

Indian IT companies turn job creators in overseas markets

S. Ronendra Singh
New Delhi, May 30

Far from being accused of taking away jobs from countries such as the US, Indian information technology firms are now beginning to create jobs in these countries.

Companies such as HCL Technologies have plans to create 10,000 jobs by 2015 in the US and European markets and others like WNS Holdings Ltd has announced to set up an office in Columbia, South Carolina from July.

Others such as Tech Mahindra, NIIT Technologies and Cigniti also said would continue hiring that have centres in the US, Europe and Africa.

CHEAPER WORKFORCE

While issues around visa for offsite employees are still a problem, the real driver for local hiring is access to cheaper workforce. Also, servicing clients on their time zone is assuming importance.

ON HIRING SPREE

- HCL Technologies plans to create 10,000 jobs by 2015 in the US and European markets
- WNS Holdings Ltd to set up an office in Columbia, South Carolina
- Infosys intends to hire 1,200 in the US
- Tech Mahindra, NIIT Tech and Cigniti also propose to hire in overseas centres

"Our office in the US has 50 per cent local staff. We would continue hiring more in such on-shore or near-shore locations globally. Establishing such facilities is to address the local clients and helps in providing lower cost services to these nations," Mr Arvind Thakur, Chief Executive Officer, NIIT Technologies, told *Business Line*.

He said providing services through local people is cheaper and also serves customers at same time zone. The company has 647 employees in the US

and 739 in Europe, Middle East, Africa region. NIIT Technologies' 95 per cent of employees in Continental Europe are locals, Mr Thakur said.

Looking at such benefits, WNS is setting up its first local office in North America and would start operation with at least 100 people. The company plans to ramp this up to around 800 in next few years.

"The 'new normal' has brought in a new set of challenges that is changing the market dynamics in unprecedented ways," Mr Naveen Narayanan

- Head Talent Acquisition, HCL Technologies, said.

He said the economic slowdown across the world, especially in developed economies such as US and Europe, is putting pressure on social and community systems.

Job loss numbers keep increasing creating serious unemployment challenge and, therefore, HCL Technologies is pulling its resources to increase job creation in local communities of operations, he said.

Infosys, which has 6.46 per cent of its total workforce of international origin, said it intends to take it to 15 per cent. "At any point 30 per cent of the total workforce will be onsite," an Infosys spokesperson said.

Infosys' Chief Executive Officer, Mr S.D. Shibulal, during the fourth quarter results had said that the company plans to hire 1,200 employees in the US.

Similarly, Wipro Technologies has 675 employees in its At-

lanta development centre and 80 per cent of them are locals.

SMALL FIRMS

It is not just big firms that have set their eyes on the local talent. Small firms too are taking this route to avoid pressures in getting H1 visas and spending premium on such employees.

Cigniti, an IT solutions firm that has recently turned its focus only on testing tools, is planning to 50 testing experts in the US this year. It would focus on optimising and rationalising testing tools practice on the client locations.

The company with about 500 employees has already recruited 200 for its US operations. "Majority of them would be locals as hiring them would be easier," Mr Sriram Rajaram, President, Cigniti, said.

Other than the US and Europe, companies are hiring locals. Tech Mahindra's BPO (which is called Business Ser-

vices Group) has hired 1,100 in the Philippines for its centre there.

"We have set up the centre for a non-BT telecom player there last year. Over 99 per cent of the people we hired there are locals," Mr Rajeev Narang, Vice-President (Human Resources) of Tech Mahindra, said. In Africa, Tech Mahindra has about 2,000 employees in seven countries to serve Airtel. Majority of them too are hired from the local pool.

Similarly, Mahindra Satyam, which opened aerospace and defence delivery centre at Toulouse in France, said it would hire 80 people locally for the centre in the areas of engineering, IT and communication domains, Mr C.P. Gurnani, Chief Executive Officer of Mahindra Satyam said.

(With inputs from Venkatesh Ganesh in Bangalore and K V Kurmanath in Hyderabad)

ronendrasingh.s@thehindu.co.in