

Hiring in the Indian IT & BPM sector slumps due to bottomline pressures reveals CIEL HR Study

- A sudden drop in the demand for talent in IT & BPM sector results in hiring freeze and layoffs
- Software Development is the most sought-after domain in this segment

National, 12th November, 2022: Hiring in the Indian IT & BPM sector has witnessed a September slump this year due to margin pressures amidst fears of an economic downturn in major international markets like the U.S. and Europe. At the same time, the industry is confident of rallying back to strength soon, according to the findings of a survey conducted by CIEL HR.

Titled ‘Latest Employment Trends In IT & BPM Sector’, the study released by CIEL HR today finds that in Top 50 IT & BPM companies, hiring in September 2022 has declined by 41% and for senior management roles, it has dropped by 61%.

During the pandemic years, IT companies hired massively to address the surge in demand driven by the wave of digital transformation across the globe. Now that the demand has subsided, the companies are rightsizing again. With rapid changes in consumer behaviour post pandemic, a new normal is again emerging. Companies have to find innovative solutions to keep up with this change. The alternative is to find cost optimisation measures.

On the job front, the study finds that Bengaluru remains the “hottest destination for IT & BPM talent”, with 28% of job postings for this region, which outstrips 14% for Delhi, 13% for Hyderabad and 12% for Pune. Out of the total job postings, foreign MNCs account for around 66% of the jobs while Indian MNCs account for 18% of the job postings.

Another interesting find has been that the educational qualifications that employers are looking for in the sector, “An analysis of 46,876 jobs posted on job portal revealed 39% of job postings are looking for ‘Any Post Graduation’ degree, while 30% are settling for B.E/B. Tech and 7% for M.Tech,” says the study. While the requirement for an MBA degree is the least among IT & BPM companies with 5%.

Mr. Aditya Narayan Mishra – Managing Director and CEO, CIEL HR Services commented

“The demand for IT Talent which was at its peak during the first half of the year saw companies go into a hiring spree. Companies were ready to spend the extra buck to onboard resources with the right skill. The hiring frenzy overlooked aspects like cultural fitment which created a disharmony as people have started coming back to office. So, some hard decisions are being made and contract resources have suffered the brunt of this.

Pressure has been building on the performance of big tech firms as they have not been able to bring anything majorly innovative. So it had to happen. Now with the recession

approaching, inflation flaring up and other macroeconomic and geo-political factors it is largely a market-driven decision. So they have to do some cost adjustments. Companies are focusing on cost optimisation and rethinking business strategies to protect their revenues and as a result, it won't be surprising if more layoffs take place”.

As for jobs that are still in demand amidst the global headwinds, Software Development is most in demand “with 60% of job postings looking for this role”. The other popular choices are: Quality Assurance & Testing, IT Infrastructure Services, IT Support, IT Consulting, Data Warehousing, and Business Intelligence & Analytics. The report is based on the analysis of 10,00,000 employees working in the top 50 IT & BPM companies operating in India. The data has been collected using LinkedIn.

About CIEL HR: CIEL is India’s fastest growing HR services company (CAGR of 121% over the last 7 years), spread across 75 offices at 50 locations in India servicing ~300 companies across industry sectors for their Temporary staffing needs and 2200+ companies to find the right talent for their Permanent positions.

Leveraging new technologies such as machine learning, CIEL is at the forefront of the industry and finds the right candidates at a pace matching the requirements of the employer companies. CIEL combines the power of its subject matter expertise with the geographic spread over 70+ offices and the experience of its team while delivering the best solutions for its client companies. CIEL is ranked among the Top 10 Largest Staffing Companies in India in terms of revenue and No.1 in terms of Geo spread amongst the Recruitment and Staffing companies in India.

CIEL finds talent for companies in the industry sectors of Manufacturing, Energy, Infrastructure, IT & Outsourcing, Pharma, Financial Services, Consumer Products and Services. Over the last 7 years, CIEL has recruited 1,20,000+ people across levels and functions.

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