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Trained freshers is Indian IT's new code

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Trained freshers is Indian IT's new code

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The Indian information technology (IT) services sector is changing its hiring pattern to take trained graduates for entry jobs, as more companies see increasing demand for digital technology-enabled services.

The \$154 billion IT-BPM (business process management) sector, which hired 170,000 people last year, has created hundreds of thousands of jobs annually for more than a decade and done bulk hiring from college and university campuses. Now, the sector's apex association, Nasscom, says companies are slowly shifting focus towards trained freshers and lesser training time at the workplace.

Majors such as TCS, Infosys, Wipro, HCL Technologies, and Tech Mahindra are in talks to create courses for equipping freshers with the initial training. BPM companies are looking at industry-ready talent, ready for deployment on client business operations faster than before.

As more customers of Indian IT companies seek services to be delivered using artificial intelligence, data analytics and machine learning, training of engineering students in old and new technologies would take longer, said Raman Roy, chairman, Nasscom.

"Getting a purely fresh employee would not meet the need in terms of timeframe and cost; we are competing on a global platform. Supplemental skills in new technologies will be provided (by the companies)," said Roy, adding this practice is becoming "largely the same" for IT and BPM companies.

Traditionally, these companies have trained fresh engineering graduates for six to nine months at dedicated learning centres within their campuses. For example, Bengaluru-headquartered Infosys trains fresh recruits at its Mysuru campus.

With increasing digital technology-focused business deals, more IT and BPM firms expect freshers to be ready with the basic training on technology; knowledge on emerging technologies would be an advantage, said Sanju Ballurkar, chief executive officer (CEO), Magna Infotech. "There is a huge gap between academia and industrial expectations. Colleges are not necessarily ready."

Magna, a unit of Quess Corp, is a staffing agency that helps IT services companies find vertical-focused talent at senior levels. Fresh graduates are a fifth of its hiring.

Agencies such as Magna and others are planning to create three to six weeks or, at times, three-month finishing courses on traditional technologies and emerging domain expertise for fresh graduates, based on demand from IT companies.

"We are seriously considering this doing it ourselves as a staffing agency. We are working on a couple of programmes on a Hire, Train and Deploy model (for some customers)," added Ballurkar.

Roy of Nasscom says an additional layer of training on emerging technologies would only add to a company's cost. "They (IT companies) have nine to 10 months training... In the new technology, that one year is going to increase dramatically, unless we make changes at the base level."

The BPM sector equally expects beginners to be industry-ready. "We need freshers who are industry-ready. We need them with some of the Nasscom programmes (training programmes recommended by the industry body on relevant domain), maybe at slightly higher compensation," said Keshav Murugesh, group CEO, WNS Global Services. He says whether a BCom or an engineering graduate, the person should have a top-up course in technology.

Companies such as WNS on the BPM front and TCS in IT are co-creating courses and partnering with universities for entry and middle-level professionals. Both Roy and Murugesh says there's an absence of right courses at many Indian colleges and universities.

"Unfortunately, except for the top institutes, we find that quality becomes an issue from a lot of colleges in India. Our rejection rate is so high, it sometimes does not make sense to look at that way to hire people," said Ballurkar.

He says today's technologies have shorter life-spans, unlike the trend at least a decade ago, and has a clear correlation with demand. "When Dot.net came as a premium technology, it remained at the top for 10 years, unlike today's. Someone starts learning a technology in the first year of his or her course and by the time the course finishes, the technology becomes irrelevant."

A host of large IT firms are looking for people to be trained on their own before they come on board, said Rajesh Gupta, India partner at IT consultancy firm ISG. "The trend is picking up very fast. Some are partnering with product companies for new domain expertise such as AI, machine learning or automation, apart from co-creating courses."



SHIFTING FOCUS

- According to industry body Nasscom, IT firms are shifting focus towards trained freshers and lesser training time at the workplace
- Nasscom is encouraging multiple training drives with Boston Consulting Group & member firms
- It aims to skill and reskill 1.5-2 mn people (both aspirants and current employees) in 4-5 years
- Industry body working with 20 firms, including TCS, Infosys, Accenture, Genpact, Google, Quattro, NIIT and ITC Infotech
- IT majors are in talks to create courses for equipping freshers with the initial training

