

# “Indian IT companies have reported improved revenues in the last quarter”

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**gives an overview of the Indian IT industry**

## 1) Please give us an overview of the IT industry and how it is doing presently.

The Indian IT industry has witnessed tumultuous growth in the past two quarters. The financial meltdown has hit world economies globally and has impacted the Indian software industry, in particular the BFSI segment. However, Indian IT companies have been able to hedge the risk and emerge stronger in the new financial year. The companies have reported improved revenues in the last quarter. With the dollar appreciating, the revenue for the IT sector has been looking good. Indian companies are also venturing into newer markets.

As far as the future of the industry is concerned, there is continued opportunity in the domestic BFSI market. The current market penetration of mutual funds, mortgage and life insurance is very low at about 5-6 per cent and presents several opportunities. A significant number of financial services technology companies have now started providing solutions for wealth management and investment banking.

## 2) Can you describe the current employment trends in your industry?

The world is reeling under the impact of recession and India has not remained safe either. The economic downturn has pressurized organizations to cut costs and in this effort, companies have had to revisit their hiring strategies.

As a result of the slowdown, while some companies have brought hiring to a stop, many have resorted to selective hiring based on their business needs. By hiring for specific skill sets and domain knowledge, this 'Just-In-Time' approach reduces the bench cost. Then, there are companies that are emphasizing on lateral hiring to rationalize their training costs.

## 3) Has there been any impact on your recruitment plans due to the economic recession? Are you downsizing your staff strength in any way?

The slowdown has been a dampener on our recruitment plans. We have realigned our recruitment strategies keeping the cost rationalization measures in mind. Fiserv has adopted a 'Just-In-Time' approach and is concentrating on lateral hires. This has affected our campus intake which we see marginally lowering.

## 4) What are some of the challenges HR professionals face in this industry?

The biggest challenge that HR Professionals face in the current IT industry is Human Resource Acquisition and Retention.

In-time recruitment in itself is a big challenge that HR professionals have to successfully cross over. They have to carry out effective recruitment planning to get the right people, with right skills and experience. In a tight job

market, organizations often experience precipitous and concurrent demands for similar manpower resources. In this quest for quality manpower, HR professionals have to go all-out to understand factors that contribute towards attracting the best talent, with right blend of technical and people skills.

Having hired the right set of people is not all. The challenge further intensifies as to how to keep the attrition rate low. HR professionals have to study the market trends and grab every opportunity to keep employees engaged with the organization. Having invested in manpower resources directly/indirectly; the challenge lies with HR professionals to generate return on the investment and to create a performance driven culture in the organization. That's where they have to consistently work towards bridging the gap between the individual's needs/aspirations and organizational goals achievement. Motivating employees in tough market conditions is far more difficult and a real challenge for HR professionals. IT Industry demands high productivity and flawless quality both of which depend critically on employee morale.

#### **5) What are some of the traits and qualifications you look for in the people you hire?**

We look for behavioral traits in a person; s/he should be a team worker, collaborator, honest, adaptive, flexible, proactive and hungry for learning and acquiring new skills. Above all, the candidate should have BFSI or domain knowledge.

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