

**TeamLease Employment  
Outlook Survey  
April – June 2007**



**“TeamLease House”  
# 26, Palmgrove Road  
Off. Victoria Road  
Bangalore - 560047  
Ph: 91-80-25575660  
Fax: 91-80-25575661**



*Putting India to Work*

| <b>Index</b>                                   |
|--|
| Background                                     |
| Key Findings                                   |
| Objective                                      |
| Methodology                                    |
| Sample Design                                  |
| Sample Size                                    |
| Respondent Selection                           |
| Data Collection                                |
| Questionnaire Design                           |
| Fieldwork                                      |
| Indices Used                                   |
| Quarter Comparison Sheet                       |
| Employment Outlook                             |
| Business Outlook                               |
| Employment Scenario                            |
| Intention to Hire Across Full Time / Part Time |
| Appendix                                       |
| Sample Profile                                 |
| Hiring Across Functions                        |



## Putting India to Work

According to the TeamLease Employment Outlook report for the quarter April – June 2007, select industry pockets such as retail media and FMCG have done phenomenally well with a net increase in employment outlook of 8% over last quarter. Infrastructure sector, manufacturing and engineering too is poised for major employment growth.

Cities like Kolkata, Chennai and Pune continue to be of economic interest with an increase in business outlook of 8%, 6% and 5 % respectively.

However the overall trend remains relatively consistent with 1% increase in net employment outlook over last quarter to touch 82 index points. Whilst net business outlook has come down by a percent over last quarter to touch 90 index points

### Key Findings

- Employment Outlook Index of Chennai reflects the sharpest net increase in hiring at 19% and a net increase in business outlook of 6%
- Kolkata, Bangalore, Ahmedabad and Mumbai also indicate a net employment increase over last quarter
- Employment outlook growth reflect a net increase in hiring across Retail, Media & FMCG, Infrastructure, Manufacturing & Engineering
- The Retail, Media & FMCG sector indicates the sharpest net increase over the last quarter by 8%
- The sharpest net increase in business outlook growth over the last quarter is in the cities of Kolkata at 8%, Chennai at 6% and Pune at 5%
- Respondents who expressed intention to hire from Metro and Class-I cities is 95%.
- 93% of the companies have expressed considerable intention to hire at Jr. Level and 45% of the companies intend to hire at Middle level
- Retail, Media and FMCG have witnessed major employment growth in Ahmedabad, Mumbai and Kolkata.
- Infrastructure sector have experienced major employment growth in the cities of Pune, Ahmedabad and Delhi.
- Manufacturing & Engineering sector has been the major contributor for the employment growth in the cities of Kolkata, Mumbai and Pune.
- Quarter 3 business outlook index reflects Retail, Media & FMCG having a sharp increase in index point
- About 1/5<sup>th</sup> of the companies have indicated an intention to hire in marketing functions followed by IT.



*Putting India to Work*

## **II. OBJECTIVE**

The objective of the proposed survey is to track and understand the hiring expectations of the private sector in India; this will ultimately further enable the HR sourcing companies to develop strategies with respect to their hiring/making skilled resources available respectively.

## **III. METHODOLOGY**

The TeamLease-Employment Outlook Survey follows a rigorous, statistically validated process adhering to the highest standards in Marketing Research.

### **Sample Design**

For the purpose of sampling a combination of database, and random sampling as a technique has been used. For non-IT/ITES companies, we have used the Centre for Monitoring Indian Economy (CMIE) database. The CMIE database comprises of all the companies listed in Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Particularly, it provides good coverage of small, medium and large sized companies. To ensure continuity with the baseline measurement, the core random sample was drawn from this database. However to have a better understanding of the dynamics in specific industry segments such as IT and ITES companies, we supplemented the above sample with random sample of companies selected from NASSCOM in case of IT and companies registered with the website of [www.bpo.india.org](http://www.bpo.india.org) in the case of ITES.

### Sample Size

| Sectors                         | Total      | Mum       | Del       | Blr       | Kol       | Chn       | Pun       | Hyd       | Ahd       |
|---------------------------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Sample Size</b>              | <b>490</b> | <b>85</b> | <b>80</b> | <b>85</b> | <b>45</b> | <b>55</b> | <b>50</b> | <b>60</b> | <b>30</b> |
| <b>IT</b>                       | <b>95</b>  | 10        | 10        | 30        | 5         | 10        | 10        | 15        | 5         |
| <b>ITES</b>                     | <b>95</b>  | 10        | 20        | 20        | 5         | 10        | 10        | 15        | 5         |
| <b>Financial Services</b>       | <b>90</b>  | 30        | 10        | 10        | 10        | 10        | 5         | 10        | 5         |
| <b>Retail, Media &amp; FMCG</b> | <b>50</b>  | 10        | 10        | 5         | 5         | 5         | 5         | 5         | 5         |
| <b>Infrastructure</b>           | <b>45</b>  | 5         | 10        | 5         | 5         | 5         | 5         | 5         | 5         |
| <b>Mfg. &amp; Eng.</b>          | <b>115</b> | 20        | 20        | 15        | 15        | 15        | 15        | 10        | 5         |

Reference: Mum: Mumbai, Del: Delhi, Blr: Bangalore, Kol: Kolkata, Chn: Chennai, Pun: Pune, Hyd: Hyderabad, Ahd: Ahmedabad

### Respondent Selection

The target respondents for the study were the HR Heads. The database offered a contact name for each company listed. MARCH interviewers called into each of these companies and obtained the names of the appropriate individuals who were responsible for hiring decisions.

### Data Collection

The survey instrument was then administered to the target respondents on the telephone and the responses obtained were coded at the time of data collection. Post the data collection the collated file was sent for the analysis. The analysis was then done using the software called Statistical Package for the Social Sciences (SPSS) package, which is used across the research and consulting organizations across the globe. Given the concentration of most companies and their headquarters in the top 8 major cities of Mumbai, Delhi, Bangalore, Kolkata, Chennai, Hyderabad, Pune and Ahmedabad, this study was restricted to covering only companies with a presence in these cities. A random sample was drawn from within each city with proper representation in terms of size.



*Putting India to Work*

### **Questionnaire Design**

A questionnaire was used for filling the responses to capture the following information areas:

- Over all business improvement (last three months and next three months)
- Over all recruitment needs (last three months and next three months)
- Recruitment trends (across age band, across geographies, across functions, across levels)
- Full time vs. part time vacancy divide
- Demographic information about the organization

### **Fieldwork**

A total of 490 interviews were completed during the month of February 2006 from the database. The database was a combination of CMIE, NASSCOM and [www.bpo.india.org](http://www.bpo.india.org). Sufficient care was taken to get an equitable representation across the industries to remove any bias or variation which might be an attribute of a particular industry



*Putting India to Work*

#### **IV. INDICES USED**

We have computed certain indices to elaborate and analyze the trends in the data. A description of those indices follows:

##### **Employment Outlook Index**

The Employment Outlook Index is computed as the difference in the proportion of respondents who report an increase in hiring needs and those who report a decline in hiring needs over the next three months.

##### **Employment Trend Index**

The Employment Trend Index is calculated by dividing the Current Employment Outlook Index with the baseline index and converting the same in percentages by multiplying with 100.

##### **Business Outlook Index**

Index computed by subtracting the percentage respondents who say business in the next three months is likely to decrease from the percentage who say it will increase.

##### **Business Confidence Index**

Business Confidence Index is computed by dividing the Current Business Outlook Index with the baseline business outlook index, and converting the same in percentages, by multiplying with 100.

**QUARTER COMPARISON SHEET**

**Net Employment Outlook:**

The 'Net Employment Outlook' is derived in Percentages as the difference in the Proportion of respondents reporting an increase in hiring needs and those who report a decline in hiring needs over the next three months.

| Quarters                    | Increase (%) | Decrease (%) | No Change (%) | Net Employment Outlook (%) |
|-----------------------------|--------------|--------------|---------------|----------------------------|
| Quarter 1<br>(Oct-Dec 2006) | 86           | 5            | 10            | +81                        |
| Quarter 2<br>(Jan-Mar 2007) | 82           | 1            | 17            | +81                        |
| Quarter 3<br>(Apr-Jun 2007) | 83           | 1            | 16            | +82                        |

**Net Employment Outlook growth sector wise:**

The Net Increase/Decrease in the Employment Outlook growth sector wise is derived by subtracting the percentage of responses of Quarter 2 from Quarter 3

| Sectors            | Quarter 1 (%) | Quarter 2 (%) | Quarter 3 (%) | Net Increase/Decrease (%) |
|--------------------|---------------|---------------|---------------|---------------------------|
| IT                 | 88            | 89            | 87            | -2                        |
| ITES               | 79            | 90            | 85            | -5                        |
| Financial Services | 82            | 85            | 84            | -1                        |



*Putting India to Work*

|                                 |    |    |    |    |
|---------------------------------|----|----|----|----|
| <b>Retail, Media &amp; FMCG</b> | 90 | 78 | 86 | +8 |
| <b>Infrastructure</b>           | 74 | 71 | 78 | +7 |
| <b>Mfg. &amp; Eng.</b>          | 73 | 71 | 73 | +2 |

**Net Employment Outlook growth City wise:**

The Net Increase/Decrease in the Employment Outlook growth city wise is derived by subtracting the percentage of responses of Quarter 2 from Quarter 3

| <b>City</b>      | <b>Quarter 1 (%)</b> | <b>Quarter 2 (%)</b> | <b>Quarter 3 (%)</b> | <b>Net Increase/Decrease (%)</b> |
|------------------|----------------------|----------------------|----------------------|----------------------------------|
| <b>Mumbai</b>    | 95                   | 90                   | 93                   | +3                               |
| <b>Delhi</b>     | 91                   | 88                   | 76                   | -12                              |
| <b>Bangalore</b> | 83                   | 90                   | 94                   | +4                               |
| <b>Kolkata</b>   | 57                   | 57                   | 64                   | +7                               |
| <b>Chennai</b>   | 76                   | 74                   | 93                   | +19                              |
| <b>Pune</b>      | 80                   | 82                   | 76                   | -6                               |
| <b>Hyderabad</b> | 72                   | 76                   | 70                   | -6                               |
| <b>Ahmedabad</b> | 81                   | 76                   | 80                   | +4                               |



*Putting India to Work*

**Net Business Outlook:**

The 'Net Business Outlook' is derived in Percentages as the difference in the Proportion of respondents reporting an increase in Business and those who report a decline in Business over the next three months.

| <b>Quarters</b>                     | <b>Increase (%)</b> | <b>Decrease (%)</b> | <b>No Change (%)</b> | <b>Net Business Outlook (%)</b> |
|-------------------------------------|---------------------|---------------------|----------------------|---------------------------------|
| <b>Quarter 1<br/>(Oct-Dec 2006)</b> | 87                  | 2                   | 11                   | +85                             |
| <b>Quarter 2<br/>(Jan-Mar 2007)</b> | 93                  | 2                   | 5                    | +91                             |
| <b>Quarter 3<br/>(Apr-Jun 2007)</b> | 91                  | 1                   | 8                    | +90                             |

The Net Employment Outlook stands at +82% showing an upward trend in the Hiring needs for the third quarter and a Net Business Outlook of +90% shows a steady growth in the Business trend.



*Putting India to Work*

**Net Business Outlook growth sector wise:**

The Net Increase/Decrease in the Business Outlook growth sector wise is derived by subtracting the percentage of responses of Quarter 2 from Quarter 3

| Sectors              | Quarter 1 (%) | Quarter 2 (%) | Quarter 3 (%) | Net Increase/Decrease (%) |
|----------------------|---------------|---------------|---------------|---------------------------|
| IT                   | 84            | 96            | 90            | -6                        |
| ITES                 | 74            | 92            | 91            | -1                        |
| Financial Services   | 92            | 93            | 91            | -2                        |
| Retail, Media & FMCG | 95            | 80            | 90            | +10                       |
| Infrastructure       | 93            | 92            | 91            | -1                        |
| Mfg. & Eng.          | 83            | 90            | 87            | -3                        |



*Putting India to Work*

**Net Business Outlook growth city wise:**

The Net Increase/Decrease in the Business Outlook growth city wise is derived by subtracting the percentage of responses of Quarter 2 from Quarter 3

| City      | Quarter 1 (%) | Quarter 2 (%) | Quarter 3 (%) | Net Increase/Decrease (%) |
|-----------|---------------|---------------|---------------|---------------------------|
| Mumbai    | 92            | 97            | 97            | 0                         |
| Delhi     | 84            | 90            | 75            | -15                       |
| Bangalore | 98            | 97            | 89            | -8                        |
| Kolkata   | 72            | 85            | 93            | +8                        |
| Chennai   | 80            | 87            | 93            | +6                        |
| Pune      | 80            | 89            | 94            | +5                        |
| Hyderabad | 80            | 86            | 88            | +2                        |
| Ahmedabad | 83            | 91            | 93            | +2                        |



*Putting India to Work*

**Employment scenario:**

The Net Increase/Decrease in the Employment scenario is derived by subtracting the percentage of responses of Quarter 2 from Quarter 3

| City     | Quarter 1 (%) | Quarter 2 (%) | Quarter 3 (%) | Net Increase/Decrease (%) |
|----------|---------------|---------------|---------------|---------------------------|
| Metro    | 43            | 56            | 52            | -4                        |
| Class I  | 35            | 40            | 43            | +3                        |
| Class II | 11            | 4             | 4             | 0                         |
| Rural    | 11            | 0             | 1             | +1                        |

**Managerial level hiring:**

The Net Increase/Decrease in the Intention to hire across Managerial Levels is derived by subtracting the percentage of responses of Quarter 2 from Quarter 3

| Levels       | Quarter 1 (%) | Quarter 2 (%) | Quarter 3 (%) | Net Increase/Decrease (%) |
|--------------|---------------|---------------|---------------|---------------------------|
| Jr. Level    | 86            | 87            | 93            | +6                        |
| Middle Level | 34            | 35            | 45            | +10                       |
| Sr. Level    | 17            | 12            | 11            | -1                        |



*Putting India to Work*

**Intention to hire across functions:**

The Net Increase/Decrease in the Intention to hire across Functions is derived by subtracting the percentage of responses of Quarter 2 from Quarter 3

| Functions      | Quarter 1 (%) | Quarter 2 (%) | Quarter 3 (%) | Net Increase/Decrease (%) |
|----------------|---------------|---------------|---------------|---------------------------|
| Marketing      | 31            | 25            | 23            | -2                        |
| IT             | 18            | 18            | 21            | +3                        |
| Production     | 17            | 18            | 18            | 0                         |
| Others         | 11            | 16            | 11            | -5                        |
| Finance        | 11            | 10            | 10            | 0                         |
| Administration | 8             | 9             | 10            | +1                        |
| HR             | 4             | 4             | 7             | +3                        |

**Full Time/Part Time hiring:**

The Net Increase/Decrease in the Employment practice for Full Time/Part Time is derived by subtracting the percentage of responses of Quarter 2 from Quarter 3

| Hiring Resources | Quarter 1 (%) | Quarter 2 (%) | Quarter 3 (%) | Net Increase/Decrease (%) |
|------------------|---------------|---------------|---------------|---------------------------|
| Full Time        | 84            | 90            | 94            | +4                        |
| Part Time        | 1             | 2             | 0             | -2                        |
| Both             | 15            | 8             | 6             | -2                        |



*Putting India to Work*

## V. EMPLOYMENT OUTLOOK

The **Employment Trend Index** which is calculated by dividing the Current Employment Outlook Index with the baseline index and converting the same in percentages by multiplying with 100 is at 101.

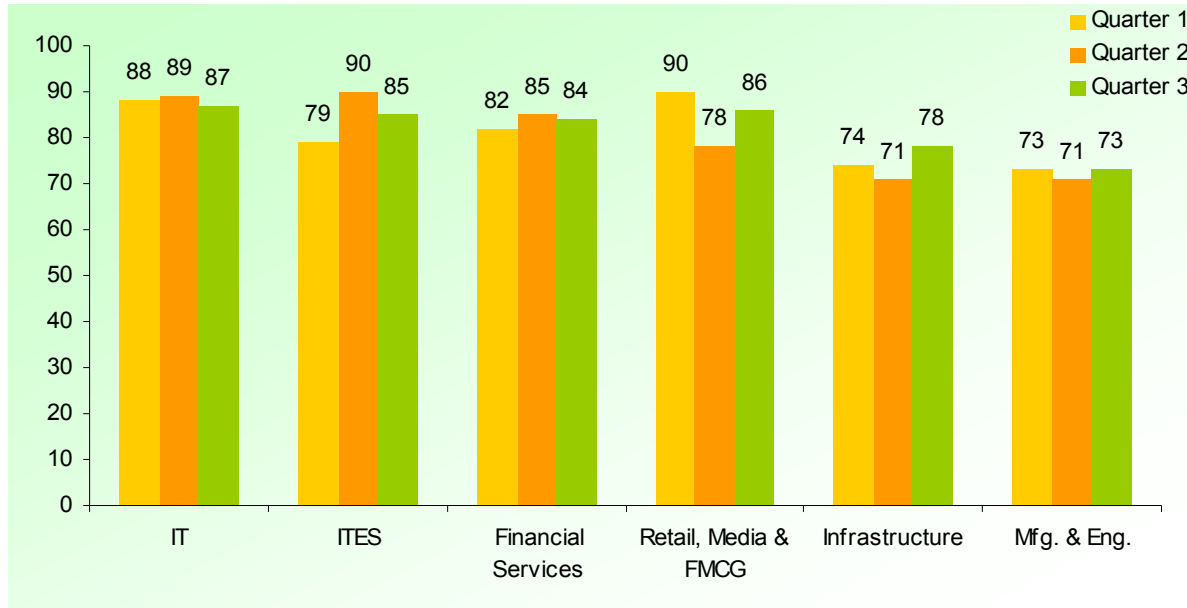
| Employment Trend Index | Quarter-2: January 2007 | Quarter-3: April 2007 |
|------------------------|-------------------------|-----------------------|
|                        | 100                     | 101                   |

The **Employment Outlook Index**, which is the difference in proportion of respondents who report an increase in hiring needs and those who report decline in hiring needs over the next three months, is at 82.

| Employment Outlook Index | Quarter-1: October 2006 | Quarter-2: January 2007 | Quarter-3: April 2007 |
|--------------------------|-------------------------|-------------------------|-----------------------|
|                          | 81                      | 81                      | 82                    |

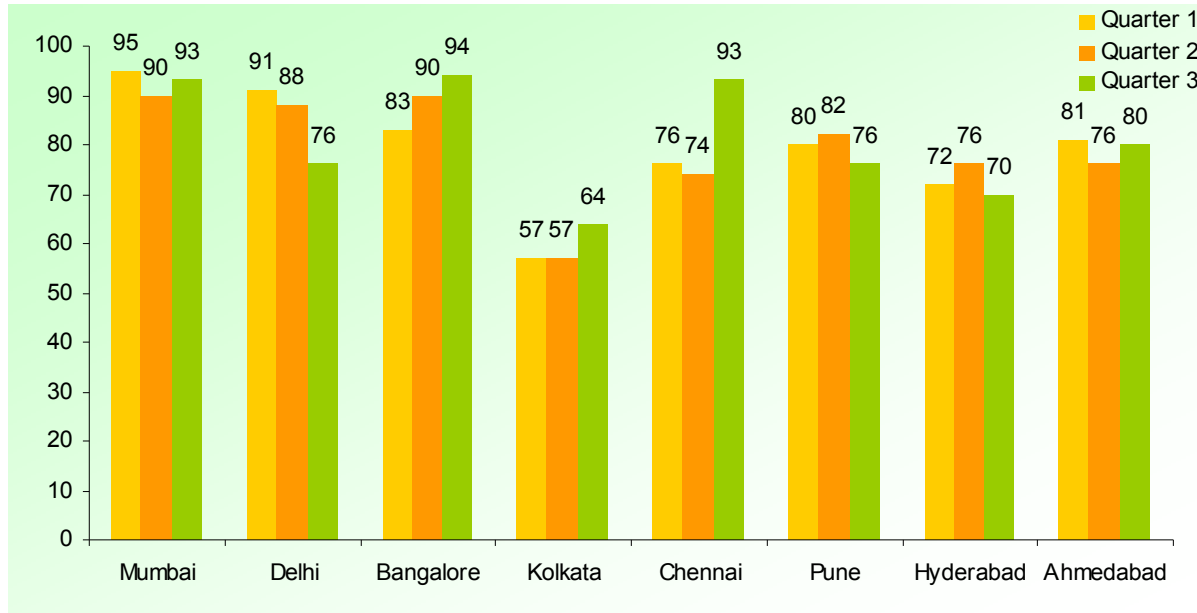
When compared to the previous quarter of January 2007 (Quarter – 2) the Employment Outlook Index has shown a slight increase.

### Employment Outlook Index – Sector Wise



In Quarter-3, there is an increase in Employment Outlook Index point in three sectors: Retail, Media & FMCG, Infrastructure and Manufacturing & Engineering. Out of which Retail, Media & FMCG and Infrastructure sectors show an increase of more than 5 points. While compared with the previous quarter there is a decrease of Index points in IT, ITES and Financial sectors. Out of which ITES sector shows a decrease of 5 Index points.

### Employment Outlook Index – City Wise



Bangalore shows the highest index point at 94 in Quarter-3 followed by Mumbai and Chennai (each 93 points). Kolkata is the lowest one with 64 Index points followed by Hyderabad with 70 points and Delhi and Pune (each 76 points). Comparing to the previous quarter, Chennai, Kolkata, Ahmedabad and Mumbai show an increase in Index points.

Among all the cities, Bangalore has a steady increase of Index points over the three quarters.



*Putting India to Work*

**Employment Growth across Cities:**

| Sector                          | Mum       |           |           | Del       |           |           | Blr       |           |           | Kol       |           |           | Chn       |           |           | Pun       |           |           | Hyd       |           |           | Ahd       |           |           |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                                 | Quarter   |           |           | Quarter   |           |           | Quarter   |           |           | Quarter   |           |           | Quarter   |           |           | Quarter   |           |           | Quarter   |           |           |           |           |           |
|                                 | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         |
| <b>IT</b>                       | 17        | 10        | 11        | 18        | 16        | 13        | 16        | 29        | 34        | 11        | 11        | 9         | 9         | 24        | 18        | 10        | 5         | 16        | 24        | 20        | 17        | 12        | 14        | 10        |
| <b>ITES</b>                     | 6         | 8         | 11        | 11        | 24        | 18        | 12        | 24        | 23        | 3         | 5         | 4         | 17        | 20        | 23        | 0         | 8         | 18        | 5         | 22        | 19        | 11        | 13        | 17        |
| <b>Financial Services</b>       | 30        | 24        | 33        | 10        | 14        | 11        | 25        | 12        | 12        | 15        | 14        | 9         | 9         | 12        | 18        | 20        | 5         | 8         | 15        | 10        | 10        | 14        | 12        | 13        |
| <b>Retail, Media &amp; FMCG</b> | 16        | 14        | 12        | 9         | 7         | 9         | 12        | 7         | 6         | 2         | 7         | 11        | 15        | 11        | 9         | 0         | 8         | 6         | 5         | 8         | 7         | 17        | 12        | 13        |
| <b>Infrastructure</b>           | 4         | 5         | 6         | 16        | 12        | 9         | 15        | 8         | 5         | 5         | 2         | 7         | 9         | 7         | 7         | 0         | 5         | 10        | 8         | 5         | 7         | 11        | 11        | 10        |
| <b>Mfg. &amp; Eng.</b>          | 22        | 29        | 20        | 27        | 15        | 16        | 3         | 10        | 14        | 21        | 18        | 24        | 17        | 0         | 18        | 50        | 51        | 18        | 15        | 11        | 10        | 16        | 14        | 17        |
| <b>Total</b>                    | <b>95</b> | <b>90</b> | <b>93</b> | <b>91</b> | <b>88</b> | <b>76</b> | <b>83</b> | <b>90</b> | <b>94</b> | <b>57</b> | <b>57</b> | <b>64</b> | <b>76</b> | <b>74</b> | <b>93</b> | <b>80</b> | <b>82</b> | <b>76</b> | <b>72</b> | <b>76</b> | <b>70</b> | <b>81</b> | <b>76</b> | <b>80</b> |

In Quarter-3, IT and ITES sectors are the major contributors of employment growth in the cities of Bangalore, Chennai and Hyderabad. Manufacturing & Engineering sector is having major employment growth in Kolkata, Mumbai and Pune. Financial Services is having major growth in Mumbai, Chennai and Ahmedabad. Infrastructure is having major employment growth in the cities of Pune, Ahmedabad and Delhi. Retail, Media and FMCG is having major employment growth in Ahmedabad, Mumbai and Kolkata.



*Putting India to Work*

## VI. BUSINESS OUTLOOK

The **Business Confidence Index** computed by dividing the Current Business Outlook Index with the baseline business outlook index, and converting the same in percentages, by multiplying with 100 stands at 106.

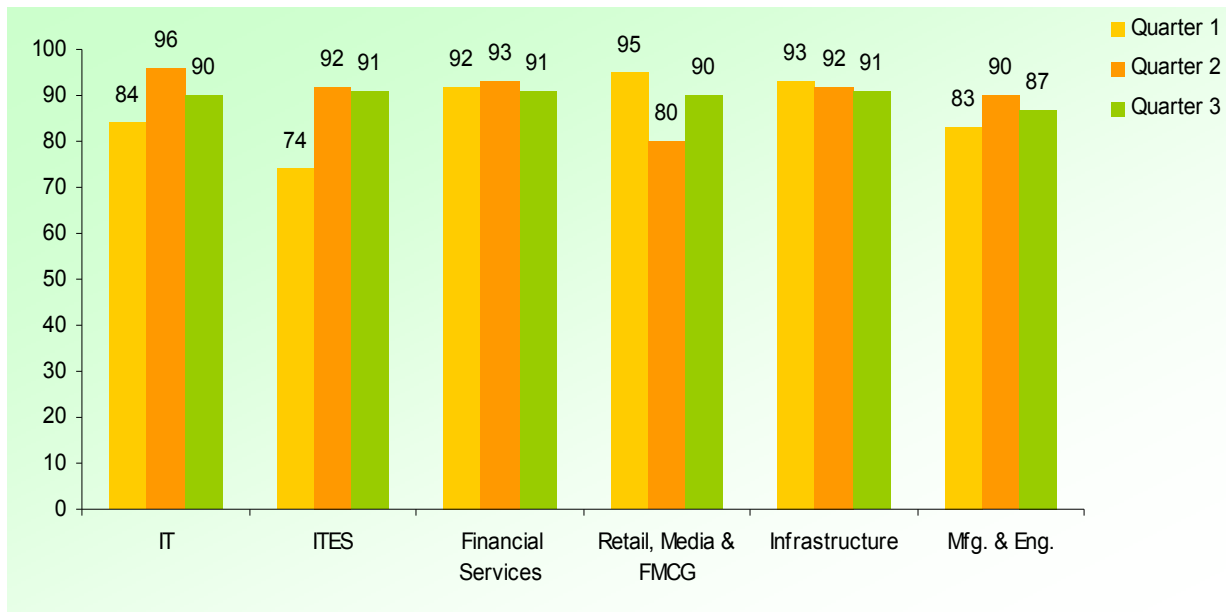
| Business Confidence Index | Quarter-2: January 007 | Quarter-3: April 2007 |
|---------------------------|------------------------|-----------------------|
|                           | 107                    | 106                   |

The **Business Outlook Index**, computed by subtracting the percentage respondents who say business in the next three months is likely to increase from the percentages who say it will decrease, stands at 90.

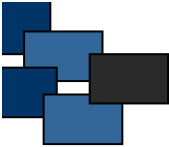
| Business Outlook Index | Quarter-1: October<br>2006 | Quarter-2: January<br>2007 | Quarter-3: April<br>2007 |
|------------------------|----------------------------|----------------------------|--------------------------|
|                        | 85                         | 91                         | 90                       |

A slight decrease in Business Outlook Index Point in Quarter-3 as compared to the previous quarter

**Business Outlook Index – Sector Wise**

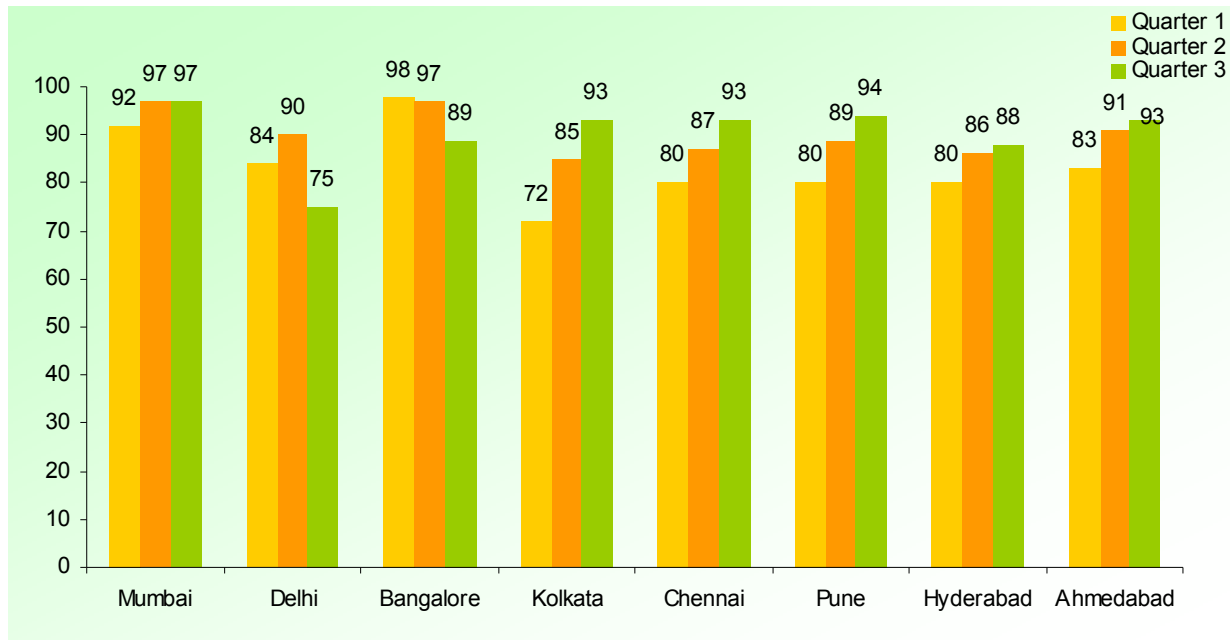


In Quarter-3, Infrastructure, Financial Services, IT, ITES and Retail, Media & FMCG sectors are having Index points of 90 and above; whereas Manufacturing & Engineering sector is having an Index point of 87. While comparing to the previous quarter, there is an increase of Index point in Retail, Media & FMCG. There is a slight decrease in Index points in rest of the sectors.



Putting India to Work

### Business Outlook Index – City Wise



Mumbai, Pune, Kolkata, Chennai and Ahmedabad are having high Index points of 90 and above. Delhi is having lower Index point of 75. In continuation with Quarter-2, Mumbai has got highest Index points (97) in Quarter-3 also. Kolkata, Chennai, Pune, Hyderabad and Ahmedabad are having a steady increase in Index points over the previous quarters; whereas in Bangalore a steady decline in Index point is observed.

**Sector Growth across Cities**

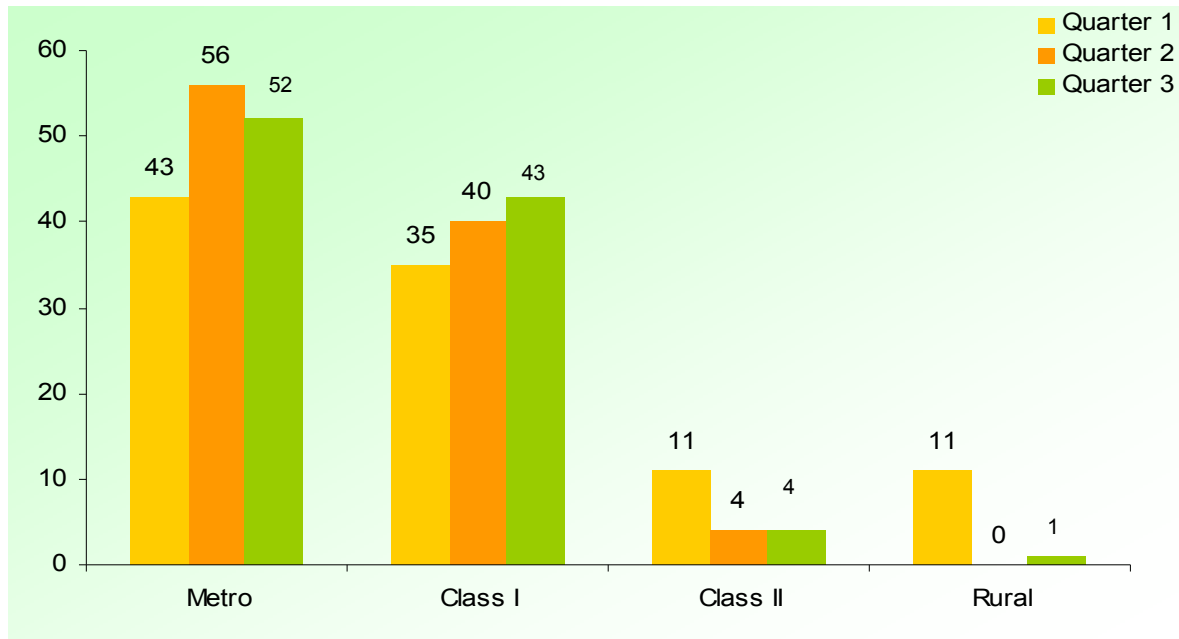
| Sector                          | Mum       |           |           | Del       |           |           | Blr       |           |           | Kol       |           |           | Chn       |           |           | Pun       |           |           | Hyd       |           |           | Ahd       |           |           |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                                 | Quarter   |           |           | Quarter   |           |           | Quarter   |           |           | Quarter   |           |           | Quarter   |           |           | Quarter   |           |           | Quarter   |           |           |           |           |           |
|                                 | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         | 1         | 2         | 3         |
| <b>IT</b>                       | 11        | 12        | 9         | 16        | 16        | 11        | 19        | 34        | 31        | 7         | 11        | 11        | 15        | 19        | 18        | 10        | 4         | 18        | 15        | 23        | 22        | 3         | 5         | 17        |
| <b>ITES</b>                     | 6         | 6         | 9         | 10        | 22        | 13        | 10        | 21        | 18        | 7         | 12        | 11        | 17        | 25        | 16        | 0         | 13        | 20        | 17        | 22        | 21        | 1         | 12        | 17        |
| <b>Financial Services</b>       | 32        | 26        | 33        | 10        | 13        | 10        | 24        | 12        | 11        | 16        | 16        | 18        | 17        | 15        | 18        | 20        | 4         | 10        | 17        | 13        | 13        | 2         | 4         | 13        |
| <b>Retail, Media &amp; FMCG</b> | 12        | 12        | 20        | 11        | 6         | 14        | 17        | 8         | 10        | 11        | 13        | 11        | 8         | 5         | 10        | 0         | 10        | 8         | 8         | 11        | 7         | 16        | 10        | 13        |
| <b>Infrastructure</b>           | 12        | 6         | 11        | 16        | 13        | 16        | 15        | 6         | 9         | 7         | 7         | 11        | 8         | 8         | 9         | 0         | 3         | 10        | 8         | 6         | 8         | 0         | 3         | 16        |
| <b>Mfg. &amp; Eng.</b>          | 19        | 35        | 15        | 21        | 20        | 11        | 13        | 16        | 10        | 24        | 26        | 31        | 15        | 15        | 22        | 50        | 55        | 28        | 15        | 11        | 17        | 61        | 57        | 17        |
| <b>Total</b>                    | <b>92</b> | <b>97</b> | <b>97</b> | <b>84</b> | <b>90</b> | <b>75</b> | <b>98</b> | <b>97</b> | <b>89</b> | <b>72</b> | <b>85</b> | <b>93</b> | <b>80</b> | <b>87</b> | <b>93</b> | <b>80</b> | <b>89</b> | <b>94</b> | <b>80</b> | <b>86</b> | <b>88</b> | <b>83</b> | <b>91</b> | <b>93</b> |

In Quarter-3, the growth of IT and ITES sectors is higher in Bangalore and Hyderabad; where as for Manufacturing & Engineering high growth is observed in the cities of Kolkata, Pune, Chennai and Ahmedabad. Financial Services and Infrastructure sectors are having high growth in Mumbai and Delhi respectively.

## VII. EMPLOYMENT SCENARIO

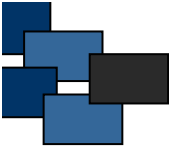
More than 95% of employers expect to hire in Metro and Class – I cities for Quarter-3.

### Hiring across Geographical Spread



[Metro Cities: Mumbai, Delhi, Kolkata, Chennai, Bangalore (Having population more than 40 lakhs)]

Class I – Cities- Hyderabad, Ahmedabad and Pune (Having population between 20 to 40 lakhs)



*Putting India to Work*

Class II – Cities: Cities with population between 10 to 20 lakhs

Rural: Towns with population less than 0.5 lakhs]

Respondents were asked to evaluate their intention to hire from Metro, Class-I, Class-II cities and rural areas.

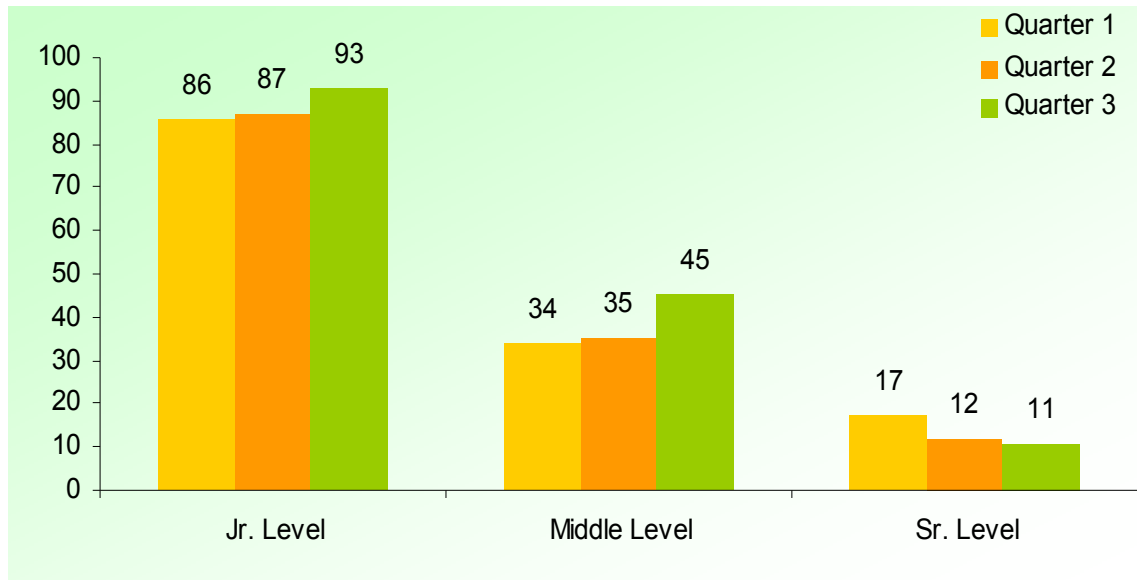
The respondents who expressed intention to hire from Metro and Class-I is about 95% in Quarter-3, which is similar to Quarter-2. Intention to hire from Class-II cities and rural areas is observed insignificantly (5%)



Putting India to Work

About 2/3<sup>rd</sup> companies to hire at Jr. Level than at Middle and Sr. levels in Quarter-3

### Hiring across Managerial Level



*Jr. Level: 0-3 years experience*

*Middle Level: 3-7 years experience*

*Sr. Level: More than 7 years experience*

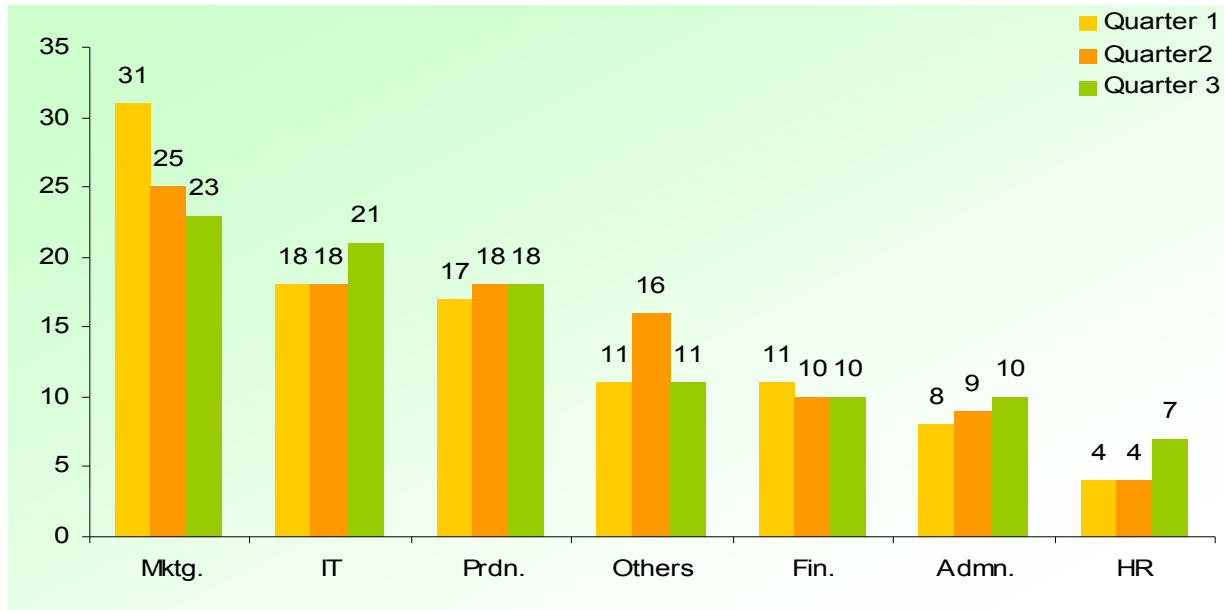
In Quarter-3, majority of the companies has expressed considerable intention to hire at junior level, which is more than 90%. There is an increase in the companies intending to recruit from junior and middle levels over the previous quarters, where as there is a decrease in senior level.



Putting India to Work

Intention to hire for Marketing, IT and Production functions remains the highest in Quarter-3

Hiring across functions



\* Others include Customer Service, Quality Assurance and Maintenance, etc.

In Quarter-3, the companies having intention to hire in marketing and IT function is high (above 20%) among all the functions. There is a steady increase in intending to hire in administrative function over the three quarters, where as there is a steady decrease of hiring in marketing function.

| Hiring across various functions/ city                        | Sample Targeted | No. of responses against specific function |            |            |            |            |            |           | Total       |
|--|-----------------|--|------------|------------|------------|------------|------------|-----------|-------------|
|  |                 | Mktg.                                      | IT         | Prdn.      | Others     | Fin.       | Admn.      | HR        |             |
| Mumbai   | 85              | 59   | 33         | 27         | 11         | 37         | 35         | 26        | 228         |
| Delhi  | 80              | 36   | 22         | 16         | 19         | 9          | 8          | 4         | 114         |
| Kolkata  | 45              | 5  | 30         | 15         | 25         | 10         | 0          | 0         | 85          |
| Bangalore  | 85              | 16   | 6          | 22         | 0          | 1          | 1          | 0         | 46          |
| Chennai  | 55              | 7  | 13         | 19         | 17         | 12         | 6          | 5         | 79          |
| Hyderabad  | 60              | 33   | 21         | 20         | 2          | 7          | 13         | 9         | 105         |
| Pune   | 50              | 14   | 32         | 17         | 14         | 5          | 7          | 6         | 95          |
| Ahmedabad  | 30              | 17   | 13         | 13         | 4          | 4          | 9          | 9         | 69          |
| <b>Total</b>   | <b>490</b>      | 187  | 170        | 149        | 92         | 85         | 79         | 59        | 821         |
| <b>Total (No. of responses vis-à-vis specific functions)</b> |                 | <b>23%</b>                                 | <b>21%</b> | <b>18%</b> | <b>11%</b> | <b>10%</b> | <b>10%</b> | <b>7%</b> | <b>100%</b> |

At the time of study the survey instrument was administered to target respondents and there were multiple responses in terms of hiring across various functions

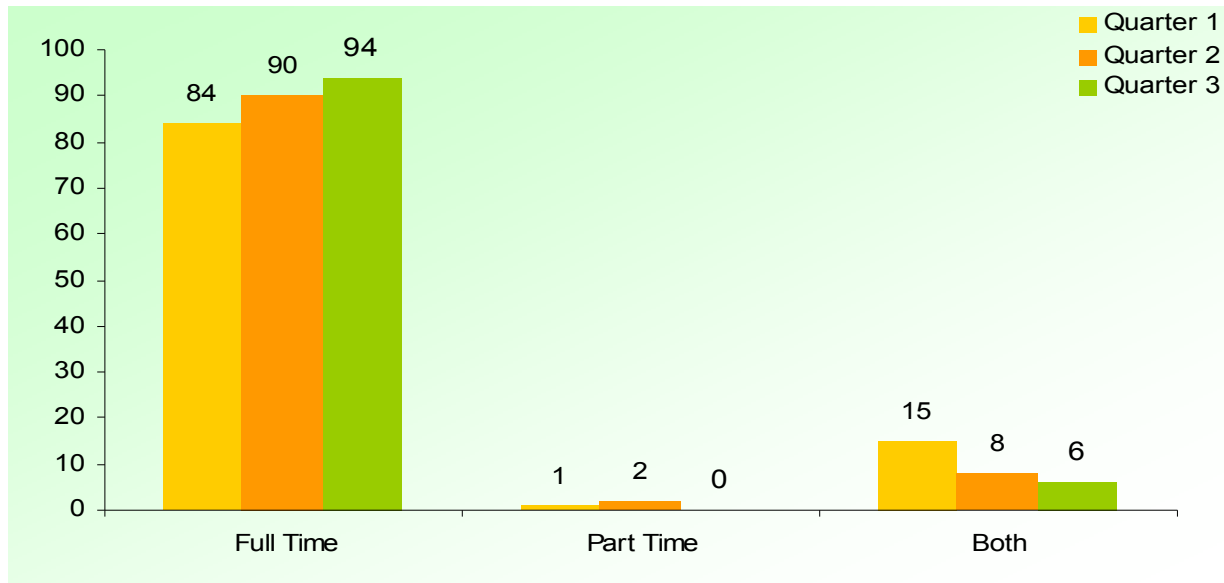
**Note:** Against a sample of 490 the number of responses was 821 for Quarter-3



### VIII. INTENTION TO HIRE ACROSS FULL TIME/PART TIME

Intention to hire for full time resources is the highest at 94% for Quarter-3 as shown below than for part-time resources. There is a declining trend in recruiting part-time employees.

#### Hiring Resources





*Putting India to Work*

## IX. APPENDIX

The table below gives the sample profile vis-à-vis

- Employee base (No. of Employees)
- Turnover base (Rs in Cr.)

### Sample Profile

#### Employee Base (No. of Employees)

| City         | <250       | 250 to 500 | 501 to 1000 | >1000     | Sample Targeted |
|--------------|------------|------------|-------------|-----------|-----------------|
| Mumbai       | 18         | 44         | 18          | 5         | 85              |
| Delhi        | 50         | 13         | 9           | 8         | 80              |
| Bangalore    | 41         | 19         | 10          | 15        | 85              |
| Kolkata      | 40         | 2          | 2           | 1         | 45              |
| Chennai      | 22         | 17         | 11          | 5         | 55              |
| Pune         | 19         | 20         | 9           | 2         | 50              |
| Hyderabad    | 40         | 8          | 6           | 6         | 60              |
| Ahmedabad    | 7          | 14         | 8           | 1         | 30              |
| <b>Total</b> | 237        | 137        | 73          | 43        | 490             |
| <b>Total</b> | <b>48%</b> | <b>28%</b> | <b>15%</b>  | <b>9%</b> | <b>100%</b>     |



Putting India to Work

Turnover Base (Rs. in Cr.)

| City      | <250 | 251 to 1000 | >1000 | Not Disclosed* | Sample Targeted |
|-----------|------|-------------|-------|----------------|-----------------|
| Mumbai    | 34   | 25          | 18    | 8              | 85              |
| Delhi     | 11   | 1           | 0     | 68             | 80              |
| Bangalore | 59   | 14          | 8     | 4              | 85              |
| Kolkata   | 37   | 0           | 0     | 8              | 45              |
| Chennai   | 23   | 6           | 3     | 23             | 55              |
| Pune      | 23   | 10          | 7     | 10             | 50              |
| Hyderabad | 45   | 3           | 3     | 9              | 60              |
| Ahmedabad | 16   | 7           | 6     | 1              | 30              |
| Total     | 248  | 66          | 45    | 131            | 490             |
| Total     | 51%  | 13%         | 9%    | 27%            | 100%            |

\* Not disclosed – the turn over of the company; however they shared the rest of the information as desired in the questionnaire



*Putting India to Work*

### Industry Sub – Classification

The Survey captures specific Industry sub classification across Manufacturing and Financial sector on account of its diversity as against other sectors like IT, ITES, Retail, Media & FMCG and Infrastructure.

### Industry Sub – Classification (Manufacturing)

| City         | Engineering | Industrial | Food Processing | Others    | Sample Targeted |
|--------------|-------------|------------|-----------------|-----------|-----------------|
| Mumbai       | 5           | 12         | 2               | 1         | 20              |
| Delhi        | 2           | 12         | 3               | 3         | 20              |
| Kolkata      | 2           | 11         | 1               | 1         | 15              |
| Bangalore    | 3           | 10         | -               | 2         | 15              |
| Chennai      | 4           | 8          | 3               | -         | 15              |
| Hyderabad    | 3           | 7          | -               | -         | 10              |
| Pune         | 1           | 9          | 2               | 3         | 15              |
| Ahmedabad    | 1           | 3          | 1               | -         | 5               |
| <b>Total</b> | <b>21</b>   | <b>72</b>  | <b>12</b>       | <b>10</b> | <b>115</b>      |



*Putting India to Work*

**Industry Sub – Classification (Financial Services)**

| <b>City</b>      | <b>Finance</b> | <b>Banks</b> | <b>Insurance</b> | <b>Securities</b> | <b>Others</b> | <b>Sample Targeted</b> |
|------------------|----------------|--------------|------------------|-------------------|---------------|------------------------|
| <b>Mumbai</b>    | 5              | 10           | 10               | 4                 | 1             | <b>30</b>              |
| <b>Delhi</b>     | 1              | 4            | 3                | 2                 | -             | <b>10</b>              |
| <b>Kolkata</b>   | 2              | 2            | 3                | 1                 | 2             | <b>10</b>              |
| <b>Bangalore</b> | 1              | 2            | 2                | 5                 | -             | <b>10</b>              |
| <b>Chennai</b>   | 2              | 2            | 4                | 2                 | -             | <b>10</b>              |
| <b>Hyderabad</b> | 2              | 3            | 3                | 2                 | -             | <b>10</b>              |
| <b>Pune</b>      | -              | 2            | 1                | 1                 | 1             | <b>5</b>               |
| <b>Ahmedabad</b> | 2              | 1            | 1                | 1                 | -             | <b>5</b>               |
| <b>Total</b>     | <b>15</b>      | <b>26</b>    | <b>27</b>        | <b>18</b>         | <b>4</b>      | <b>90</b>              |



Putting India to Work

**Hiring Across Functions:**

The tables below indicate the percentage of the responses taken against specific functions for Hiring Intentions.

**Quarter 1**

| Hiring across various functions/ city | Sample Targeted | % of responses against specific function |            |            |            |            |           |           | Total       |
|---------------------------------------|-----------------|--|------------|------------|------------|------------|-----------|-----------|-------------|
|                                       |                 | Mktg.                                    | IT         | Prdn.      | Others     | Fin.       | Admn.     | HR        |             |
| Mumbai                                | 85              | 8%                                       | 3%         | 3%         | 3%         | 0%         | 3%        | 2%        | 22%         |
| Delhi                                 | 80              | 6%                                       | 3%         | 2%         | 1%         | 1%         | 1%        | 1%        | 15%         |
| Bangalore                             | 85              | 2%                                       | 2%         | 2%         | 2%         | 1%         | 1%        | 1%        | 11%         |
| Kolkata                               | 45              | 2%                                       | 3%         | 2%         | 3%         | 3%         | 0%        | 0%        | 13%         |
| Chennai                               | 55              | 3%                                       | 3%         | 2%         | 0%         | 2%         | 1%        | 0%        | 11%         |
| Pune                                  | 50              | 5%                                       | 0%         | 2%         | 1%         | 2%         | 1%        | 0%        | 11%         |
| Hyderabad                             | 60              | 2%                                       | 3%         | 1%         | 1%         | 2%         | 1%        | 0%        | 10%         |
| Ahmedabad                             | 30              | 3%                                       | 1%         | 3%         | 0%         | 0%         | 0%        | 0%        | 7%          |
| <b>Total</b>                          | <b>490</b>      | <b>31%</b>                               | <b>18%</b> | <b>17%</b> | <b>11%</b> | <b>11%</b> | <b>8%</b> | <b>4%</b> | <b>100%</b> |

**Quarter 2**

| Hiring across various functions/ city | Sample Targeted | % of responses against specific function |            |            |            |            |           |           | Total       |
|---------------------------------------|-----------------|--|------------|------------|------------|------------|-----------|-----------|-------------|
|                                       |                 | Mktg.                                    | IT         | Prdn.      | Others     | Fin.       | Admn.     | HR        |             |
| Mumbai                                | 85              | 5%                                       | 3%         | 4%         | 4%         | 2%         | 3%        | 2%        | 23%         |
| Delhi                                 | 80              | 4%                                       | 3%         | 2%         | 2%         | 1%         | 1%        | 1%        | 14%         |
| Bangalore                             | 85              | 3%                                       | 4%         | 2%         | 3%         | 1%         | 1%        | 0%        | 14%         |
| Kolkata                               | 45              | 2%                                       | 1%         | 2%         | 1%         | 1%         | 0%        | 0%        | 7%          |
| Chennai                               | 55              | 2%                                       | 2%         | 1%         | 1%         | 1%         | 0%        | 0%        | 7%          |
| Pune                                  | 50              | 3%                                       | 1%         | 3%         | 0%         | 1%         | 1%        | 0%        | 9%          |
| Hyderabad                             | 60              | 3%                                       | 3%         | 3%         | 2%         | 2%         | 1%        | 1%        | 15%         |
| Ahmedabad                             | 30              | 3%                                       | 1%         | 1%         | 3%         | 1%         | 2%        | 0%        | 11%         |
| <b>Total</b>                          | <b>490</b>      | <b>25%</b>                               | <b>18%</b> | <b>18%</b> | <b>16%</b> | <b>10%</b> | <b>9%</b> | <b>4%</b> | <b>100%</b> |



*Putting India to Work*

Quarter 3

| Hiring across various functions/ city | Sample Targeted | % of responses against specific function |            |            |            |            |            |           | Total       |
|---------------------------------------|-----------------|--|------------|------------|------------|------------|------------|-----------|-------------|
|                                       |                 | Mktg.                                    | IT         | Prdn.      | Others     | Fin.       | Admn.      | HR        |             |
| <b>Mumbai</b>                         | <b>85</b>       | 7%                                       | 4%         | 3%         | 1%         | 5%         | 4%         | 3%        | <b>27%</b>  |
| <b>Delhi</b>                          | <b>80</b>       | 4%                                       | 3%         | 2%         | 3%         | 1%         | 1%         | 0%        | <b>14%</b>  |
| <b>Bangalore</b>                      | <b>85</b>       | 1%                                       | 3%         | 2%         | 3%         | 1%         | 0%         | 0%        | <b>10%</b>  |
| <b>Kolkata</b>                        | <b>45</b>       | 2%                                       | 1%         | 3%         | 0%         | 0%         | 0%         | 0%        | <b>6%</b>   |
| <b>Chennai</b>                        | <b>55</b>       | 1%                                       | 2%         | 2%         | 2%         | 1%         | 1%         | 1%        | <b>10%</b>  |
| <b>Pune</b>                           | <b>50</b>       | 4%                                       | 3%         | 2%         | 0%         | 1%         | 2%         | 1%        | <b>13%</b>  |
| <b>Hyderabad</b>                      | <b>60</b>       | 2%                                       | 3%         | 2%         | 2%         | 1%         | 1%         | 1%        | <b>12%</b>  |
| <b>Ahmedabad</b>                      | <b>30</b>       | 2%                                       | 2%         | 2%         | 0%         | 0%         | 1%         | 1%        | <b>8%</b>   |
| <b>Total</b>                          | <b>490</b>      | <b>23%</b>                               | <b>21%</b> | <b>18%</b> | <b>11%</b> | <b>10%</b> | <b>10%</b> | <b>7%</b> | <b>100%</b> |

**Employment Outlook Growth in Retail, Media & FMCG**

The table below indicates the break down for individual specific sector wise employment growth increase for the Retail, Media & FMCG.

| Sector        | Samples Targeted | Increase | Decrease | Remain Same |
|---------------|------------------|----------|----------|-------------|
| <b>Retail</b> | 16               | 30%      | 0%       | 2%          |
| <b>Media</b>  | 11               | 18%      | 0%       | 4%          |
| <b>FMCG</b>   | 23               | 38%      | 0%       | 8%          |
| <b>Total</b>  | 50               | 86%      | 0%       | 14%         |



Putting India to Work

## About TeamLease

TeamLease Services Pvt. Ltd, (Bangalore based) India's largest staffing solutions firm and the Number 1 player in the temporary staffing industry today. TeamLease Services, in a short span of time, has become one among the country's top 5 players in the Permanent Recruitment space as well. The organization is currently the second largest private sector employer poised to be the largest by 2007.

In the permanent recruitment domain, TeamLease Services provide *executive search, database selection, advertised selection* and *turnkey solution*, with domain experts to anchor specific industry verticals. TeamLease Services head quartered in Bangalore, operates out of 18 other locations across India.

TeamLease adopts a holistic approach to develop company specific staffing solutions that are highly research oriented with process capabilities and a strong technology platform. Our approach is derived from organizational experience and is customized to client needs.

The explosive growth of TeamLease is attributed to the ability to leverage on its national presence and its people & technology platform. The combination of people, technology and focus enables TeamLease to deliver on its committed objective of value creation for all its clients.