

## **IGate :**

### **1 Was Murthy terminated "for cause", as claimed by iGate, and if so, what were the implications for his severance payments?**

Murthy was terminated "for cause" as claimed by iGATE, and the implications for his severance payments. After being terminated, Murthy organized a teleconference with journalists in India and stated that his termination came as a complete surprise and that he had not been informed of it until after office hours. He also claimed that the charges of sexual harassment against him were completely false and that he was entitled to the vested stocks and medical benefits.

### **2 How could companies draft employment agreements, especially with chief executives, to avoid post-termination lawsuits?**

Companies could draft their employment agreements, especially with chief executives, to avoid post-termination lawsuits. Murthy's dispute with iGATE serves as a cautionary tale for other companies, highlighting the importance of carefully drafting employment agreements, especially with chief executives, to avoid post-termination lawsuits. Companies should ensure that their employment agreements clearly define the circumstances under which an executive can be terminated "for cause," and that they should seek legal advice to ensure their agreements are legally sound.

## **IGATE**

**iGATE AND THE CEO:** A BREACH OF AGREEMENT case study describes a situation where iGATE Corporation ended its employment contract with Phaneesh Murthy, then chief executive officer, amid allegations of sexual harassment. iGATE claimed Murthy had violated the company policy and thus was dismissed with cause, which effectively ended the company's obligations under Murthy's contract. However, Murthy responded by suing iGATE, claiming it had breached his contract and defamed him. In March 2014, iGATE countersued Murthy for losses due to his behavior.

To determine whether iGATE could justify its termination of Murthy's contract, it is important to understand the legal basis for at-will employment. In the United States, most states follow the at-will employment doctrine, which means that an employer can fire an employee for any reason or no reason at all, as long as the reason is not illegal. However, there are some exceptions to this rule, such as if the employee has a contract

with the employer or if the employee is fired in retaliation for whistleblowing or other protected activities.

In this case, Murthy had an employment contract with iGATE. The contract stated that he could be fired with cause for violating company policy. However, it did not specifically define what constituted a violation of company policy. This ambiguity could lead to a legal dispute if iGATE and Murthy disagreed about whether or not he had violated the policy.

Assuming that iGATE could prove that Murthy had violated the company policy, the next question is whether iGATE had a legal obligation to provide him with severance pay. In most cases, employers are only obligated to provide severance pay if it is required by law or by the employee's contract. However, some employers may choose to provide severance pay as a way to avoid legal disputes or to show goodwill to their employees.

In this case, Murthy's contract stated that he was entitled to severance pay if he was fired without cause. However, since iGATE claimed that Murthy was fired with cause, it argued that it was not obligated to provide him with severance pay. Murthy disputed this claim, arguing that he had not violated the company policy and that he was entitled to severance pay under his contract.

The case was eventually settled out of court, and the terms of the settlement were not disclosed. However, the case raises several important questions about the rights of employees and employers in situations where there is a dispute over the termination of an employment contract.

Here are some important **conclusions** that can be drawn from this case:

- Employers should carefully draft their employment contracts to ensure that they are unambiguous.
- Employers should be aware of the legal requirements for severance pay in their state.
- Employers should investigate allegations of misconduct thoroughly before taking any disciplinary action against an employee.
- Employees should consult with an attorney if they are fired and believe that their contract has been breached.
- The case of iGATE and Murthy is a reminder that employment contracts are complex legal documents and that both employers and employees should have a clear understanding of their rights and obligations.

## (Another)

Here is a more detailed summary of the iGate and The CEO: A Breach of Agreement case study:

### Background

iGate Corporation is a U.S.-based IT services company founded in 1986. In 2008, Phaneesh Murthy was appointed President and CEO of iGate after having to resign from Infosys in 2002 due to similar allegations of sexual harassment.

As CEO, Murthy implemented major changes at iGate including a unique pricing model based on business outcomes rather than billable hours. He was credited with transforming iGate into a globally competitive player.

### Key Events

- In 2011, under Murthy's leadership, iGate acquired Patni Computer Systems for \$1.22 billion, making it a billion-dollar company. Murthy's compensation increased substantially after the acquisition.
- In early 2013, Murthy's employment contract was revised to increase his performance bonus and severance terms. This indicated he enjoyed considerable influence over the board.
- In May 2013, Murthy was abruptly fired from iGate amidst allegations of sexual harassment made by Araceli Roiz, a subordinate employee.
- iGate stated that Murthy had violated company policy by not reporting his relationship with Roiz. However, Murthy claimed the relationship was consensual and that the board was aware of it.
- Murthy admitted to the relationship but firmly denied the harassment allegations, terming them as "false charges". He accused iGate of unfair termination and breach of agreement.

### Legal Battle

- In December 2013, Murthy filed a **lawsuit** against iGate seeking over \$20 million in vested stocks, severance benefits, and retirement benefits that the company withheld from him.
- Murthy claimed iGate used his **relationship** with Roiz as grounds to fire him even though it was aware of the relationship. He stated his termination was unjustified.
- In March 2014, iGate filed a **counter lawsuit** against Murthy claiming damages due to his irresponsible conduct and invoking the indemnification clause in his contract.

- The case garnered huge media attention as Murthy had been highly regarded at iGate. The outcome depended on whether his firing was justified and if iGate could legally withhold his dues.

### **Key Implications**

- The case highlights the repercussions of firing senior executives for cause without sufficient grounds.
- It emphasizes the importance of carefully drafting employment contracts, especially with CEOs, to protect company interests in case of disputes over severance benefits.
- In summary, this high-profile case examines the controversial firing of a star CEO and the complex legal battle over millions of dollars in severance benefits. The final verdict would set a precedent for termination clauses in executive employment contracts.

## **Enlighten**

In the case study of Enlighten, a company that provides digital data and analytics for the advertising industry, the authors Goldberg and Roberts, analyze how Enlighten's service level agreement (SLA) with its customers harmed the company's bottom line.

The SLA guaranteed that Enlighten would provide its customers with a certain level of service, or else it would face financial penalties. However, the authors argue that the SLA was too ambitious and that Enlighten was not able to meet its obligations without incurring significant costs.

For example, the SLA required Enlighten to provide its customers with **99.9% uptime**. This meant that Enlighten's system could only be down for a total of 43.2 minutes per year. However, the authors found that Enlighten was experiencing an average of 10 hours of downtime per month. This meant that Enlighten was paying significant penalties to its customers for failing to meet the SLA requirements.

In addition, the authors found that the SLA was preventing Enlighten from making necessary changes to its system. For example, Enlighten wanted to implement a new software update that would improve the performance of its system. However, the authors found that the new software update would have caused Enlighten to violate the **SLA requirements for a short period**. This meant that Enlighten was forced to delay the implementation of the new software update, which hurt its bottom line.

The authors conclude by arguing that Enighten should renegotiate its **SLAs with its customers**. They argue that the current SLAs are too ambitious and that they are preventing Enighten from making necessary changes to its system.

**Here are some important points about the SLA mentioned in the case study:**

- The SLA guaranteed that Enighten would provide its customers with a certain level of service, or else it would face financial penalties.
- The SLA required Enighten to provide its customers with 99.9% uptime. This meant that Enighten's system could only be down for a total of 43.2 minutes per year.
- The SLA was preventing Enighten from making necessary changes to its system. For example, Enighten wanted to implement a new software update that would improve the performance of its system. However, the authors found that the new software update would have caused Enighten to violate the SLA requirements for a short period.

The case of Enighten is a reminder that SLAs can have a significant impact on a company's bottom line. It is important for companies to carefully negotiate SLAs with their customers to ensure that they are realistic and achievable.

**(MORE)**

According to the Enighten case study, the major drawbacks of the SLA were:

- **Ambiguous language:**

The SLA was poorly written and could be interpreted in different ways. This led to disagreements between Enighten and its customers about what was and was not covered by the SLA.

- **Lack of transparency:**

The SLA did not clearly define Enighten's responsibilities or the remedies available to customers if Enighten failed to meet its obligations. This made it difficult for customers to hold Enighten accountable for its performance.

- **Unrealistic expectations:**

The SLA set unrealistic expectations for Enighten's uptime and performance. This made it difficult for Enighten to meet its SLA commitments, which led to customer dissatisfaction. 99% uptime

- **Inflexible terms:**

The SLA terms were inflexible and did not allow for changes to be made easily. This made it difficult for Enighten to adapt to changing customer needs.

These drawbacks in the SLA led to several **problems for Enighten**, including:

- **Customer churn:** Many customers were unhappy with the SLA and churned to other providers.
- **Increased support costs:** Enighten's customer support team spent a significant amount of time dealing with customer complaints about the SLA.
- **Damage to reputation:** Enighten's reputation was damaged by its inability to meet its SLA commitments.

To **address these problems**, Enighten renegotiated its SLAs with its customers. The new SLAs were more **transparent, flexible, and realistic**. Enighten also invested in improving its **uptime and performance**. As a result of these changes, **Enighten's customer satisfaction rates improved significantly**.

Here are some specific examples of the **drawbacks in the SLA from the Enighten case study**:

- **The SLA did not clearly define what constituted "downtime."** This led to disagreements between Enighten and its customers about whether or not certain events counted as downtime.
- **The SLA did not clearly define Enighten's response time to customer support tickets.** This led to customers feeling frustrated when they did not receive a response to their tickets **promptly**.
- **The SLA did not allow customers to upgrade or downgrade their service level** without paying a penalty. This made it difficult for customers to scale their service up or down as needed.

The new SLAs that Enighten negotiated with its customers addressed all of these drawbacks. The new SLAs are more clear, concise, and easy to understand. They also give customers more flexibility and control over their service.

# **IP Stolen case Bomba**

## **IP theft at Sunitha Nath Boutiques (Cluade summary)**

The case focuses on Sunitha Nath, founder of Sunitha Nath Fashions & Boutiques Pvt. Ltd. (SNB), a fashion design company based in Bengaluru, India.

### **Background:**

- Sunitha was passionate about fashion design from a young age. She pursued formal education and training in fashion design, working under renowned Indian designers.
- In 2000, she started her fashion boutique in Bengaluru, which grew into a successful business with multiple locations. She rebranded as SNB.
- SNB designed high-end fashion and jewelry. Sunitha gained recognition in India and internationally.

### **The Problem:**

- As SNB grew, Sunitha struggled to manage operations while also focusing on design work. She decided to hire and mentor young talent.
- She recruited Raghu as an intern in 2011 and mentored him. He was promoted to studio manager, overseeing SNB's operations.
- In 2015, SNB signed a big contract with a film studio SSP to design costumes for a major movie production. Due to the large scope, Sunitha delegated coordination of the project to Raghu.
- While Sunitha was away, Raghu suddenly resigned without notice. He started his own competing design firm, aided by SSP's production manager Zakir.
- SSP also abruptly terminated their contract with SNB. It appeared Raghu stole SNB's work and clients.

### **Impact:**

- Sunitha was shocked at Raghu's betrayal after she had groomed him. SNB suffered financially and reputationally.
- There were concerns Raghu stole SNB's processes, designs and trade secrets to start his competing firm.
- SNB's contract termination by SSP would tarnish their reputation in the industry.

### **Response:**

- Sunitha consulted her legal advisor Rajashri to determine steps to contain the damage.
- They reviewed SNB's financial records, contracts, vendor relationships to identify any other issues.
- Rajashri advised sending notices to vendors/clients affirming Raghu no longer worked for SNB.
- There were open questions around protecting SNB's intellectual property, recouping losses from SSP contract termination, and rebuilding SNB's reputation.

In summary, the case highlights challenges of delegating authority and trusting employees as a business scales up. It presents complex dilemmas around protecting intellectual property, enforcing contracts, and safeguarding reputation.

### **(MORE)**

Here are some additional key details and analysis from the case study:

#### **Sunitha's background and SNB's growth:**

- Sunitha had strong artistic talents since childhood. She complemented this with formal training at top institutions like NIFT and experience under renowned designers.
- She started small with a boutique in 2000, but aggressively grew SNB into a recognized brand in high end Indian fashion with multiple boutiques.
- SNB also expanded into jewelry design through the successful 'Arka' jewelry line. Sunitha achieved fame in India and internationally within 15 years.

#### **Raghu's recruitment and promotion:**

- As SNB grew, Sunitha needed help managing operations and hired interns, including Raghu in 2011.
- Raghu showed promise and Sunitha mentored him, promoting Raghu to managerial roles with significant responsibility by 2015.
- However, there was no formal contract outlining Raghu's expanded scope of work in later roles. Lack of structured accountability measures may have enabled his misconduct.

#### **Dealing with SSP contract termination:**



- SNB could potentially claim repayment for deliverables provided before termination and damages for illegal termination without notice per the contract terms.
- However, SSP cited unsatisfactory work as grounds for termination. The contract required SNB's work to satisfy SSP/director, making a legal claim difficult.
- SNB's reputation was more at risk. The abrupt termination on grounds of poor quality work could damage SNB's standing in the competitive industry.

#### **Protecting SNB's intellectual property:**

- Raghu potentially stole SNB's processes, designs and trade secrets to start his competing business.
- SNB likely did not take sufficient IP protections like patents, copyrights, trademarks early on while focused on growth.
- Tough to prosecute theft of such proprietary knowledge and intangible assets not formally protected by IP laws.

In summary, while Sunitha achieved remarkable success with SNB, the case underscores common pitfalls like inadequate IP protection, lax accountability structures and reputation management as companies scale rapidly. It prompts thinking on balancing growth with legal safeguards.

#### **Q1. Should Prime release the IP for its vehicle control unit?**

This is a complex question that depends on several factors. Releasing the IP could potentially open up a significant market for Prime And secure a strong partnership with Blue Sky. However, it also carries the risk of IP theft and potential misuse by Blue Sky. If Blue Sky gains the knowledge to produce the vehicle control unit on its own, it might not need Prime's services any longer. It's a strategic decision that should be made after carefully assessing the risks and benefits.

**Q2. What risks does Prime face by releasing or not releasing the IP to Blue Sky?** By releasing the IP Prime risks losing control of its proprietary technology. There's a possibility that Blue Sky could replicate the technology and start producing it independently, which could harm Prime's business. On the other hand, refusing to release the IP could potentially jeopardize the partnership with BlueSky, which could seek other suppliers willing to provide both the components and the IP. This could result in lost business opportunities for Prime.

#### **Q3. What alternatives does Prime have other than releasing or not releasing the IP?**

Prime could consider a few different alternatives. They could negotiate terms for licensing the IP to Blue Sky, maintaining control while allowing Blue Sky to use the technology. They

could also propose a joint venture with Blue Sky to share ownership and control of the IP. Another option would be to provide the vehicle control unit as a black box, without revealing the internal workings of the IP, though this might not be acceptable to Blue Sky. Each of these options carries its own set of potential benefits and risks, and they should be carefully considered.

## **WILL OUR PARTNER STEAL OUR IP (check if ok or not)**

Here is a summary of the key points in the case study:

- Prime ElektroTek is a Taipei-based company that has developed hybrid electric vehicle powertrain technology.
  - They secured a deal to supply components to Blue Sky Vehicles, a Chinese state-owned automaker. This is Prime's first major foothold in the electric vehicle market.
  - Wang, the engineer who developed Prime's powertrain technology, is worried that Blue Sky will copy and steal their intellectual property once they get access to Prime's components.
  - Lin, the VP and GM of the auto electronics unit, is more optimistic and believes Blue Sky doesn't have the expertise to copy Prime's sophisticated technology.
  - During a visit, Blue Sky engineers ask basic questions that confirm Lin's view that they lack systems engineering skills.
  - Prime agrees to provide specs so Blue Sky can build its own vehicle control unit. But later, Blue Sky reveals they are struggling to build the unit.
- 
- Prime offers to provide a prototype control unit they had previously built for Blue Sky. But Blue Sky demands ownership of the IP for the unit as a condition of accepting it.
  - This surprises Lin, as he didn't think Blue Sky was capable of using Prime's IP. Now Prime must decide whether to hand over the IP and risk having their technology stolen and copied.

In summary, Prime sees the Blue Sky deal as key to entering the electric vehicle market, but they are concerned about protecting their proprietary technology from theft in China. They must weigh the risks and benefits of giving Blue Sky the IP for the vehicle control unit in order to move forward with the partnership.

**Based on the details in the case study, here are some potential actions Prime could take to address this situation:**

- Renegotiate the deal to license the vehicle control unit IP to Blue Sky for a limited period rather than transfer full ownership. This would allow Blue Sky to use it for prototypes while protecting Prime's long term interests.
- Offer to provide maintenance, updates, and support for the vehicle control unit as a service. This would make it harder for Blue Sky to copy if they don't fully understand how it works.
- Provide the unit in a "black box" form that conceals the internal design. Black box solutions are harder to reverse engineer.
- Watermark key software components to detect unauthorized copying.
- Share only select portions of code needed for integration rather than the whole code base.
- Require Blue Sky engineers to work onsite at Prime for training/integration, limiting exposure to IP.
- Negotiate a larger share of Blue Sky's future business to offset the IP risk, making the deal more valuable to Prime.
- Partner with Blue Sky on codevelopment of future vehicle control unit generations, maintaining tighter control.
- Threaten to walk away and lose the deal if demands are non negotiable. Though risky, this shows Prime will defend its IP.
- File patents to protect proprietary technologies and algorithms.

Overall, Prime will likely need to take steps to protect critical IP while providing enough technology transfer to satisfy Blue Sky and keep the partnership intact. A compromise that balances these objectives may be the best solution.

## **HR Slides**

Here are detailed explanations for the key points in the lecture notes:

### **A)**

1. A resource is anything that can be used to help achieve an objective or complete a task. For example, financial resources like money, physical resources like equipment, or human resources like employees.

2. Human resource refers to the people who make up the workforce of an organization. It is the human capital that contributes to achieving organizational goals. For example, the software developers, managers, HR specialists etc in a software company.

3. We need human resources in organizations for several reasons:

- To perform the actual work and operations of the organization. For example, software developers can code and build software products and services.
- To provide skills, expertise and innovation. For example, experienced managers who can lead teams and projects.
- To implement organizational strategies. The workforce executes the plans and ideas of management.

## **B)**

**1. There are three main ways that job design is performed:**

- Job rotation: Rotating employees through different jobs and roles. For example, having a software developer work on the user interface, then backend database, then testing.
- Job enlargement: Expanding the scope of an existing job. For example, giving a developer additional responsibilities in gathering user requirements.
- Job enrichment: Adding more meaningful and challenging responsibilities to a job. For example, allowing developers to lead the design of a new feature.

## **Financing a Startup Company**

Here are the key points from the lecture notes on financing a startup company:

### **Introduction**

Many people want to start their own business or company instead of working for others. New graduates in computing often aim to set up their own company.

### **Why Capital is Needed**

- To purchase necessary items to make the product or provide the service.
- Customers usually don't pay before receiving the product/service.

- Every business requires some capital to start. Examples include mobile companies, restaurants, painting services, computer services, software companies.

### **Factors Involving Capital**

- Developing a software package requires a large sum of money. While developing, there is no revenue. Cash is needed for:
- Salaries for founders and staff
- Rent, utilities for premises
- Equipment and supplies
- Marketing and advertising costs
- Miscellaneous expenses like stationery and travel
- Interest on borrowed money

### **The Business Plan**

- Needed to plan the business, ideas, goals, targets.
- A document that convinces funders the plans are realistic and will succeed.
- Includes company description, market analysis, financial projections, budgets, cash flow, balance sheets.

### **Why the Plan is Needed**

- Investors want to profit safely. The plan helps get funding through loans, investments, grants.

### **Business Plans Are Not Predictions**

- A plan shows the company has a reasonable chance of success. Making one can reveal if the idea won't work.

### **Sources of Finance**

- Grants Sums given for specific purposes, not to be paid back. From government, unions, and charities. For capital investments.
- Loans Sums lent and repaid with interest. Require security.
- Equity Capital Money for share of ownership. From business angels or venture capitalists.

### **Gearing**

- Ratio of loan capital to equity capital. Important for company finance.

**Here are some additional key points about financing a startup company from the lecture notes:**

### **The Business Plan Document**

- Describes what the company will do, shows technical feasibility, founders' expertise.
- Describes target market, size, competition.
- Predicts financial performance budgets, cash flow, balance sheets, profit/loss.

### **Grants**

- For capital investments like premises, equipment.
- Have conditions like raising additional capital.
- Limited to a percentage of proven capital investment.

### **Loans**

- Sum lent at fixed or variable interest rate.
- For a fixed period.
- Company must repay eventually.
- Lenders can recover from assets if the company liquidates.

### **Equity Capital**

- Money for share of ownership.
- From business angels wealthy individuals who invest in startups.
- From venture capitalists who provide equity funding for rapid growth companies.

### **Gearing**

- Ratio of loan capital to equity capital.
- Affects company finance and obligations to lenders and shareholders.

### **Moral of the Story**

- Don't make unrealistic plans like castles in the air. Assess ideas objectively.

In summary, the lecture covers the capital required to start a business, creating a convincing business plan, sources of financing, and the importance of gearing for company finance and obligations. The key message is to make realistic plans that demonstrate feasibility.

## **Software Contracts and Liability**

Here are the key points from the lecture notes on software contracts and liability:

- A contract is an agreement between two or more parties that is enforceable by law. Essentials for a valid contract include intention to make a contract, competence of the parties, and consideration (each party provides something of value).
- Fixed price contracts are common for bespoke software systems. The contract specifies what is to be produced, delivery terms, intellectual property rights, confidentiality, payment terms, penalty clauses, client obligations, standards, project management, acceptance procedures, warranty, maintenance, inflation adjustments, indemnity, termination, arbitration, and applicable law.
- Consultancy contracts involve providing expertise and advice. Key aspects are confidentiality, terms of reference, liability limitations, and control over the final report. Fees are typically daily or fixed price.
- Contract hire involves providing staff who work under the client's direction. Payment is based on time worked. Intellectual property rights may need addressing.
- Time and materials contracts are a hybrid of fixed price and contract hire. The supplier undertakes development but is paid based on costs incurred rather than a fixed price.
- Outsourcing involves contracting out IT functions like planning, management and operations. Key points in an outsourcing contract include performance monitoring, asset transfers, staff transfers, audit rights, contingency planning, intellectual property rights, and termination provisions.
- The Health and Safety at Work Act places duties on employers to ensure the workplace and equipment are safe, provide training and supervision, and maintain a safe working environment. Failure to comply is a criminal offense. Software engineers must be aware of health and safety requirements applicable to their work.
- Let me know if you need any part of the software contracts and liability content explained in more detail!

( More )

here are some additional details on key aspects of software contracts and liability:

### **Intellectual Property Rights**

- The contract should specify who owns the intellectual property rights to anything created during the contract. This includes source code, documents, training materials, etc.
- Ownership usually passes from the software company to the client for physical items like documents. But for intangible items like source code, the rights may stay with the software company or be transferred to the client. This needs explicit agreement.
- The software company will want to protect any pre-existing intellectual property it contributes to the project. The client will want ownership and/or rights to use anything newly created.

### **Confidentiality**

- Both parties will want to protect any confidential business information that is shared during the project.
- The contract should require both parties to keep each other's confidential information secret and not disclose it without permission.
- This is especially important for consultants who gain inside knowledge of client organizations.

### **Acceptance Procedures**

- Acceptance procedures define the process for the client to accept the delivered software.
- The client provides a set of acceptance tests and results in advance. Successful completion of the tests indicates acceptance.
- This locks down the acceptance criteria. The client can't keep adding more tests to delay acceptance.
- The contract should specify who must be present for testing and what happens if there are faults.

### **Termination**

- It's advisable to allow termination under certain conditions, e.g. change of client requirements or takeover.



- The supplier gets paid for all work done plus compensation for transitioning staff to other work.
- The contract should determine ownership of any incomplete work.

Let me know if you need any other aspects covered in more detail!

## **IP SLIDES**

**Here is a summarized version of the key points from the intellectual property slides in heading and bullet point form:**

### **Types of Intellectual Property Rights**

#### **Copyright**

- Protects original literary, artistic, software works
- Gives exclusive rights to copy, distribute, display/perform, make derivatives
- Arises automatically when work recorded, no registration needed

#### **Patents**

- Granted by government to protect inventions
- Give exclusive rights to make, use, sell invention for limited time
- Require application showing novelty, inventiveness, industrial use
- Not all inventions like software can be patented

#### **Trademarks**

- Protect names, logos, designs identifying source of goods/services
- Must register and be distinct from existing marks
- Prevent confusingly similar marks

#### **Domain Names**

- Globally unique website identifiers
- Often based on company or product names
- Allocated firstcome, first served
- Conflicts with trademarks common

#### **Copyright and Software**

- Protects code as literary work
- Nonliteral copying can infringe

**Licenses allow specific uses**  
**Patents controversial for software**

**Trademarks prevent brand confusion**  
**Domain conflicts with trademarks**

Overall mix of rights used to protect software, but limitations exist.

## **PPIT ASSIGNMENT # 2**

**Q1. What were the mistakes made by the iGate management while terminating Mr. Murthy?**

- **Lack of transparency and poor communication:** The management did not properly communicate the reasons for termination to Mr. Murthy. They cited "nonperformance" without providing specifics.
- **Lack of due process:** Mr. Murthy was terminated abruptly without following proper disciplinary procedures. As a senior executive, he should have been given warnings, a chance to improve, and due process.
- **No severance or transitional support:** Considering Mr. Murthy's long tenure, the company should have provided reasonable severance pay and transitional support.
- **Public humiliation:** The manner of termination having security escort him out was humiliating for someone of his stature. This could have been handled more gracefully.
- **Lack of alignment at leadership level:** There appeared to be misalignment between the CEO, Board and HR in handling the situation smoothly.

**Q2. On what grounds Mr. Murthy goes to court against the acquisition of Breach of Agreement?**

- **Violation of employment agreement:** Mr. Murthy may have had an employment contract that was breached by his abrupt termination without cause. He can claim wrongful termination.
- **Lack of severance pay:** His contract may have mandated severance pay which he did not receive.
- **Damage to reputation:** The manner of termination damaged his reputation, which the company failed to protect.

- **Stress and emotional distress:** The humiliating way of termination may have caused immense stress which should be compensated.
- **Loss of future income:** Mr. Murthy can claim that the termination prevented him from gainful employment and resulted in loss of future income.

**Q3.**

**A. Write down three points from each side, specifically safeguarding their interest.  
10 Points**

**B. Mention one point that was initially included by the MK and then amended by the SF. Highlight conflict of**

**interest along with the amendments (use Ensign case for SLA) 10 Points**

**C. The following point extracted from Ensign. Prepare a similar point for the MK company on their behalf.**

**A. Three points safeguarding each party's interest:**

**MK Private:**

- Quality standards and metrics for work must be established. SLAs regarding turnaround time, revisions required, etc.
- Intellectual property rights and confidentiality for prototype designs must be protected contractually.
- Communication protocols for feedback, reviews, delays should be established.

**SlowFastians:**

- Payment terms, timelines, milestones should be defined clearly to manage cash flow.
- Liability for work done by freelancers should be limited appropriately.
- Work assignment and staffing autonomy should lie with SlowFastians based on skills and availability.

**B.**

The original SLA may have required SF to perform background checks on all subcontractors, as indicated in the Ensign SLA example:

"Enlighten shall be responsible for performing civil and criminal background checks on all of its employees and subcontractors."

However, SF may have wanted to amend this to remove the requirement for background checks on subcontractors. As a small company focused on rapid prototyping, SF relies heavily on freelancers and subcontractors. Requiring background checks on all of them would be time consuming and costly.

This could create a conflict of interest, as MK Private wants assurance about the people working on their projects but SF does not want to incur the overhead of background checks.

To resolve this, SF may have proposed amending the SLA to only require background checks on SF direct employees, and making background checks on subcontractors optional rather than mandatory. This allows SF to maintain relationships with subcontractors without incurring significant overhead.

**C.**

### **Background Checks:**

SlowFastians shall conduct civil and criminal background checks consistent with applicable laws on all personnel, including employees and subcontractors, assigned to provide services to MK Private under this agreement. Checks shall be completed prior to the start of any engagement.

SlowFastians shall provide written certification of completed background checks upon MK Private's request. MK Private reserves the right to request removal of concerning personnel based on check results.

This condenses the key points into a more concise background check requirement:

- Checks on all personnel pre engagement
- Written certification provided on request
- Ability to request removal of concerning personnel

## **Non Disclosure Act HEADINGS (NDA)**

This BUSINESS PLAN NON DISCLOSURE AGREEMENT (hereinafter known as the

“Agreement”) between \_\_\_\_\_ (hereinafter known as the “Company”)

and \_\_\_\_\_ (hereinafter known as the “Recipient”) becomes effective as

of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (hereinafter known as the “Effective Date”).

### **Article I: Recitals**

The agreement enables the Company to share its confidential business plan with the Recipient, emphasizing the importance of maintaining confidentiality to prevent harm to the Company, and defines the shared information as “Confidential Information.” Both parties must adhere to specified terms to safeguard the Company’s integrity.

### **Article II: Recipient Obligations:**

A.NonDisclosure: The Recipient commits not to use or disclose the Business Plan or Confidential Information for personal gain or others’ benefit, employing all necessary measures for confidentiality. B. Disclosure: The Recipient may share the Business Plan only with relevant personnel within their organization, binding each person to this agreement.

B.Exceptions: Permissible disclosure instances include public knowledge, preexisting possession, legal obligations, or written Company approval.

C.Legal Obligation: If legally compelled to disclose, the Recipient must promptly notify the Company, collaborate on legal resistance, and provide assistance.

### **Article III: Term**

☐ The Recipient’s obligations of nonuse and nondisclosure with respect to Confidential Information will remain in effect in perpetuity.

☐ The Recipient’s obligations of nonuse and nondisclosure with respect to Confidential Information will remain in effect for a period of \_\_\_\_ years from the Effective Date.

#### **Article IV: Return or Destruction of Confidential Information**

#### **Article V: No Additional Agreements**

#### **Article VI: Indemnify**

Recipient understands and acknowledges that any breach of this Agreement could result in

damages, losses, costs or expenses to the Company and agrees to keep the Company indemnified in respect to any and all claims which arise out of or in connection with a violation.

#### **Article VII: Successors and Assigns**

This Agreement and each party's obligations hereunder shall be binding on the representatives,

assigns and successors of such party and shall inure to the benefit of the assigns and successors of such party; provided, however, that the rights and obligations of Recipient

hereunder are not assignable.

#### **Article VIII: Governing Law**

This Agreement shall be governed in accordance with the laws of the State of \_\_\_\_\_,

without regard to conflict of law principles.

#### **Article XI: Validity**

#### **Article XII: Notices**

Any notice required by or given in connection with this Agreement shall be in writing and shall

be given to the appropriate party by personal delivery or by certified mail,

## **Service Level Agreement (SLA)**

Document Owner: Azerfon LLC

## Approval

| Approvers        | Role Signed      | Approval Date |
|------------------|------------------|---------------|
| Azerfon LLC      | Service Provider | 2013          |
| RES Sumgayit LLC | Customer         | 2013          |

“Azerfon” LLC (TPIN: 1300732511), company operating in laws of (country) located at (address) is referred to as a “service provider” represented by MR XYZ.

“Rafiq” LLC (some number), company operating in laws of (country) located at (address) is referred to as a “customer” represented by MR ABC.

## 1. Goals & Objectives

Goals are to come to a mutual agreement regarding (topic and services)

Objectives are to ensure:

1. clear reference, ownership, accountability, roles and responsibility.
2. A clear, concise and measurable service provision to customers.
3. Match expected service provisions.

## 2. Periodic Review

This Agreement is valid from the Effective Date outlined herein to the end date of services

provided under this Agreement. Can be reviewed at xyz time.

## 3. Service Agreement

The agreed level of Support Services as defined in herein shall be effective from the date of the

Acceptance (Effective date of this Agreement).

3.1. Service Scope/3.2. Customer REQ/3.3. Service Provider Requirements/3.4 SERVICE ASSUMPTIONS

#### **4. Service Management**

Effective support of inscope services is a result of maintaining consistent service levels.

4.1. Service Availability/4.2. Service Requests/4.3. Support Services – Call Centre/4.6. Response Times (make a table here smth)

##### **Penalties:**

In the case of defaults on the response time defined for the problem solvency the following

penalties may be applied