The logo for WACE (Western Australian Certificate of Education) features the letters 'W', 'A', and 'C' in a stylized, blocky font. The 'W' is orange, the 'A' is blue, and the 'C' is orange. A horizontal blue line runs through the middle of the letters.

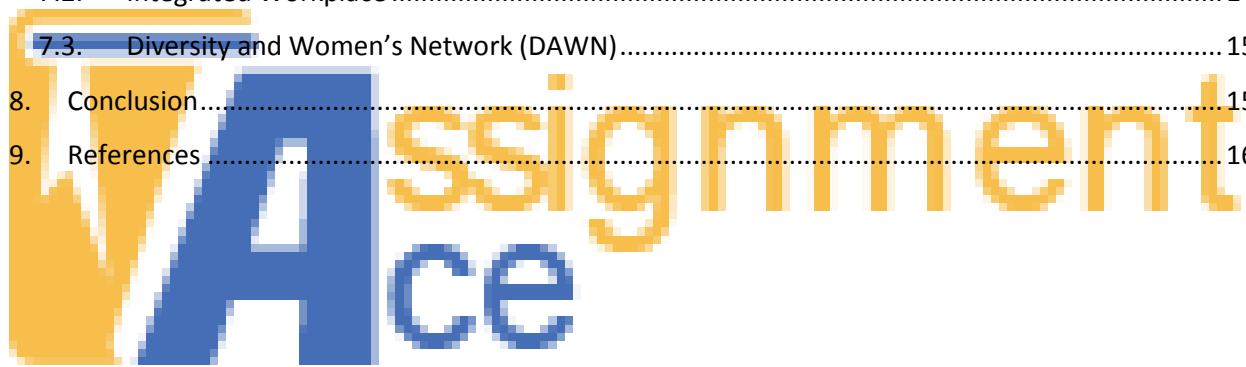
Global Management
Study of TCS
Assignment

Executive Summary

Managing business in the global perspective has become a challenge for multinational organizations due to increase in the competition level, economic uncertainties, ever changing market behavior and resource utilization. Way of doing business has dramatically changed from traditional to technology driven methods. Today, technology has gained the foremost position that is affecting business strategies and management decisions related to managing global market. Information sharing, human resource, cultural differences, data security and government intervene are recognized as the major challenges for multinational companies to manage business effectively in the global perspective. This study emphasizes on highlighting ways adopted by TCS to improve its global performance and managing global operational activities. Cultural diversity is one of the most important challenges for global management strategies that must be encountered by multinational organizations through successfully implementing training and development programs. This study highlights how TCS has given focus on dealing with cultural diversity to manage global challenges of cultural differences of language and gender. In addition, study investigates the products that have been widely accepted by global clients as part of their productivity improvement strategies.

Table of Contents

Executive Summary.....	2
1. Introduction	4
2. About The Company	5
2.1. TCS Global Presence.....	6
3. Serving as Ethical Paradigm to Sustain Global Corporate Governance	8
4. Global Demand for TCS BaNCS in Banking Sector.....	9
5. Global Network Delivery Model™- Unique Global Engagement Model by TCS	11
5.1. Benefits to Finance and Administration Process	12
6. Global Alliances to Build Strong Global Image.....	12
7. Managing Culture as part of Global Management-Rich cultural diversity @TCS.....	13
7.1. Internationalism as Global Expansion.....	14
7.2. Integrated Workplace	14
7.3. Diversity and Women’s Network (DAWN).....	15
8. Conclusion.....	15
9. References	16



1. Introduction

Expansion of business in the global environment creates numerous opportunities however increasing complexities have resulted adversely for multinational organizations to experience increased costs, delay in production or delivery, low productivity and custom issues. Such problems have become vital for global business management that directly affects productivity, market value and financial performance of multinational corporations (Dicken, 2010). With adverse results of multinational companies, economic growth of the nation also declines.

Hill (2010) has stated that for multinational organizations it is essential to identify challenges and respond to assure maximum efficiency, improved performance and gain in the intense competitive marketplace as part of global business strategies. In order to minimize global challenges, firms are strongly focusing on making international strategic partnerships with global organizations. Along with the globalization and technology advancements, this trend has risen exponentially in the past couple of decades. Global strategic alliance is viewed as a method to handle global complexities and utilize resources available. Managing global business has key objectives to develop demand for products or services in international market, offering low cost resources and technology edge to accelerate global operational activities (House et al, 2004). As part of risk management within an organization, proper attention on such challenges and implementing adequate strategies help to reduce global risks.

There is a need for improving business agility by High Tech organizations to respond against technological obsolescence and accelerating global growth (Peng and Mile, 2009). Tata Consultancy Services has been listed among industry leaders offering IT services, consulting and business solutions on both domestic as well as global platform. Company is globally recognized for its excellence in software development, IT solutions, IT infrastructure & engineering and various other technology services. TCS has global footprints with operations at different geographical locations.

TCS provides high end technology solutions to address global industry challenges related to productivity improvement and manage operational activities. In order to overcome global

challenges, company is heavily focused on quality delivery, unique IT products, better business consulting and business process outsourcing. As part of its global management strategy, TCS makes alliance and partnerships with leading global players. Offering cutting edge technologies, storage optimization, CRM/ERPs, system engineering services etc became possible through dedicated innovation labs and the Tata Research Development and Design Center (TRDDC) for TCS in order to manage global risks and business operations.

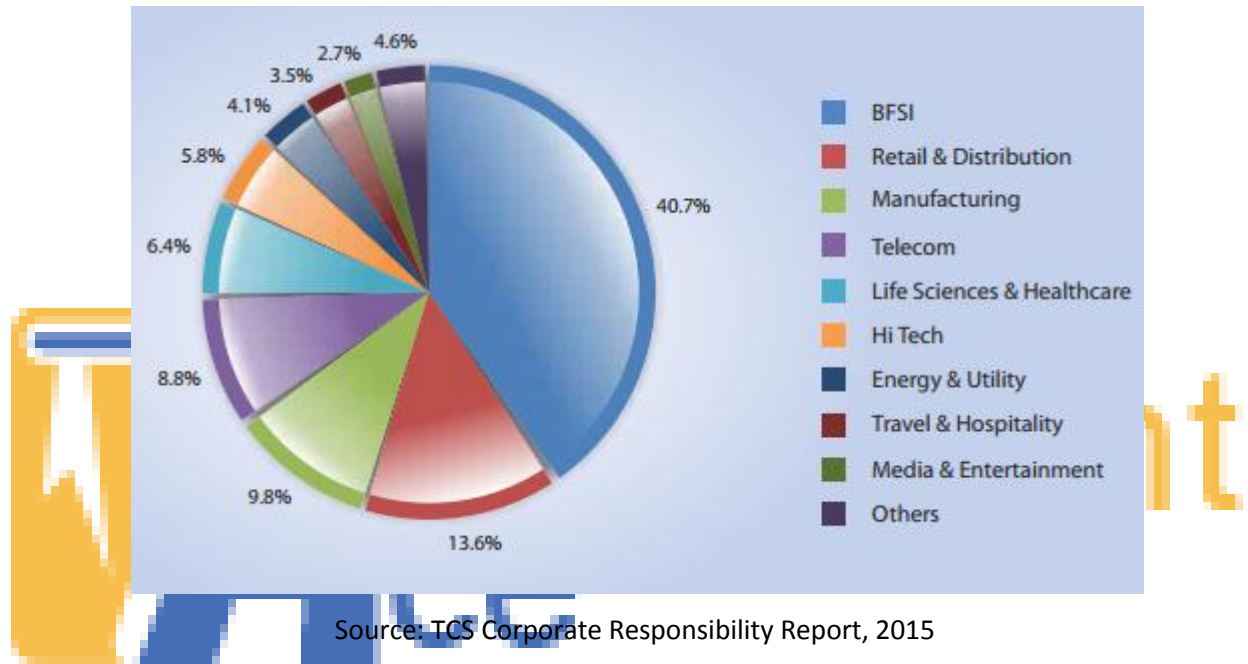
This paper investigates how TCS has been successful in identifying and managing global challenges. It also details what are the high tech solutions by TCS to serve solutions for global challenges for banking risk management, lowering cost, productivity management and other business to business demands in the global market. This study is aimed to offer understanding how TCS has managed to maintain its global demand by offering high end technology services.

2. About The Company

TCS was founded as part of Tata Group in 1968 headquartered in Mumbai, India. It is a public limited company that is listed on the NSE and BSE in India. Domestic and global management policies, strategic alliances, product or service deliveries in the global market and optimized resource utilization have resulted to report revenue of USD 15.45 billion for FY 2015 (CSR Report, 2015). Increasing market value and ability to leverage resources available have created a global reputation for TCS that helps its customers to provide best high tech solutions and support in making smoother business operations. TCS is always committed to enable its customers achieve business objectives through implementing innovative technologies at workplace ensuing better productivity, cost savings, and thus improved business performance. TCS has gained global image for its developed values that consists of leadership with trust, excellence, integrity and respect for all. As a market leader in IT and ITES industry, TCS offers business consulting solutions to business-to-business as well as business-to-customer level organizations in the global platform. Company's product or service portfolio include software development, application development, testing, business intelligence, engineering solutions, enterprise solutions, business process outsourcing and various other IT services (CSR Report, 2015). Over

the recent years, TCS has given focus on offering social computing, cloud, big data and mobility services considering these important and highly demanding in the global business perspectives. TCS has been serving majorly to Banking & Financial sector and retail & distribution with 40.7% and 13.6% revenues respectively (CSR Report, 2015). In addition, company is offering its services to global manufacturing, telecom and healthcare sectors.

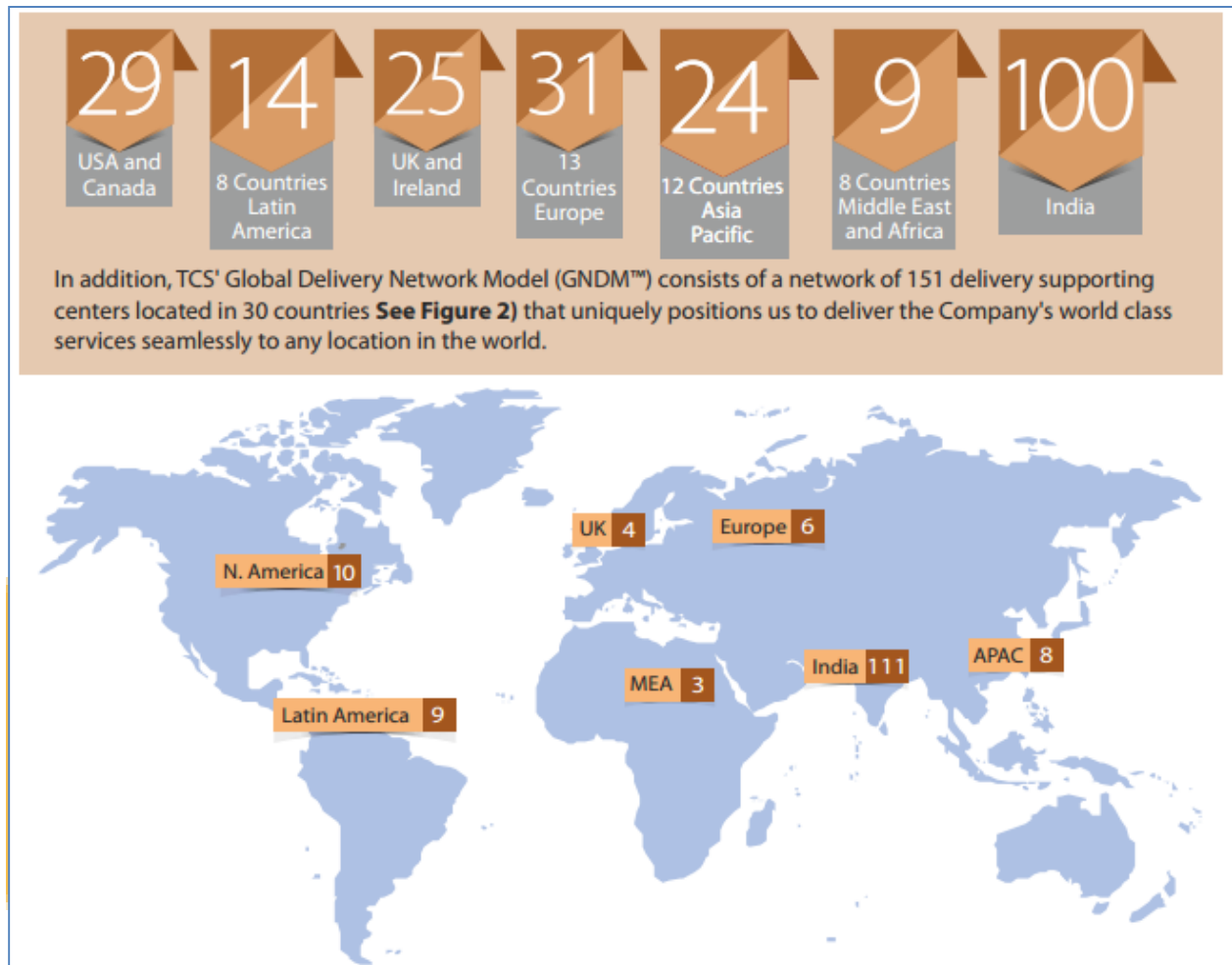
Figure 1: Industry Wise Revenue Breakup



2.1.TCS Global Presence

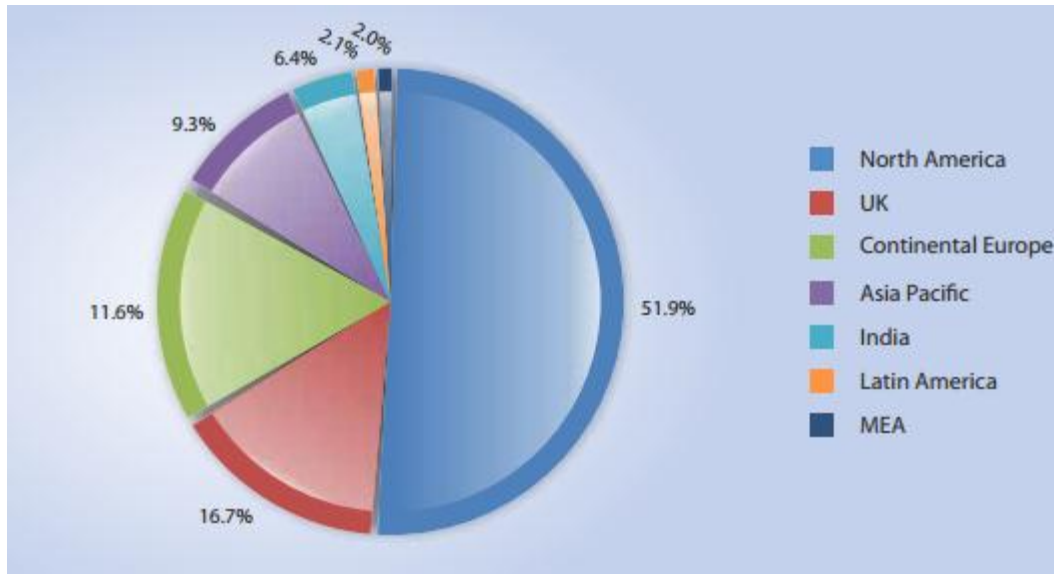
With strong values and expanded offerings, TCS has significantly made its footprints in most of the developed as well as emerging global markets. North America, UK and Europe are primary traditional market for IT products and services by TCS. However, along with emergence of global market over the last couple of decades, TCS has made strategic presence in various emerging economies including Asia-Pacific, Latin America, Africa and Middle East. Effective global management at TCS has made the company to expand its global reach to across 46 countries with 232 offices as of March 31, 2015 (CSR Report, 2015).

Figure 2: TCS' Global Network Delivery footprint



North America being the traditional market for TCS is the largest revenue generation global location followed by UK with 51.9% and 16.7% respectively. TCS has more than 100 offices located in India however when it comes to revenue generation, only 6.4% revenue is generated from Indian market (CSR Report, 2015). Global market has always been lucrative with potential opportunities for TCS that made the management to keep an eye on every emerging economy to serve high end technology products and services.

Figure 3: Global Location wise Revenue Breakup



3. Serving as Ethical Paradigm to Sustain Global Corporate Governance

TCS has been an organization renowned and recognized for giving first core value to its ethical practices at each and all business activities. Following ethical practices over several decades have resulted as the hard earned reputation among customers and global marketers. Managing corporate governance and sustaining corporate responsibility was possible only by adhering code of conducts at workplace (D'Monte, 2013). Tata Code of Conducts (TCoC) was adopted by TCS that is to be followed by every employee at the firm. TCS has achieved strong, successful and sustained demand in the global market due to continuous adherence of ethical policies and code of conducts. Company has been serving as an ethical paradigm to sustain global corporate governance. While making any contracts with global suppliers, customers, partners or associates, TCS make sure that no possible clauses is missed out with respect to principal code of conducts (CSR Report, 2015). As part of its global management strategy, TCS always look forward to improve its learning on leading practices through active global participation and Tata group forums.

4. Global Demand for TCS BaNCS in Banking Sector

TCS has been a prominent service provider for global banking sector offering technology solutions for global risk management. BaNCS from TCS is considered unique global risk management solutions for banking sector that establishes a critical link between routine business operations and risk strategies of the banks. This product has supported banks to proliferate opportunistic directives across all business lines. Risk managers from the global perspectives have leveraged BaNCS as a global risk management solution from TCS that helps to monitor exposure and limit profile/concentrations, maintain asset quality etc so that global risk can be optimized and linked to global management strategies of the organizations. BaNCS is though very comprehensive however it is highly flexible risk management solution that provides a real-time, fully audited and transparent global credit reference data of different asset class. Global risk managers enhance their accessibility to bank's consolidated data along with trade-level data and caution traders on unsafe trade deals.

BaNCS from TCS is vital for the company to maintain global demand for its products and improve credibility. Managing global issues of infrastructure management can be solved to larger extent with the use of TCS BaNCS where banks can be prepared for possible changes or uncertainties in the market and need for new regulations. On the global platform, TCS BaNCS is highly effective to maintain relationship between joint ventures and common directors along with evaluating possible impacts of securities. Offering this platform, TCS is supporting global banking sector to gain competitive edge and achieve sustainable growth. This solution helps banks to make historical trend analysis as well as benchmarking capabilities. In addition, it helps in identification of potential issues strengthening decision making process and culture

Figure 4: Overview of BaNCS

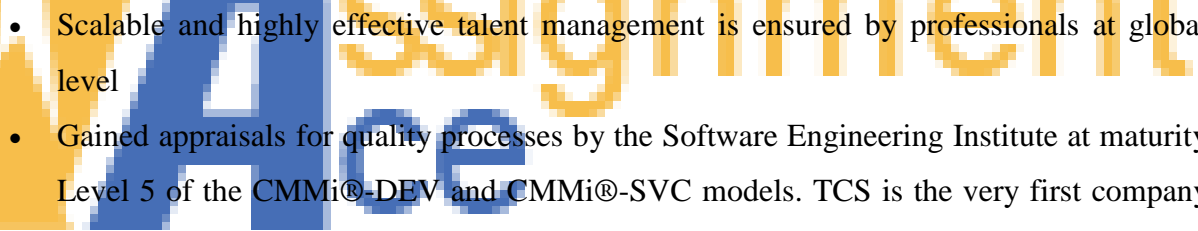


In order to manage operational activities and global risk in banking sector, TCS BaNCS has been phenomenal equipped with information-driven and decision-making tools that further help clients to foster risk management practices. TCS has developed this global risk management solution that is service oriented, highly efficient to use 24x7 and scalable. It helps in the integration of diverse trading/booking systems and data hubs. As part of global management strategy, TCS BaNCS was a successful product that created strong demand in the global market especially by the firms looking for technology solutions to monitor risk, reference data management and high quality management reports.

5. Global Network Delivery Model™- Unique Global Engagement Model by TCS

TCS has always been focused on improving its value in the global marketplace by providing best possible high end technology solutions. In order to make this objective achievable, company has developed Global Network Delivery Model that is considered as a unique global engagement model. This model allows customers of TCS to customize sourcing strategies as per the best combination of business requirements. Focusing on follow-the-sun approach, TCS aims to make its clients running 24x7 irrespective of where they are located. This model supports in providing a flawless experience across all operations. GNDM™ is committed to deliver custom, quality and faster solutions meeting out all compliances by local regulatory authorities and cultural preferences (TCS Website).

There are three important components integrated in GNDM™:

- 
- Scalable and highly effective talent management is ensured by professionals at global level
 - Gained appraisals for quality processes by the Software Engineering Institute at maturity Level 5 of the CMMi®-DEV and CMMi®-SVC models. TCS is the very first company in the globe to receive such a comprehensive appraisal
 - It is a global development network built with multi-tiered technologies that offer solutions to risk management as global collaboration tools

GNDM's success for TCS can be understood with an example case of US based global consulting firm that was earlier facing issues of high cost, administrations and non standardized finance. TCS offered its multi-shore service delivery model and helped the firm to standardize its policies, processes and improve productivity to significant extent. After implementing GNDM, consulting firm has managed to reduce costs by 30% whereas productivity was increased by more than 10%. Improved operational processes have strengthened decision making of the consulting firm contributing significantly to achieve growth and better profitability.

Quality assurance team was created by TCS' multi-shore delivery model aiming to standardize quality controls, boost metrics and recognizing as well as implementing process enhancements including systems and resources. Collaborating with firm's key stakeholders, TCS has established a formal procedure of governance to improve different processes. As a result of this implementation by TCS, consultancy firm was in much control to minimize redundancy, better position to make resource available and minimize costs. Over 30% savings in various costs was achieved as a result of eliminating third shift.

5.1. Benefits to Finance and Administration Process

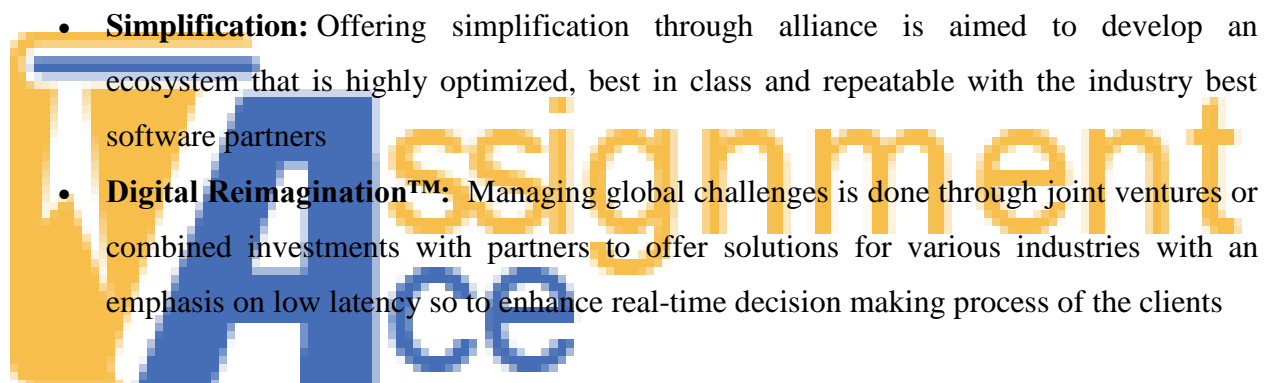
GNDM model implemented by consulting firm through TCS have helped to make transitions smooth for 32 new analytical processes that includes Payroll, Time & Expense and National Debt. Gaining benefits and improved productivity after implementing service model by TCS, firm successfully achieved 200% rise in the volume of contracts handled that was around 1000 contracts by the year-end 2012. Now firm is quite able to make 40,000 expense audits with an annual value of \$500 million. TCS has been performing almost 85% of this US based firm's F&A transactions. This model consequently provided better opportunities for TCS to manage its global presence by satisfying client for maximum efficiency, productivity improvements and increased value of service delivery.

6. Global Alliances to Build Strong Global Image

Digital Reimagination and Simplification are two important vision aspects of TCS that is considered important while developing and nurturing strategic alliances by the company. TCS has global presence in more than 42 countries where company strongly believes in need for establishing global network by partnering with global players, suppliers and other resource providers. Managing operations, productivity and business value can be possible by utilizing robust technologies and leadership of partner companies being a central point to help customers in enhancing their business performance and value.

Focusing on strategic alliance considered as significant element of global management strategy where technology and experience at TCS and partner's products helps to reduce cost, risk and complexities of end users or customers. Platform vendors, software providers, IT infrastructure companies and various other niche tech providers are integrated in network alliance at global level. TCS utilizes technologies and platforms of its partners to provide solutions in accordance with the global need and current challenges prevailed in various industries.

Such strategic alliance between TCS and partner firms aims to foster mutual economic growth and enhance market value in the global marketplace by focusing on 360-degree relationship to provide incremental value to all stakeholders.

- 
- **Simplification:** Offering simplification through alliance is aimed to develop an ecosystem that is highly optimized, best in class and repeatable with the industry best software partners
 - **Digital Reimagination™:** Managing global challenges is done through joint ventures or combined investments with partners to offer solutions for various industries with an emphasis on low latency so to enhance real-time decision making process of the clients

7. Managing Culture as part of Global Management-Rich cultural diversity @TCS

For any multinational organization, cultural diversity is a challenge to manage global operations, communication and performance at workplace (Willcocks, 2013). Global leaders and managers are largely focused on managing culture to ensure no impact on overall performance of the firm. TCS has its own talent management process that performs identification, mentoring and creating effective training plans for talents. As company has global presence in various countries and global operations, more than 8% of its workforce is from 75 nationalities. It creates a serious challenge of diversity. In order to manage diversity challenge, TCS has developed various management initiatives over the last few years. Teaching foreign languages has become an

integral part of the training curriculum where Spanish, French and German are taught to trainees in a way to improve their communication with global clients.

7.1. Internationalism as Global Expansion

TCS being an Indian IT giant employs around 8% non Indians who come from UK, USA, European nations, Latin America, China and other locations. Though hiring Indian employees are less costly as compared to hiring internationally, but TCS is focused on hiring from the local country where it is operating. Objective behind such hiring is to minimize challenges related to language problem and diversity issues. Managing diversity is vital to manage business for firms having global footprints. Continuous growth and expansion in the international market have made TCS to focus on hiring non Indians more to reduce the gap between understanding local demand and company's offering.

In non English speaking nations, there are various language related issues, intervene by local authorities, laws etc that makes it tough to manage with local culture (House, et al, 2004). TCS has implemented mixed hiring of employees especially in Latin America where company operates from Brazil, Mexico, Argentina, Chile and Uruguay. Implementing good mix of nationalities at different level of working has enabled TCS to deal efficiently with diversity and thus helps to establish healthy working atmosphere at workplace.

7.2. Integrated Workplace

'Culture Meter' was initiated by TCS in 2008 aiming to establish integrated platforms for culturally difference workforce. This initiative contains information about the culture, country, needs to do and don't and TCS business objective in that particular country. Culture Meter was useful to provide understanding of the business objectives and experience from senior executives. Senior leaders and employees share their experiences from different countries to establish a platform where culturally different employees could connect themselves with the main stream of the business and therefore TCS has been successful in managing diversity issues to manage global business.

7.3.Diversity and Women's Network (DAWN)

Global management at TCS is highly responsive and effective. Company has policies to manage diversity on gender as well where a platform is provided for women employees to share their views, experience and cultural thoughts (Rao, 2012). This network is aimed to make employees culturally aware. TCS has increasing number of women employees over the past couple of years that reached to 31% women employees from 25%. At the junior level, almost 38% workforce is women. However, with women there are major challenges of attrition as many of them leave the job due to some personal reasons or maternity. Mid level management at TCS constitute only 11% women employees. This remains a global challenge for the company that has adversity affected global management and diversity plans. In order to counter such challenge, TCS has successfully implemented reorientation program that allows women to return on the job after a long break.

8. Conclusion

From the discussions made above, it would be possible to state that focusing on core business values with improved products line, corporate responsibilities, ethical practices, risk management strategies and enhancing value chain can be significant for businesses looking for expanding global presence. Managing global activities is not an easy task as there are several challenges with respect to cost, productivity, diversity, government policies and competition that might result in negative performance of a business. TCS has been successful in achieving its business objectives aligned for its global management strategies to cater global demand of IT infrastructure and software requirement. Focusing significantly on its core values and range of products offerings such as TCS BaNCS and GNDM, TCS gained global importance among players especially in banking, financial and consulting sectors. IT is highly recommended for firms to enhance global performance by focusing on customer oriented services, quality delivery and establishing better communication to avoid cultural differences as these ensures for better productivity, employee motivation and performance level leading firm to gain sustainable benefits and competitive advantage.

9. References

- *Corporate Sustainability Report (2015)*, Available at http://www.tcs.com/about/corp_responsibility/cs-report/Documents/GRI-2014-Sustainability-Report-071015.pdf [accessed on 2nd may 2016]
- D'Monte, L. (2013), *Good corporate governance is good business*, available at <http://www.livemint.com/Companies/B1LCGcFo2TfLP3E1ELZ2wI/Good-corporate-governance-is-good-business.html> [accessed on 2nd may 2016]
- Dicken, P.(2010), *Global shift: mapping the changing contours of the world economy*. Sixth edition, London: Sage Publication,
- Hill, C. (2010) *International business: competing in the global marketplace*. Eighth edition, New York: McGraw Hill,
- House, R.J., P.J. Hanges, M. Javidan (2004). *Culture, leadership and organizations*. Thousand Oaks: Sage Publication
- Liu, R. (2011). 'Why are different services outsourced to different countries?', *Journal of International Business* Vol.42 pp.558–71.
- Peng, M. and Miles, E.P. (2009) 'Current debates in global strategy', *International Journal of Management Reviews* 11(1), pp.51–68.
- Rao, N. (2012), *Rich cultural diversity @ TCS*, available at <http://www.tata.com/careers/articlesinside/xkCI0qGuLcE=/TLYVr3YPkMU=> [accessed on 2nd May 2016]
- TCS Website, Global Network Delivery Model™ | GNDM™, Available at http://www.tcs.com/about/tcs_difference/global_delivery/Pages/default.aspx [accessed on 2nd May 2016]
- Willcocks, L.P. (2013), *Business and management in a global context*, University Press, London



Assignment Ace