

# Anand Mahindra apologizes over Tech Mahindra employee sacking

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## HIGHLIGHTS

- The employee was asked to resign, as part of the company's restructuring plan, by 10am the next day.
- The HR referred to the contract that gives the employer the right to fire an employee instantly.
- On social media, many felt the apology would have little impact on the way firings happen in India.

*Mahindra Group executive chairman Anand Mahindra. (Picture for representation)*



BENGALURU: [Mahindra Group](#) executive chairman Anand Mahindra, [Tech Mahindra](#) vice-chairman [Vineet Nayyar](#) and CEO C P Gurnani all individually apologized on Friday over the way an employee at Tech Mahindra was asked to resign with immediate effect, after the person's recorded conversation with a HR personnel went viral online.

"I want to add my personal apology. Our core value is to preserve the dignity of the individual & we'll ensure this does not happen in future," Mahindra tweeted on Friday. His tweet came in response to a tweet by Gurnani that expressed regret over the manner of the discussion and which assured that

the company had "taken the right steps to ensure it doesn't happen in future."

The employee, whose name is not known, was asked to resign, as part of the company's restructuring plan, by 10am the next day, and despite repeated pleas for more time, the HR executive curtly tells the employee that that was not an option and referred several times to the employment contract that gives the employer the right to fire an employee instantly.

"Cost optimisation is happening at the company and your name is part of that list. If you can put in papers we will be treating it as a normal exit with June 15 as last working day, if not, we will be sending you a termination letter and don't expect anything from the company including experience letter or basic salary," the HR executive is heard saying on the call.

On social media, while some welcomed the apologies, others felt they would have little impact on the way firings happen in India. "This looks to be a pattern firing people over the phone & threatening w/o fear," a tweet read.

"Do u really expect us2 believe that TopMgmts r not aware of how their culling decisions r put into action by HR? Or U sorry cause of the tape?" another tweet said.

The sacked employee is heard pleading that he was not on the bench and that his performance in the last few years has been good. But he is told that his sacking has nothing to do with his performance but is a part of the company's "cost optimisation" plan. "The company reserves all the rights to talk to the associate to leave the company at any moment paying unpaid basic salary," the employee is told.

HR experts said it was not unusual for employees to be asked to leave instantly, but they felt the script in the particular instance was harsh. "HR teams have pressures to deliver on the target," an HR professional said on

condition that he not be named.

Ronesh Puri, managing director of Executive Access, a leading executive search firm, said the business environment has changed much in the past few years and that has led companies to become more clinical in these matters. "They keep emotions aside and do what is best for the company," he said.

Companies, he said, fear that if the employee stays for too long after he's asked to go, he would spread an atmosphere of negativity as he feels he has been wronged.

### **Clinical separation**

*"Companies have become more clinical in these matters. They keep emotions aside and do what is best for themselves. It's different in Europe, where they prefer to take a larger view and talk gracefully to try and smoothen the exit " - Ronesh Puri , managing director, Executive Access*

*"There were the good times when employees whose skills were in demand would leave their resignation letters in the drawer and call their managers to inform them that they wouldn't be turning up for work the following day. It's cyclical. Today, it's quite common to let go off employees at short notice in India and they have very little bargaining power. The challenges faced by the IT sector will only put to test the ability of employees to constantly upskill themselves." - an HR professional*