

# Toaz - Human resources management

Human resource management (Dr. M.G.R. Educational And Research Institute)



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# **Hr Policies In Tcs**

# PROJECT REPORT

ON

# HR PRACTICES IN TATA CONSULTANCY SERVICES

Guided by: Submitted by

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History of the company

Tata Consultancy Services Limited (TCS) software services and consulting company headquartered in Mumbai, India. It is the largest provider of information technology and business process outsourcing services. It is part of one of India's largest and oldest conglomerates, the group TATA.

One of TCS' first assignments was to provide punch card services to a sister concern, Tata Steel (then TISCO). It later bagged the country's first software project, the Inter-Branch Reconciliation System (IBRS) for the Central Bank of India

In the early 1970s, Tata Consultancy Services started exporting its services. TCS's first international order came from Burroughs, one of the first business computer manufacturers. In 1981, TCS set up India's first software research and development centre, the Tata Research Development and Design Centre (TRDDC). The first client-dedicated offshore development centre was set up for Compaq In 1989; TCS delivered an electronic depository and trading system called SECOM for SIS SegaInterSettle, Switzerland. It was by far the most complex project undertaken by an Indian IT company.

In the early 1990s, the Indian IT outsourcing industry grew tremendously due to the Y2K bug and the launch of a unified European currency, Euro. TCS pioneered the factory model for Y2K conversion and developed software tools which automated the conversion process and enabled third-party developers and clients to make use of it.

In 1999, TCS saw outsourcing opportunity in E-Commerce and related solutions and set up its E-Business division with ten people. By 2004, E-Business was contributing half a billion dollars (US) to TCS. On 9 August 2004, TCS became a publicly listed company, much later than its rivals Infosys, Wipro and Satyam.

During 2004, TCS ventured into a new area for an Indian IT services company - Bioinformatics. In 2008, the company went through an internal restructuring exercise that executives claim would bring about agility to the organization

About the company

TCS is proud of their heritage as part of the Tata Group, founded by Jamsetji Tata in 1868 and one of India's most respected institutions today. Their mission reflects the Tata Group's longstanding commitment to providing excellence: to help customers achieve their business objectives by providing innovative, best-in-class consulting, IT solutions and services, and to actively engage all stakeholders in a productive, collaborative, and mutually beneficial relationship. TCS also provides product and industrial engineering services, as well as strategic consulting and project management. The company is controlled by textiles and manufacturing conglomerate Tata Group. TCS vision is to be one of the top 10 global companies by the year 2010. TCS values – integrity, leading change, excellence, respect for the individual, and fostering an environment of learning and sharing – will get us there.

# Role of HR as envisaged by management

The Human Resource (HR) function is closely linked to the business strategy and plan by being aligned to the TCS structure through HR support (including resource management through the Resource Deployment Manager (RDM) to each Industry Practice/Service Practice/Geography and innovative workforce practices.

## HR functions in TCS

## 1. Manpower planning

TCS has standard practices and processes for resource mobilisation. Manpower Allocation Task Committee (MATC) is a corporate function with branch and geography level representation. Its main responsibility is allocating people in various projects. The TCS intranet systems maintain up-to-date resumes and skill sets of all associates. The right resources are identified based on the requirements and candidates' availability.

The following figure illustrates the identification of resources from different streams:

#### 2. Recruitment process

TCS hiring policy includes an optimal mix of campus (fresh) and lateral (experienced) recruits. Fresh recruits are normally selected from academic institutes. TCS has key partnerships with various academic institutions and considers them as a critical community for recruitment. TCS has a number of sources for recruitment but its main source is its strong relationship with universities. Through liaison with university placement officers and recruitment fairs, TCS attracts large numbers of applications.

Experienced professionals are recruited laterally by the sourcing cell with the active involvement of the unit heads through sourcing agencies and direct interviews. The recruitment of experienced professionals is centrally coordinated based on the needs of practice/delivery centres. Referrals, advertisements, job portals/web search, placement fairs, placement agencies, TCS databank, and so on are used singly or in combination for sourcing the CVs.TCS also recruits locally from geographies that it operates in.



The following background checks are conducted for all associates:

Academic Background Check - All TCs applicants, on joining TCS, are required to submit copies of all the academic certificates along with their mark sheets to the HR. An HR officer checks the veracity of the copies received from the applicant, with the originals submitted on joining.

Previous Employment Checks - In case of lateral hires, TCS conducts employment checks of its associates, based on the contact information that they provide of their previous employer. The associates on joining TCS need to submit a release letter from the previous employer and experience certificates from all their previous employers.

Pre-employment Medical Checks - Pre-employment medical checks are conducted for all associates and fitness certificates obtained prior to joining TCS. TCS also conducts a separate set of overseas medical checkups for associates who are required to travel abroad on business requirements.

The figure above shows recruitment process

TCS changed recruiting strategy

TCS has decided to adopt the policy of just-in-time hiring or real-time management. This new strategy is quite different than the previous one where TCS used to hire from campuses in hordes. These new recruits were kept on bench for many months till they were allocated projects.

This not only helps the company to optimise and increase its utilisation, but also aligns its hiring strategy closer to the demand and supply of business. The company is working on ways to reduce the two-month training period by half. TCS, with over 130,000 employees, has already freezed lateral hiring and plans to hire only on need basis. The decision is also been based on their constant interaction with the academia, which have been telling that students are not pursuing higher studies as they get jobs and also during the academic year they tend to get lax.

# 3. Learning and development

Learning and development Mission:-To enhance the competency capital of TCS, through co-creation of learning experience continuously and consistently, so as to facilitate delivery of world-class human capability to the customer, enabling the company to achieve its vision."

TCS invests about 4 per cent of its annual revenues in Learning and Development, to build competency capital within the company in cutting edge technologies, domain and functional areas. Special emphasis is placed on providing necessary learning interventions to associates with potential of being leaders in the company.

Thus, it is evident that focus is divided equally between the regular employees and managerial employees alike. All the learning programs are mapped to competencies and address learning needs at different proficiency levels. Learning and Development managers closely work with business to develop and deliver programs that will make our associates deliver value-for-money to our customers. Assessment centers are also being used by TCS. Several levels of learning are provided in TCS. Each of the levels is unique, aimed with varying objectives.

# Initial Learning Program (ILP)

TCS Initial Learning Program is designed to provide a smooth transition from Campus to Corporate environment. The program is designed to transform graduate engineers into IT Consultants with global mindset. The participants are put through a rigorous 47-day program that has good mix of technical skills and soft skills.

# Continuous Learning Program (CLP)

Continuous Learning Program (CLP) is a manifestation of the company's commitment to the continuous growth of associates, in line with the core value of Learning & Sharing. Programs under the CLP umbrella arise out of business strategies, project needs, technology and business directions and individual aspirations, and span across Technologies, Domains, Processes and Soft-skills. This lay emphasis on long-term, short-term and medium-term needs of the organization alike.

# Leadership Development Program (LDP)

The program is to churn out the future leaders for the company. Associates are carefully assessed for leadership potential and then put through rigorous branded programs. TCS also encourages associates to attend various programs at premier B-schools across the globe.

## Foreign Language Initiative (FLI)

Foreign Language Initiative is to help the associates to communicate effectively with the customers. Under this initiative, associates are encouraged to learn one or more foreign languages. This initiative also helps associates to use English effectively for business communication. This is highly beneficial in a company with a diverse workforce. The cross-cultural issues are curtailed with the proper use of communication.

## Workplace Learning

Apart from all these initiatives TCS encourages "workplace learning". Associates are encouraged to learn while at work. To facilitate this, TCS has subscribed a huge library of e-Learning courses and online books. The classroom session and e-Learning materials complement each other.



# Some other ways of training

- \* TCS has a dedicated training centre in Trivandrum (South India) where new recruits undergo intensive training for three months
- \* Continuing Education Programs are conducted every month to address training requirements and to create awareness of new and emerging technologies
- \* TCS along with the technology alliance partners, conduct training sessions to keep associates on par with the technological trends in the industry
- \* Computer Based Training (CBT) programs, such as Skill Port (web-based), are available to all associates. Skill Port is a very vast database containing study material on different topics ranging from technology, domain, and soft-skills to project management. Every lesson concludes with a self-assessment which helps associates measure their understanding.
- \* Training in foreign languages, exposure and familiarity with various cultures and softskills (telephone etiquette, personal grooming, way of dressing for different countries, and so on) are also given immense importance.
- \* Associates travelling overseas undergo the basic culture training to help them adjust to the new culture.

TCS also addresses training requirements specific to processes followed by clients. This is done in the following ways:

- \* Knowledge acquisition plans are prepared for every new recruit joining the project team
- \* A core team is created that is given the responsibility of providing relationship-level induction to new joinees. Relationship-level induction training includes domain-specific training, training on the client processes, security and cross-cultural training sessions
- \* Further training (hands-on or classroom) is provided by the respective project teams.

## 4. Customer Feedback

At the end of the project or once in every six months, whichever is earlier, the PL will request the customer to fill the Customer Feedback/Customer Satisfaction Survey (CSS) form. Additionally, feedback may be collected at the end of every phase as appropriate. The CSS comprises questions on quality of deliverables, project management, documentation, communication, TCS infrastructure, security and confidentiality. A copy of the CSS is sent to the Delivery Centre Head (DCH) and the QC. For attributes, where TCS performance rating is less than 3 or where the overall CSI is less than 3, detailed corrective and preventive action is planned and tracked to closure by the PL/GL. The

feedback provided by the customer through the Customer Feedback Form/CSS form is used for process improvement and forms an important input for TCS iQMS. This feedback is discussed in Project Management Review (PMR) meetings.

## **Customer Complaint Management**

Any complaint raised by customer through e-mail, telephone calls, letters, CSSs, during the lifecycle of the project will be sent to the PL. The PL along with other stakeholders will analyse a nd report the customer complaint to the Quality Reviewer. PL/GL along with the QC/QR will take appropriate corrective actions to resolve the complaint. The appropriateness of the corrective action will be verified by the GL/DCH through interaction and follow-up with the customer. QAG will consolidate the complaints at the organisation level and carry out a causal analysis to identify opportunities for improvement.

Figure 4: Customer Complaint Management

Managing Key Personnel and Staff Continuity

TCS proposes to have a core team and a flexible team for ramp-up/down. The core team will be identified based on the:

- \* Learning curve
- \* Skills requirements
- \* Criticality

In addition to the policy of "Reward and Recognition" at the organisational level, TCS may also arrange for specific HR initiatives at the client level. Initiatives such as the "Fun @ <<client name>>" news bulletin for <<cli>client name>>, internal associates' satisfaction survey for TCS associates within the <<cli>client name>> relationship, <<cli>name>> Star of the month and so on.

While TCS would like to retain the core team as long as possible in the best interest of knowledge retention, a balance between project requirements and career growth/personal constraints will be a consideration.

TCS will ensure an average retention period of 12 months and will strive to extend this period on mutual interests.

Assistance in Helping 'Onboard' Associates

TCS helps in the "on boarding" of its associates on the personal as well as professional fronts. TCS provides induction for overseas travel to all its associates to familiarise them with the new environment, culture and language.



For every geography, a manual is available that provides a quick overview to the individual about the place and the do's and don'ts. Further, the local HR team also assists the individual with accommodation and travel assistance to ensure the individual settles down immediately.

Regarding the professional front, TCS ensures that the individual has all the right soft skills to interact with the client's teams and become part of the same.

Guaranteeing the Quality of the Associates

TCS recruits associates from the top universities. Each associate undergoes six to eight weeks of induction training on joining TCS. Performance is evaluated at regular intervals and if the performance is found below par then the associate is put onto a performance improvement program. Based on the skills, associates are identified for different projects by MATC. Associates undergo formal/informal screening before being inducted into the project. Subsequently, the associates undergo one week of relationship level induction and two weeks of project level induction. Project level induction comprises of classroom sessions, case-studies, quizzes, and playback sessions. Associates are assigned to projects on successful completion of the project level induction.

Guaranteeing that Proposed Associates are a Match for the Skills Requirement

For every position required, TCS will ensure the candidate has the necessary business or technical skills. As a part of its training program, TCS also covers training in soft skills (leadership, conflict resolution, and team building, and so on) and also cultural training (training in the culture and environment of the customer's geography, foreign language training, and so on.)

Target Time to Fill any New Resource Requirement

The time to meet the requirements depends on the following factors:

- \* Skill requirement
- \* Location of the requirement (onsite/offshore)
- \* Duration of the assignment
- \* Number of resources required
- \* Availability of the skill internally or with other TCS subsidiaries
- \* Whether sourced from Indian market or international market
- \* Time taken by client to interview the candidate, if the client chooses to interview the candidate

- \* Dependencies on visa procedures by concerned consulate in India
- \* Visa type (< Three weeks assignments require one week of visa processing time)

Based on the above dependencies, the lead time can vary from two to six weeks. TCS encourages the client to plan ahead for any resource requirements so that TCS can identify the right candidates for the requirement. With short notice requirements it is generally difficult to meet all the requirements (start date, skills, experience, and duration)

Guaranteeing Satisfaction Individuals Places with a Client

TCS will place its employees as contractors to <<cli>name>>and will guarantee satisfaction on these individuals in the following ways:

- \* TCS team will screen the resumes and interview the associates
- \* Share the resume of the short listed consultants with client.
- \* For key positions, TCS is open to having the candidate interviewed prior to coming onboard
- \* Lastly, in rare cases of poor performance, TCS will replace the candidate at no cost to <<cli>to name>>.

Typical Type Lead-time for the Replacement of an Individual

TCS will take all steps to ensure that the candidates proposed possess the right set of skills (technical or domain) and good communication skills as well. The following table lists the unforeseen or undesirable TCS is also equipped to handle unforeseen or undesirable circumstances such as:

Event | Mitigation |

Poor performance by an individual | <<Cli>lient name>> will revert within 30 days of the individual's coming on board about performance issues, if any. In this case TCS will replace the individual at no cost to <<cli>client name>>. The lead time to onboard a person would be 3-4 weeks |

Untimely processing of papers for travel for resources from the global resource pool | TCS will ensure the individual can start contributing from offshore. The lead time to onboard the staff would be a time period of three to four weeks.

Resignations and Unexpected leave | TCS has defined robust processes that are people independent. Cross-trainings, up-to-date documentation and ensuring back-ups for key personnel are some of the ways in which TCS handles unforeseen turnovers in the team.



TCS will ensure that the replacement is onboard before the departure of the outgoing person.

Lead time for replacing the individual would be approximately three weeks.

Knowledge Transfer Prior to the End of the Assignment

At the end of an assignment, TCS will ensure adequate knowledge is transferred back to the business and IT users of <<cli>elient name>>in the following ways:

- \* Completed system and user documentation
- \* Formal classroom and hands-on training (train the trainer concept will be used)
- \* Conduct playback sessions to validate user understanding
- \* In many cases, TCS has even developed CBTs for users who are spread across geographical boundaries. This enables them to conduct their skills development at their own pace. The CBTs can also be used to induct new recruits

# 5. Performance Management

TCS's organisational goals are defined at the beginning of the year. These goals are in line with the annual business plan for the organisation. These organisation goals are translated into each Service and Industry Practices goals within TCS to ensure that the organisational goals are met. All higher-level goals are ultimately translated into individual performance measures. Performance is tracked against achievement of these preset individual goals. Appraisers review individual performances on a quarterly basis against the set goals. These goals are revisited and modified, if necessary. Performance is ultimately pegged to a point in a scale, which ranges from 1 to 5. The aim is to highlight excellent performers and to work out an improvement plan for people falling short of the required performance level.

There are two crucial aspects to the individual's appraisals process, which are:

- \* Goal Setting
- \* Performance Appraisal

# Goal Setting

Goal setting is a process that takes place at the time of an associate's allocation to a project. The aim of the process is to define Specific, Measurable, Agreed and Action-oriented, Realistic, Time and resource constrained (SMART) goals for the individual, which are aligned with the project and practice goals. Each of these goals has to be tracked by the Project Leader (PL) during the allocation of the associate to the project, at

pre-defined intervals. At the time of the appraisal, the associate's performance is assessed against these goals, as well as against certain other soft factors such as flexibility and conduct. Training needs can be identified based on the skills and competencies that the individual needs to develop to achieve the goals.

If the associate is released from the project the goals set in that project are evaluated and the evaluation will reflect on the project end appraisal rating.

Global SPEED - Cascade of goals

ASSOCIATE GOALS

GL,PL, RM,BRM BSC

GEOGRAPHY, DC, LAM, CORPORATE BSC

CEO BSC

Global SPEED (System for performance evaluation & employee development):

- \* Global SPEED facilitates Role based approach to Performance Management.
- \* Earlier Global used for international purpose and speed for India.
- \* Used all over the world in TCS.
- \* It is an online tool in Ultimatix.
- \* Global speed is used for Goal setting and we use BSC.

## **ICLAM**

- \* Online tool which is used for learning and development.
- \* ICLAM is used for competency mapping for individual (both behavioral and technical).
- \* Individual roles are defined using this tool.
- \* Balance score card used for employees to get to know about Corporate Goals and objectives.
- \* Role tagged for an employee in iCalms forms the basis of Goal Setting.
- \* Roles details of the employee will be populated in Global SPEED from iCalms.



\* Attribute section of appraisal will be connected with the role tagged to an employee. These will be picked up from iCalms at the time of Goal Setting.

Stages in SPEED

- \* Data validation
- \* Goal setting
- \* Self evaluation

Discuss your performance with your appraiser before self evaluation

\* Evaluation

Time sheet management

- \* Update work done by employees on day to day basis.
- \* Also part of billing process.

Performance Appraisal

- \* Superior defines targets for individual, and then he talks to them in person and set target together.
- \* Appraisal is done in form of self evaluation, Immediate Superior will appraise and finally reviewed by reviewer

In TCS, appraisals are conducted at the following instances:

Appraisal for trainees and experienced professionals

For trainees and experienced professionals, appraisals are carried out every two months till confirmation. The appraiser rates the associate qualitatively, based on the performance during those two months and identifies individual training needs. Performance against the individual's goals is also tracked.

# Annual appraisals

For confirmed associates, year-end annual appraisals are carried out against some predefined parameters. Performance against the individual's goals is also tracked. If projectend appraisals have been done during the annual appraisal period, the current appraiser will also consider the ratings on these appraisals while arriving at the overall rating. Besides an overall rating, the appraiser may also recommend the individual for a promotion. The overall rating determines the increment in basic salary for the individual

(different for different grades and different ratings). The new variable pay of the employee is determined by three factors:

- \* Company EVA
- \* EVA of the business unit (practice)
- \* Individual Performance Factor

# Project end appraisals

These appraisals are done when the employee is released from the project prior to its completion, or upon the completion of the project. The parameters for this appraisal are the same as for annual appraisal. The employee is also given an overall rating, which will be considered at the time of the annual appraisal.

The future plans of the HR department include moving towards a system without annual appraisal.

# 6. Compensation structure

In today's scenario organizations are not much interested in acquiring physical resources but what occupies their concern is whether those resources have been utilized to the ultimate by their existing human potential. TCS has been given the title of the best employer. And the title givers are none other than the employees. TCS has a compensation structure which has only 5 % of its remuneration based on performance. TCS is such an organization, which makes their employees, work in teams and it is the total team, which they evaluate while deciding the remuneration, not the individual. This has a lot of benefits. First of all it does not encourage peer rivalry. Work teams are characterized by the presence of faith amongst the team members, co-ordination, interdependence, team spirit, trust, etc. These qualities cannot foster if each individual's greed to stand out in the crowd overcomes his concern for the success of the team as a whole. That is the reason TCS has resorted to such a compensation structures. In an attempt to find out what is the reason for the company generating such a degree of work satisfaction amongst its employees it was revealed that TCS is popular not because of its compensation but it's principal of proper harnessing the existing human potential within an organization.

To decide which type of compensation is best to adopt the organization to make an indepth of the job profile, its own area of business. Just like a manger should be paid as per his competencies like team building, leadership qualities on the other hand a software developer should be awarded as per the hours of work he puts in, the skills he posses etc. The idea behind designing all pay packages should be paying as per ones performance, skills, and competencies as well as motivating them to improve in the near future.



TCS uses EVA model for their compensation process. Economic value added (EVA) is a basis for measuring performance and bonus, and is measured at the enterprise and department levels. The EVA system calculates profits after considering all costs, including that of capital. If the revenues are in excess of the costs, including operating expenses, costs of developing and investing in the people, products and business, then value has been created.

## The EVA Model

In giving shape to the EVA model, an organization needs to keep its focus towards the ultimate goal of aligning its people to the corporate mission, creating an entrepreneurial culture through an empowered work force, and building ownership with accountability. TCS worked out an EVA framework to align corporate value with the performance of the constituent business units and the individuals who comprised these. It translated to a compensation model, where the employee had a share in the corporate pie with add-ons from the profits of the Business Unit and the Individual Performance Factor.

There are three basic drivers - revenue, cost, and capital charge. Revenue is driven by the rate or license price put into the product, sales, billable hours, response time, and domain skills. The individual works towards the improvement of the benefit package, which essentially has three components - the Corporate EVA, the Business Unit EVA, and the Individual Performance Factor. Out of the total EVA payment, a certain percentage goes to each employee on the basis of corporate EVA improvement. Secondly, if your business unit did better than another business unit, then automatically you got more than the other business unit. Again it is a team reward concept. The third one depends on the evaluation of individual performance.

## Benefits

The benefits of EVA were realized across all levels in the organization. Employees became aware of their responsibilities and their share in increasing the EVA of the unit and organization. All the units could determine how they had fared against the targets. The bonus banks also helped in sustaining performance from the individuals, with close relationship between pay and performance. There was an increased sense of belonging among the employees and the employees were motivated to increase their contribution as they were also equally benefited by the increase in EVA. It was not just a performance metric but an integrated management process aimed at achieving long term goals. One of the major benefits of implementing EVA in TCS was to increased transparency in the organization. The internal communication within a unit had increased considerably. The decision making process became more decentralized.

## Drawbacks

The EVA based compensation system received severe criticism during the initial years of its implementation. Industry analysts commented that EVA concentrated mainly on

return on investments, due to which the growth of TCS could be restricted. In 2003, TCS caused uproar in the IT industry when it reduced the variable salaries of employees by 10%. This was the initial impact of EVA which was implemented in the company from April 01, 2003. The reduction in the variable salary resulted in an overall reduction of monthly take-home salary for most of its employees.

# 7. Retention (why TCS ticks well with its staff)

Among the domestic IT companies, TCS has the lowest employee turnover rate. The attrition level at TCS as on September 30, 2004 was 7. 9 per cent compared to the industry average of 15 per cent. Employees stay with the company not for the size of the pay packet alone. There are several other factors including job security. The company has a performance improvement plan that takes into account any personal problem the employee may be facing. Company's HR practices have the ability to absorb people, to manage them from sourcing to deployment, and what it means in terms of scalability and scalability is something that the group evolves with respect to its practices.

TCS tries to retain its associates through:

- \* Career Development
- \* Rewards and Recognition
- \* Associate friendly HR policies
- \* Performance Based Incentives

## Career Development

TCS believes that career and personal development of all associates are vital for organisational success and initiates activities to encourage associates to participate wholeheartedly in the same. Personal Development Planning forms a central part of their annual appraisal and objective setting process. Personal Development is also encouraged through on-line e-learning initiatives that help develop a wide variety of skills, including languages, cultures, sciences, business, technical and the arts subjects.

Associates aspiring for higher roles undergo assessment of current capabilities in order to identify the competency gap to reach the aspired role. The gap in competency is addressed with structured training and orientation.

## Reward and Recognition

TCS encourages individual teams to have customised recognition mechanisms and then consolidate the same as a best practice. Towards this effect, some units have instituted the SMILE and Dolphin recognition mechanisms. The following table lists the informal mechanisms of employee motivation and development:



Table: Reward and Recognition Mechanism
Mechanism   Objective
Project Milestone Parties   To encourage efficient execution of projects
Recognition of star performers/high fliers   To recognise outstanding talent
Nomination to coveted training programmes   To encourage self development
Best Project Award   To encourage a spirit of internal competition across work groups and foster teamwork
Best PIP Award   To encourage innovation and continuous improvement
Best Auditor   To recognise participation in critical support roles
Recommendation for new technology assignments/key positions   To ensure career progression and development of employee's full potential
Spot awards   To ensure real-time recognition to employees
Performance-based annual increment   To recognise high performance
Early confirmations for new employees   To recognise high performing new employees
Long Service Awards   To build organisational loyalty
EVA-based increments   To ensure performance-based pay
On-the-spot recognition   To ensure immediate recognition of high performance
Associate Friendly HR Policies
TCS consistently rolls out policies and practices to enable a better work-life balance for associates.
* Transport facilities
* Super Seva – A facility whereby associates are provided with services at their workplace. For example payment of utility bills, transport arrangements for personal reasons etc.

\* Cafeteria and gymnasium facilities

Performance Based Incentive

In TCS, compensation is split into two components, Fixed (linked to inflation and other factors) and Variable (linked to individual performance). All the employees are aware of the organizational goals and objectives. The methods used for evaluating employees' performance are fair enough and easy to understand. Recognising TCS associates for their hard work, providing for their health and the well being of their family members, opening revenues of growth and career development and easing the balance between work and personal life are all part of TCS's associate centred environment.

Some of the practices within TCS that are aimed at enhancing associate retention are:

- \* Mentoring Each employee of TCS is assigned a mentor who is more experienced than the mentee. Mentoring provides a communication mechanism for career growth, personal grooming and all-round development.
- \* Matching individuals' preference with the business requirements, thereby defining a mutually satisfying career path.
- \* Job rotations to provide opportunities to employees to enhance their skills and expertise in other areas.
- \* Motivating employees through appropriate recognition, rewards and benefits.
- \* Addressing employee concerns in a timely and effective manner.
- \* Providing opportunities for continuous learning.
- \* Conducting continuous market surveys to ensure that the compensation and benefits measure up to the best in the industry.
- 8. Leave policy
- \* 3 national holidays applicable for all
- \* 7 holidays region wise
- \* 16 days earned leave
- \* 7 days casual leave
- \* 10 sick leaves
- \* Disciplinary action against habitual absenteeism
- 1. They council the employee and ask about his reason of absenteeism
- 2. Advisory letter is given



- 3. Warning letter is given
- 4. Asks for resignation and if employee is not willing, then he is terminated

#### 9. MAITREE

Main functions are

- \* Corporate social responsibility TCS CSR includes adoption of villages, running of schools. They enable adults to enhance their skills. Tree plantation, cleaning of Juhu beach, emphasis on reducing carbon foot prints
- \* Employee engagement events Trekking, parties, family day, summer camp, parenting workshop for working parents

## 10. ULTIMATIX

- \* Web portal of TCS includes complete internal information of company.
- \* It can be accessed by associates only
- \* It includes global speed, ICLAMS ,time sheet, NOMAX, ideamax
- \* Nomax is used for knowledge management and includes details of projects, HR policies and documentation done in the company
- \* Ideamax Employees are free to give their innovative ideas and is appreciated by management

# HR Challenges in TCS

- \* Attrition rate increased after recover from down turn
- \* Work load, stress and work-life balance of associates.
- \* And day to day conflicts

#### Conclusion

After working on this project we learned that

- \* For healthy & wealthy growth of organization, top management should consider employees as fixed assets
- \* The goodwill of company depends on good product/service which in turn depends on company's employees

- \* Employees today are more interested towards their career development & goals
- \* TCS can take an extra advantage of this tendency of employees by motivating them & providing ample opportunities to explore

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