

Tech Sector Presses Ctrl+Enter, Hiring at 3-yr Low in May

Weak macroeconomics, slowing demand, falling client addition prompting firms in technology cohort to put the brakes on hiring

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Mumbai: Demand for talent in India's software technology sector fell to its lowest in more than three years last month, as cost cuts by circumspect end-user industries from either side of the Atlantic and fewer client additions at some of the country's largest services exporters caused white-collar hiring in the world's biggest outsourcing hub to shrink 22%.

Compared with the same period last year, job vacancies in the technology sector cohort — comprising tech services, products and tech-enabled startups — plummeted 67% in May amid sliding de-

mand across all cohorts, showed data collated from top job boards and professional networking platform LinkedIn.

In absolute terms, the IT sector collective's active talent demand fell to 76,000 in May, from 228,000 in

the same month a year ago.

As companies globally are reducing discretionary spending, the IT services sector — the biggest contributor of jobs in the tech cohort — saw talent demand shrink 16% month-on-month, hitting its lowest

volume in 29 months. Compared with last year, it was down by 58%, showed the job statistics put together by staffing firm Xpheno.

"The tech sector is experiencing an extended bad weather that has dropped active talent demand to

record low levels," said Anil Ethanur, cofounder, Xpheno. "A 67% year-on-year drop in tech sector's active talent demand is unprecedented and has further diminished IT's position as a key talent consuming sector."

Lower discretionary expenditure could have an impact on jobs in other sectors as well. "Low demand volumes clubbed with a drop in velocity of hiring will have long-term impact on the tech talent ecosystem," Ethanur said. "With discretionary enterprise spending under pressure, non-tech sectors will also be readjusting their trajectories soon."

Losing Steam

IT collective's active talent demand at **76,000** in May



This is a 67% drop from **228,000** a year ago



IT services talent demand shrank by **16% m-o-m**

Sectoral demand hit lowest volume in 29 months

