

Organisational analysis of wipro technologies management essay



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Wipro began their business as a vegetable oil manufacturer in 1945; and during 1980s, they entered the Indian IT industry. In the 1990s they leveraged the hardware and software development expertise and began offering software services to the global clients (Wipro Limited 2012). It is one among the top Indian IT companies with offices in North America, South America, Europe Africa, Asia-Pacific and Middle-East. As per policy, Wipro's corporate culture gives due importance to employee freedom and autonomy. But in the name of expanded practical autonomy, this corporate culture is extending the management control by colonizing the employees (Willmott 1993). Wipro is said to follow a post bureaucratic organisational structure, with an open, informal work culture and flexible management practices. But in reality, they follow a subtle form of bureaucracy through coercion in the name of customer-Centricity and team-work. This result in what Courpasson (2000) calls ' soft bureaucracy', where new approaches involving flexibility, creativity, team work, cultural management etc. are incorporated within the bureaucracy. Employee performance is always under surveillance under the name of team efficiency and customer satisfaction. Thus the authority exerts a panopticon model of control on the employees. This creates power resistance in the form of distancing, negotiation and other subtle forms of resistance from the employees. But in most of the cases the employees are reluctant to raise their voice against the management, since their annual salary appraisal solely depends on managers. In theory, decision making is transparent and based on equity and justice. But in practice, the decision making depends on individual managers. Some managers are self centric and give little importance to the feelings of employees working under him/her. In decision making the major concern is ' customer' rather than

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'employee'. To gain customer reputation, some managers sign the contract to deliver the projects in much less time, which is actually required. This puts pressure on the employees to work overtime and on weekends to deliver the project on time. Thus the structure, culture and the overall organisational behavior are ideal on paper; but dominating, hierarchical and bureaucratic in practice.

Wipro's Culture

The key strategy deployed by post-bureaucratic organisations are the manufacture of a strong corporate culture in order to incorporate employees into the organisation, thereby creating a self-motivated and committed workforce (Kunda, 1992). The ' Spirit of Wipro', encapsulates the values which are the guiding principles of the culture of Wipro. ' Spirit of Wipro' identifies core values like ' making customers successful', ' Team', ' Innovate', ' excel' , ' Respect for individual' , ' thoughtful and responsible', ' Delivering on Commitments', ' honesty and fairness' (Wipro Limited 2012). The emphasis on teamwork, individual responsibility and commitment are, in reality, implementing a ' soft bureaucracy' instead of ideal flexibility.

Induction programs like ' Corporate Readiness Program' and other training sessions are conducted to develop an official corporate culture in the employees. Wipro HR policies are designed to inculcate the corporate culture to the employees. The employee dress code is formal wear on all working days except on Fridays. This is to portray a professional image of the organization in the minds of clients and the general public. According to Indian standards, Wipro provides five star working facilities. There are pictures of happy and enthusiastic young employee groups all over the <https://assignbuster.com/organisational-analysis-of-wipro-technologies-management-essay/>

buildings' walls. Wipro's logo and ' Spirit of Wipro' can be seen everywhere within the campus. The facilities include gyms, dormitories, child care centers, health clinics and food courts. Events such as team outings and buffets in five-star hotels are organised by the HR department to promote employee satisfaction and team spirit. They also conduct programs like ' Wipro Awards', ' Feather in the cap Award' to reward the employees who perform well. Every year they conduct ' Spirit of Wipro Run', a marathon for employees across the globe. These are all said to be done for motivating the employees. In reality, these HR strategies are aimed at stemming employee attrition in the context of a volatile job market (Upadhya, n. d.), as well as to distract the attention from employee frustration and dissatisfaction. Though they boast of post-bureaucratic corporate model, in reality, the bureaucratic model persists in the form of hierarchical structures and feudal attitudes of managers, who have not fully adapted to the flexible workplace concept. The top management team consists of mostly male managers, though the organisation follows a gender-neutral work culture.

Customer satisfaction is a key objective of Wipro. It is used as a mechanism of control over employees. There are frequent client meetings and all labor should be updated to the client at specific intervals of time. Depending on the clients, this interval can be daily or weekly or monthly. Apart from the client meetings, there will be team meetings in which each employee should report their work status to the manager and the team. This creates a feeling in the employees that they are always being monitored by their managers and client. This extreme ' Customer-Centricity' gives rise to a ' surrogate management situation' in which employees ' voluntarily' comply with client

demands (Deetz, 1998: 162). The employees should put an extra level of commitment in customer satisfaction since it is the base for Wipro's business and hence their job security.

Structure and Power Relations

Wipro is said to have flexible management practices with open and informal work culture and flat organisational structure; in contrast to the centralised, hierarchical and bureaucratic form of management followed by Indian public sector companies. The 'new workplace' concept (Thompson and Warhurst, 1998) and networked organisations are supposed to provide greater autonomy and fulfillment to employees and 'subjective' management techniques a more effective means of control over knowledge workers (McKinley and Starkey, 1998; Ray and Sayer, 1999; du Gay and Pryke, 2002). The 'new managerialism' (Thrift, 1999) -the 'definitive corporate agenda of late capitalism' (McKinley and Taylor, 1998: 188) -is trying to replicate the corporate management model across the globe. By imitating the Developed countries' management ideology and by employing highly skilled IT professionals, Wipro tries to portray themselves as global players who offer top quality products and services. But the image building is not just the motive of the adoption of new management ideology. 'Cultural' approaches to management are identified with high-technology and knowledge-based organisations globally (Deetz, 1998; Alvesson, 2000), where flexible organisational structures and normative control have (in theory) replaced top-down methods of bureaucratic control (Kunda, 1992). In IT organisations, a 'cultural labour process' has emerged that emphasises communication, collaboration, teamwork and knowledge sharing through building strong

social networks (Hakken, 2000). Under the new dispensation, workers are supposed to be motivated through identification with the organisation (Ogbor, 2001) and by their individual professional aspirations, and are transformed into self-managing or 'entrepreneurial' workers (Beck, 2000) through the promotion of a 'self-work ethic' (Heelas, 2002). In reality, the 'new managerialism' (Thrift, 1999), far from liberating employees, has introduced novel and insidious structures of power and inequality (Gephart, 2002). Willmott (1993), has drawn attention to the totalitarian consequences of 'corporate culturalism', while Thrift (1999) writes that 'soft capitalism', by requiring total commitment of the self, involves the 'super-exploitation' of both managers and workers (156). Despite the relative absence of direct control gives a feeling of liberation to employees, they engage in continual 'self-surveillance' and 'strategist subordination' (Willmott, 1993; Deetz, 1998) in which a false sense of autonomy creates 'active consent' (cf. Burawoy, 1985). Through all this approach, the organisation is trying to achieve employee loyalty, since the knowledge possessed by the employees is very important for its business.

In Wipro, software engineers are organised into teams, each consists of developers, testers, architects, and technical support people, led by a team leader. Different teams form a project group under a project manager. But in most cases, members of a single team need to work with people from other teams for different projects. Team-based system exerts 'concertive control' through peer pressure (Barker, 1993) or peer surveillance (Ezzamel and Willmott, 1998; Sewell, 1998). For instance, when working as a team, the work of each employee relates to others. So if one member of the team is

lagging behind, then it will affect the work of all other members. Hence he will be in pressure to put extra effort to finish the task on time and to reach the pace of others team members. Thus the team-based system demands maximum commitment out of employees in terms of time and effort. Team leaders and managers organise social events like team picnics and dinners for creating a positive team spirit among employees. These social activities are all intended to invoke the team-spirit in employees and to make them work late or over weekends, or to take on additional tasks at the time of project deadlines. The coercive effects of other team members and moral pressure from managers tend to undermine the 'rhetoric of mutuality' in team-based organisation (Sewell and Barker, 2006: 953).

The ideology of teamwork is contradicted in some matters by processes of individualisation that are engendered by the 'engineered culture' of the workplace itself (Ezzy, 2001). For instance, the performance-appraisal system and performance-linked salary structure creates competition among employees and hence some employees refuse to help their teammates. In this competitive atmosphere, 'visibility' is considered to be the key to career mobility. Engineers employ various strategies to enhance their visibility with managers, such as continually updating and displaying their knowledge of their superiors and seeking recognition from the company in the form of awards and prizes for good work. Such strategies reinforce the organisation's attempts to create self-managing 'entrepreneurial' employees. The management ideology of worker autonomy places the onus of responsibility for completing the work onto individual engineers, even when they are faced with impossible deadlines or organisational obstacles (cf. Barrett, 2001). Soft

skills training programmes are organised to make engineers more proactive and to induce them to 'take ownership' of their work and careers (Sathaye, 2008).

Sewell and Barker (2006) have termed these contrasting views of organisational control the 'coercion versus care' paradigms-while the first focuses on 'panoptical control', the second highlights the more insidious modes of subjective control through which the very selves of workers are colonised by the organisation. Electronic surveillance and teamwork is actually against 'employee empowerment', since it leads to work intensification and enhanced managerial control (Sewell, 1998). Despite their espousal of the 'New Age' management ideology, they employ a range of computer enabled techniques of direct management. Because of the increasing complexity of technology, the software development process globally has moved away from individualised craft like production towards a more routinised factory-like production process (Beirne et al., 1998; Barrett, 2001; 2004; 2005). Software engineering often follows a modular system in which engineers simply assemble 'pre-fabricated' pieces of software. This 'assembly line' approach is employed in Wipro to execute projects quickly by dividing the work into small pieces, by putting many engineers to work simultaneously and by moving bits of work quickly across different sites. Since the projects are 'customer-driven' and the client retains control over most processes, technology-based surveillance systems are employed to monitor offshore teams. Wipro has received international quality certifications, leading to standardisation and rationalisation. Software quality models prescribe systematic processes for the execution of tasks at every

stage of the development cycle. Quality management is based on the idea that in order to maintain control over the work process, it must be quantified and measured, reducing work to quantifiable 'metrics' of time, 'effort', productivity and output. Specific productivity goals are assigned to each team and team members; and their work will be monitored evaluated and measured at fixed intervals, creating a regime of endless reporting and recording of activities. Quality processes act as a system of 'electronic panopticon', which ensures that engineers meet their production and quality goals (Prasad, 1998).

As in classical Taylorism, the profit of the organisation is the main goal and is achieved by trying to increase the productivity of the employee by closely monitoring and tightly controlling them by the management. Far from 'empowering' employees as they claim, they have adopted a range of exacting neo-Taylorist management techniques in their quest to gain control over the software labor process. Although they present an image of 'open' and 'flexible' workplaces, ultimately they must keep tight control over workflows in order to maintain their profit margins. Added to this, are the strict project timelines that are stipulated in the contract and enforced by the client, under threat of withdrawing their business. Project managers are under extreme pressure from their own managers and from clients to ensure that projects are executed on time and commitments are fulfilled, and so ultimately they must revert to direct mechanisms of control. Employees are well aware of this contradiction between management ideology and practice.

Wipro bills client on the basis of man-days and projects operate under strict timelines; hence, control over time is central to control over the work
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process. Indeed, extracting the maximum amount of time and 'effort' out of software engineers is the key to profitability. The Indian software industry is known for the very long working hours that are put in by software engineers. In Wipro, as per policy, an employee should maintain an average of 9.5 hours per day. But typically, employees work for 10 hours or more per day. A major reason for this pattern of overwork is that the man-days required for a project are routinely underestimated when making bids, to keep the cost estimate down. This forces engineers to work much longer than the stipulated eight hours per man-day in order to meet deadlines. Another reason is that the employee and the client may be in a different time zone, which means that conference calls often take place late in the evening for the Indian team, when it is morning in the USA.

An engineer, who leaves on time, will be subjected to peer pressure in the name of teamwork. This is a key issue for women engineers, who is often accused of putting in fewer hours because they may leave office earlier than their male colleagues to attend to domestic responsibilities (Upadhya, 2006a). Similarly, in order to enhance their 'visibility' in the organisation, most junior engineers will not leave the office before their managers do. Staying late is taken as a sign of dedication and software engineers believe that this practice will enhance their chances of a good performance rating or promotion. As Shih (2004) argues, because work is organised through projects rather than by the clock, it is infinitely extendable.

The social atmosphere in these workplaces encourages informal interaction and fellowship between managers and other team member. The principles of soft management give scope for negotiation, but the techniques of

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normative control are underwritten by more coercive, panoptical methods, producing a highly effective system of control over the labor process.

The management systems are viewed as contested relations of power that generate resistance and opposition (Prasad and Prasad, 2000). There are a range of strategies employed by workers to dilute and subvert both panoptical and 'empowering' management (Ezzamel et al., 2001: 1073), or their cynical or ironical responses to 'cultural management' (Thompson and Findlay, 1999: 177).

As per Wipro policy, the employees are not allowed to organise any open protest against the management; and the organisation has the authority to terminate those employees who act against the policy. So the employees try to resist power using different strategies like negotiations, distancing and many other ways. The workspaces are characterised by constant negotiations between engineers and managers. These negotiations are on matters like project deadlines, over workloads, project allocation, positions and pay off. One source of this autonomy is provided by the ideology of 'soft management' itself-to the extent that managers have internalised the new leadership style, engineers are able to exploit it by using a strategy of 'resistance through negotiation' (Ezzamel et al., 2004, quoted in Sewell and Barker, 2006: 949). Project managers and team leaders must devote considerable time and effort to persuading engineers to stay late, to work over the weekend or to take on undesirable tasks, and engineers do attempt to resist these impositions, but in the end they usually capitulate because of the threat of a poor performance appraisal or other sanctions that managers wield. Thus persuasion appealing to the employee's sense of personal

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responsibility, backed up by the threat of coercion is employed to reap the best out of employees. Engineers are acutely aware that their managers are responsible for performance appraisals, which determine the 'variable' component of their salaries as well as increments and promotions; hence, they can refuse such requests only up to a point.

Although employees often complain of overwork, stress or boredom, they rarely criticise management openly or directly resist managerial control. Thus the employees manifest 'strong consent', actively producing themselves in the image formulated by the firm (Deetz, 1998: 168-169). Deetz suggests that while employees are aware of the subjective techniques of control that are employed and may adopt an ironic stance to indicate their awareness, they nonetheless 'enact' the prescribed scripts, engaging in strategic self-manipulation to avail of the payoff.

Many take an ironic stance towards efforts at 'cultural management', for instance, when they deride 'soft skills' training programmes as useless, although they play along in order to escape routine work for a few days. Despite these critical attitudes, most employees reproduce the official scripts and adopt the sanctioned behaviour patterns in order to further their careers (cf. Kunda and van Maanen, 1999). The long hours put in by software engineers may suggest that they engage in 'self-subordination'. Indeed, many defend this practice by reference to their desire to succeed and move up in the organisation, rather than complaining about the structural factors behind overwork. But it is also a response to job insecurity and software companies' 'hire-and-fire' policies. The engineers must pursue their careers in an uncertain industry that is buffeted by global forces. So the engage in <https://assignbuster.com/organisational-analysis-of-wipro-technologies-management-essay/>

self-subordination as a trade-off for future financial gains and sacrificing most of their waking hours to work, in the hope that the money they earn will enable them to fulfil their other ambitions and desires. This strategy only reinforces their commitment to work, further whittling down the time available to pursue lives outside of work (cf. Hochschild, 1997; Deetz, 1998: 166).

Another element in their self-exploitation is the fact that most software engineers do not view themselves as 'workers', even though their structural position is similar to factory floor workers in manufacturing industries. This self perception as knowledge professionals reinforces the individualised work culture of the industry, where 'resistance' too is individualised. For instance, salaries are always individually negotiated with the management rather than as a team. The culture of individualism, however, provides a potent source of worker agency, which motivates the employees to pursue their own goals like improving their knowledge to make themselves more valuable in the IT industry. This attitude is in direct conflict with management efforts to foster employee loyalty to Wipro. Although software engineers may engage in various strategies to negotiate their position within organisations, ultimately their primary and most effective weapon is the 'exit' option. Their main source of 'empowerment' comes from a buoyant labor market and the perception that they can always find another job if the current one becomes too tough or monotonous or they feel they are stagnating. HR managers constantly complain about 'fickle' and 'demanding' software engineers who quit on the slightest pretext or for a higher offer, and one of their major tasks is to attract and retain competent engineers (Upadhya, n. d.).

An additional factor that reinforces the 'consent' and complicity of software engineers is the fact that, most of them aim to become managers. They look for the 'managerial path' because of the absence of a viable 'technical path' of career development in the Indian industry, and so they tend to identify with management. These same software engineers, after a few years, also reproduce and enforce these systems of control when they in turn become team leaders or project managers.

Decision Making Vs Equity and justice

Every employee is allowed to take decisions. But in most the cases, the decisions are taken by the senior management based on their negotiations with clients. And their decisions are aimed at increasing the company profits and raising the market share. The employees are forced to modify their own decisions based on the manager's decision though coercion and peer pressure. Each decision made by an individual or group is affected by a number of factors, like Individual personality, group relationships, organizational power relationships and political behaviour, external environmental pressures, organization strategic considerations, information availability (Huczynski. A and Buchanan. D, 2007).

" Organization justice is concerned with people's fairness perceptions in their employment relationships [...] Justice perceptions have been shown to have effects on people's motivation, well being, performance, attitudes, behaviours and other outcomes relevant for organizations and organizational members" (Fortin, 2008: 93). In Wipro, the system is like even if a team works extra hours to successfully complete a project, the team members won't get any extra benefit apart from their fixed annual salary. Even though <https://assignbuster.com/organisational-analysis-of-wipro-technologies-management-essay/>

an employee is not allocated to any project, he needs to be present in the work place and should maintain minimum 9.5 working hours per day. The project work allocation is done by the managers and staffing team. They randomly allocate employees to the project, based on the employee skill sets and the employee himself has got little choice to decide which project he wants to work. The annual appraisal process is said to be every transparent. But in most cases the appraisal depends on how well the employee could impress the manger rather than how well he contributes to the work. The pay allocation also depends on individual negotiations with the management. For instance, employees with the same level of knowledge and experience are often paid differently, depending on their bargaining power with management. The fairness in interactions and sharing of information by the management equally to all employees depends solely on the attitude of individual managers, though there are written rules to regulate it.

Conclusion

In Wipro, 'soft management' theories often operate more as an ideology than practice. The five-star working environments, 'employee-friendly' HR policies and high salaries provided convey the impression of modern and 'professional' workplaces, glossing over the reality of very long working hours, intense work pressure driven by client-imposed deadlines and routinisation of labor. The top-down Taylorist systems of control are quite different from what is presented as the official corporate culture. They engage in image management in order to sell themselves to potential clients as well as employee. So they follow the contemporary ideology of 'soft capitalism'. In order to satisfy their customers and fulfil their contracts on

time, panoptical systems of control are deployed along with normative management strategies to maximise software labor productivity. Although these strategies may be much the same as those used all over the world in the software industry (Barrett, 2005), they are taken to an extreme in Wipro because of the client-driven organisational structure, the dependence on labour cost arbitrage and the strategy of acquiring quality certifications in order to be competitive in the global market. The employees are 'cyborgs' trapped in 'electronic panopticons'; as 'entrepreneurial' employees who are so 'entranced' by the idea of themselves as 'empowered' subjects (O'Doherty and Willmott, 2001: 469) that they buy into the dominant management ideology. But while employees appear to engage in 'self-subordination', they often articulate critical counter-narratives and mount resistance through negotiation. Their 'subjectification' is not total. They use different strategies by acquiring the maximum knowledge and bargaining with that knowledge. This implies that employee loyalty is far from reality, though it's against the organization's objective. The major decision makers in the organisation are the top management team, who in most cases make decisions focusing on organisation's profit and manager's personal benefit. The best part of being a Wipro employee is that, because of the 'Best Work Place' image they project to the general public, the employees always enjoy a high social status.