CHAPTER 4: PROFILES OF SELECTED IT COMPANIES:

4.1 TATA CONSULTANCY SERVICES LIMITED:

Tata Consultancy Services Limited (TCS) is an Indian multinational information technology (IT) services, business solutions and outsourcing services company headquartered in Mumbai, Maharashtra. TCS is a subsidiary of the Tata Group and is listed on the Bombay Stock Exchange and the National Stock Exchange of India. It is one of India's most valuable companies and is the largest India-based IT services company with 2012 revenues (wikipedia, 2013).

One of TCS' first assignments was to provide punched card services to a sister concern, Tata Steel (then TISCO) (Services, 2013). It later bagged the country's first software project, the Inter-Branch Reconciliation System (IBRS) for the Central Bank of India. It also provided bureau services to Unit Trust of India, thus becoming one of the first companies to offer BPO services.

TCS has development centers and/or regional offices in the following Indian cities: Ahmedabad, Bangalore, Baroda, Bhubaneswar, Chennai, Coimbatore, Delhi, Gandhinagar, Goa, Gurgaon, Guwahati, Hyderabad, Jamshedpur, Kochi, Kolkata, Lucknow, Mumbai, Nagpur, Noida, Pune and Trivandrum (TCS, 2013).

Global units (TCS, Tata Consultancy Services. (2013), 2013)

NORTH AMERICA: Canada, Mexico and USA

SOUTH AMERICA: Argentina, Brazil, Chile, Colombia, Ecuador and Uruguay

EUROPE: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Italy and Malta, Luxembourg, Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, UK and Ireland

ASIA: China, Hong Kong, Indonesia, Japan, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand

MIDDLE EAST & AFRICA: Bahrain, Kuwait, Qatar, Israel, Saudi Arabia, UAE and South Africa

AUSTRALIA & NEW ZEALAND
CORPORATE FACTS

TCS established the first software research center in India, the Tata Research Development and Design Center, in Pune, India in 198(TCS, www.tcs.com/worldwide/Pages/default.aspx, 3013). TRDDC undertakes research in Software engineering, Process engineering and Systems Research.In 2007, TCS launched its Co-Innovation Network, a network of TCS Innovation Labs, startup alliances, University Research Departments, and venture capitalists. In addition to TRDDC, TCS has 19 Innovation Labs based in three countries.

TCS has over 1,74,417 of the world’s best-trained IT consultants in 44 countries(TCS, http://www.tcs.com/about/corp_facts/Pages/default.aspx, 2013). TCS has turned into the second-largest employer among listed companies after Coal India Limited. But the biggest employer in the country is Indian Railways with 1.6 million employees. TCS’s BPO arm had revenues of $925 million in the year that ended in March 2011, and has 34,000 employees. TCS has one of the lowest attrition rates in the Indian IT industry. India's biggest IT Company plans to hire 60,000 freshers in FY-2012(TCS, en.wikipedia.org/wiki/Tata_Consultancy_Services, 2013).

The Industry verticals where the Company has a sizable presence are; Banking& Financial Services, Insurance, Manufacturing, Telecommunications, Life Sciences and Health Care, Retail, Transportation, Utilities and Entertainment and Media.
4.1.1 RECRUITMENT AND SELECTION AT TCS

The recruitment process at TCS starts at the Project/ISU by the Resource Management Group (RMG). Any requirement or vacancy in a project, the business/ISU is first checked against internal availability of resources with the RMG. The requisition is thus opened by RMG with the creation of RGS ID. These IDs map the requirement with a particular and act as a reference number for that particular vacancy (skills, experience, and the role taken in tandem). Once the RMG reports the unavailability of internal resources, the requisition is then passed on to the Talent Acquisition Group (TAG).

TAG at TCS is broadly classified into teams, one dealing with recruitment of Experiences Professionals (EP) and the other with Campus Recruitment. The EP team has an internal sourcing team and a team of recruiters handling specific technology skill set like Java, Oracle, Sap, Mainframes, Testing, etc.

Once the requirement for the projects reach TAG, it allocates the task of sourcing profiles of eligible and interested candidates to the Internal Sourcing Team. The internal sourcing team makes the task of corresponding with the candidates who have applied through TCS’s online portal careers.tcs.com and scheduling interviews for them during the planned weekend recruitment drives.

The Sourcing team also sources profiles through job sites like Naukri.com, monster.com etc. And sends invites to candidates who clear the basic eligibility
criteria of TCS. There might also be candidates who have been referred by employees in TCS through the BYB referral (Bring Your Buddy) scheme or those who have been referred by placement vendors who are in contract with TCS. The initial screening of profiles is done by the sourcing team. (Ajit C., 2010)

One the day of the walk-in the candidates are first screened during the registration process at the venue. Scheduled candidates or those referred through Placement Vendors are usually informed to create their online profile in the TCS online portal. These candidates also undergo the initial screening process at the registration.

Information about a person’s professional qualifications and experience can be obtained from their Curriculum-vitae (CV) and their written applications. This information needs to be verified as far as possible before the person is hired. The First Step is to affirm the candidates meet the basic eligibility criteria of TCS.

During the review of CV and written application certain clarifications are asked for such as:

- Unexplained gaps in employment history
- Unanswered or partly answered questions
- Inconsistent information
- Past Employers
- Frequent job changes

After the registration Process eligible candidates are put through the Interview Process. The interview process of TCS has three stages:

- Technical Interview
- Management Review
- HR interview
Once the candidate clears all the three stages he is prompted to complete his online application form for offer generation. The offer initiation takes a minimum of 5 days from the day of complete online application. After the offer has been rolled the candidate accepts the offer and then initiates the Background Check (BGC) process and submits the relevant supporting documents. If the BGC process is positive for the candidate, he/ she is called for the induction process at a date close to the joining date. The candidate is then redirected to the specific ISU for project allocation.
4.1.2. TRAINING AND DEVELOPMENT AT TCS

In TCS there is ILP the initial learning program for 23 days at their main training centers that is induction after that they will be sent to the locations where they are recruited for stream specific training. There are exams in between and their performance will affect their salary. The most effective learning and development programs have following features in corporate:

**Strategy driven:** All training and development programs should align with overall organization strategic goals and yield business results. In TCS, the function of the training group is to interact with the functional group heads and business leaders and understand the skill sets needed for the organization to compete in the market and develop them. The training need of the organization is captured in this way for both long and short term. By identifying the training needs, the training group head designs a training plan for the employees which will be deployed after approval from the CEO.

**ROI:** The training program should be measured as every other business activity; it must show a return on investment either on short term or long term. In TCS training feedbacks collected at regular periods from both the trainees and the functional heads help in measuring the impact of training.

**Methodologies:** Learning & Development methodology used on TCS are e-learning, computer-based training, classroom training, knowledge sharing sessions & continuous educational program in reputed institutions.(Sharma A., Chaturvedi, Bansal, & Mishra, 2009)

4.1.3. RETENTION STRATEGIES USED BY THE TCS

**COMPENSATION**

Compensation constitutes the largest part of the employee retention process. The employees always have high expectations regarding their compensation packages. Compensation packages vary from industry to industry. So an attractive compensation package plays a critical role in retaining the employees. Compensation includes salary and wages, bonuses, benefits, prerequisites, stock options, bonuses, vacations, etc. While setting up the packages, the following components should be kept in mind:
Salary and monthly wage: It is the biggest component of the compensation package. It is also the most common factor of comparison among employees. It includes Basic wage House rent allowance Dearness allowance City compensatory allowance Salary and wages represent the level of skill and experience an individual has. Time to time increase in the salaries and wages of employees should be done. And this increase should be based on the employee’s performance and his contribution to the organization.

Bonus: Bonuses are usually given to the employees at the end of the year or on a festival. Economic benefits: It includes paid holidays, leave travel concession, etc.

Long-term incentives: TCS provides long term incentives include stock options or stock grants. These incentives help retain employees in the organization's startup stage.

Health insurance: Health insurance is a great benefit to the employees. It saves employees money as well as giving them a peace of mind that they have somebody to take care of them in bad times. It also shows the employee that the organization cares about the employee and its family.

After retirement: It includes payments that an Employee gets after he retires like EPF (Employee Provident Fund) etc.

Miscellaneous compensation: It may include employee assistance programs (like legal assistance, etc.), discounts on company products, of a company car, etc.(Sharma A., Chaturvedi, Bansal, & Mishra, Project Report, Fore School of Management,, 2009)

GROWTH AND CAREER

Growth and development are the integral part of every individual’s career. If an employee cannot foresee his/her path of career development in the current organization, there are chances that (s) he’ll leave the organization as soon as (s) he gets an opportunity.
WORK PROFILE:

TCS knows that the work profile matters a lot for its employees therefore it tries to give its employees the position which synchronizes with their capabilities. The profile should not be too low or too high.

ATTRITION

When an employee formally indicates a desire to resign, the HR executives can choose from many different retention strategies to prevent the resignation of that employee. They can offer:

- A higher salary
- A promotion
- Overseas deputation
- Transfer to a location of choice
- A change of role, or one with higher responsibility
- Financial assistance or loans
- A change of project
- Training and other competency building initiatives
- Redressal of any specific grievances

Apart from such targeted (individual-specific) retention efforts, there are other, broader means at the disposal of HR to reduce impact of attrition. Some of these are:

- Proactive identification (in advance) of employees at high risk of attrition
- Training and deployment for “back-up” team members for critical tasks and core employees
- Improved and effective knowledge transfer mechanisms
- Creation and implementation of a succession plan for leadership positions, etc.
- Preparation of a comprehensive and optimized attrition-handling plan, to mitigate the aftereffects of predicted attrition.

4.1.4. CAREER PLANNING AND DEVELOPMENT IN TCS

Guaranteed high motivation levels at TCS through competitive compensation packages, stimulating job content, outstanding development opportunities, and, not
the least, an innovative recognition mechanism. The various ways in which TCS recognizes its people are listed below (Sharma A., Chaturvedi, Bansal, & Mishra, A Report on Project Report, 2009)

1. Project milestone parties — to encourage the efficient execution of projects.
2. Recognition of star performers / high fliers — to recognize outstanding talent.
3. Nomination to covet training programs — to encourage self-development.
4. Best project award — to promote a spirit of internal competition across work groups to foster teamwork.
5. Best PIP award — to encourage innovation and continuous improvement.
6. Best auditor award — to acknowledge participation in critical support roles
7. Spot awards — to ensure real-time recognition of employees.
8. Recommendations for new technology assignments / key positions — to ensure career progression and development of employees' full potential.
9. Performance-based annual increments — to recognize high performers. Early confirmations for new employees — to reward high-performing new employees.
10. Long-service awards — to build organizational loyalty.
11. EVA-based increments — to ensure performance-based salaries.

Equipped with the training programs at TMTC (The TATA Management Training Centre), the extensive Labs at ISABS and ISISD the constant exposure at conferences, the HR team is a formidable one and at the cutting edge of HR technology. The HR team at TCS is transcending from its traditional "maintenance" role to a new developmental role. Designing training modules for Senior Project Leaders on Performance management, facilitating the implementation of P-CMM (being done for the first time in Asia) or designing a Balanced Score Card for the team, the HR group is at the forefront, rubbing shoulders with the technology experts.

4.1.5 PERFORMANCE APPRAISAL AT TCS

The objectives of performance appraisal, point out the purpose which such an exercise seeks to meet. What needs emphasis is that performance evaluation contributes to TCS’s competitive strength. Besides encouraging high levels of performance, the
evaluation system helps identify employees with potential, reward performance equitably and determine the employee's need for training. Specifically, performance appraisal has helped the TCS gain competitive edge in the following ways. (Dutta A., 2010)

TCS conducts two appraisals:

- At the end of the year
- At the end of a project.

Appraisals are based on Balanced Scorecard, which tracks the achievement of employees on the basis of targets at FOUR levels.

- Financial
- Customer
- Internal
- Learning & Growth

The financial perspective quantifies the employee’s contribution in terms of revenue growth, cost reduction, improved asset utilization and so on. The customer perspective looks at the differentiating value proposition offered by the employee. The internal perspective refers to the employee’s contribution in creating and sustaining value. The learning and growth are self-explanatory.

The weightage given to each attribute is based on the function the employee performs. Based on their individual achievements, employees are rated on a scale of one to five (five = “superstar”). If employees get a low rating (less than two) in two consecutive appraisals, the warning flags go up. If the poor performer continues getting low scores then the exit option may be considered.

Over the years the TCS has found the pattern that leads to maximum decline performance- boredom. TCS’s performance management system has metamorphosed into one that emphasizes objectivity and a system that mandates performance evaluation against pre-determined criteria. What deserves special mention is the active participation of the senior management in the determination of guidelines for the performance appraisal process. The process ensures buy in of the employees since the guidelines for the rating system and its conversion into money terms is not
unilaterally decided by HR but is a consensus of a cross functional team with representation from all levels. TCS's performance appraisal system is supported by an online system called the Human Resource Management System- an Oracle Developer 2000 based tool. TCS however widely encourages informal feedback discussions between Project Leaders and Team Members and this concept has found an overwhelming appeal among the people.

4.2. INFOSYS LIMITED:

Infosys Limited, formerly known as Infosys Technologies Limited is a global technology Services Company headquartered in Bangalore, India. The Company has changed its name to Infosys Ltd. on June 16, 2011. It is the second largest IT exporter in India (Research., Q3FY12).

Infosys Limited started in 1981 by seven people with US$ 250. Today, it is a global leader in the "next generation" of IT and consulting with revenues of US$ 6.825 billion (LTM Q3-FY12). Infosys defines designs and delivers technology-enabled business solutions for Global 2000 companies. Infosys also provides a complete range of services by leveraging its domain and business expertise and strategic alliances with leading technology providers.

Infosys pioneered the Global Delivery Model (GDM), which emerged as a disruptive force in the industry leading to the rise of offshore outsourcing. The GDM is based on the principle of taking work to the location where the best talent is available, where it makes the best economic sense, with the least amount of acceptable risk.

The company is constantly benchmarking its services and processes against globally recognized quality standards. Our certifications include SEI-CMMI Level 5, CMM Level 5, PCMM Level 5, TL 9000 and ISO 9001-2000. In February 2007, Infosys BPO was certified for assuming level 4.0, the eSourcing Capability Model for Service Providers developed by a consortium led by Carnegie Mellon University's Information Technology Services Qualification Centre.

Infosys' service offerings span business & technology consulting, application services, systems integration, product engineering, custom development, maintenance,
re-engineering, independent testing & services, IT infrastructure services and business process outsourcing (Dun & Bradstreet, 2008)

Infosys has a global footprint with 64 offices and 68 development centers in the US, India, China, Australia, Japan, Middle East, UK, Germany, France, Switzerland, Netherlands, Poland, Canada and many other countries. Infosys and its subsidiaries have 145,088 employees as on December 31, 2011 (Research, 2012).

Infosys encourages diversity in the workplace by respecting cultural differences and provides employees from different backgrounds with the opportunity to contribute freely and equitably to the company’s growth. Women constitute more than 30% of its workforce. Infosys Women Inclusivity Network (IWIN) promotes a gender sensitive work environment and provides avenues for vocational, personal and psychological counsel to enable professional and personal development.

4.2.1. RECRUITMENT AND SELECTION IN INFOSYS

A feeling of energy and vitality, of freshness, of a place where people work in a campus like facility and culture, are unafraid to voice new ideas, of a place where there is minimal hierarchy (Sharma B., 2011). Robust people management practices enable Infosys to create this environment for its employees. This is what distinguishes Infosys among other technology companies, enabling Infoscions to excel and innovate in what they do for their clients and in what they stand for as a company.

SOURCES OF MANPOWER SUPPLY:

Infosys upgrades from within only for managerial positions, but only to some extent. Because upgrading from within is considered better as the employee is already familiar with the organization, reduces training cost, helps in building morale and promotes loyalty. If no one capable for managerial position is found in its internal source, it looks out for external sources.

For the posts of technicians, engineers, floor managers etc., it looks out for external sources which include; agencies, institutions and websites. Infosys prefers external recruitment and mainly takes help from agencies and institutions as it’s a
giant company and internal recruitment proves to be inadequate as its yearly targets are very high.

**SELECTION PROCESS:**

Initial Screening is done on the basis of applicants and applications. A preliminary interview is conducted so as to select the suitable candidate who can go through further stages of interviews. The company establishes as many hypotheses about the candidate from the details provided in the application form. It then decides what areas of information it needs to explore or investigates more specifically during the interview. Company sees to it that no judgment is passed about the candidate based only at this level. What drew here is hypotheses and not conclusions.

**EMPLOYMENT TESTS AND INTERVIEWS:**

Logical test, English test, Vocabulary, Reasoning, Essay writing and other tests; Mental or intelligence test, Mechanical aptitude test, Personality test, Graphology test and Medical test.

Formal interview, Patterned interview, Non-directive interview, Depth interview, Stress interview, Panel interview and Mixed interview.

Job seekers are invited back after they have passed the first initial interview. Middle or senior management generally conducts the second interview, together or separately. More in-depth questions are asked to the candidate and the employer expects a greater level of preparation on the part of the candidates.

Finally background check and physical examination are taken up before the final decision is taken. After all these processes follow up is done, i.e. the selected person is induced and placed in the right job.

**4.2.2. TRAINING & DEVELOPMENT AT INFOSYS**

It is very essential for the company to upgrade its workforce regularly to compete in the global market. To overcome this challenge, Infosys provides training and development opportunities to its employee’s right from the start. The company has bagged many awards from the American Society for Training and Development as the
world’s best company for providing best training and development opportunities to the employees. The company is known best for its Global Business Foundation School which runs the program for all fresh engineering graduates who join Infosys and prepare them for the technical and environmental opportunities present in the market. The Global Business Foundation School has various centers all over the world.

Infosys has achieved awards for its Global Education Center which was set up in 2005. This center provides training not only in technical skills but also in the soft skills. It also provides leadership program to new entrants to develop leadership qualities. New engineering recruits undergo a 14.5 weeks ‘Initial Learning Program’ operated by the company. This aims to transform engineers from diverse disciplines into software professionals and initiates them into the Infosys way of life.

After joining Infosys, induction is given to the employees, addressed by N. R. Narayana Murthy by an audio visual presentation. During the program, the new hires are groomed to shed their ‘campus frivolousness’ and assume their new roles as professionals and corporate citizens. In the induction program, the core values of the company are presented before the employees. Inside the company, technical as well as soft skills have its own significance. The main focus of the company is always on developing technical skills but they also give emphasis on various skills like leadership qualities, global business etiquette, interpersonal skills, communication skills, management skills, analytical skills, decision making, etc (Dwevidi & Ladiwal, 2011)

4.2.3. RETENTION STRATEGIES AT INFOSYS:

The $6-billion firm has come up with a program called Talent Strategy for 2015, drawing inspiration from James Surowiecki’s Wisdom of Crowds. The idea drawn from the book is that decisions taken by groups are often better than those made by an individual. Infosys will apply this principle to improve revenue per employee, deal with the large number of global hires, and stem attrition (Gupta D., 2011).

The company faced attrition of 17.5% in the October-December 2010 quarter. Its peers Wipro and TCS faced attrition of 21.7% and 14.4% respectively, in the
period. And like other large IT majors, Infosys has typically witnessed a fleeing of talent with 3-8 years’ experience.

A focus on assertive talent development is a key aspect of Infosys’ employee retention strategy (Infosys, 2006). The emphasis on talent development has enabled the company’s workforce to remain highly adaptable in a changing environment. In 1994, Infosys became the first company in India to conceive and implement Employee Stock Option Plans (ESOPs). The concept of sharing wealth with employees was unprecedented in the Indian industry, and encouraged other Indian companies to offer similar incentives.

Infosys has emphasized the culture of the ‘Infoscionfamily’ — a culture where employee participation is encouraged, feedback is valued and the action is never delayed. There are several forums through which employees can impact company policy and future direction. STRAP, the Annual Strategy Retreat, is a forum of Infosys leader across the globe, focused on strategy formulation and action-planning. The Voice of Youthallows young minds to influence overall corporate strategy, while IWIN, a forum for women employees, functions as an advisory body to ensure inclusive management policies and decisions.

4.2.4. CAREER PLANNING AND DEVELOPMENT IN INFOSYS:

Infosys believes in creating a favorable work environment that is committed to equipping the employees with the skills and competencies necessary for their career and personal growth (Durai P., 2010). It first establishes a best fit between an employee’s career aspiration and its requirements. Then it develops several career streams for its employees to achieve their career progression and career goal accomplishments. These career streams are project management, customer interface, technical, program management, consulting (enterprise solution) and consulting (domain competency).

Charged with the responsibility of developing human assets in a fast paced environment, career management at Infosys faces two challenges: a shift from a focus on technical expertise in the career to a focus on management expertise, and the speed
with which this refocusing must be accomplished (Anton, HRM Practices at Infosys, 2011).

Figure 4.3: Career Development Programs in Infosys

![Career Development Programs in Infosys]

Source: Infosys.com/career development programs

4.2.5. PERFORMANCE APPRAISAL AT INFOSYS:

Performance appraisal is a rigorous comprehensive process at Infosys, tied to the future development of the individual’s skills and capabilities. First an evaluation of personal skills is carried out for the tasks assigned to an individual during the appraisal period. The criteria used to evaluate performance on tasks are derived from the business goals and include: timeliness, quality of work, customer satisfaction, developing others, knowledge dissemination, peer satisfaction with the team, increased business potential and developing optimal task solutions. The company has also launched an internal job posting mechanism and the concept of personal development plans, on the basis of 360 degree feedback (Mutsuddi I., 2011).

PerforMagic is the online performance appraisal system at Infosys (Surana P., Gulati, Khera, & Zutshi, 2010) It is used by all employees, except temporary employees. Any employee who has been with the company for more than one appraisal cycle is eligible for appraisal. Performance appraisals occur twice a year – the mid-year appraisal is in May and the annual appraisal is in October. There are two components in the PerforMagic appraisal that are used to track overall performance during the appraisal period. The two components are: Goals and Competencies.
Once the Self-Appraisal has happened, the appraiser sets out time for a Performance Interview. At this interview, the work done by the appraised in the last appraisal cycle is discussed and the appraiser tells him/her the ratings he has given the appraise in the various measures/ competencies. Reasons and logic for the same are given. Apart from this; goals for the next appraisal cycle are set out. The appraiser and appraise sit need to agree on these goals. Other than goals for the Performance Measures and Individual Utilization Measures, training goals are also set out.

4.3 WIPRO TECHNOLOGIES LIMITED:

Wipro started as a vegetable oil company in 1947 from an old mill founded by Azim Premji’s father (Teja, HRM Practices in Wipro, 2009). When his father died in 1966, Azim, a graduate in Electrical Engineering from Stanford University, took on the leadership of the company at the age 21. He repositioned it and transformed Wipro (Western India Vegetable Products Ltd) into a consumer goods company that produced hydrogenated cooking oils/fat company, laundry soap, wax and tin containers and later set up a Wipro Fluid Powerto manufacture hydraulic and pneumatic cylinders in 1975. At that time, it was valued at $2 million.

In 1977, when IBM was asked to leave India, Wipro entered the information technology sector. In 1979, Wipro began developing its own computers and in 1981, started selling the finished product. This was the first in a string of products that would make Wipro one of India’s first computer makers. The company licensed technology from Sentinel Computers in the United States and began building India’s first minicomputer. Wipro hired managers who were computer savvy, and strong on business experience.

In 1980 Wipro moved in software development and started developing customized software packages for their hardware customers. This expanded their IT business and subsequently invented the first Indian 8086 chips. Since 1992, Wipro began to grow its roots off shore in the United States and by 2000 Wipro Ltd ADRs were listed on the New York Stock Exchange.

Currently, Wipro Ltd is a global information technology, consulting and outsourcing company with 140,000 employees serving over 900 clients in 57

Wipro Limited is the first PCMM Level 5 and SEICMM Level 5 certified global IT Services Company (IBEF, 2006). Wipro is one of the largest product engineering and support service providers worldwide. Wipro provides comprehensive research and development services, IT solutions and services, including systems integration, Information Systems outsourcing, package implementation, software application development and maintenance services to corporations globally. Wipro has a wide geographic reach with presence in the USA, Europe, Middle East and Asia-Pacific. It has operations in 57 countries and has around 10+ near-shore development centers. Wipro offers solutions across industries like retail, consumer products and distribution, health & life sciences, energy & utilities, financial services, manufacturing, telecom and technology products. Wipro has three business divisions apart from its IT division; Wipro Consumer Care and Lighting (WCCLG), Wipro Infrastructure Engineering and Wipro GE Medical Systems Limited.

4.3.1. RECRUITMENT AND SELECTION IN WIPRO:

Some unique recruitment and selection practices from Wipro are listed below (Agrawal N., 1998):

1. Knowledge workers value professional freedom, integrity, innovativeness and opportunities to learn. Since these values are very much part of the value and mission statements of Wipro Ltd. and more importantly they are being practiced, Wipro is able to attract the best professionals from the market.
2. The organization recruits fresh professionals only from the best educational institutions such as Indian Institutes of Technology and regional engineering colleges.
3. Technology in IT industry keeps changing very fast. Hence at the time of recruitment, Wipro doesn't give too much importance to assess candidates' knowledge about the current IT technologies. Instead, Wipro attempts to find out whether the person being interviewed has excellent learning capabilities and has shown consistent desire for learning. The fresh graduates being interviewed for a job should have consistently above average academic performance. Wipro also
put greater emphasis to assess their analytical and logical thinking capabilities through case problems. Further, the company also looks for creating a match between existing organizational culture and the values of the person being interviewed.

4. Interviewing and assessing others is a specific skill and needs to be systematically acquired. Wipro trains its managers in interviewing skills. Wipro has trained so far about 300 managers/software professionals who have been associated with the recruitment process. As a policy, Wipro ensures that a professional, who has not attended the Interviewing Skill Program, is not on any interview panel.

5. Due to heavy competition for fresh software professionals, Wipro has started an academy of its own known as Wipro Academy of Software Excellence (WASE) to train and create its own software professionals. It offers a four year sandwiched postgraduate program in collaboration with a renowned engineering institute, namely Birla Institute of Technology and Science (BITS), Pilani. The program is meant for fresh science graduates with a specialization in Physics, Mathematics. After successful completion of the program, participants receive a postgraduate degree in computer science from BITS Pilani.

6. Wipro uses a referral scheme for induction of software professionals with experience. They also give preference in recruitment to relatives of their existing employees. A permanent employee of the company can recommend an experienced software professional for an employment in the organization. If the person gets selected, the person who recommends is given a monetary reward, which could be equivalent of about one month salary.

Wipro recruits 40% employees from campus recruitment. Another popular source for Wipro’s Recruitment is the Online Placement through NSR (National Skill Registry). Wipro has employed over 300 people with disabilities and this year its enrolled disabled students in the Wipro Academy for Software Excellence. Further Wipro offered jobs to 6 deaf students on Feb 2, 2012, from National Institute of Speech & Hearing (Meena & Vanka, 2013).

4.3.2. TRAINING & DEVELOPMENT AT WIPRO:

Training & Development of individuals are a key focus area at Wipro. Wipro invests about 4 percent of its annual revenues in Learning and Development, to build
competency capital within the company in cutting edge technologies, domain and functional areas (Shanmugam, Anbu, & Kalpana, 2012). Special emphasis is placed on providing necessary learning interventions to associate with the potential of being leaders in the company. Wipro has state of the art training facilities in all its delivery centers. The centers are equipped with world-class infrastructure. The Talent Transformation Division handles this in Wipro. For those with less than one year of experience a well-structured induction training program is conducted. This will cover all aspects of software development skills that are required.

As a PCMM Level 5 organization, there is also high focus on Competency Development. Talent Transformation has a mandate to provide technical & business skill training based on the department and divisional need. All employees are eligible to take training based on the competency gap identified for Project need.

Figure 4.4: Wipro Training Model

![Wipro Training Model](www.wipro.com/wipro training model)

Talent transformation is Wipro’s training and development initiative that works towards creating an environment that enables, encourages and empowers employees to learn (Chabria M., 2010). This constant learning continuum results in the addition of value all around: for employees as well as for the customers they serve. Technology training is done to keep the employees abreast with the latest technologies. Regular training sessions are held to match the individual needs of employees on a regular basis. Different groups in Talent Transformation focus on different technologies. For example, the Rational Focus Group provides training on different Rational tools like Rational Rose, Rational Unified Process, Rational Test
Manager, Rational Purify Plus, Rational Clear costs. Which are used across different verticals in Wipro Technologies at various stages of the software development Lifecycle.

**THE LEADERSHIP DEVELOPMENT FRAMEWORK:**

The leadership development journey started in 1988 with the first Wipro Manager’s Program (Mazumder T.). The Leadership life cycle programs are based on WIPRO leaders’ qualities and focus on development for leaders across the corporation very early on in their careers. With each additional increase in responsibility, managers will need different kinds of programs that cater to the needs. Wipro has programs for “New leaders”, who have made a transition from individual contributor roles in managing a team for the very first time. The other programs like Business Leaders program, Strategic Leaders program support the transition in a leader’s journey.

The learning methodology is primarily experiential, with the leader playing a very active role in the learning journey. The teaching and learning methodology is eclectic with a mix of on-the-job learning, case method, minimal lecture method, video-based and action learning. All the leadership development programs are conducted at the Leadership development center based in Bangalore which can house 500 participants on any given day.

**4.3.3. RETENTION STRATEGIES AT WIPRO:**

Wipro has adapted the strategy “Wings Within” program where existing employees get a chance to quit their current job role and join a different firm within WIPRO (Chordiya K., 2012). In addition, Wipro is offering restricted stock units and restructuring its hierarchical structure have been the retention strategy over the past two quarters (Foundation, 2013). Wipro, has been trying to reward employees through a more tangible process by doling out 5.7 million shares as restricted stock units to its mid-management employees. This was followed up with a band restructuring program that saw 20,000 junior level employees being promoted at a 7-8% salary hike in the second quarter of the fiscal. Specifically, following factors form the basis of Wipro’s employee retention (Gouri P., 2011):
• Company’s brand as an employer
• Work ethics
• Learning and growth opportunities
• Challenging work assignments
• Growing organization

Wipro monitors warning signals such as missing deadlines, an increase in applications for leave, and evasion of new projects to identify employees at risk of leaving the company; to manage interventions; and to predict attrition, with an error margin of just 2 percent. Indications that an employee at manager level or above will quit are brought to the attention of senior management (Wadhwa, de Vitton, & Gereffi, 2008).

4.3.4. CAREER PLANNING AND DEVELOPMENT IN WIPRO:

The career planning and development is done very meticulously (Pattanayak B., 2005). As the employees learn and grow in their career, they gain new credentials that help them prepare for the next position. Wipro considers each position level carefully and awards appropriate responsibilities to them to achieve a new career goal. The system of career achievement is built on the following levels and their respective career paths.

• Team member
• Module leader

At this level, employees have the option of choosing between a technical and a consulting and business development career. The opportunity to branch out into a functional or technical specialization will depend upon the interests and expertise of the employees.

• Project manager
• Technical manager

Development of leadership competencies at Wipro is carried out through eight WiproLeadership Qualities, which are based on Wipro vision, values and business strategy (Mehta & Rawat, 2012). In order to identify and help leaders develop these competencies a 360-degree survey process is adopted. This is an end-to-end program,
which starts with the obtaining of feedback from relevant respondents and ends with each leader drawing up a Personal Development Plan (PDP) based on the feedback received. The PDP is developed through “Winds of Change” which is a seven-step program that helps in identifying strengths and improvement areas, and determining the action steps. The contents of this program include focus training to set and develop specific objectives, competency based performance appraisal, 360 feedback, customer inputs to increase customer responsiveness, meet your people program to enhance work place relationships, HR preview and planning, early opportunities and a life cycle development program for managers at each stage for example Entry Level Program, NewLeaders’ Program, Wipro Leaders’ Program, Business Leaders’ Program, Strategic Leaders’ Program.

4.3.5. PERFORMANCE APPRAISAL AT WIPRO:

Performance Management at Wipro is a continuous process and employees are observed throughout the year for their performance (Wipro L., 2013,). However on a much formal method Wipro follows three appraisal cycles viz. Annual, interim and confirmatory.

a) **Annual** - This is a yearly appraisal cycle. Normally the annual appraisal cycle is carried out during the month of April and May. The critical component measured in this appraisal was the performance of the employee during the last year. This appraisal act as an indicator for pay hikes.

b) **Interim** - This is an indicative appraisal, normally carried into the month of October and November. This appraisal acts as a basis for the annual appraisal. The appraisal ratings act as input during annual appraisal. The main reason for having an interim appraisal is to appraise employee's performance half yearly as Wipro being a tech services company, the normal duration of employee under a particular project/manager/client is shorter.

c) **Confirmation** - This appraisal is carried out to appraise new joiners for the duration of 12 months from the date of their joining. The main reason behind this kind of appraisal system is to remove unfair to employees who miss out annual appraisal cycle due to joining at a different date. Being a tech services company Wipro is on a continuous hiring spree and confirmatory appraisal thus acts as a tool to identify joiner's performance and giving his confirmation.
Wipro's Talent Review and Succession Planning exercise assess its leadership bench strength annually and makes sure there is a ready pool of successors to fill critical roles (Phadnis & Tejaswi, 2012).

4.4. HCL TECHNOLOGIES LIMITED:

HCL is a leading global Technology and IT Enterprise with annual revenues of US$ 6.3 billion (HCL, 2013). The HCL Enterprise comprises two companies listed in India, HCL Technologies and HCL Infosystems. The 35 year old enterprise, founded in 1976, is one of India's original IT garage startups. Its range of offerings span R&D and Technology Services, Enterprise and Applications Consulting, Remote Infrastructure Management, BPO services, IT Hardware, Systems Integration and Distribution of Technology and Telecom products in India. The HCL team comprises 93,000 professionals of diverse nationalities, operating across 31 countries including 505 points of presence in India. HCL has global partnerships with several leading Fortune 1000 firms, including several IT and Technology majors. During the fiscal year ended June 30, 2011 (fiscal 2011), the Company sold certain portion of its Telecom Expense Management Services business (Thomson, 2013). In March 2013, it divested its entire (49%) stake in NEC HCL System Technologies (NHST).

HCL Technologies gave birth to new concept called as Employee First, Customer Second (EFCS), which focuses on giving people, whatever they need to succeed (Tiwari P., 2010, ). CEO Connection which he is personally available to each and every employee that works in HCL. Functional heads hold town hall meetings through “Employee first governing council” that collectively addresses all the issues and questions of its employees. The ‘Employee First, Customer Second’ model followed by HR has allowed HCL Technology to have a 13.6 percent attrition rate, among the lowest in IT industry (Businessworld, 2013).

4.4.1. RECRUITMENT AND SELECTION IN HCL:

HCL Technologies conduct most of its recruitment on campuses and aims to have 30 percent of recruits come from science colleges (Wadhwa, de Vitton, & Gereffi, How the Discipline Became the Guru, 2008). It has also recruited women’s engineering college graduates to increase the number of women in its workforce. The company recently launched a program to hire unemployed engineering graduates,
providing three to twelve months of training on a stipend in order to make them employable.

Sixty percent of HCL’s off-campus recruitment occurs via job portals, and advertising (Wadhwa, de Vitton, & Gereffi, 2008). Nearly a quarter is through employee referrals. The balance, via a dedicated recruiter team, through blogs and networking sites such as LinkedIn and Facebook.

The following explains the recruitment and selection process at HCL (Prakash S., 2010).

- Human Resource Planning is done in the month of April, in the month of May debate and finalization of manpower. The debate is happening between CEO, COO, BH and VP HR. HR executive assist his Head HR.
- Manpower to be plotted in consultation with BH and Profit center head. Recruitment happens on parameter like grade, location and skill and cost and tentative plan to hire with the schedule.
- Once the schedule is ready, sourcing starts. Typical sourcing tools are database, employee reference, consultant, E-group’s etc. HR Executive use to validate resumes which are sourced and interview people who are validated. While searching for fresher two tools are predominantly used, 1. HCL education 2. Campus for hiring engineers and sales personnel.
- Conduct test for selected candidate. –Coordinate interview with Line Manager, Head HR
  - Engineers – Technical test, Analytical test, MAP, Intelligence Test and TAT
  - Sales Executive – Intelligence Test MAP, for MT-TAT, Group discussion is additional test.
  - Managers – MAP, TAT, Intelligence test and MRE.
- Selection of candidates is done through multilevel interviews by line manager, Head HR.
- On selection roll out the offer made, conduct a medical test, and reference check is done.
4.4.2. TRAINING AND DEVELOPMENT AT HCL

HCL’s training and development team are named “Talent Transformation and Entrepreneurship Development”. Employees are encouraged to be entrepreneurs, and this is the focus of HCL’s training and development.

The company has a 70/20/10 model of training: aiming to have 70 percent occur on the job, 20 percent through coaching and mentoring, and 10 percent through formal training. Its Leaders Teach program aims to reduce reliance on external trainers by encouraging 1600 managers to participate in training. Managers are coached in the skill of training and are rewarded for their efforts and time, which is over and above their normal daily work.

New recruits undergo a sixty- to ninety-day training program that integrates behavioral skills with technical, business, and domain knowledge and includes sessions on the organization’s culture, values, and ethical standards. Recruits are then allotted to projects and undergo on-the-job training. Employees receive approximately two weeks of training and development each year.

HCL’s education center has a staff of 150, who deliver training in technical and soft skills, managerial development, technology leadership, and leadership development programs based on twenty five competencies outlined by the Gartner model. The company administers pop quizzes to randomly selected employees after they have received training. One fifth typically fail and are required to take the training again. (Wadhwa, de Vitton, & Gereffi, 2008)

4.4.3. RETENTION STRATEGIES AT HCL:

HCL Technologies has reduced its annual attrition rate every quarter from three years ago, when the rate was more than 20 percent, to its current level of around 12 percent (Wadhwa, de Vitton, & Gereffi, 2008).

The company launched an “Employee First Customers Second” campaign several years ago, in the belief that empowering employees helps engage them and satisfy customers. It introduced a mechanism by which any employee can give feedback to senior leaders and began making managers’ performance appraisals available online through its intranet, including employee assessments of managerial
performance, strategic vision, ability to communicate, problem-solving skills, and responsiveness.

HCL employees can post questions to the CEO, who is required to respond within a given period and typically spends one weekend day every week answering questions. The company also has an automated on-line trouble-ticketing tool by which employees can raise issues related to their transactions with HR, Finance, IT, and other departments. A sub-portal allows employees to post feedback and suggestions.

An annual organizational survey and weekly polls are used to solicit employee feedback on organizational issues, the results of which are openly shared online. In addition, the company hosts a variety of preventative health and innovation initiatives and events and activities for employees and their families, including programs for children, the celebration of birthdays and promotions, yoga classes, and an employee-relief fund.

In another differentiating move, HCL instituted “trust pay” (Ready, Hill, & Conger, 2008). Many IT companies in India offer employees a combination of 70% fixedpay and 30% variable pay. In practice, high internal targets make it difficult to earn that 30%. HCL decided to offer 85% of its employees (mostly junior engineers) a fixed compensation rate, to be set at the beginning of each annual cycle. Some new hires actually thought a mistake had been made in their offer letters, because they’d never known another company to offer trust pay.

Because HCL has stayed true to its promises, its employees are dedicated and its customers are taking note.

4.4.4. CAREER PLANNING AND DEVELOPMENT IN HCL:

HCL Technologies has initiated “Career Power” – a comprehensive career planning and development program portal which provides a framework where each employee is empowered to plan a desired career path or option (Priya S., 2012).

HCL Technologies promotes more than a quarter of its employees each year, and last year 3500 employees became first-time managers (1800 of them with actual team-management responsibilities) (Wadhwa, de Vitton, & Gereffi, 2008). It uses 360-degree feedback, psychometric assessments, and talent-assessment interviews with certified coaches, past performance records, and critical-incident summaries to
identify leadership talent. Individual career planning, succession planning, and leadership development are tightly linked within the organization.

HCL Technologies run a program for first-time managers, to impart techniques and methods by which to develop as better leaders. This program is available at the next level for managers who need a refresher.

Mentors are appointed for groups of five to eight employees, who hold discussions twice a week. Various managers at the level of general manager and above are required to attend a two-day mentoring program and then to spend 10 to 20 percent of their time mentoring in this fashion. As well, mentors are required to catch twenty-two to twenty-five people and to meet them for a minimum of 200 hours (five weeks) in an eighteen-month period. Twenty-two Master-level coaches are qualified to train other coaches, and formalized coaching and mentoring are supplemented by classroom training in managerial skills and career mapping and by job rotations.

HCL Technologies sponsor a variety of technical and domain-specific certifications for its employees. It also hosts an on-site MBA program in conjunction with Harvard Business School, Ken Blanchard Leadership School, and U21 Global, and recently launched a program for final-year engineering students at six colleges, including several women's colleges.

4.4.5. PERFORMANCE APPRAISAL AT HCL:

HCL has designed an interactive PMS tool “perform” that tracks results achieved through daily, weekly, monthly and quarterly reviews (John D., 2012).

HCL’s 360-degree feedback system places an emphasis on identification of developmental needs; goal setting; and career planning, as well as performance assessment and rewards (Wadhwa, de Vitton, & Gereffi, 2008). Performance evaluations are used to determine salaries for only the top 15 percent of performers, and all other employees receive fixed salaries. HCL Technologies also provide self-evaluation tools with which employees can assess their strengths and interests. In addition to monetary rewards, HCL Technologies provides non-monetary rewards including thank-you cards and recognition letters.