Header: The power of one
Strap: e-Serve operates as a back-office and call centre to Citigroup, the largest financial services provider in the world. The company does not intend to take on more clients as it serves the diverse entities of Citigroup

e-Serve was initially in the business of hire-purchase finance, bill discounting and investment consultancy as Havelock Leasing and Finance. However, over the years the business space became more competitive as companies like GE, Tatas and Sundaram entered the field. This prompted them to change their line of business and go in for ITeS. Since they were already in the field of financial services, they decided to work as a financial services provider for Citigroup also. Mr Rahul Singh, CEO of e-Serve, says that it was natural to do so.
e-Serve presently serves as a back-office and call center to Citigroup, the largest financial services provider in the world. In the early days, that is between 1997 and 2000, infrastructure and telecom posed a challenge. They had also bought CITIL, a small processing outfit, consisting of 300-400 people. Primarily their focus has been on foreign exports, financial expertise and creating a brand for themselves. Initially they had to overcome the hurdles related to globally perceived issues of infrastructure and telecom. For example, power shutdown is not a frequent phenomenon in Bombay, but people in the US think so.
The firm went about expanding in a very systematic manner. It started with remote processing in India, then expanded to the Middle East and the neighbouring countries. These countries were easier to tackle because there were no time-zone issues, and the products in these countries were also similar. Thereafter, they went on to the US and Europe. Rahul Singh says that he believes in clients being spread around the place, instead of being clustered in just a few countries. This explains the firm’s low exposure to the US. Now the company has a wide presence not only in many countries, but also in multiple types of activities.
How does it enjoy the same, given the fact that it works for only one client? It stems from the diverse activities of Citigroup. Citigroup has many entities, which include Citicorp Finance, Citicorp Maruti Finance and Citicorp Brokerage. The company does not intend to take on more clients. The facilities have been designed accordingly. Training programmes, compliance-related issues and the environment for control have been designed for a single client.
With regard to attrition, the firm gave an indication that it is about 5-10% lower than the industry average. It is the first or second job for most of the employees of the company. The company focuses on intensive training programmes and follows the policy of meritocracy and equal opportunity, age not being a barrier. e-Serve also conducts ITeS-HR forums, which are attended by companies like Spectramind, JP Morgan, ICICI OneSource and Epicentre. Best practices and effective churn management techniques are discussed at these forums.

The system of variable pay (20-30% of the pay being the variable component) has been set in place in order to motivate the employees to work further. Outbound programmes are conducted. Sales incentives are also in place for morale boosting.

How has the company managed to retain its employees? In the words of Rahul Singh, e-Serve is largely a domain-focused company. The very fact that the firm serves the largest financial conglomerate in the world makes the employees proud of their work. Moreover, the training programmes ensure that people are aware of the latest in financial service products and the global benchmarks. Another factor that contributes towards retaining employees is that the company provides them the opportunity to apply for jobs in Citigroup entities, after a certain minimum time in the domain area at e-Serve.

The company might set up more development centres in Chennai and Mumbai in the near future. Chennai has been a target because Citibank has already been in that city for 10-12 years. e-Serve has also had a presence in Chennai for the last five years. Chennai is attracting new people from neighbouring cities also. As Bangalore has become very crowded, the company is willing to invest more in Chennai.

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Start-up Year: 1984  
Area of Operations: Customer care, transaction processing and technology services  
Locations: Mumbai  
CEO: Rahul Singh  
Promoters/Owners and Funding: Promoter’s (Citigoup’s) stake is 44.38%, eServe International ltd Employee welfare trust- 6.75%, Mutual fund- 12.90% FII-6.11%, Corporate bodies-4.09%, NRI/OCBs-1.90%, Public- 23.87%  
Approximate Headcount: 3850  
Approximate Revenues: Rs 258 crore