

Paper 26

HCL Technologies: Products and Services

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ABSTRACT

HCL Technologies (Hindustan Computers Limited), a multinational Indian company is a next-generation global technology company that helps enterprise re imagine their business for the digital age and it is one of the fastest growing IT services brands globally. It is a division of HCL Enterprise. The company has its headquarters in Noida, Uttar Pradesh in India. In 1976, a company has been started by a group of 6 engineers led by Shiv Nadar that focused on selling personal computers. It was initially named as Microcomp Limited. Nadar and his team gathered money for their main product by selling teledigital calculators. On 11 August 1976, the company was renamed Hindustan Computers Limited. HCL has focused on transformational outsourcing and offers integrated portfolio of services, solutions, products and IP through the Mode 1-2-3 strategy. HCL Technology helps global enterprise to restructure their business via innovative technology solutions built around digital, cloud, IoT, automation, analytics, cyber security, infrastructure management and engineering services. The company has offices in 44 countries including the United States, France, Germany, and the United Kingdom. With a worldwide network of R&D, innovation labs and delivery centers, the company has 132,000+ Ideapreneurs and its customers include 250 of the Fortune 500 and 650 of the Global 2000 companies. HCL Technologies is on the Forbes Global 2000 list. The company, along with its subsidiaries, had consolidated revenue of \$8.4 billion as of 2018. It operates across sectors including aerospace and defense, automotive, banking, capital markets, chemical and process industries, consumer goods, energy and utilities, healthcare, hi-tech, industrial manufacturing, insurance, life sciences, manufacturing, media and entertainment, mining and natural resources, oil and gas, retail, telecom and travel, transportation, logistics & hospitality.

In this paper, we have analysed the products and services offered by the HCL Technologies along with the business strategy. The paper also includes the analysis of company's strengths, weaknesses, opportunities and threats.

Keywords: HCL Technologies, Indian multinational technology company, Forbes Global 2000, Business strategy of IT company, Shiv Nadar, Microcomp Limited.

1. INTRODUCTION

Case studies are used to systematically study the business issues of a firm by identifying the research oriented issues and to perform a study on them to get knowledge or to learn a better way of solving such business issues. It is considered as a qualitative research method in business management research. Case studies may sometimes focus on discussing a single issue or many issues of an organization. A case study based on company analysis provides suggestions or recommendations to improve the performance of the firm. Company analysis is conducted to provide a picture of the company at a specific time, thus providing the best way of enhancing the company.

In the contemporary world economy India is the largest exporter of IT. HCL Technology is considered as one among the “Top Five Indian IT Services Providers” according to Gartner.

HCL Technologies Limited is an Indian multi-national company. It is a division of HCL Enterprise and the headquarters of the company is in Noida, Uttar Pradesh, India. Shiv Nadar started the company in 1976. It is the first Indian IT services (hardware) company. Before the formation of HCL technologies, India had only 250 computers. In 1978, the company developed the first indigenous micro-computer. The first RDBMS is developed in 1983, client-server architecture in 1984 and fine-grained multiprocessor UNIX installation in 1989. The company has offices in 44 countries. Shiv Nadar initially invested 20 lacks for starting the Hindustan Computers Limited. The company along with its subsidiaries had consolidated revenue of \$8.4 billion as of 2018. It operates across sectors including aerospace and defense, automotive, banking, capital markets, chemical and process industries, consumer goods, energy and utilities, healthcare, hi-tech, industrial manufacturing, insurance, life sciences, manufacturing, media and entertainment, mining and natural resources, oil and gas, retail, telecom and travel, transportation, logistics & hospitality. The company has over 132,000+ employees and its customers include 250 of the Fortune 500 and 650 of the Global 2000 companies. HCL Technologies is on the Forbes Global 2000 list.

2. OBJECTIVES

- To analyze the products and services provided by the company.
- To find the competitors of HCL Tech.
- To find the different initiative that will help in environmental sustainability.
- To analyze the achievements and the growth of the company.
- To analyze the company using SWOT analysis.

3. VISION AND MISSION

VISION: “Together we create the enterprises of tomorrow.”

MISSION: “To provide world class information technology solution and services to enable our customers to serve their customers better.”

4. PRODUCTS AND SERVICES

HCL has a wide array of business lines, services and products.

- **IT Infrastructure Management Services:** These services are expected to help the businesses become secure, agile, service-oriented, and capable of delivering unified

experiences to end customers. The services offered are :-

- Next Generation Data Center Services
- Digital Workplace services
- Next Generation Network Services
- Cloud Native Services
- Cyber Security Services & GRC Services
- Service Integration & Management
- Application Operations
- Mainframes and IBM i (AS/400)
- **Application Services:** HCL brings in-depth knowledge and expertise across a broad spectrum of industries. The combination of the company's services portfolio and the lean industrialized delivery model sets HCL apart and provides exceptional value for their customers. Services:-
 - SAP Services
 - Microsoft Services
 - Oracle Services
 - Quality Assurance & Testing Services
- **Business Process Services:** The Business Services of HCL understands the business priorities and is helping organizations transition from operational excellence and SLAs real-time decision making. HCL helps organizations in not only managing risks and business outcomes effectively, but also delivers consistent and best-in-class end customer experience. The horizontal services offered are:-
 - Finance & Accounting
 - Supply Chain Management
 - Digital and Content
 - Automated Product Support
 - Cognitive Automation

The vertical services offered are:-

- Banking
- Capital Markets
- Insurance
- Life Science
- Healthcare
- Retail
- Utilities
- Telecom
- Hi Tech & Manufacturing
- Consumer Packaged Goods
- **Cyber Security:** HCL's cyber security solutions enable an impeccable transition from a static to a dynamic posture. Dynamic Cyber security offers application security, infrastructure security, governance risk & compliance, access management, and business continuity. The services include:-
 - Strategy & Architecture Services
 - Transformation & Integration Services

- Managed Services
- **Engineering & R&D Services:** Today, HCL partners with a majority of the global top 100 R&D corporations. The largest and longest engineering outsourcing partnerships in the world are with HCL Engineering & R&D Services. Services offered:-
 - Systems & Hardware Engineering
 - Embedded Engineering
 - Digital Engineering
 - Software Engineering
 - Mechanical Engineering
 - Experience Design and Engineering(EDGE)
 - VLSI Design Services
 - Product Lifecycle Management
 - Product Testing and Verification
 - DevOps
 - STRIDE
 - Cognitive Product Support
 - Digital Manufacturing
- **DRYiCE:** It is a division of HCL Technologies that is focused on building AI-powered products and platforms for the digital world. These products and platforms leverage the world's best AI technology, IT automation and robotic processes automation to enable enterprises to operate leaner, faster, and in a cost-efficient manner, while ensuring superior business outcomes. DRYiCE will be the AI foundation for the Digital-Age Intelligence.
- **Cloud Native Services:** The cloud-native services of HCL have helped hundreds of organizations achieve a "cloud State-of-Mind", which helps them achieve their goals for business growth, greater resilience and faster innovation.

5. GREEN MARKETING STRATEGY-KEY FOR SUSTAINABILITY

Competitive pressures and increased customer expectations have led the companies to continuously strive to provide better and attractive offers to customers. But increasing awareness regarding existing and potential environmental issues have made the companies to practice green marketing. Sustainability is increasingly becoming a corporate and social responsibility of every manufacturer. By adopting green marketing strategy both organizational and the environmental needs can be met.

HCL adopted various initiatives to reduce its operational impact on the environment. These includes various energy savings initiatives at the offices of the company, environmental practices at manufacturing plants, IT infrastructure efficiency improvement, green products and services for the customers. HCL ecosafe is a green strategy adopted by HCL and it focuses on product lifecycle management, by which the company ensures that the products right from when they are manufactured, bought by customers, recovered at their end of life and recycled.

Some of the HCL's Green Practices include:

HCL is the first Indian company to launch a laptop(HCL ME Laptop M54) hat complies with the BEE(Bureau of Energy Efficiency) standards.

HCL Green Data center awarded the 1st LEED platinum certification in India.

Reporting GHG emissions and reducing it year by year.

HCL is the first Indian Company to launch a PVR & BFR Free laptop in January 2010.

HCL was the first Indian ICT manufacturer to have all its products RoHS compliant.

HCL was the first ICT Indian company in India to voluntarily support EPR(Extended Producer Responsibility).

HCL is the first Indian company to launch Antimony and Beryllium free laptop.

HCL extend its take-back services to customers for disposing off their equipment through HCL Green Bag Campaign, and recycling collected e-waste in an environmental-friendly manner.

Introduction of Global IT clouds has reduced hardware requirement which has led to power savings in a big way.

6. MODE 1-2-3 STRATEGY

Through Mode 1-2-3 Strategy, HCL Technologies is expanding its growth into a next-generation technology.

➤ Mode 1: Core Services

In this Mode, HCL provides core services such as infrastructure, applications, BPO and engineering services, leveraging DRYiCE to transform clients' business and Information Technology landscape making them "lean" and "agile".

➤ Mode 2: Next Generation Services

In this mode, HCL provides experience-centric digital services and outcome-driven integrated offerings of Digital & Analytics, IoT WoRKS, Cloud Native Services, Cyber Security & GRC Services.

➤ Mode 3: Products & Platforms

Mode 3 is all about using ecosystem to future-proof the business. Unlike creating a product from the scratch, it is about innovating products and platforms enabled by creative partnership.

7. SOCIAL WORK

The company focuses on Corporate Social Responsibility (CSR) Policy to support the development of the society.

The HCL Foundation is working on different projects like rural development project, Project Samuday, which focuses on economic and social development of slums. The CSR policy focuses on eradicating poverty, malnutrition and promoting healthcare and making the availability of safe drinking. They focus on promoting gender equality, setting up homes for orphans, day care centers, old age homes and many other facilities for senior citizen. They also ensure environmental sustainability, animal welfare and conservation of natural resources. The policy also provides benefits for war widows and their dependents and also for armed forces veterans.

8. SWOT ANALYSIS

Strength:

1. Long standing relationship with customers.
2. Consistent revenue growth
3. Offerings like tablets, PCs expand the reach
4. Ability to understand customer's business and offer right technology.
5. Proved to be an innovator and leader in technology.
6. Global coverage in countries like US, Japan, Europe etc.
7. Offices in 44 countries with 132,000+ employees.

Weakness:

1. Tough competition from existing PC and laptop brands means limited market share.
2. Poor Human Resource Management System.
3. Less promotional campaigns.
4. Poor customer relationship.
5. Low total asset turnover.

Opportunities:

1. Increasing competition.
2. Increasing consumer awareness about IT and its use.
3. New outsourcing deals.
4. Increased adoption of cloud computing services.

Threats:

1. Intense competition for traditional IT services.
2. One of the key threats is the ban of outsourcing from India due to the new regulation from US.
3. Small manufacturers are trying to enter into the segment where they can provide much cheaper products than HCL which will be a rising competition for HCL to stand.
4. Less franchise model.

9. COMPETITORS

- Wipro is one of the top competitors of HCL technologies. Wipro Limited is a global information technology, consulting and business process services company. It is founded in the year 1945. HCL has recently lost against Wipro to become the fourth largest software services company in India.
- Cognizant is a provider of IT, consulting and BPO. It is founded in the year 1994.
- Accenture is another competitor of HCL Technologies. It is a management consulting, technology services and outsourcing company founded in the year 1989.
- Infosys is founded in the year 1981 and it provides business consulting, IT, software engineering and outsourcing services that deliver measurable business value. It is one of the largest consultancy firms with consolidated revenue of \$11.54 billion.
- TCS is an Indian multi-national information technology service, consulting company. It is one of the largest Indian companies by market capitalization and is named as the fastest growing brand in IT services.

10. SUGGESTIONS

- Proper focus should be given on the after scale services of HCL.
- Proper attention should be paid for advertisement planning, like changing and planning new advertisement campaigns from time to time or celebrity endorsements.
- They should give careful consideration towards checking of different parts of PC before end client conveyance. Else it may affect the brand name in contrast with rivals.
- Company should tie up with some event management company to organize various promotional activities.

11. CONCLUSION

HCL is a brand name and it has marked its presence in the market for more than two decades. But now with the entry of various foreign brands the competition has become tougher. The products of HCL are still very popular and there is huge chance to expand its business as the new offices are establishing day by day with the development of technology. The products and services of HCL technologies are analysed as per the guidelines of case analysis methodology given in standard company analysis methodology. Various strategies used by the company to sustain in the market are discussed along with the company's strength, weakness, opportunities and threats and also various possible improvements are suggested.

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