

Banks Tie Up with Institutes to Deal with Talent Crunch

Banking on Institutes

Banks tying up with institutes for readymade talent that suits the need of financial services

ICICI Bank, HDFC Bank and Axis Bank are among companies that have tie-ups with institutes

These tie-ups help them tackle attrition and also control salary spiral caused by talent shortage

Trained students are recruited for entry-level functions like branch banking, sales and tellers



ICICI Bank

Has tie-up with NIIT, Manipal University and other B-schools

Has set up Institute of Finance, Banking and Insurance, or IFBI, with NIIT, which supplies talent to other banks

15,000 employees bank hires annually

10,500 are provided by such tie-ups.

HDFC Bank

Has tie-ups with 30 institutes

2,000 employees recruited in five years from such tie-ups



Axis Bank

Has tied up with Manipal University, NIIT, IFBI and Guwahati University



Design programmes for b-schools, universities for readymade talent that suits industry needs

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Banks are designing short-duration programmes for business schools and other institutes to provide specialised training to students and make them industry-ready when they graduate, at a time industries are complaining that the curricula of most universities in the country are not tailored to meet their needs.

ICICI Bank, HDFC Bank and Axis Bank are among financial services firms that have tied up with institutes to offer programmes of three to six months' duration to students to ensure they meet the needs of the industry. "There is no shortage when it comes to supply of talent," said TK Srirang, senior general manager, human resources, at ICICI Bank. "The problem is to get readymade talent that can be productive from day one. We felt there is a need to re-look at courses offered at B-schools and realign it to vocational training."

ICICI Bank, the country's largest private sector bank, has tied up with NIIT, Manipal University and business schools. It has also set up The Institute of Finance, Banking and Insurance, or IFBI, with NIIT, which now supplies talent to other banks. While management graduates from top schools are being hired for key functions in treasury, strategy, and corporate lending, there's a huge army of people required in the retail busi-

ness. Retail requires basic graduates with understanding of the simplest of details of banking that could bring in customers and keep them serviced. ICICI Bank recruits about 15,000 employees annually, and about 70% of the staff come from such tie-ups. The bank currently has about 60,000 employees.

Axis Bank, the third-largest private sector bank, which began scaling up its retail business about a year ago, has also invested in such tie-ups. It has tied up with Manipal University, NIIT, IFBI and Guwahati University in Assam. "We aim to offer challenging careers in banking for aspiring youth in the country. Our objective behind the tie-up is to help develop banking capabilities among the young professionals with requisite skills and knowledge of bank's systems, processes and values," said Rajesh Dahiya, president, human resources, Axis Bank. The total employee strength of the bank is 31,738; it was 26,435 in the previous year. The bank has a young workforce with an average age of 29 years.

HDFC Bank has also similar tie-ups with 30 institutes. In the past four to five years, the bank has recruited about 2,000 people from such tie-ups. These banks largely recruit students for entry-level functions like branch banking, sales, relationship managers and tellers. Banks also hire talent from tier-II and tier-III centres and also invest in training these executives in English and other functions. These tie-ups also help them to tackle attrition when rivals poach trained staff, helping them to stabilise salaries at the middle-level, which could have otherwise spiralled due to shortage. "The bank started training programmes with institutes and universities. This has helped reduce poaching of talent from competition and avoid compensation spirals," said ICICI's Srirang.