**Cognizant Technology Solutions**

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**Introduction:**

Cognizant is one of the leading American multinational technology services companies with headquarters in the United States. The company has been involved in digital transformation since the year 2000 and developed certain services for helping clients towards designing the IT system maintained by outsourcing (Cognizant., 2022). Over the years the company has been focusing on the aspect of modernization through investment in various digital areas like artificial intelligence, the internet of things along with cloud and digital engineering.

**Problems:**

Despite the growth of the business over the decades, Cognizant has faced certain challenges as follows:

1. **Huge layoff of the employees:** About 1200 employees have been laid off by Cognizant with the redeployment of 5000 other employees with varied functional areas. The **number of employee layoffs has amounted to about 2% of the total headcount across the globe**. The reduction of the workforce in the business has affected the operation of cognizant in the number of billing hours which led to the drop of the business. By the end of the year 2020, the attrition was about 16% which has affected the business. Cognizant has declared a higher level of attrition within the second quarter of the year 2022 (Pradhan, 2022).
2. **Unprecedented cyber-attack:** The challenges cognizant has faced regarding the cyber-attacks have left the company with an **uproar among the employees** because of the concerns regarding the protection of their information. This has resulted in the decline of the revenue of the June quarter by 3.4%. The hackers behind the Maze have threatened the leak the information that has led Cognizant to **a loss of about $50 to $70 million** (Rao., 2020). The company has responded to the crisis through the mobilization of the entire leadership by drawing on the security teams and IT. As a result, the operating margin of quarter 2 has been reduced.

**Causes:**

The causes of such problems are mostly attributed to the change in the business plan through optimization of the program and the impact of the pandemic as well as the cyber-attacks.

1. After Brian Humphries took over as the new chief executive officer of Cognizant, there was a change in the approach of the business towards a more forward-looking ideology (Dhillon., 2019). During the year 2019, in the month of October, **the company announced the 'Fit to Growth' plan which remains the main reason for the layoff of a huge number of employees**. The cost-cutting approach of the new management. Apart from that, the impact of the COVID-19 pandemic has made Cognizant cut their cost which is also responsible for the reduction of the billing hours.
2. The impact of the **Maze ransomware is another reason that has affected the company by backing away the clients from the provision of network access** to the business (Chandrashekhar., 2020). As a result of the cyber-attack, some of the workforces have been sent for remote work. Through the mobilization of the workforce and discrete communication with the clients, the company was capable of possessing the ransomware. This has affected the revenue of the company along with the demand.

**Action Plan:**

To solve the problems, it is important for Cognizant to develop the business approach, and ability to tackle the impact of the pandemic along with ensuring safe information to the employees from attacks.

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| **Action Plan** | | | | |
| **Goal:** To regain satisfaction among the employees and to recover from cyberattacks | | | | |
| **Action** | **Purpose** | **Deadline** | **Result Expected** | **Measure of Success** |
| Reskilling of the employees | * Reduction in the level of employee layoff (Ahmed, Shabbir& Sulaiman, 2020 * Improvement in billing hours | 6 months | The company will be able to improve the training and satisfaction among the employees | * Improvement in revenue * Increase in client satisfaction |
| Job retention schemes during the pandemic | * Income support to the workers * Supporting the aggregate demand | 3 months | This will help Cognizant to reduce the cost of labor as well as preserve job | * High employee satisfaction * Smooth remote working |
| Protecting company against cyber attacks | * Help in the minimization of cyber-criminal risk (Kim, 2017) * Protecting confidential information | 6 months | This will help in gaining the trust of the employees | * Lower resignation among the employees * Improvement in the revenue |

**Conclusion:**

Overall, Cognizant has been facing issues regarding employee retention and cyberattacks which are eventually affecting the business and revenue of the company. The primary reason for the issue is the new business plan and approach after the appointment of Brian Humphries as the new CEO of the company, and the spread of the pandemic also had significant impact. It is required for Cognizant to develop a reskilling strategy for the employees along with protection against cyberattacks as per the action plan explored in this study.

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