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CRISIL: DESIGNING A COMPELLING EMPLOYEE VALUE PROPOSITION

Gordhan Saini and Anupam Kaura wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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In April 2017, Anupam Kaura, president and head of Human Resources (HR) at CRISIL Limited (CRISIL), was reading an analysis of Glassdoor reviews. Glassdoor was a crowdsourced-based online review platform where current and previous employees anonymously reviewed companies and their management. The analysis was based on over 100 reviews posted by current and previous employees of CRISIL in the previous year. The reviews reported that CRISIL was a respected brand name in the business of ratings, research, analytics, and infrastructure advisory in India. Most reviews seemed to indicate that CRISIL provided enriching job content, immense growth opportunities, an excellent work culture, and good work–life balance. However, many reviews painted a grim picture of the employment experience at CRISIL; for instance, some employees perceived CRISIL’s compensation structure as relatively low compared to other entities in the finance and banking sector. A few segments of employees perceived poor work–life balance; some had concerns about the lack of meritocracy in the organization. While CRISIL maintained its top position in the overall Glassdoor ratings, its competitors were ahead in areas such as work–life balance and career opportunities (see Exhibit 1). Further, middle-level talent would acquire relevant work experience and then leave CRISIL for employment with financial institutions, banks, and start-ups.

CRISIL commenced its operations in 1987 and had the advantage of being the first player in the ratings business in India, but with new ratings agencies entering the industry, it had started to face competition. Over the last two decades, CRISIL had diversified into several other businesses (see Exhibits 2 and 3), and by 2016, it was a global analytical company with US$241.41 million income from operations (see Exhibit 4).

Kaura had joined CRISIL in February 2017 after nearly two decades of experience at leading banks and consulting organizations. He wondered how to distinctly and effectively position CRISIL in a dynamic talent market: should CRISIL be competing for talent within the ratings, analytics, consulting, and infrastructure advisory space, or should it position itself as a preferred employer among organizations across the banking, financial services, and insurance sector? Having been assigned the key strategic task of designing a compelling employee value proposition (EVP) for CRISIL, Kaura also had to consider what the relevant and unique key facets of the EVP could be that would appeal to current and potential employees.

EMPLOYEE VALUE PROPOSITION DEVELOPMENT AT CRISIL

The Need

In mid-2013, CRISIL developed its first EVP and communicated it to various stakeholders. There were three reasons for doing this exercise. First, the company had grown exponentially by diversifying its customer base, entering new locations, adding new offerings, and increasing the employee count; it was perceived to be a great employer brand in the ratings business. However, it lacked a well-articulated EVP. The objective of CRISIL’s EVP initiative was to identify a holistic employment package for CRISIL’s existing and potential employees. Second, although CRISIL was considered a great employer—one providing enriching job content and immense growth opportunities—its pay levels were perceived as below industry standards for medium- and higher-level managers. Employees compared CRISIL’s compensation to not only its peers in the ratings, research, and analytics business, but also investment banks, financial institutions, and start-ups where they could seek employment at a higher compensation based on the skills and exposure they had acquired at CRISIL. CRISIL’s attrition rate was about 15–18 per cent, which was within industry norms (see Exhibit 5). Therefore, the purpose of the EVP was to build awareness among existing employees about CRISIL’s strengths, thereby emphasizing its brand, job content, and the work–life balance it offered rather than its compensation. Third, mid-level employees believed that CRISIL offered limited growth opportunities within a few domains; for instance, if employees wanted to gain experience in the derivatives business, they did not have the opportunity at CRISIL to do so and instead had to seek employment with companies such as investment banks, which offered exposure in that area. Consequently, the intent was to position CRISIL as an umbrella brand that offered a variety of growth opportunities. An eight-member team was set up to develop a strong EVP, which could be communicated internally to improve employee engagement and externally to promote CRISIL as a strong employer brand.

EVP Themes Emerging from the Research

The EVP development team collected data from three main sources—employee engagement surveys, exit interviews, and focus group discussions—to determine the major facets of the EVP. The team compiled employee engagement survey data for the last five years (see Exhibit 6). The data were analyzed to identify the top employee engagement factors. In addition, the EVP team did qualitative analysis of exit interviews and focus group discussions, covering more than 400 employees. The focus group discussions involved people from all levels and across functions. The idea was to develop common themes that motivated and engaged all employees. Data analysis generated the following EVP themes: job content, work environment, CRISIL as a strong brand, great leadership team, and growth and development opportunities.

Communication of EVP Themes

Beginning in June 2013, cascade sessions were organized to communicate the five elements of the EVP. In the cascade sessions, each EVP dimension was run for about 30 to 45 days. The cascade sessions covered the EVP development process, introduced the EVP themes, and organized activity-based learning around each theme. CRISIL Connect, CRISIL’s intranet platform, was used for all communication related to the cascade sessions. A dedicated segment, CRISIL “EDGE,” was created to publish employee interviews and share stories, leadership views, and factoids supporting the various EVP dimensions. For instance, in the cascade session promoting the EVP dimension of growth and development, the team shared the president’s message, leadership highlights, employee stories with pictures, question-and-answer sessions with employees, and a list of all employees promoted in 2012 and 2013. Growth stories of approximately 90 employees were shared in the cascade month. A career fair was organized in the CRISIL cafeteria and all employees were invited. The fair had stalls for each business, with senior business leaders and an HR business partner present. These leaders shared information about available opportunities and the relevant skills required for a specific role. The career fair created a unique environment where every business leader was approachable. The intranet was used to post vacancies, giving employees the opportunity to find out about various roles available within the company. Similar cascade sessions were organized for other dimensions of the EVP, and the activities covered in each were aligned with the relevant EVP element.

Results

The EVP development team recorded an elevated level of employee involvement in the communication exercise. Out of 3,000 employees, nearly 1,300 participated in the cascade sessions, and all business leaders participated in the career fairs. The cascade sessions created awareness about job opportunities available within CRISIL’s divisions and the skills required for various roles. As a result, applications to internal job postings increased by 35 per cent in 2015 from previous years. Inter-departmental transfers increased from 7 per cent in 2015 to 15 per cent 2016. The attrition rate decreased from 27 per cent in 2015 to 22 per cent in 2016, and the employee engagement score was at an all-time high over the last 11 years. The entire EVP exercise ended in 2014 and had not been revisited since then. While the effectiveness of the identified EVP drivers and their implementation approach was yet to be established from a long-term perspective, Kaura was keen to have a finer understanding of CRISIL’s EVP from the employees’ perspective, to enable him to re-imagine the EVP.

EMPLOYEE PERCEPTION of RETENTION DRIVERS

Employees perceived CRISIL’s major retention drivers to be job profile, strong client focus, quality of work, opportunity to work with talented people, work culture, supportive team members, training opportunities, a great deal of flexibility and freedom at work, CRISIL as an established brand, work environment, enormous responsibility in the initial years of one’s career, and preferred employment location.

Ample and Diverse Opportunities

CRISIL provided ample learning opportunities in diverse businesses to employees. A senior manager of Global Research and Analytics, Chennai, who had been working for CRISIL for the past 10 years, highlighted this and shared the following:

One reason for stickiness is the kind of opportunities that you get at CRISIL. I feel connected with the growth of the organization even though I may not be part of each business. CRISIL’s diverse businesses provide confidence that you will always have the scope to learn and explore. Once you have spent a reasonable amount of time at a position, there is always a scope to learn; it holds me to this organization. The fact that I will always have a chance to learn and do new things is important, and I am excited about being part of CRISIL.

Another senior manager recollected the initial learning opportunities she was given at CRISIL:

I was given the opportunity to lead a team at a very early stint in my career; this has boosted my confidence to a considerable extent. The opportunities which CRISIL has given me at every stage of my career and the trust placed in my capabilities have been the greatest drivers for me as an individual and as a professional.

Challenging Work

The job profiles at CRISIL provided valuable learning opportunities to its employees irrespective of their level within the organization. A manager who had joined CRISIL in November 2011 recalled, “The best thing about this profile [analyst] is that you can talk to the main promoters of the company which you are going to rate. Talking to directors and CEOs [chief executive officers] is a unique experience and you get first-hand information from them. You are not restricted to one industry; you deal with different people across different industries in India.”

An employee who joined CRISIL about four years ago also shared his experience: “Work is challenging and it’s a front-end role in which I have to continuously engage with clients. I have a portfolio and a set of clients with whom I repeatedly engage; it has its own set of challenges. It’s about managing expectations of clients and internal expectations here [at CRISIL] also. That is a challenge which keeps me driven.”

He added, “I like the quality of the work here in terms of the actual work and the work culture. The people who work with me are of high quality, which compels me to continuously improve.”

Training Opportunities

CRISIL provided several training opportunities to newcomers to hone their skills. Employees placed great value on the training opportunities provided by CRISIL; for instance, an employee who had joined the company after about four years of experience at a competing organization said,

One thing that stood out was the training I was given at CRISIL. The comprehensive training made it easier for me to fit into the company. My previous employer did not have a formal training program; it was on-the-job training. Here at CRISIL, the training program covered all the processes and made me comfortable. For the first one and half months, it was mainly about getting to know your work, which helped me understand about the company and the work.

Rewarding High Performers

CRISIL recognized its employees for their outstanding performance. A senior manager of Rating, Large Corporate Group, who had about seven years of experience, stated, “If you do good things, you get noticed at [the] higher level and achieve early recognition; that is the uniqueness of CRISIL.”

Another employee confirmed the provision of several rewards in CRISIL, saying, “We have a number of rewards such as monthly rewards, quarterly rewards, etc. I received a CLAP[[1]](#footnote-1) award in April 2017. If your team or manager or higher authority feels that you did excellent work in a quarter or month, you get rewarded.”

EMPLOYEE PERCEPTION of ATTRACTION DRIVERS

Several drivers made CRISIL attractive in the employment market (see Exhibit 7). According to current employees, the major attraction drivers were the strong brand name in the ratings and analytics business, exposure to diverse clients and client-facing roles, opportunity to work with a diverse range of businesses providing different assignments, prospects to work with high quality talent, challenging work environment, friendly work culture, meritocracy, and access to senior management. CRISIL believed in “snapping up the good people even if there was no role for them.” In one of his pre-placement talks at the Indian Institute of Management Ahmedabad in 1992, CRISIL’s managing director said,

Join us if you want to learn something. Join us if you want to answer some challenging questions and ask some more of your own. Don’t join us as a stepping stone because you didn’t get a job elsewhere. That way you won’t last long at CRISIL. We will pay a tenth of what the biggies will pay you. Join us with an open mind; this is where you will get a chance to shape the future of India’s financial markets. This is where you will stamp your name in the annals of India’s corporate history. Else, don’t join us.[[2]](#footnote-2)

CRISIL as a Brand

CRISIL had an excellent reputation in the ratings business and was perceived as a strong employer brand by job seekers. An employee recollected,

I could see the difference in professionalism at CRISIL [compared to my previous employer]. In my previous company, I had no defined role and was given any job which was available. I never liked that. I have an MBA, so I expected something better, which I never got. Since CRISIL is a brand, everyone wants to be here. When I was making a presentation on ratings companies during my MBA, I knew that CRISIL was one of the best ratings companies. Since then, I felt . . . if I get an opportunity to work here, I would be privileged, so I joined here. It was a dream job for me.

Another employee explained his reasons for joining CRISIL as follows: “I worked for a competing company for four years, which gave me a good background of the kind of work at CRISIL. In this industry, CRISIL is the best brand name. The processes are much more streamlined and defined here.”

Job Profile

CRISIL promised fresh recruits work profiles that would give them diverse exposure and an opportunity to grow quickly in the initial stages of their career. An employee who had a four-year stint at Irevna, a subsidiary of CRISIL in Hangzhou, China, shared the experience of hiring a Chinese graduate:

I interviewed a young lady for a health care research role. She had another offer and asked me why she should choose CRISIL. I told her to work with us for a week and if she did not like us, she could leave; I would not question her. She joined [and stayed with CRISIL] and said that it was unfortunate that she did not know a company like CRISIL . . . in China.

Another employee reflected, “CRISIL does not restrict you to just your job. It gives you the freedom to be a part of many other activities along with your job. Every day with new team members, you learn new things. I am here for that.”

Work Culture

Employees felt that, in addition to other things, CRISIL’s culture was an important attraction driver. An employee who returned to CRISIL’s Chennai office after a four-year stint at Irevna recollected his rejoining experience: “Overall, [the] work environment is friendly and helpful. I just moved back to India after four years. I did not have to take up a formal route and check with HR on every little thing. They are more than willing to help.” He added, “I have not been here for long and when I came back, I felt as if I am back home. This defines the overall culture in terms of relationships with colleagues, which is very friendly and open—not only with people at the same level, but also across levels. The management is quite accessible.”

Another employee compared CRISIL’s culture with his previous employer by saying, “There [at the previous employer] were multiple levels and it was very autocratic. CRISIL is a sea change in terms of culture; you can walk into any senior’s office and have a discussion. This is the major difference that I have found here.”

going BEYOND ITS RESPONSIBILITIES AS AN EMPLOYER

Employees believed CRISIL went beyond its basic responsibilities as an employer in considering employees’ personal and family needs. An employee emphasized this by recalling an example of a colleague on her team:

My colleague’s father suffered a heart attack; he resided in another city. We have a certain limit for our medical insurance and my colleague had exhausted that amount. The HR team extended support by offering funds and arranging for resources at the city where my colleague’s father resided. Not all organizations would go out of the way to do things like this for their employees.

A senior manager highlighted the way CRISIL tried to go out of its way for employees:

When employees want a location change, we have always tried our best to facilitate that. A person may have to wait for some time for this to materialize, but as an organization, we are always open to facilitating that. In fact, when my wife was pregnant, I was based in Chennai, and I requested for a transfer to the Mumbai office for four months so that I could make frequent trips to my hometown [Indore] to take care of her. CRISIL facilitated that promptly.

AREAS OF CONCERN

Compensation

Employees perceived that CRISIL’s compensation was below industry standards, which could have been one of the reasons for employee attrition. In July 2017, the average age of employees at CRISIL was 30.6 years. Young people comprised a sizable chunk of the total employee strength of about 4,000 employees, and their expectations were diverse. One employee shared,

I feel that opportunities have opened up in the last couple of years. The mindset of [the] new generation is different. After a year or two, if employees feel that their compensation is not at par with their peers, they do not think twice about quitting their job. This generation does not think too much about career; compensation is an important driver. We should have a system where we consider the current generation’s expectations. I believe that perhaps CRISIL is not the highest pay master; if the pay is an important criterion for youngsters to stay, then something needs to be done about this.

While employees were not actively looking for opportunities outside CRISIL, some employees were tempted to accept any offer with higher pay from other organizations (see Exhibit 8). In a few divisions, the attrition rate ranged between 20 and 24 per cent, which was considered high. CRISIL’s initial philosophy about compensation was best captured in the following statement from pre-placement talks at the Indian Institute of Management Ahmedabad:

Our philosophy is that if the employer gives you one cup of tea, you should generate four cups of tea for the employer. One cup of tea is paid as tax. The second cup of tea is given to the promoters or shareholders as dividend. The third cup of tea is reserves. The fourth cup is given back to you as reward. If you generate five cups of tea, you will get that fifth cup as extra reward. As long as you can produce four cups of tea for your employer, you will never find it difficult to maintain your job. That’s CRISIL. That’s our philosophy.[[3]](#footnote-3)

Performance Appraisals

CRISIL took the appraisal process seriously and established an appraisal system it deemed to be rigorous, fair, objective, and transparent. However, employees had mixed opinions about it. For example, one employee said,

Appraisal is always tricky. You cannot rate everyone at the same level. You will always have some people who feel they are underrated. I think that it is natural during the appraisal process. But over the years, we have tried to make it as transparent and mathematical as possible. It’s very structured. For example, X percentage of weight is assigned to client feedback, Y percentage of weight is assigned to managerial feedback, and Z percentage to self-assessment. And if someone has gone beyond what was expected of him, that also gets rewarded.

A senior manager explained the appraisal system as follows:

We have a bell curve and we try to fit employees on the rating scale of 1 to 4 [4 being the highest]. Most employees fall into a medium category [i.e., 2], and the differentiation between categories 2 and 3 is extremely high. There are lots of employees in category 2 who are closer to category 3 but end up being in category 2 because they need to be fitted into the distribution curve, which is demotivating to employees. The difference between somebody who does . . . average work and somebody who does more than what is expected is very minimal.

Uniformity in Employment Experience across Locations

CRISIL strived to achieve consistency in its operating style in different locations. However, the employment experience varied across various locations, as pointed out by one employee:

Here [in Chennai], we do not have a dedicated HR. The onboarding experience, which is carried out by junior executives, does not provide the needed connect with [the] HR team, as they are not physically present here. Newcomers do not feel welcome. The onboarding experience is more like a form filling exercise. A wider HR connect on the day of onboarding is required, especially because the kind of people we get are changing these days. Our recruits are very young and fresh out of college and have a lot of expectations seeing onboarding at IT [information technology] companies such as TCS [Tata Consultancy Services Limited] and Infosys [Infosys Limited]. But this problem may be Chennai centre-specific.

THE PRESENT

With a view to ensure the needed impetus on the people agenda, Kaura and his team, along with business heads, had embarked on specific talent and people initiatives. These included a stepped-up focus on ongoing employee engagement and communication initiatives by leaders and middle managers; HR business partners with key talent and high performers; focused leadership development for emerging leaders (about 350 middle to senior managers); rolling out boot camps for specific skill-building in multiple businesses, and other training programs for employees in international locations; and a stepped-up focus on campus engagement and the selection process, with emphasis on pre-placement offers and on leveraging digital (mobile application (app)) channels for junior hires—an engaging employee well-being app, and an online marketplace app hosting exciting deals and discounts. Both apps had high usage and served as good engagement levers.

The company had recently switched to a simpler and scalable employee engagement survey tool that supported sharper analytics and decision-making capabilities. The company was also evaluating the implementation, over the next few months, of a more intuitive, modern, interactive intranet. Initiatives to promote instant recognition and grant quarterly awards were being steered with greater precision. In 2017, CRISIL was shortlisted by an external body as one of the top 20 employers for female employees, an improvement from its 68th position the previous year in the same study. Gender statistics at the middle levels had seen a healthy uptick over the past two years. Also, in early 2017, the company rolled out a few employee policies such as sabbaticals, flexible working hours, and paternity leave.

THE WAY AHEAD

Two important questions required immediate attention by Kaura and his HR team. The first was how to position CRISIL as an employer in the competitive talent market—should it be competing for talent within the ratings, analytics, consulting, and advisory industry, or should it position itself as a preferred employer competing with organizations across industries? A bigger challenge was addressing the competition posed by employers outside the ratings and analytics business such as banking and financial institutions and modern start-ups.

Second, what could be a compelling EVP for CRISIL that would resonate with both current employees and prospective employees? Sub-questions followed from this question, including whether the themes that had emerged from the earlier EVP development exercise truly represented the current EVP, and whether they were sufficiently compelling in the current challenging environment and for diverse employee segments. Further, how could the company provide a uniform employment experience across different locations? How relevant was the initial compensation philosophy in a war-for-talent scenario not only within the industry but also across industries? Should compensation be a part of the EVP or could some other stronger aspects of CRISIL’s employment experience act as a substitute for compensation? If so, what could those aspects be? Lastly, what changes would have made earlier EVP communication to current and prospective employees more effective? Such insights would help Kaura in designing a new plan for EVP communication.

The above questions needed to be answered before the pre-placement season began in September 2017. Further, answering those questions would help Kaura and his team reimagine CRISIL’s employer brand and communicate the same to current and potential employees. With these thoughts in mind, Kaura closed the Glassdoor analysis summary report and proceeded to another meeting.

**EXHIBIT 1: GLASSDOOR RATINGS OF CRISIL AND OTHER AGENCIES**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Parameters** | **CRISIL**  **(518)** | **ICRA (78)** | **SMERA (23)** | **CARE (48)** | **ONICRA (62)** | **FITCH**  **(34)** |
| Overall | 3.1 | 2.8 | 2.8 | 2.9 | 2.3 | 2.3 |
| Culture and Values | 3.3 | 2.5 | 2.8 | 2.5 | 2.2 | 2.3 |
| Work–Life Balance | 3.2 | 3.5 | 2.1 | 3.6 | 2.5 | 2.8 |
| Senior Management | 2.8 | 2.5 | 2.5 | 2.5 | 2.1 | 1.9 |
| Compensation Benefits | 2.6 | 2.5 | 2.2 | 2.0 | 2.4 | 2.6 |
| Career Opportunities | 3.0 | 2.7 | 2.9 | 3.1 | 2.5 | 2.4 |

Note: The number values in parentheses represent the number of Glassdoor reviews; ratings: 1 = very poor; 5 = very good; ICRA = Investment Information and Credit Rating Agency of India Limited; SMERA = SMERA Ratings Ltd; CARE = Credit Analysis and Research Ltd; ONICRA = Onida Individual Credit Rating Agency of India

Source: Created by the case authors based on Glassdoor ratings: “Company Reviews: CRISIL,” glassdoor, accessed August 25, 2017, https://www.glassdoor.co.in/Reviews/CRISIL-Reviews-E325773.htm#trends-overallRating.

EXHIBIT 2: ABOUT CRISIL

CRISIL, India’s first credit rating agency, was incorporated on January 29, 1987, promoted at that time by the Industrial Credit and Investment Corporation of India, Unit Trust of India, Housing Development Finance Corporation, and other financial institutions. In 1990, the CRISILCARD Service—providing comprehensive information and analytical opinion on India’s corporate entities—was launched. Despite initial market resistance to the acceptance of credit ratings, in 1991 CRISIL began to acquire brand identity with a reputation for analytical rigour and independence. In 1993, CRISIL launched its initial public offering with 2,000,000 shares sold at a premium of US$0.62 per share, which was oversubscribed 2.47 times.

In 1996, CRISIL forged a strategic business alliance with global ratings group Standard & Poor’s Financial Services LLC (S&P). Initially, S&P had a 9.68 per cent stake in CRISIL; later, in 2005, S&P acquired majority control of CRISIL. The alliance with S&P added to CRISIL’s expertise in methodologies and provided exposure to the international rating markets. CRISIL made three main acquisitions to diversify its offerings. In 2000, CRISIL acquired Information Products and Research Services (India) Pvt. Ltd., which strengthened its research business and made it India’s leading provider of integrated research. In 2005, CRISIL acquired Irevna, a leading global equity research and analytics company, which added equity research to its offerings, and in 2012, acquired U.K.-based Coalition Development Ltd., a company providing high-end analytics to global investment banks.

In 2011, CRISIL had revenue of US$124.84 million, growing at a compounded annual growth rate of 32 per cent over the preceding 10 years. By 2016, CRISIL was a global analytical company providing ratings, research, risk, and policy advisory services with US$241.41 million income from operations, a compound annual growth rate of 16 per cent, and profit after tax of US$50.87 million.

Source: Compiled by case authors based on Hemanth Gorur and Sumit Chowdhury, *Doing What is Right: The CRISIL Story* (Chennai, India: Westland Books Ltd, 2012): xix; “Our History,” CRISIL: An S&P Global Company, accessed August 18, 2017, https://www.crisil.com/en/home/about-us/our-history.html; “Analytics of Conviction: CRISIL Limited, Annual Report 2016,” CRISIL: An S&P Global Company, accessed August 18, 2017, https://www.crisil.com/content/dam/crisil/investors/annual-reports/2016/crisil-ar-2016-interactive.pdf.

EXHIBIT 3: CRISIL’S BUSINESSES

CRISIL Ratings

CRISIL provided services in the range of debt instruments: bank loans, certificates of deposit, commercial paper, non-convertible debentures, bank hybrid capital instruments, asset and mortgage-backed securities, perpetual bonds, and partial guarantees. CRISIL’s clients included 23 of the Bombay Stock Exchange constituent companies and 39 of the National Stock Exchange of India’s NIFTY 50 constituent companies, accounting for 80 per cent of the equity market capitalization. CRISIL had ratings on more than 25,400 large and mid-scale corporates and financial institutions in India. In 2005, CRISIL pioneered a globally unique and affordable rating service for small and medium enterprises. CRISIL had also assessed and rated 111,000 micro, small, and medium enterprises in India, the highest number anywhere in the world.

CRISIL Global Research and Analytics (GR&A)

CRISIL’s GR&A was the world’s largest and top-ranked provider of high-end research and analytics services. GR&A provided custom research, business, and marketing analytics across sectors such as technology, telecom, energy, materials, health care, pharmaceuticals, consumer packaged goods, and industrials. CRISIL’s research and analytics services covered more than 3,300 stocks and 3,400 credits globally; and 75 global banks, insurance companies, consulting firms, private equity players, and asset management firms. CRISIL had research centres in Argentina, China, India, and Poland, working with clients across several time zones and in multiple languages. The GR&A business had over 2,300 employees, 75 per cent of whom had advanced degrees in finance, accounting, and management. CRISIL employed the largest number of chartered financial analysts in India.

CRISIL Research

CRISIL Research provided the most comprehensive and independent coverage on the Indian economy, industries, and companies. This integrated offering of research under these three verticals along with customized research was one of the key differentiators of CRISIL Research. *Economy Research* covered an in-depth analysis of short- and medium-term trends, and outlook on key macro-economic variables, events, policies, and economic issues. *Industry Research* covered detailed research on around 86 sectors such as real estate, infrastructure, logistics, and small and medium-sized enterprises, and on emerging segments of the economy. *Company Reports* covered data analysis of the top 150 listed companies. *Customized Research* covered studies like project feasibility, market sizing, demand estimations, customized credit reports, regional demand, and growth strategies. Additionally, CRISIL ranked Indian mutual funds covering 78 per cent of assets under management, valued at US$190 billion. CRISIL Research worked with nearly 1,000 Indian and global clients, including 90 per cent of India’s banking industry by asset base, 15 of the top Indian companies by market capitalization, and all Indian mutual fund and life insurance companies.

CRISIL Risk and Infrastructure Solutions

CRISIL risk and infrastructure services were provided by CRISIL Risk and Infrastructure Solutions Limited (CRIS), a wholly-owned subsidiary of CRISIL. CRIS provided a comprehensive range of risk management tools, analytics, solutions, and infrastructure advisory in urban energy, natural resources, transport, and logistics. CRISIL helped over 70 banks and financial institutions adopt best practices in risk management; undertook risk management assignments in 20 countries; and provided risk management solutions to nine of the top 10 banks in India. CRIS had more than 100 employees with rich and diverse experience of working end-to-end on public–private partnership, reforms, business assessment, and financing matters in infrastructure sectors. CRIS operated in India and 22 other emerging economies.

Source: Compiled by the case authors based on “What We Do: We Watch the Industry Ecosystem for Disruptions and Opportunities,” CRISIL: An S&P Global Company, accessed August 18, 2017, https://www.crisil.com/en/home/what-we-do.html.

EXHIBIT 4: CRISIL FINANCIAL HIGHLIGHTS (IN MILLION US$)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Year** | **Income from Operations** | **EBITDA** | **Profit before Tax** | **Profit after Tax** | **Revenue per Employee (in US$)** |
| 2016 | 241.42 | 72.10 | 74.28 | 50.87 | 62,578 |
| 2015 | 215.36 | 62.42 | 63.36 | 44.48 | 59,301 |
| 2014 | 195.54 | 60.55 | 58.68 | 41.82 | 56,648 |
| 2013 | 173.38 | 56.34 | 56.02 | 39.64 | 50,562 |
| 2012 | 152.62 | 51.19 | 49.00 | 34.18 | 45,880 |
| 2011 | 125.94 | 40.89 | 42.92 | 31.52 | 41,979 |
| 2010 | 98.00 | 33.55 | 41.67 | 25.75 | 39,482 |
| 2009 | 83.80 | 31.05 | 32.30 | 25.12 | 40,730 |
| 2008 | 80.37 | 27.93 | 29.18 | 22.00 | 43,383 |
| 2007 | 63.05 | 18.26 | 17.32 | 13.11 | 39,014 |

Note: EBITDA = earnings before interest, taxes, depreciation, and amortization

Source: “Analytics of Conviction: CRISIL Limited, Annual Report 2016,” CRISIL: An S&P Global Company, accessed August 18, 2017, https://www.crisil.com/content/dam/crisil/investors/annual-reports/2016/crisil-ar-2016-interactive.pdf.

EXHIBIT 5: ANNUAL EXIT DATA (2014–JULY 2017)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Duration of Stay** | **2014** | **2015** | **2016** | **January–July 2017** |
| Less than one year | 344 | 331 | 320 | 150 |
| 1–3 years | 304 | 280 | 235 | 133 |
| 3–5 years | 210 | 230 | 190 | 98 |
| More than 5 years | 134 | 116 | 111 | 44 |
| Total (total head count number) | 992 (3,522) | 957 (3,753) | 856 (3,972) | 425 (3,950) |
| **Reasons for Attrition** | **2014** | **2015** | **2016** | **January–July 2017** |
| Better opportunity elsewhere | 223 | 309 | 414 | 206 |
| Moved out of area | 43 | 17 | 61 | 41 |
| Personal reasons | 626 | 548 | 171 | 106 |
| Return to school | 59 | 43 | 55 | 35 |
| Others | 41 | 40 | 155 | 37 |
| Total | 992 | 957 | 856 | 425 |

Note: The number value in parentheses represents total head count.

Source: Created by case authors based on company files.

EXHIBIT 6: STRENGTH AND OPPORTUNITIES AREAS BASED ON EMPLOYEE ENGAGEMENT SURVEY RESULTS (2014–2016)

|  |  |
| --- | --- |
| **Employee Engagement: *Strength Areas*** | **2014–16 Rank** |
| Customer Focus | 1 |
| Co-workers Co-operation & Support | 2 |
| Policies | 3 |
| **Employee Engagement: *Opportunities Areas*** |  |
| Opportunity for Growth & Development | 11 |
| Recognition | 12 |
| Compensation | 13 |

Note: Strength and opportunities areas remained same from 2014 to 2016. The Employee Engagement Survey covered 13 areas. Other dimensions measured in the surveys included Business Leader, Job Content, Relationship with Reporting Manager, Senior Management, Work Environment, Work–Life Balance, and Engagement.

Source: Created by the case authors based on company files.

EXHIBIT 7: HIRING SOURCES (2016–June 2017)

|  |  |  |
| --- | --- | --- |
| **Source** | **2016** | **January–June 2017** |
| CRISIL Certified Chartered Analyst Program | 53 | 50 |
| Campus | 193 | 95 |
| Website, social media, and job portal | 180 | 96 |
| Direct recruitment | 422 | 151 |
| Employee referral | 125 | 60 |
| Placement agencies | 154 | 47 |
| Internal job posting | 62 | 62 |
| Total | 1,136 | 561 |

Source: Created by the case authors based on company files.

EXHIBIT 8: STRENGTH AND OPPORTUNITIES AREAS BASED ON EXIT INTERVIEW DATA

(JUNE 2014–JULY 2017)

|  |
| --- |
| **Strength Areas** |
| Caring shown by immediate manager |
| Relationship with colleagues & peers |
| Relationship with manager |
| The quality of the services |
| Promotions based on meritocracy |
| **Opportunities Areas** |
| Lack of clarity on career progression |
| Opportunities for growth and development |
| Lack of recognition/appreciation of work |
| Work has become routine; not enough learning opportunities |
| Lack of employee-friendly policies and procedures |

Source: Created by the case authors based on company files.

1. The CLAP award was a monthly recognition forum wherein employees were rewarded for going the extra mile, exhibiting dedication, or bringing in process efficiency. It was given to employees up to the manager level. [↑](#footnote-ref-1)
2. Hemanth Gorur and Sumit Chowdhury, *Doing What is Right: The CRISIL Story* (Chennai, India: Westland Books Ltd, 2012), 91–92. [↑](#footnote-ref-2)
3. Ibid. [↑](#footnote-ref-3)