Chapter-6

IT-units retention practices- Multi-case study
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6.1 INTRODUCTION

Information technology as an industry today occupies a strategic place in Indian economy and business. Its origin and growth in India have been phenomenal during the last two and half decades. Not only the economic and business environment has undergone a change but one can also see changes in the social sector as well. The education and employment fields have changed. It has played a key role in putting India on the global map. The information technology industry in India basically consists of the software development sector. The industry consists of a large number and growing number of firms. According to NASSCOM the number of Indian software firms has grown from around 432 in 1996-97 to over 1300 in 2010\textsuperscript{[1]}.

The profile of the Indian IT industry has been undergoing a change in the last few years, partly as it moves up the value chain and partly as a response to the market dynamics. The continuing liberalization and economic reforms program of the Government of India, since 1991, aims at rapid and substantial economic growth and integration with the global economy in a harmonized manner. The new policies have made Governmental procedures transparent, eliminated administrative bottlenecks such as licensing in all areas where IT industry is connected, freed the industry from labour law restrictions and provided encouragement to entrepreneurs through market friendly systems. The Government has also made it easy the financing of the industry through liberal FDI - liberalization of foreign investments - and entry of multinationals into the IT industry with major financial share capital.

Turnover of the employees in the IT units leads management to many problems. Retention of the employees reduces the cost of the product, increase productivity and condense brain drain of the particular unit. A high rate of turnover affect the organization in many ways like lead to loss of more expenses, loss of company knowledge, interruption of customer service, as well as the goodwill get effected.

Handling the employee retention issues has got a serious attention at all level of management in IT unit. The problem of employee retention has hit all categories of employees equally. Employee retention is one of the largest universal phenomenon’s being faced by the IT units. The HRD of IT units should put in appropriate efforts to retain the employees. This chapter is a line of study on the key retention practices followed by IT units has been investigated as multi-case study.
6.2 SELECTED COMPANY PROFILE

The Silicon Valley of India has been the home for a large number of IT industrial organizations, both Indian and multinationals. Within the IT industry there are organizations that are specializing in manufacturing IT products such as the Dell, IBM, HP, Acer, and software development organizations. These organizations are of different sizes. Considering the time and other resources at the command of the researcher, it was decided to study a few select IT-units for this study adopting the multi-case study method. Accordingly ten organizations cases were finally roped in for this study. Among them are the Indian organizations as well as the multinational organizations, there are small as well as very big undertakings, there are software development organizations, software product engineering companies. The selected ten organizations are:

1. Patni
2. Cap Gemini
3. S1
4. Zen soft
5. E-Zest solutions Ltd.
6. IBM
7. Agile Technosys
8. TCS
9. Soft bridge co.
10. Amdoc

The list suggests that the organizations are in different domains of IT business and have their brand names that enable them to continue in business with much ease. At this stage, a brief presentation of the profiles of these organizations is attempted.

6.2.1 Patni Computer Systems\(^2\):

Patni Computer Systems (P) Ltd, an ISO 9001:2000 certified company; all its development centres assessed at SEI CMM Level 5 and P-CMM Level 3, is India's sixth largest software company that provides Information technology Service to clients in diverse industries. Established in the year 1978, Patni Computers has revenue of more than US $ 150
million. Patni has technical expertise in the fields of enterprise applications, enterprise systems management, e-business and embedded technology.

**Company History** - Patni Computer Systems Limited was incorporated as Patni Computer Systems Private Limited on February 10, 1978. In 1988, by virtue of Section 43A of the Companies Act, the Company became a deemed public company and subsequently on April 15, 1991 it was converted into a private limited company and consequent to the deletion of Section 43A from the Company was converted to a private limited company on June 27, 2002. The Company was again converted to a public limited company on September 18, 2003.

The original activities of the Company were computer time rental, the resale of imported computer hardware, and software exports. In 1981, the Company promoted PCS Data Products (Private) Limited (PCSDP) for the sale and marketing of computer equipment and hardware maintenance. In 1987, the Company promoted PCS Data General India (PCSDG), a joint venture with the Data General Corporation, USA, for the manufacture and maintenance of computer hardware. In 1994, the name of PCSDP was changed to PCS Industries Limited (PCSIL) and PCSDG was merged into PCSIL. Since 1994, the Company has been entirely focused on software exports. In 1999, the shares of PCSIL held by the Company and other non-operating assets were de-merged into other group companies and the Company emerged as a focused IT services company. Patni Computer Systems Limited is a separate entity from PCS Industries Limited, which is a group company.

**Alliances:** With an aim to provide the best services to their clients, Patni Computers have several strategies alliances with the leading names in respective fields in the market. Some of the alliances in various divisions with Industry leaders are:

- **Custom Development Solutions:** Microsoft Corporation Legacy Modernization, Mainframe Migration Alliance.
- **Enterprise Application Solutions:** Oracle Siebel, SAP AG, Oracle Corporation, SAP India.
- **Product Engineering Services & Embedded Software:** Texas Instruments, Echelon Corp
- **Infrastructure Management Services:** Microsoft Corporation, HP Software, Hitachi,
- **IT Governance Solutions:** Computer Associates, HP Software.

Global presence: Patni Computer Systems has a global presence in the following countries: Brazil, Canada, Mexico, U.S.A., Czech Republic, Finland, Germany, South Africa, Sweden, The Netherlands, UAE, United Kingdom, Australia, India, Japan and Singapore.

Areas of expertise: The areas of expertise of Patni are many. Some of them are industry solutions under which the company provides services to sectors such as insurance, financial services, manufacturing, healthcare, energy and utilities, hospitality and retail. Other specialties include enterprise applications, e-business, embedded, enterprise management, application development, re-engineering and maintenance, business process outsourcing and engineering.

6.2.2 Cap Gemini[3]:

Cap Gemini S.A. is a French multinational corporation headquartered in Paris, France founded in 1967. It provides IT services and is one of the world’s largest consulting, outsourcing and professional services companies with more than 130,000 employees in over 40 countries. Cap Gemini’s regional operations include North and South America, Northern Europe & Asia Pacific and Central & Southern Europe. Services are delivered through four disciplines; Consulting, Technology, Outsourcing and Local Professional Services. The latter is delivered through Sogeti, a wholly owned subsidiary.

Company History:

- In 1981 Cap Gemini Sogeti launched US operations following the acquisition of Milwaukee-based DASD Corporation, specializing in data conversion and employing 500 people in 20 branches throughout the US, known as Cap Gemini DASD. In 1986, acquired the consulting division of US-based CGA Computer to create Cap Gemini America.

- In 1991, Gemini Consulting was formed through the integration of two management consulting firms (United Research and The MAC group). In 1995, the Centre for Business Innovation at Cap Gemini was transformed from an institutional university.
model to a networked research capability; the name was simplified to Cap Gemini with a new group logo. All operating companies worldwide were re-branded to operate as Cap Gemini.

- In 2000, Cap Gemini acquired Ernst & Young Consulting. In 2003, the firm acquired transitively and merged the two practices into Sogeti-Transiciel (later consolidated within Sogeti in 2006). In April 2004, the Group reverted to Cap Gemini (its current name). In August 2006, Cap Gemini acquired Future Engineering. In September 2006, Cap Gemini acquired a 51% shareholding in Unilever India Shared Services Limited (Indigo), in Bangalore and Chennai and employs approximately 600 staff. In October 2006, Cap Gemini agreed to acquire Kanbay International for US$1.2 billion in cash ($29 per share). The acquisition increased Cap Gemini’s India staff to 12,000+(which is grown to 26,000+ in mere 4 years of time) employees. The current India employee strength on 23 October 2012 is 40,000. The acquisition was completed on 8 February 2007. On 8 February 2007, Cap Gemini announced the acquisition of Software Architects, a US-based consulting company, to expand its US business. On 25 July 2008, Cap Gemini announced the acquisition of Getronics PinkRoccade Business Applications Services BV of the Netherlands. In October 2008, Cap Gemini acquires UK Test specialist Vizuri.

- In November 2008, Cap Gemini acquires Empire and Sophia Solutions to reinforce its presence in Eastern Europe. In September 2009, Cap Gemini Australia acquires Nu Solutions; bolsters software testing expertise. In February 2010, Cap Gemini announced the acquisition of IBX. In June 2010, Cap Gemini announced the acquisition of Strategic Systems Solutions, a small company specializing in the capital markets.

- In June 2010, Cap Gemini announced the acquisition of Plaisir Informatique, a French company specializing in complex data migrations in the banking and insurance sector, CPM Braxis, the largest Brazilian IT consultant company, In November 2010, Cap Gemini announced that it has acquired the India-based IT services company, Thesys Technologies Private Limited ("Thesys"), a Temenos-Certified Services Partner that provides banking implementation solutions to the global financial services industry. In December 2010, Cap Gemini Acquires German IT-Services Provider CS Consulting GmbH.
In February 2011, Cheshire Police Authority signed a framework agreement with Cap Gemini for IT services to support back-office policing activities. The framework would include technology to enable shared services. It is expected to generate savings of £40 million for Cheshire Constabulary over ten years. In February 2011, Cap Gemini got a $63 million three-year contract to provide support to smart meters for Canada’s utility BC Hydro in British Columbia. In March 2011, Cap Gemini secured a £100 million contract with BAA to takeover its ‘core IT services’, In April 2011, Cap Gemini acquired two French companies, Artesys, a provider of IT infrastructure offering, and Avantias, a provider of enterprise content management to businesses. In June 2011, Cap Gemini finalized its acquisition of Prosodies, the multi-channel services operator. In June 2011, Cap Gemini completed its first acquisition in China, Praxis Technology, and a utility industry specialist. In July 2011, Cap Gemini acquired the Italian IT services provider AIVE Group.


Cap Gemini Consulting: Cap Gemini Consulting is the strategy and transformation brand of Cap Gemini, i.e. Cap Gemini’s management consulting business. Currently employing around 4000 employees, Cap Gemini Consulting is one of Europe's biggest management consulting companies.
6.2.3 S1 Services Pvt. Ltd.\textsuperscript{[4]}:

S1 provides customer-interaction software solutions for financial and payments services. More than 4,000 customers in 49 countries, including regional and national banks, community banks, credit unions, retailers, telcos, and processors rely on our banking and payments software.

A pioneering spirit and proven track record of delivering innovative software solutions drive our ongoing research and development to bring you excellence in software for financial and payments services. We invest in our people, in our products, and in the alliances we have nurtured with our technology partners, our resellers, and our customers.

S1's software products and services give retail banks, wholesale banks, and credit unions one source for software products that address all customer touch-points. We enable you to better know your customers and create competitive advantages. Our products meet your branch, call centre, Internet, voice, lending and automatic teller machine/point-of-sale (ATM/POS) channel needs. S1's payments software, Postilion, is used by retailers, processors, telcos, and financial institutions of all sizes.

6.2.4 Zen Soft\textsuperscript{[5]}:

Company creates web sites with stylish designs and professional back ends as well as provides web hosting services in Bhopal, India. Its greatest strengths lies in the expertise in designing, developing and Internet Marketing for customers in diverse industries with 100% customer satisfaction. The company have a strong customer-centric approach that ensures a stable and long-term relationship with the clients.

6.2.5 E-Zest solutions Ltd\textsuperscript{[6]}:

E-Zest is a customer focused and technology-driven company providing product engineering and enterprise software/application development services that help clients in crafting holistic value for their software development efforts.

E-Zest is an SEI-CMMI Level-3 and ISO 9001:2008 certified global software outsourcing company. E-Zest has served 80+ industry leader clients in four continents about a decade with 400+ software professionals on board. E-Zest is technology partner with Microsoft, Amazon, VMware, HP and Cisco.
E-Zest focuses on understanding to its clients’ needs and delivering IT services & solutions at right value and required speed. We believe we succeed when our clients succeed by growing and outpacing their competition.

By selecting e-Zest as an IT services partner, you’ll gain access to process excellence, IT technology expertise and an experienced pool of resources. Our focus is on driving business transformation through IT as a tool to help you drive genuine business results.

- Global onsite / offshore software development
- Custom software development
- Bespoke software development
- Independent software testing
- Cloud computing services
- Mobile development services
- Business intelligence services
- Technical Support Services

6.2.6 International Business Machines Corporation (IBM)\(^7\):

The IBM is an American multinational technology and consulting corporation, with headquarters in Armonk, New York, United States. IBM manufactures and markets computer hardware and software, and offers infrastructure, hosting and consulting services in areas ranging from mainframe computers to nanotechnology.

The company was founded in 1911 as the Computing Tabulating Recording Company (CTR) through a merger of three companies: the Tabulating Machine Company, the International Time Recording Company, and the Computing Scale Company. CTR adopted the name International Business Machines in 1924, using a name previously designated to CTR's subsidiary in Canada and later South America. Securities analysts nicknamed IBM *Big Blue* in recognition of IBM's common use of blue in products, packaging, and logo.

In 2012, *Fortune* ranked IBM the No. 2 largest U.S. firm in terms of number of employees (435,000 worldwide, approximately 100,000 in the US), the No. 4 largest in terms of market capitalization, the No. 9 most profitable, and the No. 19 largest firm in terms of revenue. Globally, the company was ranked the No. 31 largest in terms of revenue by *Forbes* for 2011. Other rankings for 2011/2012 include No. 1 company for leaders (*Fortune*), No. 1 green company worldwide (*Newsweek*), No. 2 best global brand (*Inter
brand), No. 2 most respected company (Barron’s), No. 5 most admired company (Fortune), and No. 18 most innovative company (Fast Company).

IBM has 12 research laboratories worldwide and, as of 2013, has held the record for most patents generated by a company for 20 consecutive years. Its employees have garnered five Nobel Prizes, six Turing Awards, ten National Medals of Technology, and five National Medals of Science. Notable inventions by IBM include the automated teller machine (ATM), the floppy disk, the hard disk drive, the magnetic stripe card, the relational database, the Universal Product Code (UPC), the financial swap, the RDBMS and SQL, SABRE airline reservation system, DRAM, and Watson artificial intelligence.

The company has undergone several organizational changes since its inception, acquiring companies such as Kenexa (2012) and SPSS (2009) and organizations such as PwC’s consulting business (2002), spinning off companies like Lexmark (1991), and selling off product lines like ThinkPad to Lenovo (2005).

History of the company

1881–1929: In the 1880s, various technologies came into existence that would form part of IBM's predecessor company. On June 16, 1911, these technologies and their respective companies were merged by Charles Ranlett Flint to form the Computing-Tabulating-Recording Company (C-T-R).

1930–1979: In 1937, IBM’s tabulating equipment enabled organizations to process unprecedented amounts of data, its clients including the U.S. Government, during its first effort to maintain the employment records for 26 million people pursuant to the Social Security Act, and the Third Reich, largely through the German subsidiary Dehomag. In 1947, IBM opened its first office in Bahrain, as well as an office in Saudi Arabia to service the needs of the Arabian-American Oil Company that would grow to become Saudi Business Machines (SBM).

In 1957, IBM developed the FORTRAN (Formula Translation) scientific programming language. The IBM Electric typewriter was a highly successful model line of electric typewriters introduced by IBM on July 31, 1961. In 1963, IBM employees and computers helped NASA track the orbital flight of the Mercury astronauts. On April 7, 1964 IBM announced the first computer system family, the IBM System/360. Sold between 1964 and 1978, it was the first family of computers designed to cover the complete range of applications, from small to large, both commercial and scientific. On October 11, 1973, IBM
introduced the IBM 3660, a laser-scanning point-of-sale barcode reader which would become the workhorse of retail checkouts. On June 26, 1974, at Marsh's supermarket in Troy, Ohio, a pack of Wrigley's Juicy Fruit chewing gum was the first-ever product scanned. That pack is now on display at the Smithsonian Institution's National Museum of American History in Washington, D.C. IBM's Blue Gene supercomputers were awarded the National Medal of Technology and Innovation by U.S. President Barack Obama on September 18, 2009.

1980–Present: The IBM PC, originally designated IBM 5150, was introduced in 1981, and it soon became the industry standard. In 1991, IBM sold Lexmark. IBM will show their various innovations at CeBIT 2010 in Hanover, Germany. In 2009, it acquired a software company. As of 2012, IBM had been the top annual recipient of U.S. patents for 20 consecutive years. In June 2013, IBM acquired SoftLayer Technologies, a web hosting service. In August 2013, US regulators began an investigation into how the firm reports revenue from its cloud computing business. Also in August, IBM acquired Trusteer, a Boston-based, privately held, computer-security company responsible for the development of Rapport security software, in a deal close to $1 billion.

Corporate affairs: IBM’s headquarters complex is located in Armonk, Town of North Castle, New York, United States. The company has twelve research labs worldwide—Almaden, Austin, Australia, Brazil, China, Dublin, Israel, India, Tokyo, Watson (New York), Zurich and Nairobi. The company also operates the IBM Scientific Center, Hursley House, the Canada Head Office Building, IBM Rochester, and the Somers Office Complex. The company's contributions to architecture and design, including Chicago's 330 North Wabash building designed by Ludwig Mies van der Rohe, were recognized with the 1990 Honor Award from the National Building Museum.

6.2.7 Agile Technosys[^8]:

Agile Technosys is a software development and services company providing premium services to its clientele across the globe. Agile Technosys is quite a young company (about 5 years old now) and has been providing software development, web development, web design, custom application development, product development, Rich internet applications and design / multimedia services. Within a short span of 5 years, Agile Technosys has grown to a team size of 270+ from a mere 4 at inception.
Agile Technosys is an offshore web development, web design, software development and services company providing premium services to its clientele across the globe. Agile Technosys is quite a young company (about 4 years old now) and has been providing software development, web development, web design, custom application development, product development, Rich internet applications and design / multimedia services. Within a short span of 4 years, Agile Technosys has grown to a team size of 270+ from a mere 4 at inception. Well that’s all great! But then isn’t that all of them say? Why should we be hiring Agile Technosys for our project? Out of thousands of web development companies - why Agile Technosys? What makes us more different is that we don’t look towards a project as a single job that we would do for you. We rather prefer to be your technological partners in the ever changing world of web to deliver applications, enhancements and technical innovations that add value to your business. With us you can leave the technical errata out to us and focus on more important aspects of the business. Below are the top 10 reasons why you should consider Agile Technosys as your technical partners.

Customized Services: Agile Technosys provides full life cycle software development and Services Company providing premium services to its clientele across the globe. Agile Technosys is quite a young company (about 4 years old now) and has been providing software development, web development, web design, custom application development, product development, rich internet applications and design / multimedia services. Within a short span of 5 years, Agile Technosys has grown to a team size of 270+ from a mere 4 at inception. With an excellent blend of solid business domain understanding, technical expertise multiplied by deep knowledge of latest industry trends and technical innovations - Agile Technosys provides a quality driven approach towards software development and provides end-to-end customized solutions catering to the requirements.

Professionals: The Company has a strong team of over 270+ experts consisting of business analysts, programmers, team leads, project managers, testing and quality professionals, GUI specialists and product specialists to cater to customer requirements.

Infrastructure: Agile Technosys has developed rock steady infrastructure and its advanced infrastructural facility at the prime location in Pune, Maharashtra, India, which is the educational capital of the east (Also known as Oxford of the East) and is a growing IT
hub and also another IDC at Nashik, Mahashtra, India. Agile Technosys delivers offshore web development, web design, application development and services with excellent technology and up-to-date software for creating futuristic products and for providing time-tested services. Our facility incorporates world-class technology infrastructure with a focus on reliability, security and scalability.

The level of infrastructure availability at Agile Technosys is 99.8% throughout the year. We maintain all necessary continuity plans and actions to ensure continuous operations. VPN provides secure global connectivity to remote users, VoIP and videoconferencing. We always welcome client inspections and audits. We currently hold two state of art IDCs in India.

6.2.8 Tata Consultancy Services:

Tata Consultancy Services (TCS) is an IT services, consulting and business solutions organisation that delivers real results to global businesses, ensuring a level of certainty no other firm can match. TCS offers a consulting-led, integrated portfolio of IT, BPO, infrastructure, engineering and assurance services. This is delivered through its unique Global Network Delivery Model™, recognised as the benchmark of excellence in software development.

A part of the Tata group, India’s largest industrial conglomerate, TCS has over 285,000 of the world’s best trained consultants. The company generated consolidated revenues of $11.6 billion for year ended March 31, 2013 and is listed on the National Stock Exchange and the Bombay Stock Exchange in India.

Areas of business: TCS helps clients optimise business processes for maximum efficiency and galvanise their IT infrastructure to be both resilient and robust. TCS offers the following solutions:

- Assurance services
- Business information and performance management
- Business process outsourcing
- Cloud services
- Connected marketing solutions
- Consulting
- Engineering and industrial services
- Enterprise solutions
• iON small and medium businesses
• IT infrastructure services
• IT services
• Mobility solutions and services
• Platform solutions

Operational area: TCS has the depth and breadth of experience and expertise that businesses need to achieve business goals and succeed amidst fierce competition. TCS helps clients from various industries solve complex problems, mitigate risks and become operationally excellent. Some of the industries it serves are Banking and financial services, Construction, Energy and utilities, Government, Healthcare, High tech, Insurance, Life sciences, Manufacturing, Media and information services, Metals and mining, Retail and consumer products, Telecom, Travel, transportation and hospitality

Software product: TCS BaNCS, TCS MasterCraft, TCS technology products etc.

Locations: TCS is headquartered in Mumbai, operates in 46 countries and has more than 208 offices across the world.

6.2.9 Soft Bridge company\[10\]:

Headquartered in Singapore, Softbridge has offices in Tokyo, Japan and Pune, India. Softbridge has developed core expertise specific to the Japanese market by creating and deploying a large pool of bilingual engineers in various technology domains such as Web, CAD, Networking, VLSI, and Embedded Systems.

Softbridge has three business divisions focused on education, software development and mobile-media services. The education division is known as the Softbridge Center for Technology and Communications (SCTC), the software development division as Soft Bridge Solutions (SBS) and mobile-media division as Soft Bridge Ventures (SBV). Soft bridge Centre for Technology and Communications (SCTC).

Soft bridge Centre for Technology and Communications provides corporate and individual training programs in various IT domains such as JAVA, Microsoft .Net, Embedded Systems, Project Management and Networking. SCTC also assists in extensive skill development by offering courses in Cross Culture Communication, languages such as Business Japanese and English and a Management Development Program.

Soft bridge Solutions: Offers a wide array of software development services with flexible engagement models including onsite and offshore. SBS has developed expertise in domains
such as Finance, Logistics, Medical Systems, eCommerce and Online Advertising. SBS manages a large offshore development centre with technology skills in Web Technologies such as JAVA, Microsoft .NET and Open Source as well as Embedded Systems.

SBS has developed expertise specific to the Japanese market by creating and deploying a large pool of bilingual engineers in various technology domains such as Web, CAD, Networking, VLSI, and Embedded Systems.

**Soft bridge Ventures:** SBV markets various mobile and media related content and technologies to the Indian mobile markets. SBV is both an aggregator and creator of contents for delivery thru various XL, L, M, S formats (XL-Theatre, L-Television, M-PC, S-Mobile).

### 6.2.10 Amdocs[^3]:

Amdocs is a provider of software and services to more than 250 communications, media and entertainment service providers in more than 80 countries. Its CES (Customer Experience Solutions) span business support systems (BSS), operational support systems (OSS) and network control and optimization offerings for multiple lines of business, including wireless, wire-line, broadband, cable and satellite services. Amdocs' services include business consulting, managed services, systems integration, project delivery and testing. The company also offers advertising and media products and services for local marketing service providers, including directory publishers. These offerings enable the management of media selling, fulfillment, operations, consumer experiences and financial processes across digital and print media.

Amdocs maintains offices on 6 continents with support and development centers located worldwide, including Brazil, Canada, Cyprus, India, Ireland, Israel and the USA.

**History:** The company was founded in 1982 as an offshoot of Golden Pages, the Israeli phone directory company, which was owned by the Aurec Group headed by Morris Kahn.[^4] Together with others at Golden Pages, Kahn developed a billing software program for telecom companies and with Boaz Dotan established a company called Aurec Information & Directory Systems to market this product. In 1985, Southwestern Bell Corporation acquired a 50 percent ownership share of Aurec Information, and its name was changed to Amdocs. Within two years, the Aurec Group sold off all its holdings in Amdocs for almost US$1 billion.
Between 1990 and 1995 Amdocs took diversification steps, expanding first into the telephone arena and then the mobile space. The company went public on the New York Stock Exchange in 1998 with a value of US$2.75 billion. From 2002 to 2010 Amdocs expanded its product and services offerings, and through a series of acquisitions entered new markets and domains including OSS, cable and the financial services industry.

Amdocs' offerings are collectively called "Customer Experience Solutions" (CES), first introduced as CES 7.5 in January 2008. Amdocs CES encompasses the company's products, services and expertise.

**Acquisitions**

- September 1999: Acquired **International Telecommunication Data Systems, Inc.** (ITDS), the second largest telecom billing service bureau in the United States.
- April 2000: Acquired outstanding stock options of **Solect Technology Group**, a developer of billing and administrative software for Internet service providers and mobile operators.
- November 2001: Purchased the **Clarify** CRM assets from Nortel Networks.
- February 2004: Purchased **XACCT Technologies**, a provider of mediation software for service providers.
- July 2005: Purchased **DST Innovis** from DST Systems, a vendor that provides end-to-end customer care and billing for broadband, cable and satellite operators.
- April 2006: Acquired **Qpass**, a Seattle-based company with an Austrian subsidiary that provides solutions for the marketing and merchandising of digital goods and services.
- May 2006 Purchased **Stibo Graphic Software**, a Danish software company previously owned by The Stibo Group.
- August 2006: Acquired **Cramer Systems**, a UK-based company that provides Operational Support Systems to service providers. This allowed Amdocs to become one of the very few companies to offer a complete BSS/OSS product suite.
- February 2007: Purchased **SigValue Technologies**, an Israel-based vendor of prepaid billing systems for emerging market mobile operators.
- April 2008: Acquired **JacobsRimell**, a privately held provider of customer-centric fulfilment solutions for the broadband cable industry.
November 2008: Acquired Changing Worlds LTD., a privately held provider of personalization and intelligent portal solutions for mobile service providers.

October 2009: Acquired jNetX, a privately held service delivery platform (SDP) provider.

March 2010: Acquired MX Telecom, a leading mobile payments and messaging aggregator with operations in Europe, Australia and the US.

May 2010: Acquired Streamezzo, a mobile Internet application development platform provider.

August 2011: Acquired Bridgewater Systems, a publicly held provider of policy management and network control solutions for mobile and convergent service providers.

September 2013: Acquired Actix and entered the network control and optimization market.

January 2014: Acquired Celcite to offer independent vendor-agnostic solutions for network management and RAN optimization.

6.3 OBJECTIVES

The aim is to find “The retention practices adopted by HR Managers to retain the employee”. The study set the following objectives:

1. To understand the Conventional and Non- conventional retention practices implemented by the IT units for retention of the employees.
2. To analyze effectiveness of retention practices.
3. To understand the turnover of employee at different level of hierarchy.
4. Analyzing the exit interviews, to understand employee perception of turnover.

6.4 STUDY APPROACH

It is began by considering the strength and weakness of quantitative data collection method of inquiry and semi structured interviews with less structured and none directive approach. The semi structured interview method used to collect the data from HRD of the selected IT units of Pune, to cover up what conventional and non- conventional retention practices implemented by the IT units, the effectiveness of retention practices and different level of hierarchy mostly participates in turnover.
The study was conducted in IT units located in and around Pune at Hingiwadi IT park, Magarpatta, Koregoan, Rajiv Gandhi IT park PCMC. The IT units listed under Maratha Chambers of Commerce and Industries and Agriculture (MCCIA). The units considered are IT services and software development having the status of National and Multi-national (six were Multinational and four were National).

An attempt is made to present the people management dimensions while referring to different aspects of employee management and study of various measures being designed and implemented to retain the employees in the selected above ten IT-units. An attempt is made to identify several retention strategies and practices in these companies to retain their employees and examine whether the IT organizations have any common strategies for retaining employees.

6.5 DATA COLLECTION

The conventional retention practices implemented by IT units are collected in structured form and non conventional retention practices followed in that units are collected in non structured forms. The conventional retention practices considered are: Performance Appraisal, Incentives, Career Growth, Best Salary Packages, Regular Employee feedback Sessions, Regular Rewards and Reorganization, Better work environment, Recreation, Recognition of achievement, Exit Interview, Job rotation and Job enrichment, Motivational Atmosphere, Weekly feedback from Employees and Employee Stock Ownership plan (ESOP).

Number of employees in particular year and exit interview are collected in the structured form. The exit interview information reviewed and information complied with structured form. Reasons for turnover are gathered in unstructured form.

6.6 DATA ANALYSIS AND INTERPRETATIONS

An attempt is made to study of various measures being designed and implemented to retain the employees in the above ten IT units. An attempt is made to identify several retention conventional and non conventional practices in these companies to retain their employees and examine whether the IT units have any common strategies for retaining employees.
[The IT units names are named as X1, X2,…..X10, and some information like number of employees were in particular year in that IT units are not reflected here because of maintaining the confidentiality oath taken while collecting the data and information. This will not affect on the research outcomes]

6.6.1 The retention strategies in ten industries

The researcher had interviewed HR manager with fourteen retention strategies, which are in general followed for retention. The fourteen strategies are:

1. Performance Appraisal
2. Incentives
3. Career Growth
4. Best Salary Packages
5. Regular Employee feedback Sessions
6. Regular Rewards and Reorganization
7. Better work environment
8. Recreation
9. Recognition of achievement
10. Exit Interview
11. Job rotation and Job enrichment
12. Motivational Atmosphere
13. Weekly feedback from Employees
14. Employee Stock Ownership plan-ESOP

6.6.2 Analysis of objectives

Objective-1:

The 14 conventional approach of retention implemented in the IT units are tabulated in Table-1(✓ = implemented, X = not implemented).

Table- 6.1: Conventional retention practices v/s IT units

<table>
<thead>
<tr>
<th>Conventional retention Practices</th>
<th>IT units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>X1</td>
</tr>
<tr>
<td>Performance Appraisal</td>
<td>✓</td>
</tr>
<tr>
<td>Incentives</td>
<td>✓</td>
</tr>
<tr>
<td>Career Growth</td>
<td>✓</td>
</tr>
<tr>
<td>Best Salary Packages</td>
<td>✓</td>
</tr>
<tr>
<td>Regular Employee feedback Sessions</td>
<td>✓</td>
</tr>
</tbody>
</table>
The Table-6.1 information is further complied in Table-6.2 to understand which conventional practices are most and less effective.

**Table- 6.2: Implementation % of conventional retention Practices.**

<table>
<thead>
<tr>
<th>Conventional retention Practices</th>
<th>Implementation %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Appraisal</td>
<td>80%</td>
</tr>
<tr>
<td>Incentives</td>
<td>90%</td>
</tr>
<tr>
<td>Career Growth</td>
<td>90%</td>
</tr>
<tr>
<td>Best Salary Packages</td>
<td>90%</td>
</tr>
<tr>
<td>Regular Employee feedback Sessions</td>
<td>90%</td>
</tr>
<tr>
<td>Regular Rewards and Reorganization</td>
<td>90%</td>
</tr>
<tr>
<td>Better work environment</td>
<td>90%</td>
</tr>
<tr>
<td>Recreation</td>
<td>30%</td>
</tr>
<tr>
<td>Recognition of achievement</td>
<td>80%</td>
</tr>
<tr>
<td>Exit Interview</td>
<td>90%</td>
</tr>
<tr>
<td>Job rotation and Job enrichment</td>
<td>60%</td>
</tr>
<tr>
<td>Motivational Atmosphere</td>
<td>70%</td>
</tr>
<tr>
<td>Weekly feedback from Employees</td>
<td>20%</td>
</tr>
<tr>
<td>Employee Stock Ownership plan(ESOP)</td>
<td>20%</td>
</tr>
</tbody>
</table>

![Image](image.png)

**Figure-6.1: Conventional retention Practices**

The information tabulated in Table-6.1 & Table-6.2 and presented graphically in Figure-6.1 reflects that out of 14 conventional retention practices 11 practices are implemented in the most of the IT units and 3 are less practiced for retention.
Apart from conventional retention practices there were non-conventional retention practices followed into the IT units to retain the skilled and knowledgeable employees which is collected in unstructured form and compiled in Table-6.3.

**Table- 6.3: Non- conventional retention practices in selected units.**

<table>
<thead>
<tr>
<th>IT units</th>
<th>Non-conventional practices</th>
</tr>
</thead>
</table>
| X1       | • Benefit quarterly  
|          | • Performance Bonus(Performance Grade)  
|          | • On bench- specialized to generalized other location |
| X2       | • Past Track career Program(Lower Level)  
|          | • Retention bonus  
|          | • Training, Coaching  
|          | • On-site  
|          | • Annual Bonus |
| X3       | • Transport Benefits  
|          | • work hours flexible  
|          | • Insurance |
| X4       |                     |
| X5       | • Giving challenges  
|          | • Quarterly contest  
|          | • Training  
|          | • Consultancy |
| X6       | • Appreciation  
|          | • Flexi Timings |
| X7       |                     |
| X8       | • Hi-potential program  
|          | • Various training program  
|          | • Fun at work  
|          | • One on one connect |
| X9       |                     |
| X10      | • Regular Round table discussions between employees and their respective Managers |

Table-6.3 shows that some non conventional practices are design and developed by particular IT unit and they are not common. 3 out of 10 IT units do not have any non-conventional method for retention and they follow only conventional method of retention.

**Objective-2:**
The year wise employees on the roll and number of employees left in a particular IT unit are collected in structured form from 2009 to 2012. The year wise percentage of turnover is calculated and presented in Table-6.4. The 15-20% turnover is acceptable and considered to be healthy which is universally proven in different literatures. Considering this 15-20% tolerance value the data is further tabulated in Table-6.5 to understand the retention trends is good/ fair/ poor in particular IT unit.

**Table- 6.4: Year wise % of turnover**

<table>
<thead>
<tr>
<th>IT unit/ year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1</td>
<td>10</td>
<td>12</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>X2</td>
<td>16</td>
<td>15</td>
<td>15</td>
<td>17</td>
</tr>
<tr>
<td>X3</td>
<td>23</td>
<td>24</td>
<td>25</td>
<td>22</td>
</tr>
<tr>
<td>X4</td>
<td>6</td>
<td>8</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td>X5</td>
<td>26</td>
<td>29</td>
<td>28</td>
<td>27</td>
</tr>
<tr>
<td>X6</td>
<td>7</td>
<td>8</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>X7</td>
<td>16</td>
<td>19</td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td>X8</td>
<td>9</td>
<td>6</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>X9</td>
<td>27</td>
<td>29</td>
<td>26</td>
<td>28</td>
</tr>
<tr>
<td>X10</td>
<td>28</td>
<td>27</td>
<td>29</td>
<td>30</td>
</tr>
</tbody>
</table>

**Table- 6.5: IT unit wise average % turnover and comparison with tolerance value (15-20%).**

<table>
<thead>
<tr>
<th>Sr. no</th>
<th>IT unit</th>
<th>Average % turnover</th>
<th>Within or above acceptable tolerance value</th>
<th>Retention practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>X1</td>
<td>12.5</td>
<td>Within</td>
<td>Good</td>
</tr>
<tr>
<td>2</td>
<td>X2</td>
<td>15.75</td>
<td>Within</td>
<td>Good</td>
</tr>
<tr>
<td>3</td>
<td>X3</td>
<td>23.5</td>
<td>Above</td>
<td>Poor</td>
</tr>
<tr>
<td>4</td>
<td>X4</td>
<td>7</td>
<td>Within</td>
<td>Good</td>
</tr>
<tr>
<td>5</td>
<td>X5</td>
<td>27.5</td>
<td>Above</td>
<td>Poor</td>
</tr>
<tr>
<td>6</td>
<td>X6</td>
<td>7.5</td>
<td>Within</td>
<td>Good</td>
</tr>
<tr>
<td>7</td>
<td>X7</td>
<td>17.5</td>
<td>Within</td>
<td>Good</td>
</tr>
<tr>
<td>8</td>
<td>X8</td>
<td>7.5</td>
<td>Within</td>
<td>Good</td>
</tr>
<tr>
<td>9</td>
<td>X9</td>
<td>27.5</td>
<td>Above</td>
<td>Poor</td>
</tr>
<tr>
<td>10</td>
<td>X10</td>
<td>28.5</td>
<td>Above</td>
<td>Poor</td>
</tr>
</tbody>
</table>

From Table-6.5 it can be understood that six units are within the tolerance percentage and remaining four are above the tolerance percentage. The percentage of good and poor is tabulated in Table-6.6. The 60% IT units have good retention and 40% poor retention.
Objective-3:

The employee designation were different at different units and it was very difficult to understand the employment level after analysing the exit interview sheet because it some IT unit it was named as software engineer, programmer, system analyst, project head, etc. After discussion with HRD manager of different units and information collected and analysed from exit interview sheet it has been categorised the employee level in 3 grades as junior level, middle level and senior level on the basis of their pay package and job profile. After solving the complexity the information is tabulated in Table-6.7 to understand the turnover and turnover percentage in Table-6.8.

Table- 6.7: Turnover at different level of hierarchy in IT unit

<table>
<thead>
<tr>
<th>IT unit</th>
<th>Junior Level</th>
<th>Middle Level</th>
<th>Senior Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X2</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X3</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>X4</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X5</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>X6</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X7</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>X8</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X9</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>X10</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

Table- 6.8: Turnover % at different level of hierarchy in IT unit

<table>
<thead>
<tr>
<th>Turnover % at different level of hierarchy in IT unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Junior level</td>
</tr>
<tr>
<td>---------------</td>
</tr>
<tr>
<td>40%</td>
</tr>
</tbody>
</table>
Table-6.7 shows that the turnover is only at junior level and middle level. At senior level the turnover is nil. From the Table-6.8 it can be understood that the turnover is 40% at junior level, 30% at middle level, 30% at junior and middle level and 0% in senior level.

**Objective-4:**

To understand the reasons of turnover, the structured exit interview sheet has been analysed IT unit wise. The reason for turnover was not structured in exit interview sheet, so it was difficult to compile. To solve this complexity, it was discussed with HR managers and various reasons has been analysed and categorised. This information is indicated in Table-6.9, IT unit wise.

**Table-6.9: Reasons of turnover**

<table>
<thead>
<tr>
<th>Units</th>
<th>Turnover reasons</th>
<th>Units</th>
<th>Turnover reasons</th>
</tr>
</thead>
</table>
| X1    | • Better Opportunity  
         • Growth  
         • Knowledge of the other Language  
         • Higher education | X6    | • Salary  
         • Job satisfaction  
         • Marriage/ Maternity  
         • Attitude  
         • job role |
| X2    | • Salary  
         • Better opportunity | X7    | • Salary  
         • Company environment |
| X3    | • Better opportunity  
         • Compensation  
         • on-site opportunity  
         • Personal reason  
         • Higher education | X8    | • Better job Opportunity  
         • Personal reason  
         • Better composition/role  
         • Supervisor issues |
| X4    | • Better Opportunity  
         • Growth  
         • Designation  
         • Higher education  
         • Personal reason | X9    | • Salary |
| X5    | • Better Opportunity  
         • Family Problem  
         • Need to relocate  
         • Not Matching with the work culture in the organization  
         • Job Location | X10   | • Better Role  
         • Better compensation  
         • relocation |

Table-6.9 reflects that, better job opportunity, salary/ compensation and growth are some of the main reasons for influencing IT employees to leave the job in most of the IT unit. Apart of these reasons there are several other reasons for which employee’s level job are varying from unit to unit. The reasons are part of day to day working of the employees.
6.7 OBSERVATION

Employee retention practice as observed through individual cases as above can be broadly classified into two categories monetary and non-monetary strategies.

The retention practices at six units implemented strongly and four units poorly. One of the IT units was not interested for retaining employees.

Job hopping is highest at the junior level employee in the IT units, middle level is somewhat and senior level is nil. It has been observed that all the selected units try their level best to retain the employees but till due to one or the other reasons the employees leave the job. The units whose tolerance rate is below standard needed to implement the HR practices more rigorously.

6.8 CONCLUSION

In this era of globalization employees are blessed with good opportunities. As soon as they feel dissatisfied with the current employer or with the job, they switch over. If an employee resigns, then good amount of time is lost in hiring a new employee and then training him/her and this goes to the loss of the company directly which many a times goes unnoticed. Tools for employee retention are employee reward program, career development program; performance based bonus, employee referral plan, loyalty bonus, employee recreation, gifts at some occasions, accountability, making the managers effective and easily accessible, surveys etc.

This study approach was to do the case study at ten IT-units to understand their retention strategies. The employee retention strategies implemented in ten IT-units are varying from one IT-unit to another.

The study shows that majority of the IT units are employing retention tools as the monetary strategies such as- performance linked incentives, rewards, increment in salary and Innovative non-monetary tools are also being implemented to retain the IT employees such as- job enrichment, on bench- specialized to generalized, other location, past track career program(lower level), training/coaching, work hours flexible, quarterly contest, hi-potential program, fun at work, one on one connect, regular round table discussions between employees and their respective Managers.

It has been found that the turnover at senior level is nil but somewhat turnover in middle level and junior level of hierarchy. The 60% IT unit’s retention practices are good and 40% is poor.
References: