

TCS Case Study - The OD Journey

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Synopsis

In organizations worldwide today, there is a greater realization of the importance of Organizational Developmental (OD) interventions in facilitating the rapid changes brought about in the current competitive environment. Organizations today struggle to balance the tensions between Voice of Customer, Voice of Technology, Voice of Strategy and Voice of Employee in the context of a globalized and dynamic market, which makes competitive advantage and sustainability the key mantras of corporate survival and success.

Organization Development has been defined as a process by which behavioral science knowledge and practices are used to help organizations to achieve greater effectiveness, including improved quality of life, increased productivity, and improved product and service quality.

Its focus is on improving the organization's ability to assess and to solve its own problems & to move the organization to a higher level of functioning by improving the performance and satisfaction of organization members. (Stoner, 1978:385)

At Tata Consultancy Services Limited, (TCSL), too OD interventions have been instrumental in facilitating change management and bringing about competitive advantage. OD has contributed to redefining the organization's relationship to its environment, its markets and key stakeholders.

This paper briefly explores an overview of OD interventions at organizational level, and focuses in particular on the case of a large relationship within the organization wherein OD has brought about a paradigm shift especially in the cultural perspective. The structural alignment and commensurate cultural changes thereof have been facilitated in a deliberate manner to improve the total system - the relationship and its parts in the context of the larger market environment.

Introduction: TCS -An Organizational Perspective

The Pre-OD Scenario: Our Strengths and Areas of Concern

In the years 1998-99, TCS had grown into the largest Indian software company with revenues of over Rs. 1600 crores and racing towards achieving its vision of being global top ten. As pioneers in the industry, TCS's strengths included on time delivery, premier position in the industry in terms of revenues, focus on training programs, quality initiatives, use of good technical tools and procedures and encouragement of individual excellence in performance.

However, TCS was also, at that point in time, grappling with a few areas of concern with regard to its operational paradigm.

Mounting revenue pressures: The pressure to retain its strong premier position led the organization to tend towards short-term revenues, and relatively lesser efforts were being put into medium and long-term markets and activities (such as products and building up knowledge). Though TCS built relationships with individual customers, Relationship Managers largely tended to focus on obtaining short-term projects – there was lesser investment on aligning to long-term objectives of customers. The approach, by and large, was of reactive project management and we were yet to espouse the approach of architecting proactive solutions for the customer.

Selectivity in projects: There was a tangible tension at TCS, between generating revenues and organizing strategically, on basis of technology and business areas, impacting selectivity in projects accepted. Pressures from customers on schedules was resulting in faster delivery and hence, snowballing into further pressure on future schedules.

Focus on specialization: There was diffusion of expertise and we were yet to focus on building strategic expertise in individual centers. Employees were rotated across domains and skills in the interest of learn ability as well as for meeting requirements. In a sense, there was heightened focus on Voice of the Customer, in comparison to the Voice of Employee.

Efforts on Experimentation & Innovation: The management at TCS felt that by and large, employees tended to go straight by the book. Though Dr. De Bono's techniques were introduced and employees trained on these techniques to encourage innovation, there was a need to scale up on perceived rewards for experimentation.

Rewards and Recognitions: The reward structure at TCS was, at this point in time, primarily focused on individual performance and we were yet to explore the institutionalization of team based rewards at the organizational level.

Inter group co-ordination & knowledge sharing: Sharing of knowledge was very centre-oriented, and although, informally, best practices spread by interaction and word of mouth, we were yet to evolve a formal system which would capture these for ease of replication across projects. Multiple centers and multiple projects within the same centre ended up resolving the same sort of issues, resulting in avoidable rework.

Branding and PR: Image building endeavors were not yet an area of focus and, in a subtle way, this affected the sense of pride of employees. Among educational institutions, this meant greater difficulty in terms of attracting quality talent, which further aggravated stress among the few key performers in the organization.

By the year 2002, management felt the conscious need to bring in changes in our approach to the aforementioned areas, in order to align more closely with the customer, business and market requirements at an organizational level.

Alignment and Structure at TCS

With respect to alignment, there was a need to create an environment of dialogue between system dynamics and human dynamics in the organization. Strategy comes from the market, form comes from structure; capacity from technology; and synergy from culture. The organizational design at that point needed to incorporate this holism and thereby bring in, a coherent organizational identity. The flow of philosophy to policy to practice and further to procedure in organizational design, needed to be re-looked at neutrally.

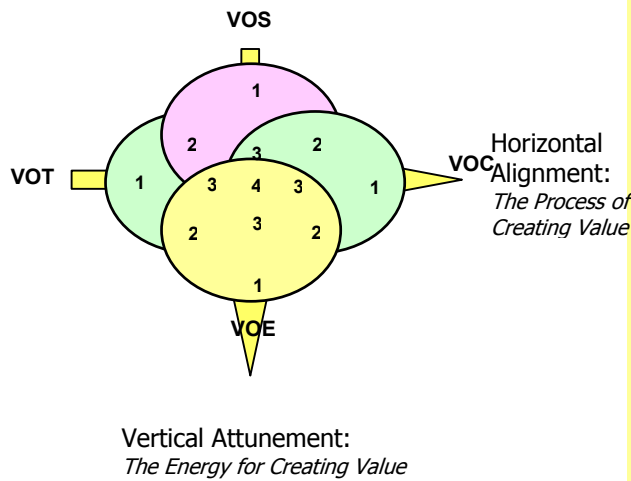
In the interest of alignment of strategy and culture, the need for a dynamic process of dialogue between the “Generals and the Scouts” was also felt.

Alignment and Attunement:

As an answer to the above areas of concern, alignment and attunement were sought to be achieved through integrating and balancing out the four voices:

- Voice of Wealth
- Voice of Employee
- Voice of Customer
- Voice of Technology

The Organizational Development interventions at TCS focused on balancing tensions arising from these four voices along dimensions of strategizing, valuing, serving, energizing, investing and improving.



The OD Challenge:

Creating order & rhythm in the centrifugal and centripetal movements of the 4 zones

Zone 1: Exploration; Research; Insight.
Dream and Discovery.

Energy Potential.

Zone 2: Dialogue; Experimentation;
Practice; Personal mastery;
Mental models; Organisational
EQ; Designing for Convergence.

Energy source.

Zone 3: Problem identification; Problem
solving; SEDAC; 6 Sigma; Team
Learning; Alignment and
Recalibration

Energy channels.

Zone 4: Converting ; Optimising;
Delighting; Kaizen; Team work;
Optimisation and Co-ordination.

Energy deployment.

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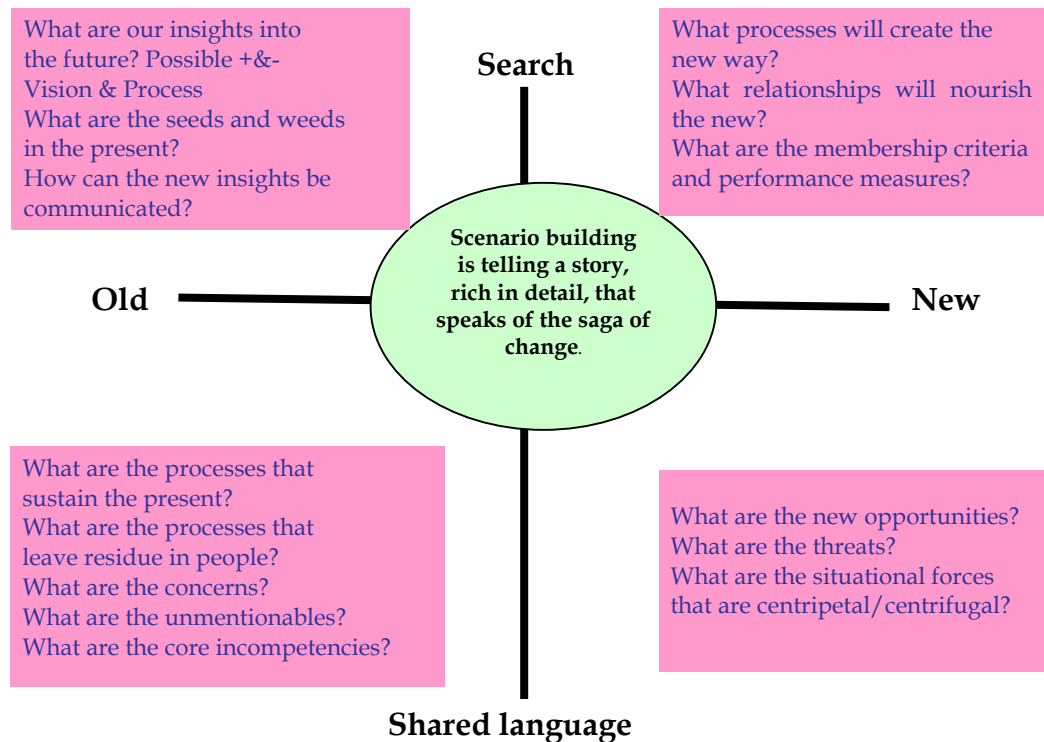
Scenario Building Workshops:

An internal organization workshop was conducted with top management for scenario building. This program focused at a larger level, on the “The TCS that can be “. The idea was to challenge the conventional ways of thinking and to give shape to the key drivers of change through realistic listening and dialoguing. These workshops were followed by dissemination and communication of the scenarios with teams in order to develop a new language in the organization, consistent with the envisaged future scenario.

As a fallout of this workshop, several representatives of senior management worked on building scenarios as for e.g. on TCS tools and approach to high end consulting. These looked at what we were and what we wished to be, our competition, changes and challenges with regard to our business models, technologies, products and support functions. Further, the factors that would facilitate the desired change and focuses that needed to be redefined were clearly laid down.

The scenarios addressed the nature of the struggle the organization would go through and etched out realistic possibilities based on present factors. The roles and context that would impinge on the following were detailed:

- Wealth creation
- Factors which will enhance productivity and enhance the feeling of being valued
- Resource allocation and team-work
- Membership criteria and norms of the group
- Learning opportunities for individuals and teams



Goal Alignment & Balanced Scorecard:

In the interest of better alignment, a need was felt to re-look at a few organizational processes and systems, as for instance, the performance management and appraisal system at TCS. A Teach-Train-Transfer workshop on Goal alignment was conducted, with help from expert OD consultants to build the context, to think through goal setting at TCS with a systems perspective to goal alignment & to explore means of institutionalizing goal-oriented performance management within the organization.

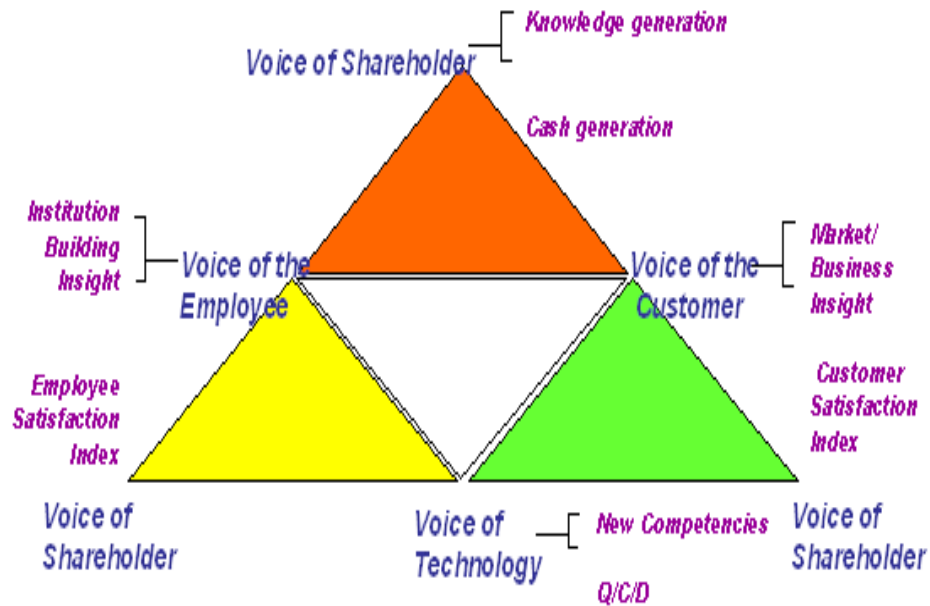
The workshop further introduced the concept of the Personal Score Card, and clearly outlined what would define goals, outputs, performance management, Economic Value adds & the ways and means for facilitating goal alignment.

The Balanced Scorecard approach was proposed, introducing corporate goals, which touched upon the following:

- *Voice of the Shareholder* - Financial Goals e.g. Wealth creation
- *Vector of Technology* - Technology Goals e.g. Quality, Cost, Delivery dimensions
- *Voice of the Customer* - Customer/ Market Goals e.g. Customer Satisfaction
- *Voice of the Employee* - Learning & Development e.g. Employee Satisfaction

Further the relevance of the corporate goal template at the relationship level was explored and the subsequent cascading to individual level (Organizational to Relationship to Personal Scorecard). Goal specification frameworks, derived from the key performance parameters of the unit were chalked out. While the goal was treated as a virtual entity, the measurement was extended to deliverables on a day-to-day basis (outputs). Further, workflow reviews were done with the objective of deploying an on-line regular review process and system to track individual performance against stated goals. The linkage with incentives and value add drivers, was also thought through to determine the reward framework, based on published results as against goals. Hereby, strategic objectives and measures agreed upon by the function/ geography/ delivery and relationship heads would be cascaded to subsequent roles as appropriate, ensuring performance in alignment with the larger vision of the organization.

Identification of talent for higher responsibility was also seen as a key focus area, highlighting the need to have a focused Career Planning and Mentoring process. The process of role alignment was further thought through, as well as the need for assessment and coaching for role transitions. Towards employee satisfaction and towards ensuring sustained availability of sufficient managerial and leadership talent, the need to create succession plans at all levels and to track and reward high fliers was brought out.



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This further, lead to the formulation of career paths in TCS global services, consulting and products, supported by HR processes, tools and support staff. This structure was designed to enable a fair degree of flexibility in rotating at appropriate levels, which would provide avenues for individual growth.

Besides, there was an exercise to bring out new role definitions in Human Resources (HR), focusing on alignment, energizing and task facilitation through HR. Business leaders dialogued to evolve the mission and expectations and further, to design enablers for continuous change, team work, and individual growth.

PROPEL – The Intervention: Culture Building at TCS

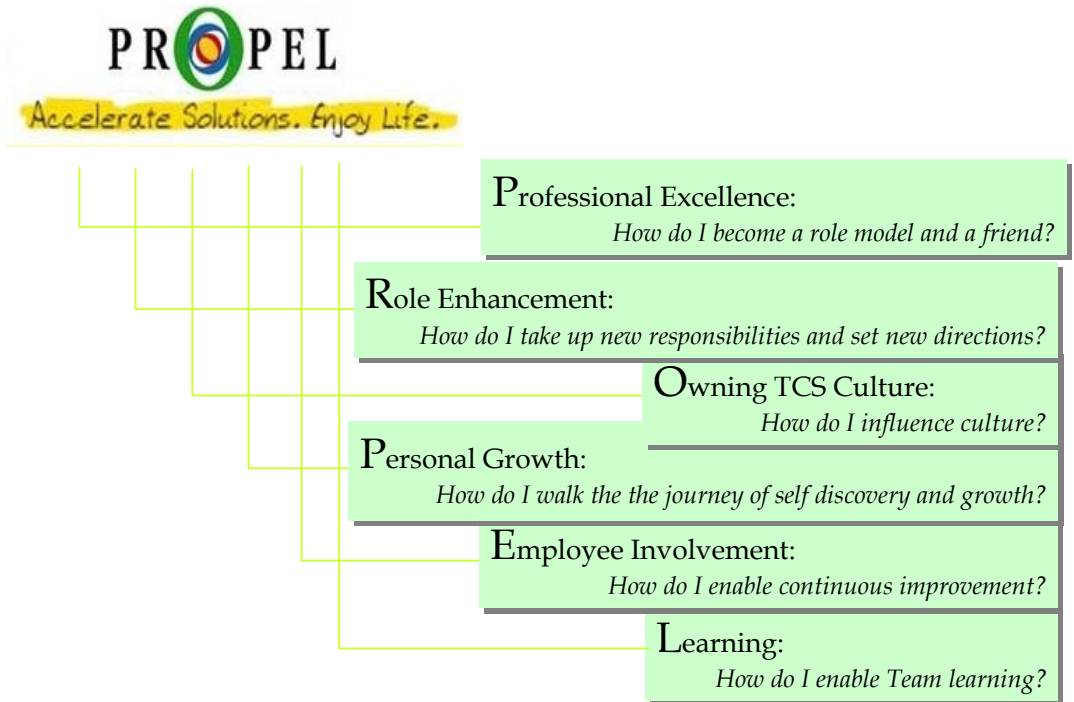
PROPEL was introduced as a revolutionary intervention with the dual objectives of facilitating the exchange of ideas and helping in immediate problem solving, while also encouraging bonding and self-development among and within teams.

As the organization and its relationships grew, it brought its own challenges, whereas change remained a constant. PROPEL was introduced as a platform and a tool to help bring about this change, in consonance with the TCS belief of “Let us make it a joy for all our stakeholders”. Promoting continuous improvement at a cross-functional level was one of the envisaged objectives. Change management was enabled through alignment with growth strategy; by creating platforms for dialogue on the current and emerging experience of the organization.

PROPEL has helped the organization build a culture of collaboration, creativity and also networks of relationships through its two modes:

1. **Confluences:** Listening to the voice of the employee in a team scenario, by creating a platform for open sharing of thoughts on a relevant theme. This is achieved through a balance of fun, introspection and interaction, while evoking commitment to self-development.
2. **Camps:** Platform for problem solving, focus on the Quality, Cost and Delivery measures of throughput resulting in transfer and adoption of best practices within and amongst relationships in the organization.

Further on, this paper explores the case of a large relationship which espoused PROPEL interventions to bring about effective quantifiable results in the interest of relationship robustness, market agility and a fine balance in the culture perspective.



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The case of a large relationship at TCS:

Team Alignment through PROPEL framework & Spiral Dynamics

Team alignment was a PROPEL application initiated for members of this large relationship, to reflect on its own state, to build a coherent statement of current realities and to channel potent restlessness and dissatisfactions within the relationship, into a convergent blueprint of responsiveness and new levels of maturity. It looked at redefining desirable role behaviors, and hence conveyed responsibility for movement at the collective as well as individual levels, for the team.

This was brought about through the following stages:

1. **Initiation:** The Spiral dynamics framework was used to map the relationship in terms of its evolution. Tools were administered to a group of Project Managers to identify the gaps between where the team is (current state) and where it should be (desired state) and the steps to be taken to bridge this gap.

Spiral Dynamics posits that the evolution of human consciousness can best be represented by a dynamic, upward spiraling structure that charts our evolving thinking systems as they arc higher and higher through levels of increasing complexity. The spiral in spiral dynamics contains the blueprints of patterns for sequential development of cultures. The spiral's first tier is a set of six memes (beige, purple, red, blue, orange and green) characterized by existence or subsistence, or the "survival-level" concerns. Second tier of yellow and turquoise works to create healthy forms of all the first tier systems, in the context of an information-rich, highly mobile global community.

2. **Awareness sessions & Workshops:** Overviews on Spiral Dynamics and its application to achieve team alignment was shared with the team. In Jan 2005, a workshop was organized with the team to discuss the findings based on the analysis of data. A few key observations were:
 - Differential perceptions of current reality by leadership and the rest of the team
 - Need to make a few critical role shifts
 - Need to align the broad directions and future steps

This workshop allowed the team to clearly discuss their perceptions of the team's current situation and the following observations were agreed upon:

- Need to negotiate expectations and sufficiently understand interdependence
- Reluctance to confront and bring issues to a head
- Stress
- Results and task oriented disposition

These results were then compared to the leadership's expectations from the team. Greater the convergence and alignment between leadership and the team on the current state and the directions for movement, greater the power of focused deployment of energies, and empowered, autonomous decisions and actions within the team. Gaps were identified, developmental areas were prioritized and broken down and categories identified to pinpoint where the greatest impact from team development efforts will be achieved.

3. **Gap analysis:** This was done to enhance understanding of the different roles for each job position, identify the ones suitable for the different job positions and come up with action items to address the themes agreed upon. As a next step, each member had to identify the gaps based on the role selected. For e.g.: The below roles were identified for a team member job position:

- Self-developer
- Team Player
- Craftsperson

The roles would vary depending on the location as well. Onsite members would have roles that require higher customer interaction.

4. **Implementing improvement plan:** Follow-up meetings were held at 6-8 week intervals to monitor progress made as well as to identify areas of improvement using Deming's Plan-Do-Check-Act (PDCA) cycle. The Team Alignment tool was created in September 2005 with an aim of cascading the team alignment concept to the team member level in a shorter span of time.
5. **Next steps:** The team now has a 30, 60, 90 day implementation plan for the same. Incorporation of the three high priority action items arising from the team alignment exercise, as goals in the team was contemplated. Additionally a PROPEL camp was planned, to agree upon the steps to be taken to close the action items for each of the roles.

Value Cards at the Large Relationship

Value card for the relationship was a fallout of the analysis of tensions existing in the four dimensions as represented by Voice of Customer, Strategy, Employee and Technology. A tool called “Value Card” was used to analyze the problems faced by the relationship in relation to these tensions and to arrive at workable solutions to the identified problems, within designated timeframes. The Value Card helped to effectively capture and track this through the following steps:

1. The situation summary was charted out
2. Improvement goals, action plans and owners of each plan were identified
3. Success measures were identified against the dimensions of Valuing, Strategizing, Improving, for each actionable, along with timeframe for closure
4. Impact was analyzed in terms of short term and long-term actions.

Value Card deployment has substantially helped the relationship to retain its “Account of Choice” status.

Improvements through Measurements/ Initiatives: Excellence at the large relationship (AEP)

The Account excellence program (AEP) at the large relationship was modeled on the lines of the Malcolm Baldrige National Quality Award/ Tata Business Excellence Model , which touches upon 7 key categories viz leadership, Strategic Planning, Customer and market focus, Measurement, Analysis and Knowledge Management, HR Focus, Process Management and Business Results. This was aimed to help the relationship to evolve towards meeting changing business needs with agility.

The AEP was initiated as a change driver & umbrella for business excellence initiatives in the relationship to facilitate creation and balancing of value to all stakeholders – employee, shareholder, customer, supplier and society.

The AEP has also engendered a value creation framework encompassing quality, service, cost and cycle time through setting benchmarks in the following:

- Meeting all customer requirements
- Minimizing processes variances
- Reduction in Cost Of Quality
- Elimination of waste
- Enhanced Customer Support
- Efficient Product Service
- Flexibility to meet Customer demands & Market changes
- Rework Reduction
- Continuous Process Improvements
- On-time delivery of major programs

A few gaps were identified in the area of HR Focus and thereby, a series of HR initiatives were rolled out across the relationship, a few of which are summarized in the grid below: (See next page)

Initiatives deployed	Summary
Account Excellence Plan	Initiative on the lines of TBEM. Scoring is done under each of the 7 categories and the score shared across the relationship, to identify gaps and action on these.
Nakshaktra Award	This is a Reward and Recognition initiative within the relationship. Nakshatra is awarded to encourage star performers for each month within each Business Unit of the relationship. The unique feature of this initiative is that even team members can nominate their peers.
In Touch	Is an interaction / mentorship initiative with the lead of the relationship, wherein a certain timeframe is decided upon, during which any employee can walk in to meet the lead and discuss out any problems/ suggestions for improvement in the relationship.
Fun@ Relationship level	This was initiated to bring in a spirit of team camaraderie and to act as a stress buster. There are champions within each unit who drive these fun activities in the relationship.
Toast Master Club/Lets Talk	The main objective is to enhance personality/communication ability of associates in the relationship and to help them gain confidence through sessions by certified facilitators.
Open House/ Town halls	The objective was to encourage strategic communication, and to discuss the larger vision and achievements at relationship level with all employees across the Business Units. This also serves as a platform for recognizing good performers and celebrating milestone achievements.
Associate Satisfaction Survey (Darpan)	To gain an insight into the strengths and weaknesses in the relationship and identify areas for improvement and next steps through PROPEL camps
Walk the talk	A senior associate within the relationship takes any new joiner to the relationship, on a tour of the facility. The aim of this initiative is to make the new entrant feel valued. This is followed by a simple quiz to check the effectiveness of this initiative.

Darpan - Reflect and Improve

With aggressive expansion and dispersion of ever-growing associate strength in the relationship, communication or the lack of it, had emerged as one of the biggest bottlenecks in employee motivation and managerial decision-making. In this context, an associate satisfaction survey at relationship level christened Darpan, was initiated, with the objective to “Reflect and Improve “at the relationship level through a better understanding of the explicit and implicit expectations of associates.

A Questionnaire was used to collect the preliminary data, as a structured mechanism to capture associate feedback across 5 categories: Career & Job, Communication, Culture & Pride, Leadership and Supervisor.

The Survey comprised 20 questions related to leadership, communication, culture and pride, career, supervisor, work environment, competency building, work-life balance etc. Interestingly, the maximum number of questions revolved around the single most important entity - the “Supervisor”. This was in consonance with several studies which reveal this as the pivotal factor to associate satisfaction and aspiration.

Analysis of Darpan Results: Details such as experience within the relationship, designation, gender and Business Unit (BU) were taken as the basis for analysis of survey results, to arrive at focused findings. Analysis was done for the overall relationship, as well as individual Business Units within the relationship. The results were then shared with the entire team and actionables evolved through a series of camps and confluences.

The Cultural Perspective: Outcomes from Darpan

There was a distinct increase in the Associate Satisfaction Index (ASI) in Darpan 06, which, interestingly, corresponded to an increase in Customer Satisfaction Index (CSI) as well.

In the recent Darpan results, the following findings have emerged:

- 91 % of the team felt proud of being part of the relationship.
- 90% of the team felt that they are now able to see the big picture and know how their contributions add value to the customers.

- 90% of the team felt that their supervisors are approachable for any kind of guidance and enable them to do their job better.

Team building activities like cricket match, bowling, team lunches/dinners have been introduced and the team members now feel valued and satisfied. As a result, the relationship attrition is today, far lower than TCS Average.

A transparent culture was consciously encouraged in the relationship and strategic communication was institutionalized through initiatives such as In Touch and periodic Town halls. In November 2005, two PROPEL camps were organized with the help of branch HR to address some of the areas of improvement for the relationship that figured in the Darpan results. The next steps have been identified and shared with all the stakeholders. Account wide initiatives have been introduced and owners and co-owners identified for the same.

Increased communication & sharing between Business Units was factored in, within the relationship through introduction of a Newsletter and an internal portal called “Parimas”.

There is an increased awareness in the relationship with regard to different roles and what are the gaps with respect to desired roles.

Further, there is heightened focus on Corporate Social Responsibility (CSR) and a culture of Fun at Work to enhance team spirit and camaraderie. The team is now better aligned, committed and focused on agreed objectives.

Improved teamwork has resulted in greater project efficiencies, less hassle and improvement in cost, schedule, quality et al resulting in higher Customer Satisfaction.

Conclusion: TCS -The Paradigm Shift

Post OD scenario:

Organizational Development interventions have been instrumental in terms of enhancing value to the customer & employee at Tata Consultancy Services.

PROPEL as an organization wide intervention, encouraged sharing of ownership and empowerment to change, as also the sharing of success stories and best practices across the organization. Valuing of employees was institutionalized through establishing processes that enable and enhance individual performance, and lead to empowered project teams.

Issue based mentoring was facilitated, with camps and confluences as enabling frameworks. While confluences invested in personal transformation for the employee, camps invested in improving the workspace.

Through Scenario building, a collective transformation of dreams and concerns into response capabilities was envisaged. Continuous scanning of environment for opportunities and threats was proactively looked at, to collectively map the business domain of TCS. Goal alignment through cascading of Balanced Score Card concept could be achieved organization wide.

There was continuous investment in learning, and an active sharing of knowledge with the aim to convert learning into action. Further, the focus shifted to adding knowledge through delighting every customer.

The earlier tendency of self-sacrificing hard work was replaced by a shift of focus to teamwork and valuing of the employee. The OD interventions at TCS, helped push self imposed boundaries and limitations through challenging organizational boundaries and limitations constantly.

In a nutshell, the OD interventions at TCS have helped build a culture of fostering systems thinking & creating forums for dialogue, while encouraging leadership at all levels. For the organization at large, OD helped to reiterate the merits of valuing enquiry, expressing differences, and constantly generating new knowledge.