

Recruite

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this issue 

HIRING PROJECTIONS 2014

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INDUSTRY WILL NEED THE RIGHT BLEND OF SPECIALISTS & FRESHERS

Industry players in the sector believe that the sector has been in expansion mode in the second half of 2013; thus, organisations are focused on core functions requiring specialised skill sets and leaders for strategic roles.

*The base value for the talent demand index is taken as 100 for the month of December 2010.

The year 1882 marked the introduction of telephony in India. The country has not looked back since then. According to the Indian Brand Equity Foundation (IBEF), India is the second largest telecommunication market in the world. According to TRAI, the total telephone subscribers in India stand at 904.56 million at the end of October 2013. Out of these subscribers, a staggering 875.48 million are mobile phone users and only 29.08 million are fixed line subscribers.

Talking about the Indian IT sector, IBEF highlighted that the IT/ITeS sector has employed almost 10 million Indians and has contributed greatly towards the social transformation of the country. Studies done by National Skill Development Corporation (NSDC) suggest that the overall employment generation by IT sector would increase from about 1.4 million in 2012 to about 4.1 million in 2022.

According to TimesJobs.com RecruiteX data, IT/Telecom sector witnessed a 9 per cent growth in the

Key findings:

- > Western India performed well, in terms of hiring and recruitment, during July to December 2013
- > NSDC expects to incubate around 1000 IT and Telecommunication product start-ups, over the next 10 years
- > The independent software testing industry is growing and requires close to 300,000 specialist software career testers by 2020
- > Sector focused on grooming their competent talent to build future industry leaders

demand index during July-December 2013. The supply index grew by 8 per cent during the same period.

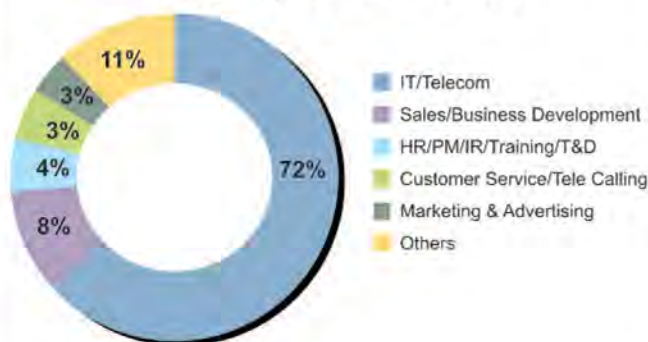
According to Rajeeb Biswas, director-HR, Q3 Technologies, hiring and recruitment in the IT sector peaked during the July to December 2013 period. Mobile developers (Android or iPhone) with 4-15 years of experience and people with 4-10 years of

experience in the big data space witnessed heavy recruitment.

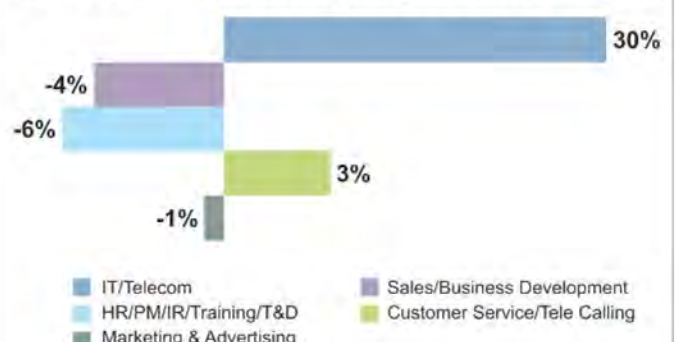
However, Sunil Goel, managing director, GlobalHunt, averred that the year 2013 was not a very good year for the Telecom sector. That is set to change, with the advent of new technologies such as 4G and cloud computing. Consolidation in the sector and some new policy decisions, which are expected to push up pricing for telecom offerings, would contribute to the growth. The Telecom sector in India will witness major changes in 2014.

The independent software testing industry is growing and the growth is expected to be faster than the IT services industry. Hence, this sector has been recruiting specialist career testers, particularly in areas such as global test program management, test architects for enterprise mobility and testers with specialist skills such as performance testing, security testing and test automation, added Ramana Vemuri, VP, People, Process and Operations, Cigniti Technologies

Share of total jobs for top functional areas during July-December 2013



Growth in demand for talent in top functional areas during July-December 2013



West beats the rest

According to TimesJobs.com RecruiteX data, Western India performed well, in terms of hiring and recruitment, during the July to December 2013 period. Mumbai, Pune and Ahmedabad turned out to be the star locations, in terms of creating job opportunities in this sector.

Referring to a study by NSDC, Biswas articulated that one of the main reasons for this could be India's rapid progress in growing its entrepreneurial activities, mainly in Bangalore, Pune, and Hyderabad. He highlighted NSDC's expectations of incubating around 1,000 IT and Telecommunication product start-ups, over the next 10 years. "NASSCOM also hopes to facilitate the generation of 10,000 start-ups in the country over the next 10 years," he added.

Goel believes that Pune is a hub for IT companies, with many captive centers, product organisations and educational institutions. Whereas, Mumbai is a focused center for many large investment banks such as Nomura and JP Morgan IT centers.

- Mumbai, Pune and Ahmedabad turned out to be the star locations, in terms of creating job opportunities in this sector
- Down south, Hyderabad performed well
- Growing entrepreneurial activities could be the reason for this



The industry focuses on mid-managers and freshers

According to Biswas, mid-level managers with specialised skill sets form the core of any project. They train and develop other team members and are instrumental in successful delivery of their projects. Their roles address all critical success factors pertaining to management quality.

TimesJobs.com data also suggested that, in IT/Telecom sector, candidates with 2-5 years of experience witnessed the maximum growth (30%) in demand during the July to December 2013 period, followed by entry level candidates with 0-2 years of experience (20%).

"Clients are looking for value addition in every stage of delivery. Specialists and professionals, with 2-5 years experience, fit in technical roles that are very important for successful global delivery. Particularly when it

comes to assuring software quality, hands on abilities are very critical to achieve this," Vemuri stated. He believes that engineers with 2-5 years would have consolidated the experience of working on at least two full cycle project implementations.

In addition, this time frame has the scope of exposure to the intricacies of working in globally distributed teams and agile environments.

"Software testing industry also welcomes freshers, with out-of-the-box thinking and great cognitive abilities to help test software more innovatively. Companies focused on building teams with specialists as well as freshers."

Candidates with 2-5 years of experience witnessed the maximum growth (30%) in demand during July to December 2013

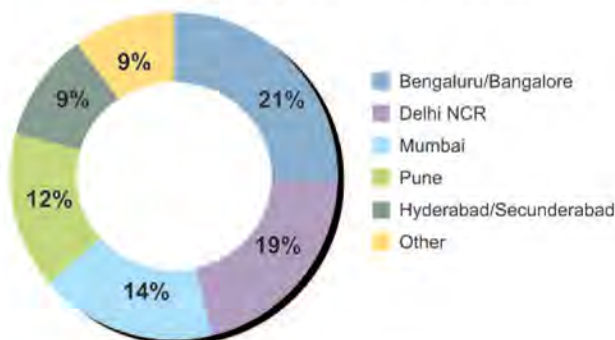
Specialists and professionals with 2-5 years experience fit in technical roles required for successful global delivery

Software testing industry also welcomes freshers, with out-of-the-box thinking and great cognitive abilities

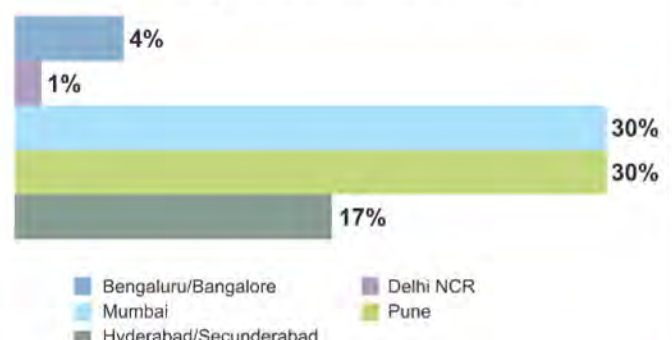
Sector to focus on strategic roles

According to TimesJobs.com RecruiteX data during January to June 2013, senior professionals with over 20 years of experience had witnessed the maximum dip (30%) in demand.

Share of total jobs for top locations during July-December 2013



Growth in demand for talent in top locations during July-December 2013



However, during the July to December 2013 period, senior professionals witnessed a growth (9%) in demand for talent.

Is this an indication of the fact that the sector is in expansion mode and is looking for professionals for strategic roles? Experts believe it is. Vemuri agreed that the demand for strategic roles is steadily on the growth path.

Referring to a study done by leading industry analysts, he opined, the reason could be the fact that independent software testing industry is expected to grow by 9.5 per cent year-on-year till 2018.

When it comes to large scale, multi-year testing program contracts, clients prefer to work with specialist vendors.

Industry reports also suggested that segments such as BFSI, Utilities and Healthcare with large-scale application portfolios will lead the need for end-to-end software testing.

The increase in the size and complexity of requirements has spurred the demand for thoroughbred global test program management specialists who have worked to serve clients consistently. This contributed to the demand for senior professionals, Vemuri stated.

- During the July to December 2013 period, senior professionals witnessed growth (9%) in demand
- This is an indication of the fact that the sector is on an expansion mode

Consolidation in the IT/Telecom sector and some new policy decisions, which are expected to push up pricing for telecom offerings, would contribute to the growth of the industry in 2014

- According to reports, the independent software testing industry is expected to grow by 9.5 per cent year-on-year till 2018

Sector focuses on internal grooming to build leadership pipeline

The sector also witnessed another interesting trend, in the experience category. Although senior professionals with over 20 years of experience witnessed a growth in demand, candidates with 10-20 years of experience witnessed a dip (15%).

Experts believe this could be because the industry is grooming their internal employees for leadership roles and not hiring external candidates in this experience category. The focus is largely on

employee engagement and retention, to build a competent in-house talent pipeline, rather than fresh hiring.

According to Vemuri, most of the IT services companies, who have been around for the last decade-and-a-half, have some precious talent who have grown through the ranks of both technical and management ladder.

Since this talent understands the cultural fabric of the respective companies, their clients and work models, they play a crucial role in the business environment.

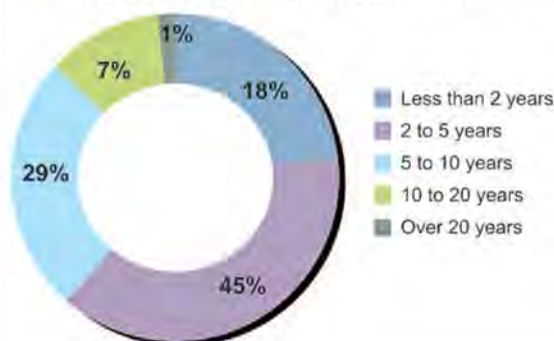
Rise of core functions and dip in ancillary roles

IT/Telecom professionals witnessed the maximum demand during the July to December 2013 period. They witnessed a growth of 30 per cent.

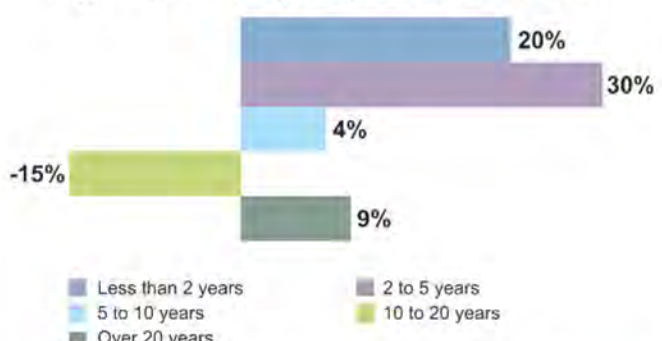
“With more and more projects coming up, the IT/Telecom industry is going for high-scale recruitments. There is a huge demand for core functions such as software engineers, mobile analysts and hardware engineers for mobile handsets,” stated Biswas.

Vemuri believes this surge in demand was an outcome of maturing digital enterprise, adoption of enterprise mobility, responsive web and cloud computing. He highlighted that in the past few years, companies had invested in streamlining, maximising the output from their support functions through innovation

Share of total jobs for top experience categories during July-December 2013



Growth in demand for talent in experience segments during July-December 2013



and technology. In the wake of unpleasant economic environment, the IT services companies had invested quite a lot on sales and marketing operations to prepare for a better time ahead. The focus on core functions is the next logical move. In addition, skilled professionals with exposure in agile software testing across varied business environments are also expected to be in great demand, stated Vemuri.

The future looks bright

According to Goel, the future outlook is positive in this sector and the industry is expected to hire professionals across levels.

- With demand in Europe and Middle-East market being stable, the IT/Telecom sector is witnessing positive sentiments

- Cloud computing, CRM, ERP, Big Data & Analytics will be the hot areas, as these are the one's which directly bring revenue to the organisations

India alone needs close to 3,00,000 specialist software career testers by 2020. This is great news for career testers with niche skills around enterprise mobility, security, performance testing, cloud computing and test automation

Expert Speak



Sundararajan Narayanan, Sr VP & global head-HR, Virtusa

What will be the top recruitment trends in 2014 in your industry? What will be the game changers in recruiting?

The top recruitment trends in 2014 include:

- Hiring via social media platforms will go up from 40 to 65 per cent
- Value-based talent with multiple skills will be in demand
- Candidate's flexibility such as openness to travel, willingness for learning & development, progression to different functions/roles will be the key lever
- Just-in-time hiring will increase due to cost arbitrations
- Companies, globally, will move away from the era of hierarchy and the new era of technology, adaptability, learning and flexibility will begin
- Companies will focus on grooming middle management to senior management to ensure a strong leadership talent pipeline

What is the future outlook for compensation trends in your industry?

As we are going through a phase of global uncertainty, compensation will remain a challenge. Companies would be focusing more on variable pay-outs and outcome/performance based compensation packages. Potential of people will be valued more than performance. On an average, the overall increment will be between 5 to 9 per cent.

What will be the top/highest paid jobs in your industry?

In the IT/Telecom industry, most in-demand functions/skills in 2014 are going to be:

- Some complex programs which are recurring in nature
- Innovation in dealing with customer's customers
- Building organisational competency across functions
- People with in-depth technology experience and good customer facing skills
- Leadership quality

What are the key challenges that every HR head/business head in your industry should have on top of their workforce agenda in 2014?

Following challenges would be on the workforce agenda of every HR head in the year 2014:

- Retaining top/critical talent in the company
- Identifying cool tools that HR needs to provide team members,

especially millennials to keep them engaged

- Creating an ecosystem to manage employee engagement in the way employees want to be engaged
- Providing work-life balance to employees which is beyond providing flexible working hours to employees
- Providing right opportunity to talent and show a clear career road map
- Developing scientific ways to analyse gaps in the talent ecosystem

Are there new skill sets that will emerge in 2014 (owing to new technology/market forces) that you would like entrants in your industry to be trained/ready for?

Cloud Computing, mobility and analytics will remain in-demand in 2014. The opportunities for freshers will be based on traditional technologies, not new technologies.

What is the biggest USP of your industry (work hours, work life balance, salary) that you would like candidates to know about?

The most important thing that candidates should understand, in this industry, firstly they need to learn to earn. And, also they should have the attitude to learn and change. The biggest USP in this industry is that one gets a chance to provide technology solutions to the best companies across the globe.