

Con. 9196-12.

MMS-III  
Sem

29/11/12

HR Spec 2

(FURTHER REVISED COURSE)

(3 Hours)

Theories, structure  
sub: Orgn. & Design.

TG-4224

[Total Marks : 60

N.B. : (1) Answer any **four** questions from Question No.1 to Question No. 7 (10 marks each)  
(2) Question No. 8 is **compulsory** (20 marks).

1. What is strategy ? Describe the various strategies used through examples.
2. Define technology and elaborate on the role it plays in determining organizational structure through examples.
3. Enumerate the approaches to Organizational Effectiveness which approach you prefer giving your reasons ?
4. Describe the different types of Organizational Excellence with suitable examples.
5. Compare and contrast the Mechanistic and Organic forms of organisation. Which structure is more applicable in the present ?
6. Describe the Resource Dependency Theory and elaborate on the alliances used to control the environment.
7. Write notes on any **two** of the following :-
  - (a) Mergers and Acquisitions
  - (b) Transaction Cost Theory
  - (c) Flexible Organisation
  - (d) Structure in Fives.
8. Read the enclosed case "The Infosys story" and answer the questions given below :-

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## Q.8. Case Study

### The Infosys Story

If one looks around the Information Technology landscape in India for the names of organizations that have grown from small to big, there are many to be named. However, none have shown the growth that one such organization has done today. A walk through the campus of this organization, a majestic landscaped area in Bangalore's Electronics City, brings to one's notice that it is modeled along the same lines as a university. Infosys stands tall on India's map as an organization that has succeeded in becoming a world-class organization in the global information technology sector.

This transition happened over a period of twenty years. Many say that Infosys helped change the image of India abroad. Derived from the phrase "information systems," Infosys has grown from a very humble beginning. Its founder, Narayana Murthy, completed his MTech from IIT Kanpur, and began working as a research assistant in Pune. Sudha Kulkarni, who went on to become his wife, graduated with a Masters degree in Computer Science from IISc, Bangalore, and was working in Tata Motors, Pune. It was here that she met the shy, introverted Narayana Murthy through a common friend. At first her parents did not agree to her marrying Narayana Murthy as he did not have a steady job. Three years later, in 1977, Narayana Murthy got an offer to join Patni Computers Systems as its General Manager, and they got married at Narayana Murthy's Bangalore residence before he joined this company in Mumbai. He was then sent by Patni Computers Systems to the United States for training.

By the year 1981, Narayana Murthy's dream was to start a company but he had no financial capital to seed it. His aim was to make quality software for customers. To start Infosys, Narayana Murthy took Rs. 10,000 (\$250) from his wife Sudha. Together with six colleagues, all software engineers, Nandan M. Nilekani, N. S. Raghavan, S. Gopalakrishnan, S. D. Shibulal, K. Dinesh, and Ashok Arora, Infosys was registered as a private limited company in Mumbai. Narayana Murthy became the CEO of Infosys. The purpose of the company was to write and provide software codes. They sat in Narayana Murthy's bedroom to discuss the objectives of Infosys, and came to the conclusion that they would strive to satisfy their customers, be fair to their employees, respect their investors, not violate laws, and in all make a difference to society. Raghavan's house in Mumbai served as the registered office. Narayana Murthy operated from Pune, and Sudha quit her job to help with the setting up of Infosys. Sudha operated as the clerk-cum-cook-cum-computer programmer, and Nandan Nilekani and his wife lived with Sudha and Narayana Murthy. It was one big joint family with the wives helping with the cooking and babysitting each other's children, and the husbands working hard to make Infosys happen. There was no phone or car. In 1983, Infosys got its first customer, MICO, and the office was shifted closer to the customer in Bangalore. Things were not easy from the market perspective, and the



support of the Government was also not substantial. They made mistakes but persevered. They wrote software codes from India, mainly for U.S. customers, and delivered it in the form of what is called offshore delivery.

In 1990 India was about to liberalize and by 1992, Infosys made a public offering and got listed on the Indian stock market. In 1999 with revenue of \$100 million the organization got listed on the American stock listing of Nasdaq. It also attained the quality certification, SET CMMI Level 5 accreditation, which made it globally competitive. After twenty-one years of leadership, in the year 2002, Narayana Murthy handed over the position of the CEO to Nandan Nilekani. By 2004, Infosys had joined the billion-dollar club.

Seven people had started out in 1981 with \$250, and by 2006 they earned \$2.5 billion with the employee strength of 56,000. In the year 2007, Nandan Nilekani handed over the position of the CEO to Kris Gopalakrishnan keeping alive their belief in collective leadership.

Infosys provides consulting and IT services globally to customers using their low-cost Global Delivery Model (GDM). This helps control cost and manages time efficiency, and they work as partners to their customers. The mammoth size that Infosys has now become makes it difficult to maintain communication between the employees all over the world. However, over time Infosys invested in a well networked knowledge infrastructure that integrated employees. This networked work environment helps keep the flow of communication and information healthy throughout its global offices. They maintain work flow processes that integrate the culturally varied cross-partner teams using a collaborative work style and an efficient project management process.

As it stands, in 2008 under the leadership of Kris Gopalakrishnan, Infosys had more than 72,000 employees. Infosys overhauls its organizational structure constantly, identifying new geographic markets, and expanding the role of its second line of leadership.

The organization continues to compete in the global markets striving to achieve the status of a leader in end-to-end global software delivery solutions for customers. Authors who write about Infosys say that the organization has grown so large that it has to “seriously consider whether it wants to be a big ‘elephant,’ or rather a smart and swift ‘cheetah.’” Thanks to the global reach of organizations like Infosys, today the world is considered to be flat.

### Questions:

1. Explain the creation and growth of Infosys with the help of life-cycle perspective of organization.
  2. “Size is the major determinant of structure”. Discuss this with respect to Infosys Story.
  3. Comment on the statement: “Seriously consider whether Infosys wants to be a big ‘elephant,’ or rather a smart and swift ‘cheetah.’”
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