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Domestic companies go slow on expat hiring; turn to Indian talent

Domestic companies are going slow on expat hiring while sharpening their focus on getting Indians with requisite global experience, and this trend is likely to continue for two more years, HR experts say.

Companies are now focusing more on budgets and are trying to find the same kind of exposure and experience from Indian talent that expats can offer. They are seen bringing in expats only when the cost of hiring an expat as against an Indian is pretty much similar.

Expat hiring was growing at the rate of 10-12 per cent annually till 2012. Since last year, however, there has been a major decline and this dip is likely to continue for a couple more years, experts said.

"It is not the rupee depreciation or otherwise but for the fact that it is the required competency level complementing the requirements of Indian companies," GHCL LtdBSE 0.39 % HR Head Rajesh Tripathi said.

A steady supply of Indians, who possess the required competencies and have paramount global exposure, is also a major factor that has made domestic firms do a re-think on expat hiring.

However, India remains an attractive destination for expats and the number of expats looking at assignments and tenures in India to boost their resume has gone up significantly.

"Almost 30 per cent of expats are open to looking at modest compensation packages which could be termed as a 'pay cut' keeping in view the upsides associated with specific experience of working in a large, complex and active emerging market such as India," executive search firm Spearhead InterSearch Founder and MD Jyorden T Misra said.

MyHiringClub.com CEO Rajesh Kumar said: "Yes, companies are willing to get expatriates on board with the global experience, but on a conservative mode"...

Kumar further said that currently almost 70 per cent of expat professionals hiring is taking place at a higher level and 30 per cent at mid or lower levels.

"What is most interesting to notice in India is that it is not just multinational companies or the large Indian organisations that are employing expats. Some of the medium-sized enterprises with ambitious plans have also been hiring expats in a bid to achieve their goals," Kumar said.

According to data provided by MyHiringClub.com, around 39,000 expats (not including Indian origin people) are working in India. Among them about 3,700 are

from United States of America (USA). In 2012, the number of expats working in India was at a peak with more than 49,000 professionals.