

# An essential Report

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## Job Market | India

### 2015

**Employment market  
analysis & forecast  
across 11 major  
employment sectors.**

*Focused on Engineering and  
Management scholars,  
Related Colleges & Professionals*



**Skills Ahead**

...nurturing excellence

Excellence in each activity we do, leads into the success we desire. Excellence is not a virtue or blessing, it's an art to learn and possess. When excellence becomes habit success follows willingly.

## Executive Summary

Year 2014 has recorded an average opportunity growth in employment sectors across India. Majority of employments has come from IT/ITES and Manufacturing Sectors.

Year 2015, the industry is hoping that the reforms announced in the budget 2015 will create new jobs in the country especially in sectors such as infrastructure and manufacturing besides the traditional IT sector.

"As far as job creation and hiring scenario is concerned, 2015 will be a much better year in comparison to 2014 given the increased stability in the political and economic environment of the country. The phenomenon of job creation will be led by the IT sector followed by the services industry and even the manufacturing sector is showing healthy signs," said Hitesh Oberoi, managing director and CEO Info Edge (India) Ltd.

According to a report by job portal naukri.com, 62% recruiters and 89% consultants expect creation of new jobs in the first half of 2015 itself. While 56% of recruiters expect the new job creation to be in the IT sector while 28% of the recruiters expect more jobs to come up in BFSI space.

**Skills Ahead®**, India's most efficient training and consultancy firm, is presenting an essential report on "Job Market India | 2015 ".



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## Acknowledgements

India is heading up on the skill development front.

Government at Centre has projected significant focus on skill development in its budget 2015. Increased emphasis on skill development and education will help prepare a number of youth for jobs, which will help curb the talent crunch issue that the country is currently facing.

Expanding horizontally, government has also offered sops to SME businesses, which is expected to boost the job market. Budget allocation to start ups will encourage entrepreneurs in Tier 2 and 3 cities and create new jobs there.

**The LinkedIn 4th Annual Report - 2015** India Staffing Trends offers great insights for jobseekers and employers on what to expect from the hiring market in 2015.

### **India Skills Report - 2015**

Realizing the urgent need to provide accurate analysis, CII partnered with Wheebox, PeopleStrong and LinkedIn to bring out the India Skills Report which is a conscious, One-of-a-kind effort to provide an insight into the hiring trends of the market while understanding the needs of the job seeker and organisations. The report has reached out to about 3, 00,000 students across 29 states and 7 union territories from the supply side and corporate players from 10 diverse industry sectors on the demand side.

The Employability skill assessment test launched on Wheebox.com reached all 34 States and Union Territories and 1,800 educational campuses across India.

This year, the test assessed the talent pool entering the job market on various parameters like – Cognitive Ability, Numerical & Logical Ability, Communication Skills and Behavioral traits. About 3, 00,000 students spread across these campuses were assessed on 244 domain areas and skill gaps that are scientific in nature and were validated using reliable Talent assessment tools.

We would thankfully like to acknowledge **India Skills Report 2015 Wheebox, All India Council of Technical Education, NDTV profit, Naukri.com, India Today and The Economic Times** for publishing valuable inputs referenced in this report throughout.

*Disclaimer: This report is compiled based on analysis & surveys conducted by Skills Ahead® and digital media information sources. Information, facts & figures presented in this report are volatile and can't be claimed by any individual or organization in any respect.*



# Job Market | India 2015

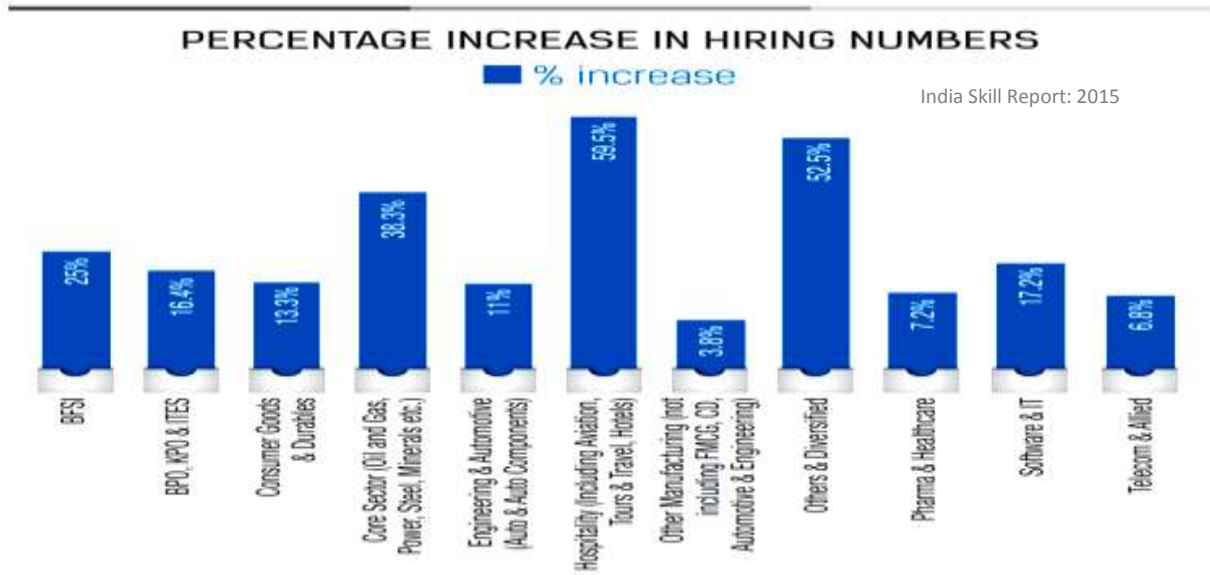
A significant improvement in job market has been predicted from Wheebox, ET, Naurki.com and Linked-in Surveys.

*“The Job market continues to sustain the momentum gained in February and March 2015. This growth is predominantly driven by sectors viz., Information Technology, Banking and Financial services. Looks like good times are ahead for jobseekers as there is a huge war for high quality talent in some of these sectors.”*

*~ V. Suresh, Executive Vice President and Chief Sales Officer, Naukri.com*

*“30% increase in the volume of first time job seekers is ready to hit the job market by Dec '2015, this increase is simply manageable against the growth in new opportunity sectors of Indian Job Market. The positive trends are going to be even better in Q1 of 2016”*

*~ R.S Verma, Director, Skills Ahead*



The overall job market in India shows up clear indicatives of optimistic growth in 2015. Companies are gearing up for large-scale recruitments in almost all sectors.

Job Market is planning to create nearly 10 lakh new jobs and allow performance linked pay hikes up to 40%. With an improving economy, initiatives such as 'Make in India', and plans to create 100 smart cities are likely to further stimulate job growth. The Indian job scenario is slated to witness more stability, especially in sectors such as manufacturing and automation.

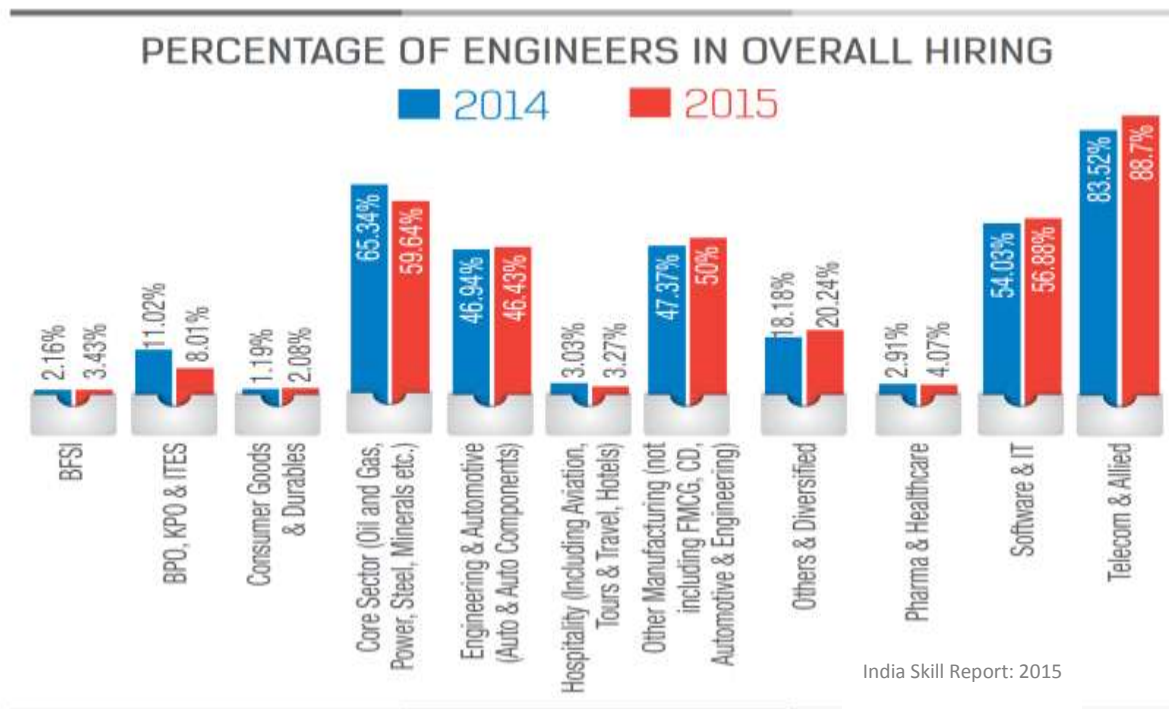
The gap between hiring volumes and recruitment budgets is gradually narrowing consequently 81% of Indian staffing leaders plan on increasing their placement budgets.

Hospitality sector is expected to hire maximum Of the fresh management graduates whereas IT & Telecom will collectively foresee 24% job growth as compared to year 2014.

Non-conventional diversified sector which includes E-commerce, Social initiatives and startups are going to generate 52.5 % new jobs preferably for Engineering Graduates. This sector is growing exponentially and expected to positively impact other employment sectors.

Core employment sector is growing with good speed And ready to hire 33% more than previous year. E-commerce and startups continue to contribute significantly to the growth of the job market in 2015 .

## Opportunity sectors for Engineering Graduates



Every sector of industry is poised with technological advancements. Manufacturing industry is upgrading its machinery from conventional to automated robotic systems, health care industry is now heavily dependent on technology and this is the same case with FMCG, hospitality, automotive and core sectors.

Interworked digital media has become the part of daily life. Ranging from a simple prepaid mobile recharge to ordering food is possible by just few clicks on a related website. Even that too is reshaped into a mobile-app. As long as your smartphone is in your hands you have the facility to avail for any product or service anywhere just by rotating the figure on mobile screen.

Services of BPO, KPO, ITES and IT sectors are used by most of us every-day.

As a result, Engineers will be in sustainable demands in almost every job sector. Telecom and allied industry is going to be biggest number of Engineers in year 2015 especially in Delhi/NCR, Bangalore, Hyderabad, Kolkata and Maharashtra.

Core sectors are mainly owned by Central Government, State Government and PSUs. Approximately 10000 plus vacancies are required to be filled by fresh engineering graduates in year 2015.

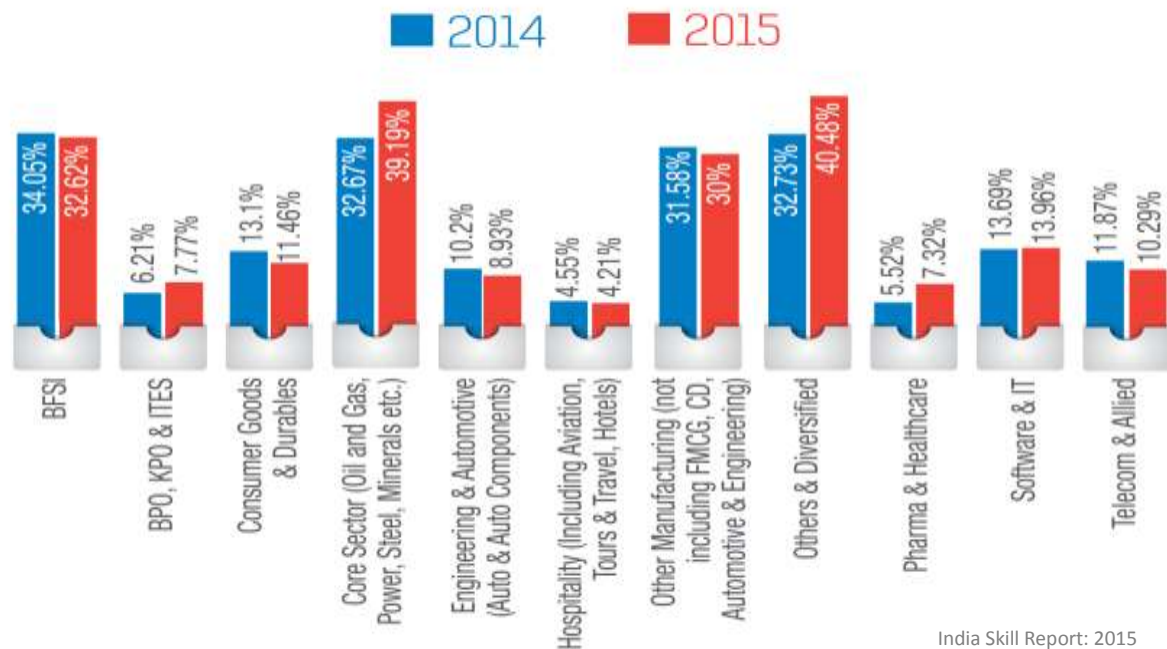
The B.Tech jobs 2015 will be for candidates from disciplines mechanical, civil, electronic, electrical, computer science, aeronautical, textile, instrumentation, biotech and many other branches. There are oceans of opportunities to the candidates who are going to complete their education this year.

Vacancy list includes BHEL, BEL, Coal India, HPCL, EIL, BPCL, Mazagon Dock, MECON, NACL, NLC, NMDC, SAIL, NTPC, IOCL, ONGC, Power Grid, Railtel, RITES, UCI etc. with significant number of posts varying from Assistant trainees to Executive Technical officers. Banking sector is also geared up to hire thousands of engineering graduates for junior engineer, IT officer and other technical posts. List includes RBI and many other national and private banks.

Overall, engineering graduates will have 2015 as good employment year not only in corporate world but in Government/PSU owned sectors as well.

## Opportunity sectors for Management Graduates

### PERCENTAGE OF MANAGEMENT GRADUATES IN OVERALL HIRING



2015 hiring outlook holds steady for MBA graduates as 90% of the employers are planning to increase the number of job openings compared with 2014. In addition, more than half of employers (54% to 74%) plan to increase starting annual base salaries at or above the rate of inflation in 2015 for new MBA and business master's hires.

According to GMAC, the likely driver of this positive job outlook is the continued prevalence of a majority of firms focused on organizational growth in 2015. Unlike recent post-recessionary years, when many companies were preoccupied with efforts to overcome financial challenges, the majority of companies represented in the poll are focused on expansion plans and growth, enabling more companies to hire.

The Graduate Management Admission Council (GMAC) further claims -

- 72 percent of employers expect to hire MBAs in 2015, compared with 69 percent that hired them in 2014.
- 41 percent expect to hire masters in management graduates compared with 30 percent that hired them in 2014.
- 34 percent expect to hire master of accounting graduates, compared with 31 percent that hired them in 2014.
- 35 percent expect to hire master of finance graduates, compared with 31 percent that hired them in 2014.

Mostly major 11 sectors pictured in above graph are showing steady and sustainable hiring demands for MBA graduates in year 2015.

It's a positive signature of growing Indian economy and technological adaptations. Tremendous placement opportunities for B-Schools are open ahead in India.

## Employability factor

### Campus

I don't understand what recruiters want. Why not selecting me. It's getting really difficult to find a dream job, Huh !



*Year 2015-16 : Total 4298 Engineering Colleges to produce more than 1.5 Million Engineering Graduates and 3217 MBA colleges to produce 0.96 Million Management Graduates .*

### Corporate

Out of 100 only 15 got through. I still need 95 more to fill the demand.

Don't know where to go . Why it's so difficult to find good Candidates, Huh !



*Year 2015-16 : Demand of Engineers and Managers increase by 18 to 23 % overall . Quality Candidates are on high priority.*

As per India Skills Report 2014, we found out that of all the students entering the job market across the country, hardly 1/3rd meet the criteria of the employment set by the employers. The severity of the situation is accentuated by many levels when the economy is looking up, new jobs are getting generated; but there are not enough "skilled" people available.

In year 2015, Out of about 3,00,000 candidates who appeared for the Wheebox Employability Skill Test across domains, 37.22% were found employable. It shows an increase of 3.27 % in comparison to last year when the employability percentage was just 33.95%.

This improvement, though minimal, is good news and does show that the initiatives taken up by government towards skill development are moving in the right direction.

Industry & Academics-have both realized that the gap in the supply of employable manpower cannot be bridged without their close cooperation & continued engagement.

However the effective interface has not emerged inspite of all well-meant discussions; is only partially effective at the implementation level & the output of mid segment colleges continues to be woefully out of sync with industry expectations.

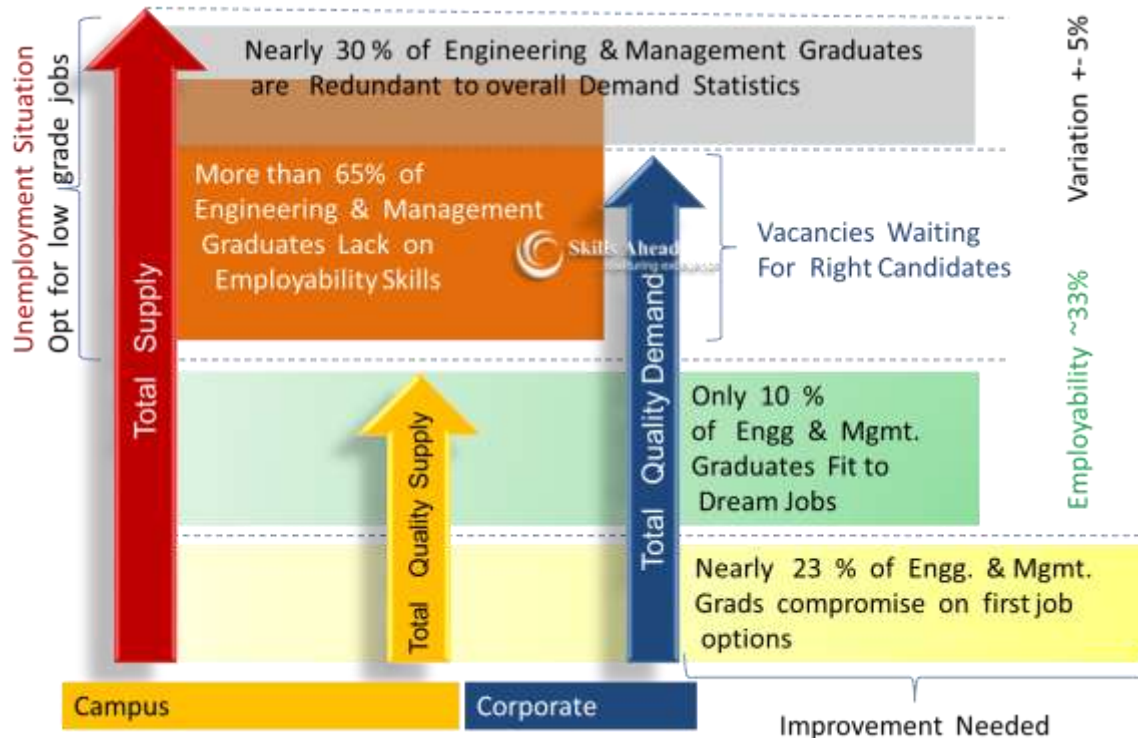
This leaves industries with no option but to keep chasing a few good institutes in IIT/ NIT/IIM category, seriously limiting the supply options of quality manpower at sustainable costs.

The shortage of appropriately skilled labor across many industries is emerging as a significant and complex challenge to India's growth and future.



## Gap Analysis

According to NASSCOM (National Association of Software Companies), each year over 3 million graduates and post-graduates are added to the Indian workforce. However, of these only 25 percent of technical graduates and 10-15 percent of other graduates are considered employable by the rapidly growing IT and ITES segments. Hence, what we have today is a growing skills gap reflecting the slim availability of high-quality college education in India and the galloping pace of the country's service-driven economy, which is growing faster than most countries in the world.



The employment landscape is simple to understand but difficult to measure and cure accurately. Total numbers of engineering and management graduates produced every year in India are in slight surplus against the total demand. When it comes to statistics the figure reaches to 30% in overall respect. It is good to see that employment sector growth is also nearing to 23%, which means the surplus is remaining up-to 7% only and that too is manageable in near future.

There has been significant growth in engineering and management colleges in last few years, good news is, Industry has also grown at almost similar pace.

Still only 10% of the students are able to secure their dream jobs as first job while 23% of them compromise with not so good jobs as per their wish.

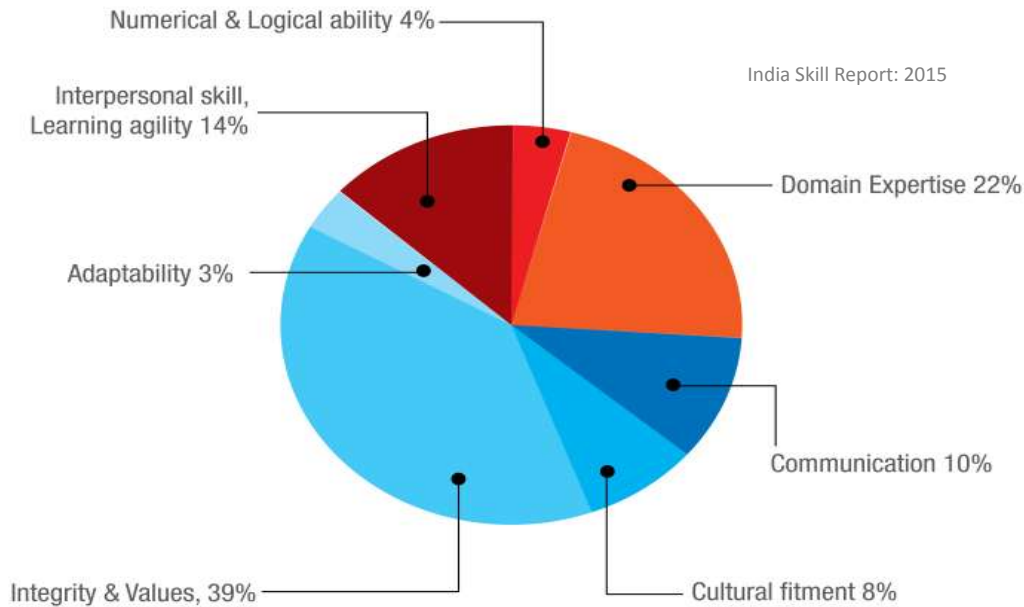
Looking at supply ends (the academic institutes) look healthy, demand ends (the employers) are also in good shape. On the ground zero level situation is that not all graduates are suitably employable and consequently companies struggle to get their demand fulfilled by quality talent.

The statement becomes stronger here that colleges have to create industry ready candidates with the quality fit.

The current educational era needs the ground level transformation from producing the degree holders to producing the degree holders with right, scalable and sustainable employability skills in both technology and management education systems.

## Employability Skills

### SKILLS DESIRED BY EMPLOYERS



India Skills Report: The corporate job survey questioned the employers about the single most important thing they want in their prospective employees. They were given options like Numerical and Logical ability, Domain expertise, communication, Cultural fitment, Integrity and Values, Result orientation, Adaptability, Interpersonal skills, and Learning agility. When questioned regarding this, most of the employers across industries voted for Integrity and Values, this was followed by Domain Knowledge.

These preferences again, did differ for some industry sectors. Out of the 11 sectors for 8 sectors, more than 33% of the respondents chose integrity and values as the most important trait. In today's times of ethical leadership, this is no surprise as companies want employees who can understand and imbibe the company values. However, for sectors Core, Engineering & Auto and Telecom, domain knowledge was picked as the most preferred skill. Hospitality was the only sector for which communication was chosen as the most preferred skill by almost 45% of respondents.

Skills Ahead's Analysis: Trends shown in India Skill report are almost realistic and suitable to corporate response.

The interactions with corporate MNCs in IT, Telecom & ITES sectors strengthen the fact that companies are looking for engineering & management graduates with average to excellent academic scores accompanied with excellent soft skills.

Soft skills development is time taking process and is really hard to inculcate on the job as it directly effects on productivity and cost.

A Fresh candidate coming out of college surely will not possess the domain expertise and companies are geared up to train the candidates on technical or management front.

In selection processes employers actually try to evaluate a right mix of soft skills ranging from candidate's learning curve, communication skills with right influencing capability, attitude to adhere organizational values and adaptability as intrinsic qualities.

## The Conclusion

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“ With close to 5.5 million graduates passing out every year, and only about 0.7 million being considered employable by in the IT/BPM industry, over-supply and low employability is significantly diluting the demographic dividend. It is critical to understand the talent demand and supply landscape and engage, enable and empower a tripartite network of the government, academia and industry to grow the skill sets required for India to be future ready.”

**Prithvi Shergill**

Chief Human Resources Officer, HCL Technologies

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It has been a well-known & worldwide appreciated fact that only 20 % of the success is derived from technical or domain knowledge rest 80% is all that is owned by a person as soft skills, and precisely that 80% is found in less than 10% of the people .That is why 10% of the people enjoy all the success in their life while rest 90% just dream on it.

This is the high time to produce quality employability skills to fulfill the required human resource capacity in India's corporate world and Government job sectors as well.

**“Gear up the passion to be excellent, Move on, Be Skills Ahead “**



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**Skills Ahead**

...nurturing excellence

Sustainable growth, personally and professionally, depends on attitude of living excellence.

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