

# [Infosys case study](https://assignbuster.com/infosys-case-study/)

Infosys today is third largest IT consulting and services firm with revenues of US$7. 2 billion (LTM Q3 FY13) – by serving clients from over 30 countries. Infosys also has a global presence in terms of its workforce, with more than 155, 000 employees across 67 offices and 69 development centers in the United States, India, China, Australia, Japan, Middle East, and Europe. Infosys Founding Infosys was started in Jan 1981 by seven software engineers, most of whom were ex-employees of Patni Computer Systems an Indian Software development firm.

Narayan Murthy convinced six of his colleagues to quit their jobs and focus on their passion of entrepreneurship, starting Infosys in the room of Murthy’s house financed by $250 borrowed from Murthy’s wife. The founders recognized a growing demand for customized software and saw this is an opportunity for suppliers in India. They were focused on developing and delivering high quality customized software to clients in America.

Even today two thirds of the company’s revenues are generated from customers in United States. Narayan Murthy Narayan Murthy had the biggest influence of all the founders in shaping the work culture, values and policies at Infosys. His personal values of being a compassionate capitalist i. e. using the rewards of capitalism to bring about social good deeply impacted the company’s policies towards its employees, customers and shareholders.

While he stepped down as Executive Chairman in 2011, Narayan Murthy has been recognized with numerous rewards for his contribution to Infosys and India’s IT industry1. Infosys growth story Infosys struggled during the initial years of its existence from 1981-1990, before its growth aspirations were unleashed by the 1990 economic reforms in India. These economic reforms eased the access to foreign computers, on-site travel for client meetings and import of services from foreign consultants.

While the economic reforms provided an opportunity to grow, Infosys was able to tap it better than any other firm due to its core work values and focus on employee satisfaction. Employee satisfaction at Infosys Infosys’ work ethic was largely shaped by Narayan Murthy’s personal values, who identifies himself as a socialist at heart and capitalist in the mind. Murthy believed in sharing the profits with all of his employees and hence Infosys was the first company to offer employee stock options in India.

Even at the time of founding the company, Mr. Murthy had laid out that the company aim to be the most respected company, which meant fulfilling aspirations of all stakeholders including customers, shareholders and employees. To this end, Infosys provided technical and managerial trainings to employees to develop their skill sets and also rewarded them with the opportunities to utilize those skill sets for growing professionally and personally.

Even for customers, Infosys was always focused on delivering high quality solutions to customers instead of just taking up new customers to grow revenues. For eg, In 1998 Infosys turned down and walked away from the business of GE (who was Infosys’ largest customer, generating 25% of its revenues) because GE re-negotiated prices to such a level that delivering high quality software was not possible. These core values of unrelenting focus on quality, providing an engaging work environment and sharing the benefits with employees, made Infosys the growth story of India’s IT industry.