

# Attrition in IT sector goes up to 25%; firms looking to hire more fresh talents

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FOR a few quarters now, IT companies have been reporting at least 20% increase in attrition rate, and this is said to continue till the middle of next fiscal.

IT services company Infosys saw attrition go up to 25.5% in the third quarter, Wipro reported attrition of 22.7% and Mindtree reported 21.9% attrition. Tata Consultancy Services alone managed to restrict attrition at 15.3%, which is lower than industry standards.

“We are seeing signs of attrition bottoming out,” TCS top official said while announcing Q3 results.

Speaking about attrition, Wipro CEO Thierry Delaporte said, “Attrition is a reality across almost all industries. It has been no different for us. We expect attrition to slow down only after a few more quarters. However, we now feel more confident of having stabilised our attrition rate in Q3 and expect it to moderate next quarter.”

Due to the record high attrition rates, the companies are also focusing on recruiting new talent, especially freshers.

Wipro will focus on building talents and the company plans to onboard over 70% more fresh talent from the campus in FY22 compared to FY21. It plans to hire 30,000 freshers in the next fiscal. Four IT firms—Mindtree (2,227), TCS(28,328), Infosys(12,450) and Wipro (10,306)—have added over 53,000

## Manpower play

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■ Four IT firms — Mindtree (2,227), TCS(28,328), Infosys(12,450) and Wipro (10,306) — added over 53,000 staff in Q3FY22

■ TCS promoted over 1 lakh people and it plans 40,000 more promotions in Q4

employees in the third quarter alone.

In H1FY22, TCS hired 43,000 freshers and in the third quarter alone it hired 34,000 people. Infosys also upped its fresher hiring to over 55,000 this fiscal.

The IT companies are also investing in upskilling and re-skilling their employees. At the same time, these companies are also taking various measures to retain the existing talent.

TCS has promoted over 1 lakh people so far and the company during the earnings call said it plans 40,000 more promotions in the fourth quarter of FY22.

There is a high demand for digital talent and this is the reason behind record attrition, but there is more supply too, said a senior executive.

Top officials of IT companies said this attrition will stabilise or slow down in a few quarters.

