

## **CORPORATE STAKEHOLDERS MANAGEMENT AT DUN & BRADSTREET TRANSUNION ANALYTIC & DECISION SERVICES PVT. LTD.: A CASE STUDY**

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***Abstract.** Corporate stakeholders management refers to the organizational philosophy wherein the organization's overriding aim / priority is to contribute to its stakeholders' welfare during the organizational decision making process to the extent possible, keeping in mind the fundamental considerations of justice and economic interests. Experts have advocated a number of principles, propositions and theories for the implementation of this concept. However, based on the extant literature reviewed, the authors found an acute dearth of corporate case studies detailing the actual implementation of stakeholders-related practices in corporate organizations. A few case studies were found in the social sectors. However, there was no case on the noteworthy practices of corporate organizations in this regard. In this paper, the authors have made an attempt to highlight the customer and employee-related practices of a five year young company in the ITES sector – Dun & Bradstreet TransUnion Analytic & Decision Services Pvt. Ltd. In 2009, Ethisphere ranked the parent Dun & Bradstreet (USA) as one of the World's Most Ethical Companies. This subsidiary captive unit in Chennai has over the last five years of its formation made noticeable strides with respect to its customers and employees. The data collection for the case has been done by the authors through personal interviews with top executives of the company and supplemented through other information provided by the company and that available in the public domain.*

**Key Words:** Corporate Stakeholders Management; Customer Welfare; Employee Welfare; Social Systems Engineering Tools; Dun & Bradstreet TransUnion

**[Dedication:** The authors humbly dedicate this endeavor to the Revered Chancellor, Sri Sathya Sai University – Bhagavan Sri Sathya Sai Baba.

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### **COMPANY INTRODUCTION**

D&B TransUnion Analytic and Decision Centre (D&BTUADC) refers to itself as a global center of excellence specialized in providing services and solutions in the areas of analytics and scoring, data rationalization and management, credit bureaus and risk management and rating. It has a rich heritage carved out of a joint venture of D&B International (24.5%), D&B South Asia Middle East (51%) and TransUnion (24.5%).

#### **History of the Founder Companies**

##### **Dun & Bradstreet (D&B)**

D&B (NYSE:DNB) is said to be a unique source of commercial information and insight on businesses, enabling companies to Decide with Confidence® for 167 years. It was founded in 1841 by Lewis Tappan, an enterprising businessman and great grand nephew of Ben Franklin, who began providing information to other merchants to assist them in their decision making. His mercantile agency, located in New York city, was one of the first organizations formed for the sole purpose of providing business information to customers. In 1849, Benjamin Douglass entered the business to foster expansion and expanded his network of offices by capitalizing on the improved transportation and communication of the time. The late 1800s and early 1900s

were years of expansion and intense competition. In 1859, Douglass turned over the agency to his brother-in-law, Robert Graham Dun. In 1865, Dun invested \$15,000 in the company's first print shop to begin publishing Dun reference book every 6 months. In 1874, the mercantile agency placed the first commercial order for 100 typewriters, enabling them to prepare credit reports on carbon paper, sending one copy to customers. The rival John M. Bradstreet Company was founded in Cincinnati, Ohio in 1849. Two years later, the Bradstreet organization popularized the use of credit ratings with publication of the first book of commercial ratings.

*The Historic Merger of Dun and Bradstreet:* As America entered the 1930s, R.G. Dun's CEO Arthur Whiteside engineered a merger with its rival The Bradstreet Company to form Dun and Bradstreet in 1933. Previously both the companies sold 'products'. In contrast to this, Whiteside increasingly emphasized 'service'. He led D&B out of the depression and into the information Age.

*Presidents of USA as Employees:* D&B has a unique distinction of having four of the presidents of the country working as their employees at some point in time in their professional careers. In the 1840s Abraham Lincoln joined the mercantile agency as a credit correspondent. Three other presidents also served as correspondents which includes Ulysses S. Grant, Grover Cleveland and William B. McKinley.

*Growth and Expansion:* During the 1960s and 1970s, the company witnessed explosive growth. Whiteside's successor, J. Wilson Newman, continued the path of expansion by taking risks and increasing its range of products and services. Overall, D&B expanded dramatically during the 1960's by engineering ways to apply new technologies to evolving operations. One of the major initiatives was the introduction of the Data Universal Numbering System (D-U-N-S) in 1962 to identify businesses numerically. D&B D-U-N-S number has become a standard business identifier for world's most influential standards-setting organizations (ANSI, UN/EDIFACT, ISO) and by more than 50 global industry and trade associations, as well as the United Nations, the European Commission and the U.S. Government.

The first computerized database publication was done in 1965 and the first computer generated credit report in 1972.

However, this rapid growth through acquisition resulted in a lack of focus and resulted in a series of divestitures in the 1990s such as:

- ◆ 1991 – Donnelly Marketing was sold
- ◆ 1996 – IMS was spun off as Cognizant
- ◆ 1996 – A C Nielsen was spun off
- ◆ 1998 – R H Donnelly was spun off
- ◆ 2000 – Moody's Investors Service Inc. was spun off

In 1999, following an earnings debacle, D&B emerged as a new company. In the year 2000, under new management, D&B launched an ambitious new plan called the Blueprint for Growth – a strategy designed to transform itself into a growth company with an important presence on the web. A complete focus was created on 'financial flexibility' and 'winning culture' and D&B reinvented itself as the company known today.

*D&B's Global Footprint:* Some of the demographics of D&B's global footprint are:

- ❖ Over 190 countries
- ❖ 181 currencies
- ❖ 82 languages/dialects
- ❖ Over 4,700 employees
- ❖ Commercial database containing more than 130 million business records and considered as the world's largest and most comprehensive database
- ❖ Ranked No.1 by America's Most Admired Companies 2007 and 2008 by Fortune

*Expansion in the Middle East and India:* Dun & Bradstreet South Asia Middle East Ltd. (DBSAME) was launched on 21st September 2004 and is a joint venture between D&B and a consortium of strategic investors from the Middle East. It covers the Middle East which includes Bahrain, UAE, Oman, Saudi Arabia, Qatar, Kuwait, Iran, Iraq, Jordan, Syria, Lebanon and Yemen and also covers South Asia which includes India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan and The Maldives through its subsidiary Dun & Bradstreet Information Services India Pvt. Ltd. (DB India). D&B's Indian operations started in 1995 under D&B Corporate with offices in Mumbai, Delhi, Chennai, Bangalore, Kolkata, Hyderabad and Ahmedabad.

### **TransUnion**

TransUnion (founded in 1968) is in the business of credit and information management. For more than 30 years, TransUnion has worked with businesses and consumers to gather, analyze, and deliver the critical information needed to build strong economies throughout the world.

*Growth and Expansion at TransUnion:* In the 1960's, TransUnion acquired the Credit Bureau of Cook County (CBCC) (Chicago), which manually maintained 3.6 million card files in 400 seven-drawer cabinets. Using its technical expertise, TransUnion replaced manual accounts receivable data with automated tape-to-disc transfer, introduced the first online information storage and retrieval data-processing system which provided credit grantors across the country with one source for consumer credit information. In 1970s and 1980s TransUnion expanded from a local credit reporting agency purchased by its parent holding company to one of 3 major nationwide consumer credit reporting agencies and continued to expand facilities and capabilities through investments in technology and strategic growth initiatives and acquisitions. In 1988, TransUnion achieved full coverage in the US maintaining and updating information on virtually every market-active consumer in the country. Through the 1990s, TransUnion expanded operations beyond credit reporting, into the fields of real estate, analytics and decisioning. In 2002 TransUnion entered the direct-to-consumer market with the acquisition of TrueCredit.com which helps millions of consumers protect and improve their credit through easy-to-use online services.

Since 2001, TransUnion has been active in the Indian marketplace as the technical partner and a shareholder in CIBIL, the only credit bureau in India. Customers now have available the TransUnion CIBIL score which, similar to a credit score, gives lenders a prediction of their likelihood of default.

### ***D&B TransUnion ADC – A Unique Odyssey***

The genesis of this combination was in the year 2005 as a captive unit for D&B South Asia & Middle East providing solutions for emerging markets in the African and Middle Eastern regions. In a matter of 3 years the organization states to have made great strides in technology and analytics with a global clientele base. The global initiatives of joint ventures with D&B International and TransUnion have strongly underscored the company's value as a niche player and potential as new market creators.

### ***D&B TransUnion ADC – Vision, Mission & Values***

The company has made its vision and mission statements, stated its core values and leadership tenets, and claims that it very conscientiously aspires to implement the same at all levels of its functioning.

The CEO has clearly defined the purpose of their business. He states, "*It is to add value to our customers. That value can be broadly categorized as improving the efficiencies of our customers' business, improving the customer service capabilities of our customers and enhancing the product quality of our customers. To us value means enhancing our customers' business parameters. To me this is the broad objective of our business.*"

(Personal interview on May 22, 2008)

*Vision:* “Empower businesses globally with comprehensive risk management solutions that transform risks to opportunities by integrating the best of breed in technology, predictive analytics and human capital.”

*Mission*

- ☐ Design and develop unique, cutting-edge technology components to automate and integrate enterprise business decision processes to assess, measure, manage and mitigate risks
- ☐ Turn 'information' into 'insight' using advanced computational, statistical and analytical techniques to provide customers with predictive results
- ☐ Combine D&B's global commercial insight with customer data to create richer models in risk, marketing and customer analytics
- ☐ Hire and deploy for our customers the best talent in the industry, supplementing with a strong organizational strategy to provide a continuous learning environment for our associates

*Core Values:* **ASCEND** encapsulates the essence of the company's core values. The company states that knowledge, attitude and values are the prime drivers of growing any business. The company anchors its success on individual performance blended with positive attitudes. ASCEND at D&B TransUnion ADC stands for:

Applaud intelligence, knowledge and commitment  
Simplicity in process, product development and communication  
Customer first, firm next  
Excellence in everything we do; no tolerance for mediocrity  
Nurture development of people and community  
Delivering without excuse, every time

*Leadership Tenets:* The company has 3 main leadership tenets. These are:

- ☞ Act with a sense of urgency
- ☞ Demonstrate a passion for winning
- ☞ Raise the level of collaborative process

***D&B TransUnion ADC – Products, Services and Solutions***

The company provides services in 3 major areas: Analytics, consulting and technology. According to the company's pronouncements, the analytics solutions take the guesswork out of decision making. They analyze historical and current data using advanced computational, statistical and analytical techniques to create predictions of future behavior, preferences and needs while curtailing risk. The consulting practice consists of bureau consulting, risk consulting, data consulting and the trade registry solution. Consulting initiatives start with analysis to understand data and processes. This analysis is mapped to the business needs of the customers to develop a focused strategy that links action to return on investments (ROI). The technology practice was established to leverage and further support the intellectual property rights (IPR)-driven product development, data analytics and risk management initiatives and can be broadly categorized into professional services and products.

***D&B TransUnion ADC – Quality Policy***

The company states its quality policy as follows:

D&BTUADC is committed to deliver distinctive, enduring and substantial value to its customers with high quality products and services, on time every time, by integrating the best of people, process and technology.

- ⇒ Providing cost-effective solutions on time
- ⇒ Continuous process improvement

- ⇒ Incorporation of new technologies
- ⇒ Sustained employee engagement
- ⇒ Rigorous certification procedures for:
  - Product releases in all aspects of quality such as functional, technical, usability and navigation and performance.
  - Project deliverables to internal and/or external clients in all aspects of quality such as functional, technical, usability and navigation, performance and customer-specific customization/requirements, if any.

#### **D&B TransUnion ADC – Key Aspects of Rapid Growth and Critical Success Factors**

The company identifies the following initiatives as the key aspects which have helped it grow to the size, volume and market penetration that the company has reached in a matter of just about 3 years.

- ❖ Transition from a verticals focused organization to a centers of excellence-driven business center. The centers of excellence have been established in four major areas which include financial infrastructure and credit bureau, risk management practice, analytics and scoring and data management.
- ❖ Leveraging of global brand value of D&B and TransUnion coupled with nimble and flexible organizational structure
- ❖ Unique cross-sell strategy across vertical-wise product lines
- ❖ Sustained development of a talented workforce
- ❖ Repeatability of key product features implementations across client base network
- ❖ Solution framework for productisation of customer inputs by co-creating the products
- ❖ Technology enabled product development of custom analytics solutions

There are a number of critical success factors which are responsible in making the company achieve the desired growth even in the difficult times that the industry and the economy is passing through. These have been highlighted by the CEO of D&BTUADC with respect to their organization and include:

- ✧ Integrating the objectives of the shareholders and customers with what the employees are doing
- ✧ The ability of the CEO in attracting and commanding respect, trust and loyalty from other leaders in the organization
- ✧ The ability of the CEO in practicing what is preached as the company philosophy
- ✧ The ability to deliver value when the margins are shrinking in the industry
- ✧ The ability to retain talent in the organization

(Based on the personal interview with the CEO on May 22, 2008)

#### **D&B TransUnion ADC – Key Achievements and Milestones**

In a matter of three years, the company has achieved considerable success. Notable among these are:

- ▲ Successful appraisal at CMMi Level 3 within a year of incorporation
- ▲ Successful completion of TransUnion security assessment for restricted data and confidential data
- ▲ Creation of cutting edge IPRs across verticals while expanding the existing resource strength and increasing leadership bandwidth
- ▲ Key customer wins in the domain of credit bureaus, risk management, technology, data management and analytics
- ▲ Building up of state-of-the-art infrastructure and secure, robust and scalable production ready data center with capability to host customer data

## OBJECTIVE OF THE CASE STUDY

The main objective of this case study is to highlight the customer and employee-related practices of Dun & Bradstreet TransUnion Analytic and Decision Services Pvt. Ltd. (While the term 'stakeholder' includes many others such as the shareholders, government, society, suppliers, dealers, natural environment and even the competitors; the study of these is beyond the scope of this paper.)

## METHODOLOGY OF THE CASE STUDY

The case study data have been collected based on personal interaction by the authors with top executives of the company and based on the following five parameters:

- i. Needs** – The needs/expectations that the customers and employees have from the company
- ii. Constraints** – The constraints/challenges faced by the company in order to fulfill the needs/expectations of the customers and employees
- iii. Alterables** – The alterables/best practices undertaken by the company in order to satisfy the needs of the customers and employees or to overcome the challenges/constraints that exist with respect to them
- iv. Strengths** – The strengths possessed by the company with respect to the customers and employees
- v. Areas of Improvement** – The areas where the company needs to improve with respect to the customers and employees

The parameters of needs, constraints and alterables as stated above are based on the social systems engineering tools as proposed by Sage (1977) and Warfield (1976).

The top executives interviewed by the authors include:

<b>S. No.</b>	<b>Designation</b> (As on the date of the interview)	<b>Date of Interview</b>	<b>Type of Interview</b>
1.	CEO and Head, HR	22.05.2008	Personal
2.	Leader (Consulting)	22.05.2008	Personal
3.	Senior Manager	22.05.2008	Personal
4.	Delivery Manager	22.05.2008	Personal
5.	Manager (Finance)	22.05.2008	Personal
6.	Senior Business Analyst and CSR Programme Manager	22.05.2008	Personal

Each of the above mentioned interviews lasted for about 45-75 minutes and was based on a semi-structured question schedule separately prepared for the company head and functional executives. Two separate interviews were conducted for the CEO. One in his capacity as the CEO of the Company and the other as the head of the HR function for the company. Whenever he has spoken as the Head, HR, his designation has been stated so.

The authors are glad to mention that after the completion of the case writing a copy of the same was given to the CEO and he expressed his satisfaction on the same. A few suggestions on some factual corrections were made and these were appropriately incorporated.

## CUSTOMER STAKEHOLDER

### *Introduction*

The company has transitioned from a verticals-focused organization to a 'centers of excellence' driven business center. These have been established in four major areas which include financial infrastructure and credit bureau, risk management practice, analytics and scoring and data management. Their services and solutions cater to diverse industries such as banking and financial institutions, credit bureaus, telecommunications, automotive, CPG, insurance, logistics, retail, technology, travel, and government and regulatory institutions. Their customer base spans multiple regions including the USA, Canada, Mexico, Europe, Africa, the Middle East, South Asia, Japan and China.

In such a scenario where the company caters to a very vast and diverse set of customers spread across 11 industry categories and more than nine geographical regions, the company has to cater to a very varied set of needs which these customers may have. Also, the company would have to face a lot of challenges or work under number of constraints in order to satisfy the needs of the customers. A number of alterables and activity sets would be used by them to overcome the challenges and constraints and satisfy these needs of the customers.

Based on the actual discussion with the CEO and Head, HR and 3 other company executives including Leader (Consulting), Senior Manager and Delivery Manager in Analytics, a detailed list of the each of these needs-constraints-alterables, strengths and areas of improvement with respect to the customer stakeholder has been collated.

### **Needs**

Across the diverse set of customers that the company deals with, the common needs include:

First and most important need of customers would be the functional design of the solution/product. The product and service should be as expected by the customers.

The other needs include:

- ◆ **Differentiation** – What the customers get from the company must be better than the competitors' offering. Not only should the offering be different but also should be a superior value proposition.
- ◆ **Post-sales interaction, support and training of the users** of the solution is another important need that customers have.
- ◆ **Transparency** required in the process of delivering the products/solutions is also a critical need of customers.
- ◆ **Customer delight, quality, cost-effectiveness and reliability** are among the other generic needs which all customers expect from an organization in this industry category and apply to this organization as well.

### **Constraints/Challenges**

◆ The challenges of dealing with customers from such diverse industry and geographic backgrounds and the constraints to be overcome in order to satisfy the customers' needs are significant. The major among these are **time and experience**. Though the customers have dealt with D&B and TransUnion for years, they have not dealt with these companies in the form and in the line of businesses that the company is now dealing in. And as the Head, HR puts it, *"It's like Colgate manufacturing cars. While branding and trust is there, we have to build the credibility on our own. And this takes time and experience which is a major challenge"* (Personal Interview on May 22, 2008). About time being a major constraint, the Leader (Consulting) states, *"Sometimes the customers give unreasonably short times to deliver. They take a lot of time to take a decision, but once they take a decision, they want everything to be done overnight."* (Personal Interview on May 22, 2008)

- ◆ The other drawback which exists is **lack of specification**/definition of what the product is or should be.
- ◆ **Lack of clarity of scope of the project** is yet another drawback. The Delivery Manager and Senior Manager in Analytics state, *“There is a need to be clear about what lies in scope and what is out of scope. This also affects reliability, because as the scope goes on subjectively increasing, the product has to be pushed in the given time lines and thus reliability also gets compromised sometimes. This is a constraint”* (Personal Interview on May 22, 2008).
- ◆ This being a specialized field, sometimes, **the customers’ knowledge is limited**. So a lot of explaining has to be done.

Thus, a number of challenges exist, many of which are intra-organizational. This is quite natural as the company is just three years old and many of the systems and procedures would take time to be put into place. Also, a significant number of challenges are with respect to the customers and their limited understanding and unlimited expectations. This is also unique to the company because it is providing very unique inter-disciplinary offerings which need very specialized knowledge. Hence the time taken and efforts made to communicate the same to the customers and reason out with them the details is a major issue.

#### ***Alterables/Best Practices***

While it’s possible to overcome some of these constraints and challenges from the company’s side, some others which are limitations at the customers’ end are perhaps more difficult to overcome. Yet, the company is making a modest attempt at overcoming them through a number of alterables and activity sets. The executives of the company have provided lot of insights into these. These are:

➤ **Product development** – The Head, HR states, *“We are not a pure placed services company. We invest a lot in product development and the benefit of this is passed directly to our customers. The customer gets benefit many times because of this constant investment in innovation from our side. Whether the customer pays for it or not, he has the benefit of getting the solution from a company that is constantly investing in improving its own products. What they are buying from us is not a product or a service but partnership and expertise”* (Personal Interview on May 22, 2008).

Confessing that the company has been a little marketing shy, the Head, HR further adds, *“We are now drawing action plans of communicating to the customer the extra value that we are adding which usually gets lost in a larger noise when the customer deals with a 100 vendors.”*

The company also wants to develop a marketing function that can perform internal branding for the employees as well as carry stories of the value added to the customers through newsletters and web-based campaigns.

➤ **Proactive communication** with the customers in case of any delays in delivery or for any quality issues is very essential. Since the work is very client specific and subjective, there cannot be any specific mechanised processes for that. Regular communication would help in giving clarity regarding the scope and the exact definition of the project. However, the company has something called as the **‘terms of reference’** for a solution or a product. This contains the requirements of the customers. It is a legal document which is signed by the customer. They also have **‘request for proposal’ (RFP)** or **‘request for information’ (RFI)**. All customers’ requirements are highlighted in the RFP/RFI. This document is released first. Then, at the time of signing the contract, the terms of reference are released by the customer. It is the final document. All these procedures help in aligning the expectations of the customers with the deliverables of the company right in the beginning.



The company has a very **high service orientation** as regards the customers. Detailing this service orientation of the company, the CEO mentions:

*“Our customers must know as to how their projects are being done. They must have a sense of participation in the work and a sense of collaboration. So the platform that we use to monitor our projects is also available to our customers. Thus, they also know as to how the project is going on vis-a-vis the project plan and who are the people working on the projects. Sometimes we go to the extent of interviewing and choosing some of the candidates. We have employed some of the practices that customers want such as doing some background checks and checking the profile of the candidates. So our promise to our customers is manifested in our practice of sharing all our information with the customers.”*

(Personal Interview on May 22, 2008)

➤ **Learning curve** – To overcome the problem of very short time spans given by the customer, the company recruits more people and puts them on the learning curve. Highlighting one more alterable to this constraint, the Leader (Consulting) states, *“We interact with the customer and explain to him how the project is unlikely to be completed in the short span of time. We reason out with them. Sometimes they accept. Most of the time they don’t”* (Personal Interview on May 22, 2008).

To overcome the problem of lack of understanding by the customer, the only solution is to discuss it out with the customers. The Leader (Consulting) admits, *“Either they have to accept what we say or we have to accept what they say.”* This interaction with the customers can be done through conference calls, emails or by meeting the customers in their office. This needs to be done till the complex problem is broken into a number of smaller problems and solved.

➤ **Continued transparency with the customers** is yet another practice which the company has been implementing. The CEO shares:

*“As we sign deals with customers, we tell them upfront that these are the things available to you. You are free to travel here and see the team working for your project for yourself. You can log in anytime and see. The escalation process, the service level agreements are all systematized now. As far as the customers are concerned, we are an open book. We don’t say, give us the contract and for the next three months don’t ask us anything, we’ll come back with the product. As we move from the contract signing stage to post implementation, we are very customer-focused because the customers have the opportunity to participate with us in every activity. We do this also because of self-interest because we believe that our investment can significantly go down in terms of learning when customer participates in the process. Some of our products have got so enriched because the customer has taken so much interest in developing that product. We have learnt a lot from our customers.”*

Some of the other alterables exercised in order to overcome the constraints and satisfy the needs of the customers highlighted earlier include:

- ⇒ **Process and project reviews** which helps in delivering the expected product / solution.
- ⇒ Maintaining **time discipline** which is the key to meeting deadlines.
- ⇒ Preparing reports, presentation material, prototypes for usage by the clients.
- ⇒ **Change management**
- ⇒ **Learning and development**

#### **Organizational Strengths with Respect to the Customers**

Each organization has its own strengths which gives it an edge over its competitors. This company considers as its main strengths:

- ★ **D&B knowledge** – Certain kind of key knowledge which is unique to the organization and which nobody else has.
- ★ **Monopoly situation** – Their parent company doesn’t have a competitor in its own core area of work. So it’s a monopoly situation for them.

★ **Cost-effective products** – If a comparison of the knowledge to cost ratio is done, then the company is perhaps better off than its competitors.

★ **Flexibility** – The company follows an approach of flexibility towards the customers.

#### **Organizational Areas of Improvement with Respect to the Customers**

The company has identified the following as areas of improvement for itself in the near future:

- ⊗ Defining the scope of the project clearly
- ⊗ Ample scope in improving the quality of the final product
- ⊗ Well structured terms of reference

Highlighting the importance of well structured terms of reference, the Leader (Consulting) says, *“Without them, there is a lot of misinterpretation by the customers. Their interpretation of what is written in the terms of reference may be different from our interpretation. This leads to a lot of time over run and avoidable conflict. So the structuring of the terms should be strengthened. The customer must be told what is in scope and out of scope of the project. We must be very precise”* (Personal Interview on May 22, 2008).

### **EMPLOYEE STAKEHOLDER**

#### **Introduction**

The company’s employee strength is 343 (as on April 8, 2010) with thousands of man years experience as the business expands across the world. Stating the uniqueness of the organization with respect to its employees the CEO observes:

*“We have a growing employee base which is very diverse. We are a start up company which is growing very rapidly. We are very entrepreneurial and we also want to be predictable as regards our results. So it is very important that while we continue to deliver our promise to our associates of all the advantages of a small nimble entrepreneurial setup, we also give them the tools and comforts of a large company. Hence there is a need to strike the right balance. From an HR perspective, there is a strong need to define the culture. We have defined the culture, but there is a necessity to institutionalize the culture and the processes that allows them creative freedom and at the same time helps govern a lot of things. So for associates as stakeholders, we have a very important deliverable to them.”*

(Personal Interview on May 22, 2008)

Based on the actual discussion with five company executives including Leader (Consulting), Manager (Finance), Senior Manager and Delivery Manager in Analytics and Head, HR, a detailed list of the needs-constraints-alterables, strengths and areas of improvement with respect to the employee stakeholder has been collated.

#### **Needs**

There are some usual needs which employees in this industry look forward to. The profile of employees in a knowledge industry is different from that of others. There is a need to focus on those needs which the type of people the Company wants to attract and retain have. Some of these are:

- ⊕ **Differentiation in terms of work content** – The Head, HR feels, *“A software engineer in our organization must be able to discern the richer content of work and the differentiated approach to software development than what he would get in a typical IT services company. Thus differentiation is the key. To make the employees realize this, is also tied with the managers’ goals as well, because that is the key to retention and also for engaging the employee more productively than he is capable of”* (Personal Interview on May 22, 2008).
- ⊕ **Growth opportunities** – The fact that it’s a startup company as well as a global brand must give the employees the best of both the worlds. For a potential employee this combination is a huge attraction and the company would want to build up on this attraction.
- ⊕ **Rewards and recognition** – In today’s times, the general belief in the corporate world, which the company also believes in, is that people should not be made to wait for getting

rewarded and recognized and when they are actually rewarded or recognized, everyone should know about it. As a result, everyone will believe in meritocracy being practiced and that too visibly.

- ◆ **Hygiene factors** – The basic hygiene factors which are necessary for every organization to satisfy include the employees' expectation that their **pay package should be above the market rate**. Also, the current generation of managers want **job variety**, want a **stress-free work environment**, and **work life balance** where they can enjoy the flexibility of going and coming at their convenience.
- ◆ **Professional satisfaction** – Among the needs which would give them professional satisfaction is the desire for acquiring **functional domain expertise**. Also, employees want to have a say in the final design and decision. They would want to be physically involved and would want their ideas to be considered in the final design. They would also want a well-designed **career path** for their own professional growth. They feel the need to have **long-term value creation** for themselves.

Thus it is seen that there are three sets of needs which have been identified here, the basic hygiene factors, the professional satisfaction related needs and also certain other specific needs which are essential to be fulfilled if the company wants to attract specialized talent in this industry category.

#### ***Constraints/Challenges***

Satisfying such diverse needs of employees in an industry where attrition is at a very high level is quite a challenging task. There are a number of constraints which have to be taken into consideration. The discussions with five senior executives of the company gave an insight into some of these.

It's the dream of any HR head to have a strong, committed and passionate set of leaders within the organization who would be role models for others. Highlighting his opinion on this, the Head, *HR expresses*, "*There is need to build a strong and passionate team of leaders who will practice the organizational goals themselves, drum beat these to all employees day in and day out and help the employees practice them. This takes time and also there are trials and errors. This is a major challenge*" (Personal Interview on May 22, 2008).

There is also an arduous task of increasing the sensitivity of employees regarding the need to respect and practice the company policies in letter and spirit. The corollary to this is the need to amplify the organizational policies and procedures in a suitable manner. Lack of this is a major constraint for their successful implementation. These would mainly constitute the **administrative constraints**.

Among the **work related constraints** is the issue that employees dislike repetitive jobs and find it very difficult to meet work-related deadlines. This has a direct impact on their work and performance. Also, in a specialized industry like this one, possession of certain skill sets is very crucial. Unfortunately, **skills sets are limited**. Employees come from diverse backgrounds and hence all of them are not able to pick up their tasks very quickly. As stated by one of the company executives, most employees in the company are from the banking domain, whereas the risk management domain requires some understanding of the basic concepts and the lack of it is a major constraint.

Also, **managers are risk averse** to try something new. They are highly oriented toward what is already practiced and want to stick to the time tested solutions. This is also a major constraint.

#### ***Alterables/Best Practices***

The company has been able to initiate and implement with reasonable success certain practices to satisfy the very specific needs of the employees and overcome the major

constraints and challenges faced by them. There are a number of policies and practices in the company that symbolize meritocracy, unprecedented growth, differentiation, etc. The company has managed to stay at the top end of their niche right since its inception and does not take the low level of IT services work. As highlighted by one of the company executives, the employees are happy about this trend.

➤ Among the many initiatives that exist, two initiatives **institutionalize differentiation** in the organization. These are:

**i. Unikod (Annual Technology Event)** – Every year on 30th June, for the whole day, the whole company goes off site and discusses innovative product ideas. It is a serious fun-filled day. In 2008, the theme for this event was *'Productivity, Performance and Portability'*. In 2007, the theme was *'Intelligence, Interface and Infrastructure'*. The first Unikod theme in 2006 was *'Creating a Technology Mission and Identifying Areas of Technology Platforms'*. The event is a combination of dreams and ideas which become realities over the course of the year. The company's approach is that the top six ideas identified during the event are financed by the organization for that group of employees. This practice is inspired from Google's example where 20% of time and resources are spent for employees' pet projects. This is the company's idea of innovating and allowing the employees to define their areas of innovation. However, this innovation has to be in the business context.

**ii. D&B Learn – The Internal University** – The company has a dedicated faculty for this, drawn both from within and outside. There are regular on-going programs and employees are free to identify the courses that they want to learn. Courses specific to the company's business offerings and domain are offered. There are lectures, classes and full-fledged courses. For e.g. a full course on risk management and project management was conducted for interested employees. The courses are for duration of about six months at the end of which there is an examination and certification of having successfully finished the course. Everyday, the employee is given some time off to go and attend the classes. The environment of learning which aids this differentiated job content is emphasized. This initiative also optimizes on cross-functional learning. However, the company is desirous of developing and focusing more on this area. The interesting aspect is that some of the customers have started using D&B Learn. They are so impressed by this initiative of the company that they have sent their staff for certification to the company, only after which they can implement the software given to them by D&BTADC.

➤ The company has a slew of **rewards and recognitions to encourage meritocracy**. Major among these are:

**a. Spark – The CEO's Award** – There is no quota or precedent to it. It identifies any extraordinary contribution which has impacted the business. The CEO encourages all employees to bring it to his notice. Through this award, the company recognizes the fact that beyond his/her role, the employee has contributed to and made a significant impact on the business. Till date, about 20 Spark Awards have been awarded. It's the highest award that this company recognizes. It has huge benefits and once an employee is in the Spark Club (s) he or she has a fast-track career. These employees are evaluated much more rapidly, growth opportunities are higher and they are considered for higher positioning internally before the company starts recruiting from outside.

**b. Spot Recognition Awards** – Regardless of the management hierarchy, anyone who manages someone else is empowered to give spot recognition awards like gift vouchers, books, etc. These are mainly to encourage the display of commitment, ownership, dependability, team spirit, initiative and leadership. These awards are made very visible and are institutionalized. The employees of the company know that there is this culture of instantaneous rewards and also why someone has been rewarded. The Head, HR feels that such initiatives have a positive impact on the team and the organization and leads to a very vibrant culture of recognition wherein the employees feel that they are being rewarded and recognized for their efforts.

Other awards include (based on the documents provided by the CEO's office at Chennai):

- c. **STAR Club** which aims at motivating and sustaining high performance among top performers within the company.
- d. **Individual and Team Appreciation Award**
- e. **Service Appreciation Program** which is to recognize continuity of service, promote loyalty, retention bonus payout and personalized note of appreciation on service anniversaries
- f. Organization Achievement Program for celebrating milestones
- **The Talent Management and Retention Strategy** involves:
  - o Building of a young and talented team with good breed of engineers, managers and doctorates
  - o Performance-based career growth options for all
  - o Process driven methodology including enterprise wide workflow driven tools for support and internal functions

Certain alterables available to satisfy **administration-related needs** and constraints include publishing policies wherever there is a lack of them so that it is in the public domain and people can understand it. Also, when there are any sensitive issues relating to the employees, there is a need to inform the support team members so that singularly no one can be blamed.

In order to improve the **job satisfaction and employees' work-related needs** a number of initiatives have been undertaken by the company. Some of these include:

- **The Induction Program** which consists of:
  - o Corporate induction called 'Discover and Begin'
  - o Project specific on-the-job induction
- **Individual Development Plan** which consists of an annual training calendar customized on an individual employee's role and responsibilities through a gap analysis
- A weekly **rRisk Management Practice** called 'Market Watch' in which a presentation (30-40 minutes) is made by an employee (by rotation) about the latest developments in the field, in the market or any event which has taken place. The topic is announced a few days in advance. Sometimes external experts are invited for the lectures.
- A lot of material from the public domain is also shared with the employees, e.g. working papers from university websites, material built by the company in-house, etc. The employees are also encouraged for discussions to clarify their doubts.
- Before the commencement of any project, the project leader makes a detailed presentation on the project, its nature, the solution to be provided to the client, the modules of the project and other details. Due to this, any need for change is identified and addressed. Presentations are made by each of the members of a team on specific aspects of their work/project.
- The company makes a realistic assessment of the customers' needs and the employees' time and tries to maintain the employees' **work-life balance**. The company tries to commit only realistic things. When the employees have been over stretched for a long period of time, they are given light work over the subsequent week or if they have worked till very late at night on a particular occasion, then they are permitted to come late the next morning.
- Job/role rotation is also encouraged within the organization.

The CEO also focuses on **organizational values inculcation** for all the employees.

#### **Organizational Strengths with Respect to the Employee**

**Entrepreneurial approach to work** and the **ability and willingness to take risks** and go beyond the mandate at all levels are two very important strengths of the company with respect to the employees. Other strengths include **passion and brand name**. The company has very **glamorous job profiles** as it's an emerging area and the intellectual property rights solutions provided by them are unique. Some amount of glamour is also attached to the work done in analytics or risk management. Another strength which the company has is the work exposure that the employees get and would continue to get in the future. It is also felt by the executives that the company also has the **right type of infrastructure**. As stated by the company executives, all the employees are from very good background and are very well aligned with the company goals.

Based on the observations of various company executives, it is seen that the company has the right people, the right software to use and all the essential traits of a big company and which will help it grow.

Highlighting the company's strengths, the Head, HR says:

*"Knowledge and skills are no longer differentiators. You can buy knowledge. But the combination of passion, entrepreneurial skill and risk taking ability will take us where we want to be. I would like these to be the defining criteria of employee selection going forward. We are trying to create a method to evaluate and give weightage to these aspects in different important roles"*

(Personal Interview on May 22, 2008).

Sharing one of the company's initial success stories, the Manager (Finance) reminisces:

*"We were able to demonstrate to TransUnion before they became a part of the owners that we can get the people of the right type, train them in no time and do the billable work and delight the ultimate customer. Because of this we have been able to grow and have got newer office space. The ability to respond to multi-million dollar contracts at this nascent stage of business has given huge fillip to all the employees. The ability to get the right resources to meet the customer requirements is success for us."*

(Personal Interview on May 22, 2008)

#### **Organizational Areas of Improvement with Respect to Employees**

The company organizes 2-day leadership training programs where common challenges, areas of improvement and also the behaviors needed to demonstrate (individually and collectively) to overcome those challenges are identified. These are listed with the sincere intention of putting them into practice. They are put in the annual goal sheets and tracked. With respect to the employees, the areas of improvement include the need for **acting with a sense of urgency** which is one of their leadership challenges and being more **service-oriented** which means looking at a deliverable more as a service to the customer and not just the completion of a task.

**Productivity improvement per employee** is yet another area of improvement. Productivity is a function with no maximum. So there could be a constant improvement in the productivity. This includes skill, knowledge, communication, inter-personal skills among many others.

#### **In the words of the Head, HR:**

*"We are a business which is a combination of four seemingly unrelated disciplines—risk, data, technology and analytics. Our success lies not just in executing these verticals business plans, but in creating new products in a permutations and combinations of these domains. Raising the level of our collaborative processes to come out with new products in these cross functional areas is very critical to our future strategy"*

(Personal Interview on May 22, 2008).

The Senior Manager and Delivery Manager from the Analytics section share an incident of an initial setback faced by the company.

*"This was when we were dealing with one of the biggest telecom giants in the country and we were relatively new in the market. We had promised a lot of things to the client in the initial stages. But over a period of time, we realized that we could not do the stated things to the level of accuracy and quality as we had promised. When this was communicated to them, they were quite unhappy and refused to listen to us regarding the constraints, the problems and the inherent data related limitations at our end. So we did go through some difficult months. But then, we had a very collaborative process and the client also changed the project manager from their end, who was quite uncooperative. Finally we concluded the project on the right note. We put in a lot of efforts from both the sides i.e. from the client's side and our side. In the end, we were able to finish the project at the desired outcome of both the parties"*

(Personal Interview on May 22, 2008).

## DISCUSSION

Based on the extant literature reviewed, it has been observed that there is a dearth of case studies detailing the stakeholders management practices of corporate organizations, especially in the Indian context. Such cases could act as guidelines for those organizations desirous of implementing such a holistic approach to business and its management and emulating noteworthy practices. This paper has attempted to highlight the customer and employee-related practices of an emerging organization in the ITES industry in India. The case study provides detailed information with respect to these organizational stakeholders. It also highlights the experiences of senior executives in dealing with these stakeholders based on their functional expertise. In accord with the increasing emphasis on 'story telling' in qualitative research, many anecdotes of the organizations' attempts at implementing stakeholders management and stakeholder welfare initiatives in the organization have also been included in the case. Along with the 'what, how, when and where' of the initiatives, the case also explores the 'why' i.e. the organizational philosophy behind such an approach to business management. The personal interviews undertaken as a part of the case writing endeavor facilitate the gaining of insights from the senior management of the organization, on many facets of stakeholders management and stakeholder welfare hitherto unexplored. Such case compilation focusing on stakeholder management and welfare-related initiatives is thus far not available for corporate organizations in India and is a unique contribution of this paper.

While the paper focuses on the organizational approach towards the two stakeholders (customers and employees) and the initiatives undertaken by the organization for them, it would be interesting to study the customers and employees' perceptions about the various initiatives undertaken by the organization for them. Their perceptions and feedback on each of these would prove to be very valuable for the organization and would complete the loop. However, this paper has not studied this aspect and hence, this is a limitation of this paper. Future research in this field can consider the study of the dual aspects of organizational approach and initiatives towards various stakeholders and the impressions and perceptions of the stakeholders towards such initiatives.

## CONCLUSION

By undertaking the above mentioned analysis (based on the needs, constraints, alterables, strengths and areas of improvement) greater visibility of the customer and employee-related issues of the organization can be highlighted for appropriate organization-wide and industry-specific interventions. This case is perhaps the first of its kind attempt to detail stakeholders-related practices of corporate organizations which will facilitate the emulation of the same by others in the industry and elsewhere.

While there is a general impression among academics and the corporate world alike that large organizations with sufficient financial and human resources alone can focus on stakeholders management and welfare initiatives; this organization, in its relatively limited time span of about five years in India, has done reasonably good work in this field. This could act as a good reference point for other organizations desirous of undertaking such initiatives for their stakeholders in the initial years of their formation and existence. It could be stated that what is important is intent and not the quantum of work alone.

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