td>4509</td>
</tr>
<tr>
<td>Return on Capital Employed (ROCE) in %</td>
<td>50</td>
<td>54</td>
<td>46</td>
<td>48</td>
<td>51</td>
<td>56</td>
<td>50</td>
<td>43</td>
</tr>
<tr>
<td>Earning Per Share (EPS) in Rs.</td>
<td>22.0</td>
<td>23.0</td>
<td>22.3</td>
<td>42.98</td>
<td>38.15</td>
<td>55.53</td>
<td>38.39</td>
<td>46.07</td>
</tr>
<tr>
<td>Margin on Sales (MoS) in %</td>
<td>30%</td>
<td>36%</td>
<td>28%</td>
<td>29%</td>
<td>30%</td>
<td>30%</td>
<td>29%</td>
<td>27%</td>
</tr>
</tbody>
</table>

**Fig.11.2 (a): Marketing and Financial Dashboards of TCS (2001- 2008)**
Fig.11.2 (b): Marketing and Financial Dashboards of TCS (2001-2008)

From the above analysis it is evident that there has been continuous and rapid increase in the revenue, and net profit of TCS while Return on Capital Employed (ROCE) appears to be fluctuating slightly, Earning Per Share (EPS) and Margin on Sales (MoS) is also found to be fluctuating.

III) Wipro Technologies: Financial Performance Metrics of Wipro is depicted in table 11.6

Table 11.6: Financial Performance Metrics of Wipro Technologies Pvt. Ltd.

<table>
<thead>
<tr>
<th>KPIs/ KFRs</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (Rs in cr)</td>
<td>3,140</td>
<td>3,487</td>
<td>4,047</td>
<td>5,190</td>
<td>7,276</td>
<td>10,264</td>
<td>13,759</td>
<td>17,658</td>
</tr>
<tr>
<td>Net Profit (Rs in cr)</td>
<td>666</td>
<td>866</td>
<td>813</td>
<td>915</td>
<td>1,494</td>
<td>2,020</td>
<td>2,842</td>
<td>3,063</td>
</tr>
<tr>
<td>Return on Capital Employed (ROCE in %)</td>
<td>58.52</td>
<td>42.53</td>
<td>33.25</td>
<td>32.84</td>
<td>6.13</td>
<td>31.43</td>
<td>30.50</td>
<td>26.51</td>
</tr>
<tr>
<td>Earning Per Share (EPS) in Rs.</td>
<td>28.59</td>
<td>37.26</td>
<td>34.97</td>
<td>39.31</td>
<td>21.25</td>
<td>14.17</td>
<td>19.18</td>
<td>20.96</td>
</tr>
<tr>
<td>Margin on Sales percentage(MoS in %)</td>
<td>27%</td>
<td>31%</td>
<td>26%</td>
<td>24%</td>
<td>27%</td>
<td>25%</td>
<td>26%</td>
<td>23%</td>
</tr>
</tbody>
</table>
From the above analysis it is evident that there has been continuous and rapid increase in the revenue and net profit of Wipro while Return on Capital Employed (ROCE), Earning Per Share (EPS) appears to be varying in nature. It is also evident that there is slight fluctuation in Margin on Sales (MoS).
IV) Patni Computer Systems: Financial Performance Metrics of Patni is depicted in table 11.7

Table 11.7 Financial Performance Metrics of Patni Computer Systems

<table>
<thead>
<tr>
<th>KPIs/ KFRs</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (Rs in cr)</td>
<td>329</td>
<td>448</td>
<td>537</td>
<td>702</td>
<td>876</td>
<td>998</td>
<td>1,172</td>
<td>1,541</td>
</tr>
<tr>
<td>Net Profit (Rs in cr)</td>
<td>111</td>
<td>164</td>
<td>164</td>
<td>166</td>
<td>194</td>
<td>206</td>
<td>388</td>
<td>389</td>
</tr>
<tr>
<td>Return on Capital Employed (ROCE) in %</td>
<td>44.1</td>
<td>42.2</td>
<td>33.4</td>
<td>28.3</td>
<td>13</td>
<td>14</td>
<td>13</td>
<td>18</td>
</tr>
<tr>
<td>Earning Per Share (EPS) in Rs</td>
<td>0.25</td>
<td>21.99</td>
<td>14.99</td>
<td>18.44</td>
<td>14.11</td>
<td>14.88</td>
<td>27.88</td>
<td>30.88</td>
</tr>
<tr>
<td>Margin on Sales percentage (MoS) in %</td>
<td>45%</td>
<td>50%</td>
<td>43%</td>
<td>44%</td>
<td>36%</td>
<td>39%</td>
<td>44%</td>
<td>33%</td>
</tr>
</tbody>
</table>

Fig.11.4 (a): Marketing and Financial Dashboards of Patni (2001-2008)
From the above analysis it is clear that the revenue of Patni Computer Systems is growing very rapidly so far net profit is concerned it is increasing in good numbers. Return on Capital Employed (ROCE) found to be continuously decreasing after the year 2001. It is found that there is fluctuation taking place in case of Earning Per Share (EPS) and Margin on Sales (MoS).

**Fig.11.4 (b): Marketing and Financial Dashboards of Patni (2001- 2008)**
V) Zensar Technologies: Financial Performance Metrics of Infosys is depicted in table 11.8

Table 11.8 Financial Performance Metrics of Zensar Technologies:

<table>
<thead>
<tr>
<th>KPIs/ KFRs</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (Rs in cr)</td>
<td>70.32</td>
<td>70.29</td>
<td>97</td>
<td>127</td>
<td>176</td>
<td>229</td>
<td>278</td>
<td>336</td>
</tr>
<tr>
<td>Net Profit (Rs in cr)</td>
<td>11.32</td>
<td>11.22</td>
<td>8.16</td>
<td>14.00</td>
<td>37.59</td>
<td>25</td>
<td>34</td>
<td>45</td>
</tr>
<tr>
<td>Return on Capital Employed (ROCE) in %</td>
<td>3.20</td>
<td>3.46</td>
<td>4.23</td>
<td>5.4</td>
<td>32</td>
<td>19.47</td>
<td>25.00</td>
<td>20.84</td>
</tr>
<tr>
<td>Earning Per Share (EPS) in Rs.</td>
<td>6.49</td>
<td>4.41</td>
<td>3.50</td>
<td>232.88</td>
<td>232.88</td>
<td>10.72</td>
<td>14.16</td>
<td>18.94</td>
</tr>
<tr>
<td>Margin on Sales percentage (MoS) in %</td>
<td>21%</td>
<td>32%</td>
<td>21%</td>
<td>18%</td>
<td>28%</td>
<td>19%</td>
<td>18%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Fig.11.5 (a): Marketing and Financial Dashboards of Zensar (2001-2008)
Fig.11.5 (b): Marketing and Financial Dashboards of Zensar (2001-2008)

From the above analysis it is observed that there is continuous increase in the revenue of Zensar Technologies, so far net profit is concerned it appears to be fluctuating for the period 2001-08. It is found that Return on Capital Employed (ROCE) has been increasing from 2001–2005; thereafter 2005 there is decrease in ROCE till the year 2008. There is fluctuation in case of EPS and MoS.

VI) A study of Comparative analysis of Financial Performance Metrics of selected ITES companies is depicted in Table 11.9

Table 11.9: Comparative analysis of Financial Performance Metrics of ITES companies:

<table>
<thead>
<tr>
<th>Avg. of KPIs (2001-08)</th>
<th>ITES Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Infosys</td>
</tr>
<tr>
<td>Return on Capital Employed (ROCE)</td>
<td>43.21</td>
</tr>
<tr>
<td>Net Profit (Rs in crore)</td>
<td>2027</td>
</tr>
<tr>
<td>Earning Per Share (EPS in Rs)</td>
<td>106.36</td>
</tr>
</tbody>
</table>

The above Table 11.9 can be further shown as per graphical representation as under:
Fig. 11.6: Average Net Profit of selected five companies

Fig. 11.7: Average ROCE of selected five companies
The above analysis Table no. 11.9 presents comparative analysis of the five selected ITES companies i.e. Infosys, TCS, Wipro, Patni and Zensar in terms of average ROCE, average net profit and average EPS for the period 2001-08.

Table 11.9 represents comparative analysis of Financial Performance Metrics of the following ITES companies:

- Infosys
- TCS
- Wipro
- Zensar
- Patni

11. 2.3 Discussions of Results

i) From Performance HR Metrics as well as Financial Performance Metrics it is observed that the above selected ITES companies can be categorised:

- High : ZS, Infosys, TCS, Wipro
- Medium : Zensar, Cognizant, IBM
- Low : Patni

ii) From comparative analysis of Financial Performance Metrics of five selected ITES companies, the following observation emerges:

- High : Infosys, TCS, Wipro
- Medium: Zensar
• Low: Patni

iii) From the above consideration of the analyses, further the companies can be categorised as under:

<table>
<thead>
<tr>
<th>Best rated Company</th>
<th>Medium range company</th>
<th>Lower range company</th>
</tr>
</thead>
<tbody>
<tr>
<td>• INFOSYS</td>
<td>• ZENSAR</td>
<td>• PATNI</td>
</tr>
<tr>
<td>• TCS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• WIPRO.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

11.2.4 Logical Deductions

Financial Metrics of the Selected ITES companies comprises of revenue, net profit, Economic Value Added (EVA), Return on Capital Employed (ROCE), Margin on Sales (MoS) and Earning Per Share (EPS). It is evident that there has been continuous and rapid growth in the revenue and net profit of the selected ITES companies which is encouraging and indicates positive trend in past financial performance of selected ITES companies. Rapid growth in revenue and net profit does also indicate further future prospects for these companies.

The above analysis of selected ITES companies studied with some key performance indicators and common traits under Performance Metrics indicate that these ITES companies are highly competitive in nature. Based upon the above analysis it appears that all the selected ITES companies are performing better in talent retention, training & development, interchange ability/ flexibility, crisis management, acceptance of change and innovative approach.

11.2.5 Promotion Policy Analysis

The following is the evaluation of the ITES companies regarding Promotion policies:

a) Majority of the ITES companies out of 10, are in consonance / agreement for existence of promotion policies and people/respondents are satisfied with policy (85%).

b) Three companies, e.g.: Zensar (50%), Patni (60%) and WNS (60%), they are at little variance from the above subparagraph (a).

c) Only 15% employees have desired for a change with the promotion policy.
Thus, it is eventually observed that since 85% employees are in favour of existing promotion policies and only 15% in disagreement, the sub-hypothesis of promotional policy is validated and does not require any change.

11.2.6 Principle of Hyper-innovation and uncertainty aspect

As we understand innovation is continuous improvement / ideation – new ideas. Hyperinnovation decidedly touch upon degree of novelty (newness) & complexity (diversity of ideas) embedded in a particular innovation which depends with a limitation on cycle time-to-market.

The principle of Hyperinnovation depends on mainly the degree of novelty multiplied by complexity – the higher the uncertainty the longer the relative cycle time. Herein, degree of novelty and complexities defines the degree of uncertainty and uncertainty defines the relative timing factors involved in introduction. There are various ways and means of finding complexity and measuring novelty. A possible hyperinnovation equation can be given as below:

\[ C_t = \Delta Y \alpha N \times D_n \] ........................ (1)

Where, \( C_t \) = Cycle time
\( \Delta Y \) = Uncertainty
\( N \) = Novelty
\( D_n \) = Complexity

There are various ways and means to measure \( C_t, D_n \), and \( N \), which will determine the degree of \( Y \) (Uncertainty).
11.2.7 A suggested Innovative Model

As has been observed, that the top three companies:

- INFOSYS,
- TCS and
- WIPRO

These companies follow a high deliverance (productive) model. A fast Innovation Blitzkreig model evolved is followed in these cases.

Fig.11.9: Innovation Blitzkreig Model

This model has been suitably named as “INNOVATION BLITZKREIG”. This model modifies the slow model by the following activities:

1. The companies have to significantly change their total innovation process to be able to double or triple their rates of organic growth.
   - Shrinking/shortening time, time to launch.
   - Rapid learning(getting better & faster)
• Freezing specifications (specs) through ‘flexible performance target decision-evolvability
• Cross-functional teams.
• Disruptive offerings – a great innovative / propulsive pioneer to growth.
• Redefining the playing field.
• Improving accuracy of the products/services etc.

2. Higher margins on many offerings from A, B, C etc.

3. Reaching Break Even Point (BEP) earlier.

4. Seizing opportunities, market differentiation and many experiential quality management techniques.

11.2.8 Emerging Issues out of discussion of results are as under:

Some main thrust or bullet points emerging out of the synthesis of (empirical and qualitative analysis) are enumerated as below:

1. Acceptance of change as a true leadership quality should be above par and is existing in the ITES companies.
2. Participative leadership is found.
3. Crisis management adaptability exists in almost in every Selected ITES companies.
4. Strong communication between top managers and employees has been found to exist in the selected ITES companies.
5. Training and development activities taking place regularly helps the companies to remain competitive.
6. Interchangeability and other form of flexibility like in HRM, decision making is visible in Selected ITES companies.
7. It is observed that rotation of the employees in the discipline like IT/ITES should take place to avoid stagnancy and also for the futuristic prospects.
8. It is observed that majority of ITES companies are working on functional and Matrix organisation structure.
9. Employees are given opportunity to participate in the planning and controlling of the activities, which is considered one of the significant performance HR drivers.
10. Customer Satisfaction (On Time Delivery etc.) is around 75 percent which is satisfactory.

11. Customer focus and co-creation of values with organisations and customers are the main strength in some findings.

12. With HR and technological core competence, a higher professionalism and high order of passionate work culture has been found in selected ITES companies.

13. Around 80% of Participative and committed leadership (leading indicator) is counted as positive finding.

14. Knowledge Management appears to be very effective - knowledge sharing forms one of the important criterias in employee performance appraisal.

15. ITES companies practice employee empowerment and do provide adequate growth opportunities to the employees in order to retain and attract the talent.

11.3 LIMITATIONS OF THE STUDY

1. The geographical region selected for the study was confined to ITES companies in Pune region only.

2. Sample size was found to be a constraint.

3. Detailed statistical analysis would have been done with the availability of more relevant data.

4. Due to high degree of confidentiality of the Selected ITES companies, getting factual data was a constraint.

5. There was discrepancy found, sometime between top and lower management interactions.

11.4 CONCLUDING REMARKS

In this chapter, syntheses of empirical studies and qualitative analysis have been made under the hypothesis and thrust points considered. With the help of performance metrics the performance of selected ITES companies have been evaluated on the basis of certain relevant traits like customer satisfaction, training and development, crisis management, acceptance of change etc. Financial performance metrics evaluates the financial performance of the companies on the basis of certain financial performance indicators such as revenue, net profit, return on capital employed and margin on sales percentage.

The present research clearly validates Performance Metrics (Performance appraisal and promotion policy) of the selected ITES companies. The employees of ITES companies
are generally in consonance (agreement) about performance appraisal system and promotion policies.

Considering the overall performance of the ITES companies, an ‘Innovative Blitzkreig’ Model has been suitably evolved. This study also brings out some salient points out of the synthesis of empirical as well as qualitative studies carried out in the present research work. Eventually it is hoped that this study may evince keen interest for further future work by erudite readers/research scholars.