



Training in niche IT skills offers a big opportunity

Technology firms are seeking pre-trained staff to ensure better manpower utilisation

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As information technology companies go fast on lay-offs and slow on recruitment, one area that is witnessing huge traction is training of individuals for IT skills, especially in niche technology.

To address the problem, IT firms are preferring IT graduates whose skill sets are diverse and who are well-trained in certain technology areas at the time of joining.

This has opened up a huge opportunity for companies that provide training, especially in niche technology.

"This demand is largely driven by the IT firms' aim at reducing people who are being used as standby," said Jitendra Nair, CEO, Karrox Technologies, a Mumbai-based IT and management training firm.

Some niche technologies that IT firms want aspirants to have in their bio-data are Tivoli, WebSphere, Lotus Notes (technologies for collaboration from US IT major IBM), SAP Certification, etc. Since telecom is a booming sector globally, technologies in the mobile space too are in huge demand, says Nair. ERP training is another niche area that has grown 30% annually.

Karrox has redesigned some of its curriculum in the last four months to meet the changed demand scenario. "We now recommend packaged training programmes that include diverse technology specialisations," said Nair. For instance, the earlier Microsoft Certified Technology Specialist

(MCTS) certification programme is now coupled with Oracle DB (a prominent database technology).

The global economic slowdown has made it crucial for companies to look for ways to better utilise their "bench" strength, or that part of the working population that draws salary without actually taking part in specific projects.

Benefits showing

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Industry observers say opting for niche-skilled people serves the twin purpose of enabling quick deployment of people on projects and also better utilisation of people.

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Wipro has increased its utilisation from 74.4% in first quarter of FY 2008 to 77% in the second quarter. Infosys increased its utilisation from 72.4% to 73.7%, TCS 78.3% to 81.1% and Satyam 75% to 76.6% between the first and second quarters this fiscal.

Suresh Senapaty, chief financial officer of Wipro, said, "Our continued emphasis on driving utilisation through an integrated delivery model resulted in utilisation moving up by 240 basis points." **Turn to Page 24**

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These strong gains on operational front helped us improve our margins in the IT services business."

The focus on improving utilisation has generated demand for people who can be put on projects right from day

one, says analysts. This also enables firms to cut their internal training budgets, especially those on induction and technology orientation training.

NIIT Ltd, India's largest IT training firm, says its corporate training segment has grown roughly 10% in the last year while the IT training and finance & management training segment has grown at about 30% and 120%, respectively. Karrox has seen a growth rate of 91% in its retail training segment, while the corporate training segment has taken a hit of about 25%.

Karrox is scouting for innovative ways of delivering course content. "We have been enabling our distance education business by VSAT connectivity through which students in other locations can access content at the designated time and place. We are now talking to telecom firms to deliver our content over the Internet. Another area we are evaluating is the medium of IPTV to deliver content," added Nair.