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Good morning and welcome back after the tea break. Binod and I will walk you through the Human Capital Management Process at Infosys.

Let me start with the big picture. You know most of it, this is the data of the end of last quarter. We are a 165,000 people with 35.3% of the workforce being women. We have people from 105 nationalities and the average age is 29 years, quite reflective of the age of the company as well. That's the big picture on the human capital side.

What is it that we have to offer to people that join Infosys? Our value proposition is very simple and compelling. Financial one is of course critical and that is about paying the market compensation and benefits. But the more important ones and the one that differentiates us, is the opportunity to grow, the opportunity to have the ability to develop continuous employability and that really is a significant opportunity that people get that join us, so growth is a value proposition. The emotional part is about connect with the organization, it is about the pride of association and that's something that you can see if you come here on a weekend when people walk in with their families to show where they work and the pride that is associated with that. So the value propositions are on those three buckets and what they really walk away when they go from here from all the efforts that we have put in, is the value that goes into their resume by virtue of the opportunities to learn, the opportunity to work on different technologies because of the relationships that we have with our clients.

So the process is simple, all the way from attracting through retention. But I will pause here and get Binod to talk about the first 3 aspects and I will come back and close out on the remaining aspects of what we do for our people.

Binod Hampapur Rangadore

Ladies and Gentlemen, a very good afternoon. Let me walk you through the details of the recruitment engine that we have.

Our selection process is one of the toughest in the industry. We have both lateral recruitment as well as fresher recruitment where we go to about top 200 colleges in the country. We also recruit from the top B-Schools and schools in the United States and also in some of the best B-Schools around Europe and Asia. If you look at this, we have received about 4.5 lakh applications and we have tested about 76,000 and odd people and finally we have made about 31,000 offers. Almost 20,000 of this is from the top 155 engineering colleges in India. Out of the 155 we take from among the top 100 colleges 86% of the offers were rolled out in those top 100 colleges. And our typical cycle is between September and March and the joining will be from June to December. So we spread this across various months in the following financial year.

If you look at how these resources are deployed, so once the training is done which is a separate flow where we enable people because people join us based on their learnability skills and we train them in various streams just to ensure that we meet the skill demand that happens. We do a skill forecasting to understand how many people are required in each of those skill streams. So there is a demand forecast which is done along with sales, along with delivery where we identify how many people are required in each of these areas and against each requirement. Then we do a skill mapping because we have the horoscopes of all the 165,000 people in the company. We know what skills, there are few people who have multiple skills and we know their skill mapping. Depending upon the skill forecasting that we do because we take top few accounts to find out which direction these projects are moving in, which direction the technology is moving in and so

we come out with a direction of what kind of reskilling is required and we very quickly put through this reskilling map. It is a very important aspect to cover because of the technology obsolescence being extremely high, so we need to re-skilled people to make sure that they are relevant to business. Then finally we do a project allocation where we actually have the actual demand against which people get allocated. Typically the project allocations or the demand which will hit is about 2-3 weeks lead time and then we are able to manage from within the available pool of resources we are able to deploy people into these projects. Currently, we are running at a utilization of about 82.3%.

Vishal was speaking about this. We have a global education center in Mysore, it's on a 335 acre campus, and we started on this campus on 25th January, 1996 when we were about a 1,000 people. But now whatever investments we made during those times are helping us now because we have about 2 buildings, we have about 1.44 million square foot between two buildings we cover the whole education requirements of Infosys. This is mostly the foundation training program. I will give you a little more details about it in the following slide. It has capacity to train 14,000 people in one sitting. So we have invested a lot into training, into the learning infrastructure in that place. Our foundation program is benchmarked as an equivalent to a BS in computer science as per the US standards through the FIS in US. The foundation program ranges anywhere from 17 to 23 weeks. This is one of the highest in the industry. In fact, with the introduction of training on Design Thinking and training on Tableau, this may go up by another week.

The structured learning that we do here which is the Education, Training and Assessments, the assessments part of it is independent of the training and education. There is a distinction between education and training here because there is foundation training as well as a continuous education that happens in all our campuses. All of these dimensions are around the competency development dimensions that we have defined in the company. For every level of growth that people need to have, they need to have competencies in each of this. So competencies have been defined at each and every level and people definitely need to have those competencies before they move to the higher level to take on higher levels of responsibilities. If you look at the competencies, those are around technology, around domain, around leadership, around behavioral skills and recently infused the Design Thinking into that. There is a fair amount of working in teams, coaching and mentoring also built into the whole set up. Now if you look at the whole lifecycle of training, it starts much before the people join us. In fact there is a pre-joining engagement that happens after we make offers in the campuses. There is a campus connect program where we work with more than 600 colleges in India, where we review their curriculum, we tell them what industry is expecting and how the output of engineering colleges should be relevant to industry. This is not necessarily to Infosys but to the industry. So we engage with the engineering schools much before and this benefits not only Infosys, but benefits other IT corporations in India.

Then we have an internship where we bring in people earlier, mostly comp science but we bring in those people through an internship program. They undergo the training program within the overlapping period of their academics before joining us that helps in making sure that they are well rounded before they join the industry. Once they join us, they go through this 17 to 23 week foundation program and at the end of it, there could be a project related induction when people get allocated to the project. So that project related induction is more details about the account or more details about the technologies that they are going to work on. Then after that it's a continuous learning process and that probably will never end because they keep on learning new things in which they need to add value to the clients.

I will stop here and will be available for taking any questions. I invite Tan to continue to with this presentation. Thank you.

Srikantan Moorthy

While there is a deployment based on the client demand, the growth value proposition I talked to you about comes from the opportunity that the employees have in taking up work that they are interested in to develop their own competencies. We have developed several schemes to facilitate that. The internships within the project are the milestones in their careers where at the end of promotion, they can work with their peers who are playing those roles. They are then mentored by people that are their seniors, all of which helps them enable to perform the job better. More than 14,000 people have gone through those kinds of intervention. There is also the part about facilitating the moment into roles. While promotion could be moving to a higher role, movement into a role that's lateral but of a different competency requirement, helps them round out their own developmental capabilities. So that's another opportunity that we provide for people in terms of enabling their growth.

The leadership development is about programs for organizational heads, departmental heads, business unit heads, people reporting into them so that we can not only help them do better in their current roles, but also help them develop themselves for future leadership positions, create a succession plan and also help them gain these competencies through rounding out their skills. The idea is really based on the premise that Mr. Murthy had laid out which is about the company being the campus, curriculum coming from the business and every leader teaching, which is really the premise of how the leadership institute works. The approach that we have taken is to facilitate leadership assessment, these are both internal and through third party so that people can understand where they stand. We have a talent review process within the organization so that the managers know the strengths and areas of development for their leaders, the training offering both through partnership with world-class institutions Vishal talked about earlier, the relationship that we have now started with Stanford with the business school for interventions on leadership development. Leader speech is about individuals sharing their learnings with the larger organization which both a learning and a sharing experience and of course mentoring where people sign up to mentors and learn from them. So all of those are part of the approach on the leadership development side.

On the assessment part, now while there is assessment as part of training, there is a continuous evaluation of people through the performance management process. The intent of the performance management process is not only to provide feedback but at the end of the day, to develop a high performance work ethic in the organization, differentiating based on performance, providing feedback to individuals so that they can develop in areas where they have a problem, providing opportunities for people to improve themselves, are all part of the performance managed process to build the high performance work ethic and create the organization that is focused on meritocracy.

The engagement part and quite a bit of it was mentioned earlier both by Vishal and Pravin. Here are some of the areas that have been in place and some and some that started over the last 3-4 months. Murmuration and murmuration has been talked about quite a bit, this is about engaging employees to share ideas. We had over 2600 ideas that came through, ten of them were shortlisted, things are now being implemented based on the inputs given by the employees. Pravin also mentioned about the employee survey with 72% of the people participated. Now leaders that have taken up anchoring the response to each one of those areas that came through from the survey where there are programs that are being put in place based on the input in the survey. The third part is about the SWAT team which is also mentioned here again. It is across functional team of people that are looking into the processes within the organization and simplifying them so that it becomes more and more enabled for a friction-free work. In parallel, we have also focused on the alumni community, the thinking within Infosys and with everybody who has been a part of Infosys is "once you are an Infoscion, you are an Infoscion forever". There are people who have responded to our engagement with them and we are seeing the number of people wanting to

come back, who have left us in the past increasing by virtue of this engagement with the alumni community. Engagement with employees is not only for the employees to engage with leaders. Vishal mentioned earlier about the Town Hall here in Pune, the Town Hall earlier this week in Trivandrum and in Chennai, but also now we have had the engagement with the families. So it is an extended engagement where there are families of the employees that come into the organization over a weekend to experience what this campus is about, where their family members work. Petit Infoscion which is about getting your child and recognizing the achievement of the child in the corporate world, things that we have done as part of engaging with the family.

On the compensation front, I talked about the variable payout this last quarter, the 100% of the variable was announced as a payout for our people. The promotions which were mentioned by Pravin earlier, over 19,000 people have seen a promotion. all of this is in this financial year. We have created multiple channels of engagement, both via the town halls or the mechanism to engage with people basically through the conversations but the electronic media, the social networking platforms, the Infosys TV, the Hall of Fame, the Infosys Radio, all of those are channels that we have created for engagement with our employees. Each one of those attract huge interactions. There is a significant difference between what today's work force expects versus the work force of the past where the town hall was a primary mechanism. But today people are more comfortable interacting with leaders through the electronic media and there are several channels available for that interaction to happen. The net impact of all of this really is on our ability to retain people. While the number on the attrition is high, we are happy to see that a lot of these interventions have helped us to see a trend which is reducing in terms of the number of people we have been losing on a quarter-on-quarter basis over the last two quarters.

Let me stop with that and if there are any questions, and if there is time for questions, I can take one or two.

Sandip Agarwal

I have a question relating to the applications and offer letters we make. If you see 14-15 years back in 1999-2000, the ratio of interview to the application was around 5%-6%, and now it has gone up to 12%, while the final offers remain more or less same. So, is it something to do with the high competition activity or lack of talent available or something specific to Infosys?

Binod Hampapur Rangadore

Today's conversion is about 6.9%. From the colleges, we are doing recruitment of a specific number of people. We also do just-in-time recruitment when there is more demand that keeps hitting us. We are watchful of this number because we do not want to make more offers and defer joining which some people do in the industry. We do not want to that because if we make a commitment, we have to honor it. So what we do is we do assess this number, we plan this number and we make those numbers of offers. If we need more, then we do off-campus drive, and then get in more people. 67% is the normal number that is in the industry today, we are around the same number.

Participant

The total number of applications which is being received, that has almost doubled in the last 15 years. So my concern was that whether it has just increased in the last two to three years because of some competition activity because, yes, the final offers I agree that it has remained from 5.5% to 6.9% in 15 years has not changed much. But this number has almost doubled, so is it something to do with the competition or something to do with us?

Binod Hampapur Rangadore

Yes, to a great extent I would say that because of the competition activity there. But people have multiple offers. If you look at engineering colleges, earlier they used to allow only one offer per candidate. Now they allow two offers per candidate - one in IT stream, the other is in the Engineering stream what they call as the core area. If it is a mechanical engineer, so they allow him/her to take one offer from a mechanical engineering firm and one from an IT firm. But then depending upon which way the IT is swinging, people choose where to go.

Ravi Menon

Hi, just had a question on the domain training. The other parts I agree that people can be taught a lot, but I think domain if we do not really have what worked in the vertical. I do not know how much value people can add. So your comments on that?

Srikantan Moorthy

As such the domain training has two elements to it. One is the first, we recruit people with domain experience, but there is also the aspect about doing the training related to the client they are working for. You could be working in say the oil industry and there is a one-on-one of the oil industry you would get, but, then you also need to know more about what that particular client is doing and that is part of the domain of that client. There is an element that is important to understand how that domain plays into the use of IT for solving that business problem. So, there is a level one-on-one training, there is a level one-on-two training and depending on the years of experience an individual has in that area, there is a level of training that is accorded to them.

Participant

Just to clarify, so, you mean that this domain training given to the technology guys in the company, not…?

Srikantan Moorthy

That is correct.

Participant

I was talking about more solution people from the vertical side, the sales people; how do you create vertical specific solutions. How do you get the domain expertise that will be needed for that.

Srikantan Moorthy

That comes from, recruiting people with an industry experience that come into the company and people who have the technology expertise but now need to know how to apply that technology in the context of the domain.

Binod Hampapur Rangadore

In sales area, for example, we do hire people with the domain knowledge. Otherwise they will not be adding much value into that process. But that is a very small number. When we hire people in large numbers for technology, then we definitely need to give them that domain training, because then they will understand the client's business better.

Moderator

We will take one last question.

Mitali

Mitali from Bank of America. My question was really on the hiring. Given the change in business and demand environment and given the increase in the breadth of services, when I am talking about demand environment, I am really talking of shorter cycle projects and shorter-term commitments from clients and so on. How has that whole demand forecasting for recruitment, how has the process been fine-tuned to avoid like you said over recruitment, in this dynamic environment, how that is changed? And the second thing is given the increasing focus on productivity, automation, all of that, how have some of your assessment metrics perhaps changed?

Binod Hampapur Rangadore

Depending upon the year, we will know how much of growth we would kind of commit to the market and then we hire accordingly. There is no straight line formula that we can adapt to get to that number but we will go with safer number when we go to campuses. The reason I am saying this is when we go to campuses, we go a clear 1 year ahead. I have to roll out offers this year for people to join me in June next year. Visibility about what will happen in June next year is a calculated risk that we have to take. But we also do real-time hiring, because we also do off-campus hiring to meet any variation in the numbers that we have planned. Because we have to hire best and the brightest from these B-schools one year early, we will have these variations. So whenever those numbers go up, then we go and do an off-campus hiring and get people. But there is no way we will dilute any of our standards in terms of what kind of people have to come in. For example, in engineering colleges, when we shortlist a candidate from testing to interview, there could be almost 30% to 40% success rate there. But when it comes to off campus, we interview a lot more people to get to our numbers.

On the second question on the assessment metrics, this is more assessing the person whether the person understands the technology or not. There are two ways of what we do. The training methodologies also change to some extent. The class is not just a lecture class. So, there will be a lecture on a particular topic. All our classrooms are online class rooms). At the end of the lecture on a particular topic, there is an assignment related to that topic. At the end of that assignment submission, we assess whether at least 85% of the class got it right. If so, it moves on to the next topic. If not, the person who is teaching the class will have to repeat that once again till about more than 85% of the class get it. That is the in classroom assessment that happens. At the end of the day, there is one whole assessment for the day and at the end of the whole topic, may be about 3-4 days of training, there is another assessment. The person also needs to take a comprehensive assessment before the person is ready to move on to the production. That is all in training. Even if you take continuous education training, at the end of the training, there is an assessment. Those assessments are pegged very high because we need people to understand the concepts very well before they execute any project. We have always kept it very high.

Srikantan Moorthy

The change in the trends which is what I talked about, there are two elements. One is getting more and more of the productivity measures into individuals goals, so that they can look at how well they are doing on those areas. So, that is an important element on the assessment. Second is about the competency development points that they need to get for them to gear themselves up in new

technologies. Both of those are part of the overall evaluation of an individual - productivity and competency, that they have acquired in that period.

Moderator

Now, we will end the session here. Tan and Binod will be here during the open house in case you have any further follow-ups. Thanks a lot.