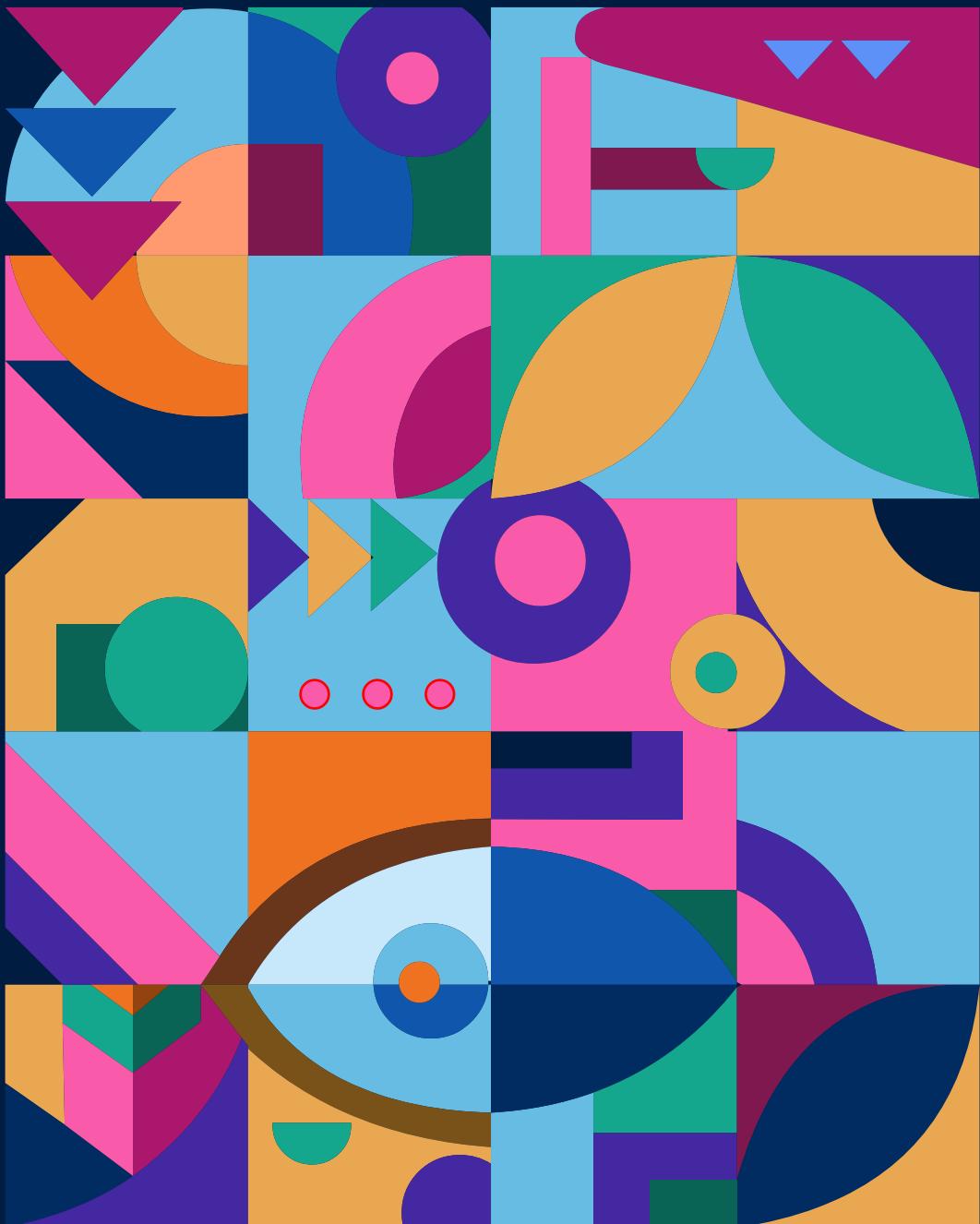


India Hiring Tracker

Q1, FY 2023-24 April- June



indeed

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India Hiring Tracker

Foreword



India is a rapidly growing economy, and the job market is changing. In the midst of India's continuous growth and hiring, the pace has slowed down, creating a wider talent pool as more freshers and experienced employees seek job opportunities. Both employers and employees acknowledge the challenging job market for new graduates, with the scarcity of openings and evolving skill requirements as primary concerns for employers. Despite these challenges, new graduates remain confident of their ability to secure employment.

On the other hand, recent layoffs have brought distress, leading to increased competition and financial insecurity among employees. This has driven a shift in demand for industry-specific skills.

Generative AI is another major trend that is having a significant impact on the job market. Some experts believe that AI will replace jobs across all sectors, while others believe that this is unlikely. Only time will tell how AI will ultimately impact the job market.

In the meantime, both employers and employees need to be prepared for change. Employers need to be open to hiring candidates with less experience and be willing to invest in training. Employees need to be willing to upskill and adapt to new technologies.

Despite the uncertainty, there is a sense of resilience and confidence in India. People are determined to claim their future and make the most of the opportunities that the future of work presents.



Sashi Kumar
Head of Sales,
Indeed India



Hiring and market trends this quarter

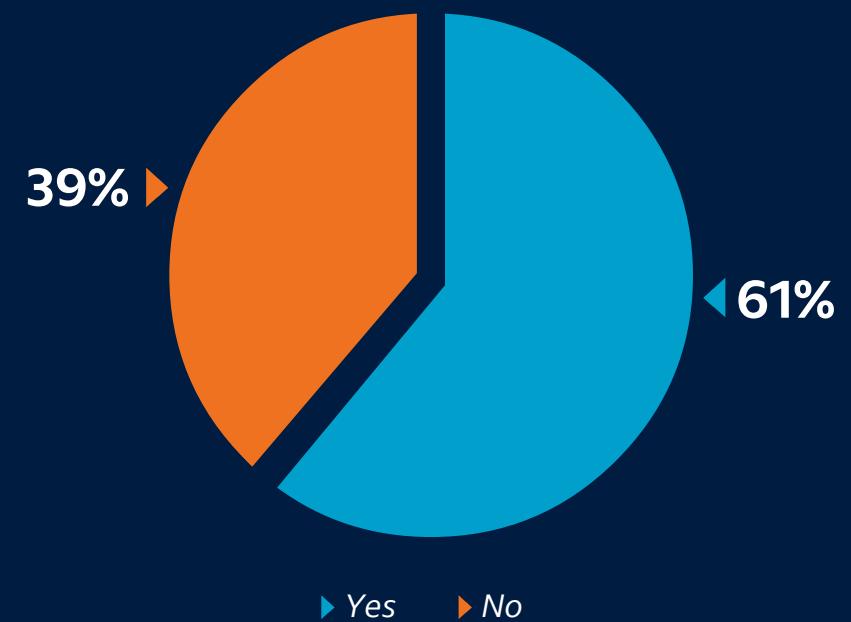
Hiring continues to increase, although not at the same rate as previous quarters

More than three out of every five employers (61% of those surveyed) were hired during the Apr-Jun, 2023-24 quarter. It marks a significant rise (up from 53%) and the hiring sees an upsurge as compared to previous two quarters. On the other hand, 39% of employers reported not hiring during the quarter.

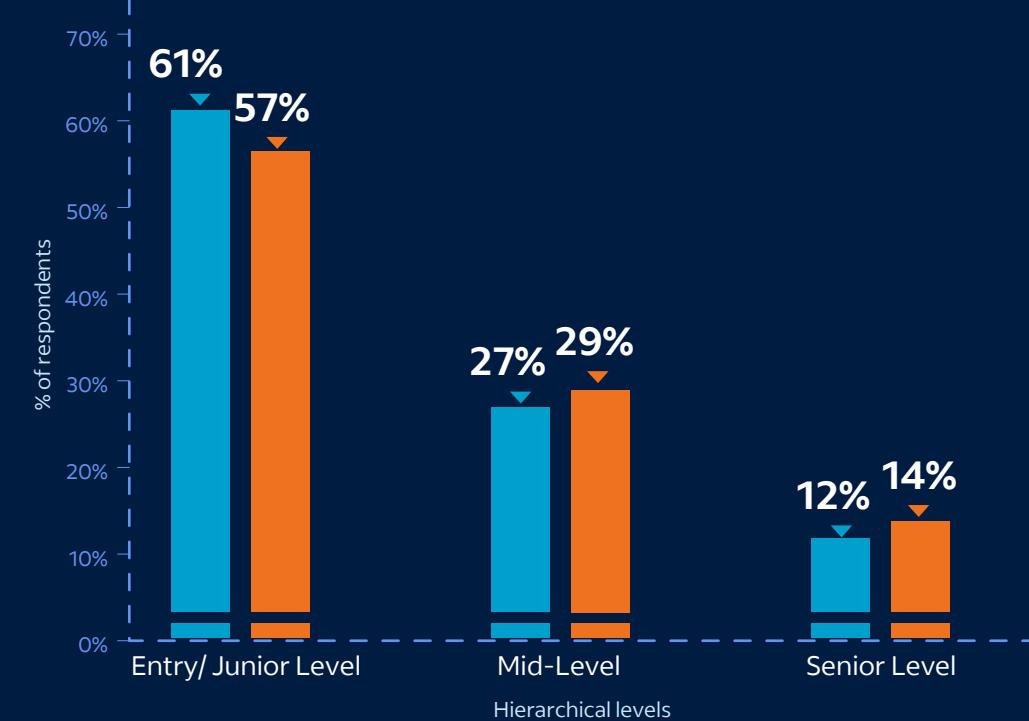
The quarter marks an increase of 8% in hiring. In comparison, this increase was slightly higher last quarter with 11% increase.

There was a slight increase in the proportion of employers hiring for mid-level (29%, up from 27%) and a considerable increase for senior-level (14%, up from 12%) positions during the Jan-Mar FY'23. This has apparently come at the cost of a substantial decrease in those who were to be hired for entry/junior-level positions (57%, down from 61%).

Did employers hire in Apr-Jun FY '24 quarter?



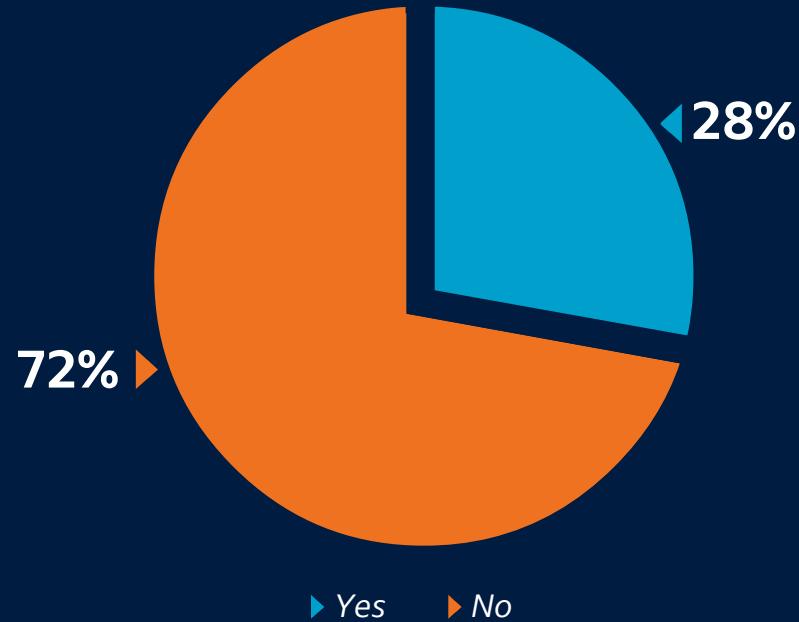
Employers hiring across hierarchical levels



Hiring picks up, but competition remains stiff for new graduates

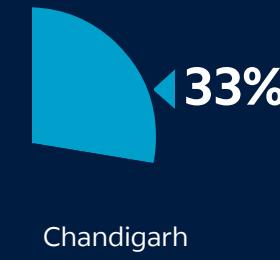
A significant increase (28%, up from 23% in Jan-Mar FY'23) is seen in number of jobseekers entering the job market for the first time in the current quarter Apr-Jun FY'24. With more freshers looking to join the workforce, organisations foresee a wider array of talent to choose from.

Are Jobseeker entering the job market for the first time?

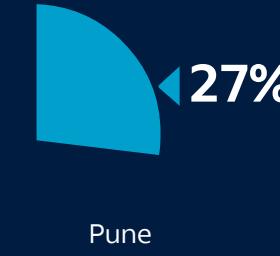


Freshers across cities

Top Cities



Bottom Cities

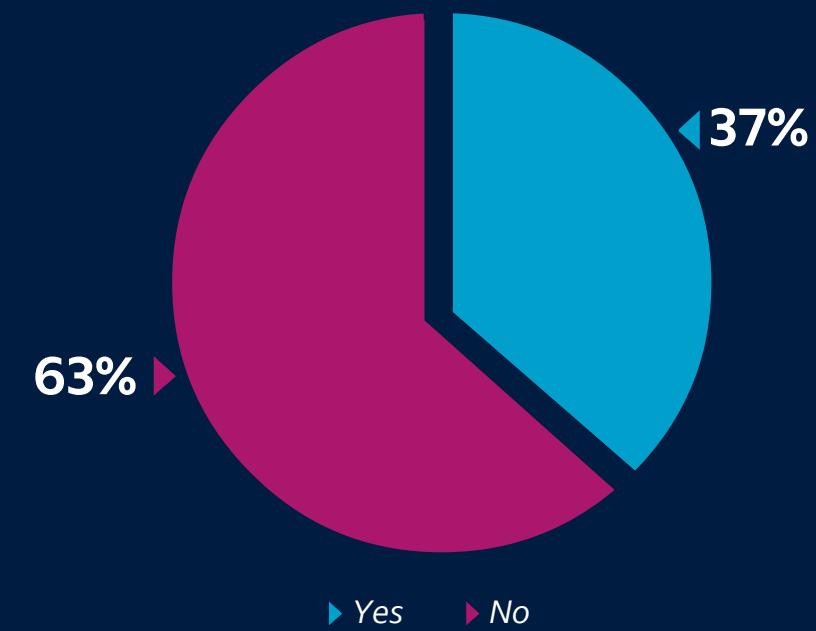


The top three cities where freshers would like to work are Delhi/NCR (36%), Chandigarh (33%) and Hyderabad (32%). Some cities, on the other hand, are comparatively less preferred among freshers this quarter, namely - Pune (27%), Ahmedabad (29%) and Chennai (29%). Overall, we see that not all Tier-1 cities is where the larger proportion of new jobseekers lie, and to add to that, some of these cities are also where a lower fraction of them are currently based.

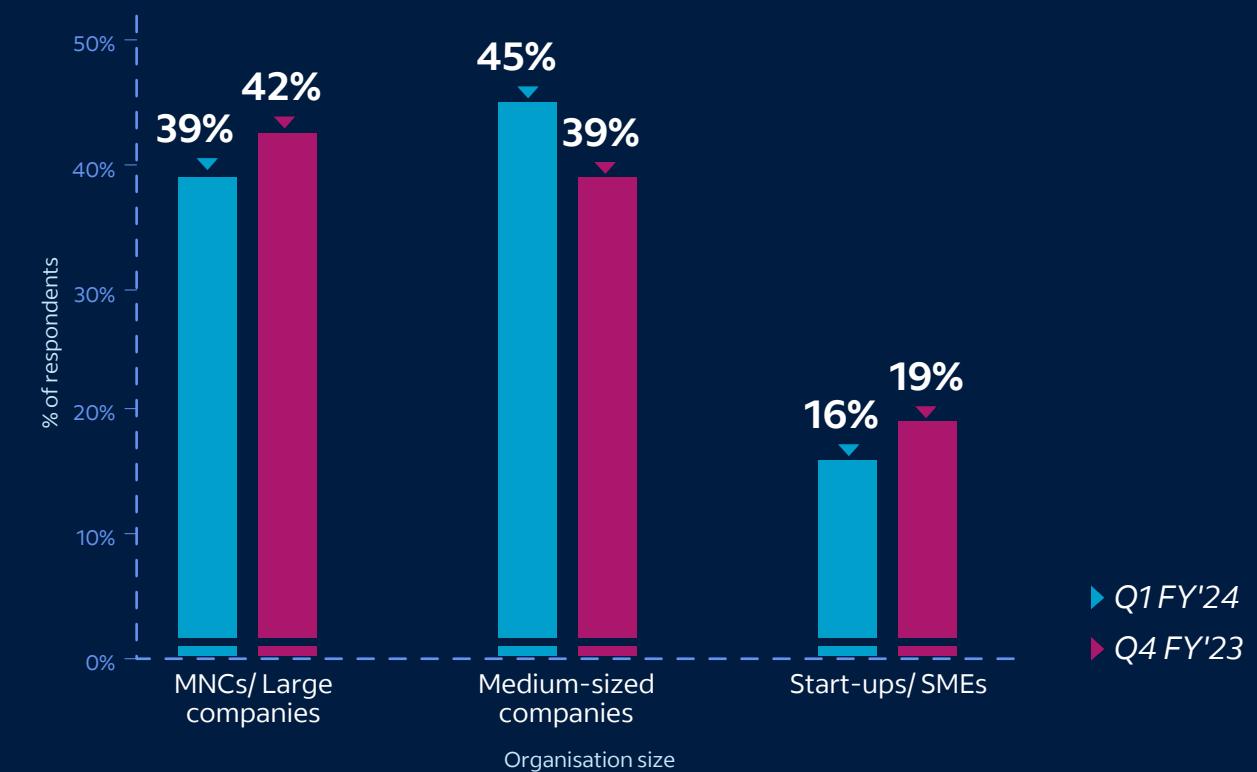
In addition to freshers this quarter, experienced individuals are also seeking opportunities; preference lies in medium-sized organisations over their larger counterparts

37% of all jobseekers looked for a job or a job change during the Apr-Jun FY'24 quarter, as compared to 31% during Jan-Mar, FY'23. Coming to organisation sizes, more than two out of five of all the jobseekers surveyed (45%, up from 39% during Jan-Jun FY'23 quarter) indicated a significant increase in preference for medium-sized companies while the preference towards MNCs/large companies decreased substantially (39% down from 42%).

Are Jobseeker still looking for a job/job change?



Type of organizations Jobseeker wish to work for?



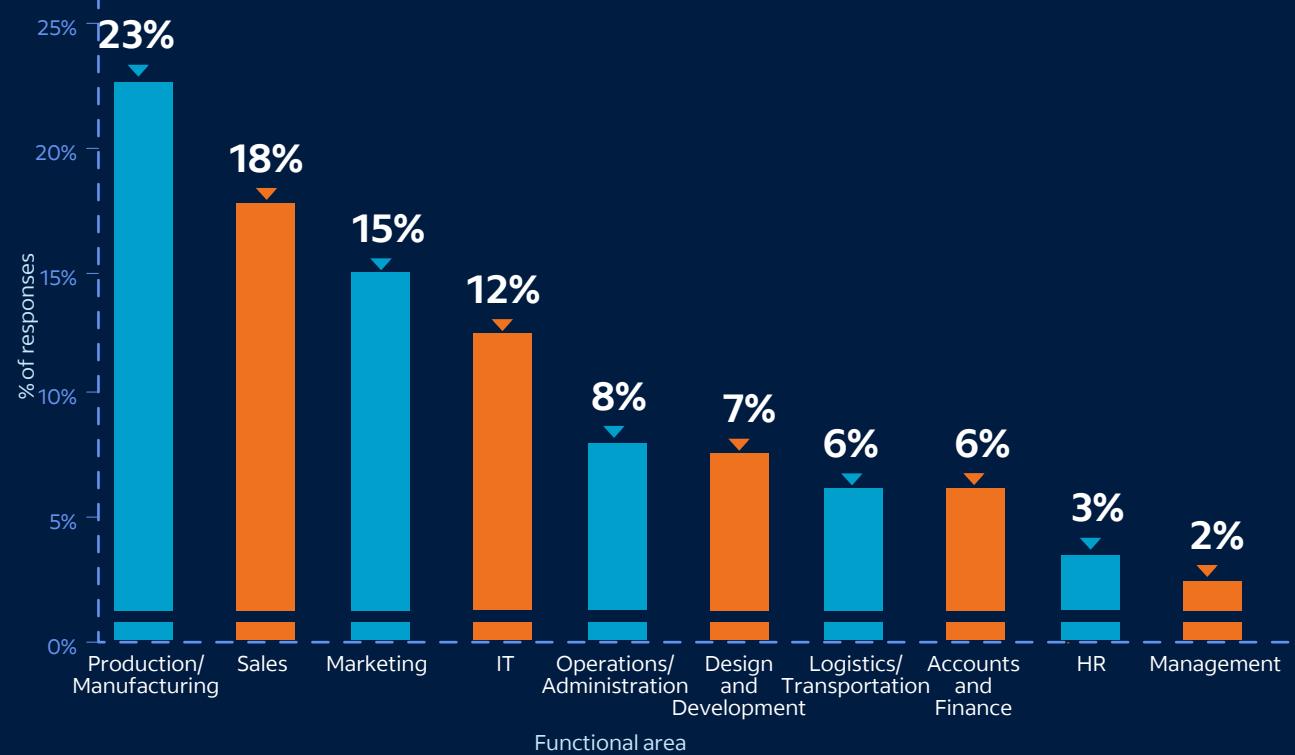
Production/manufacturing remains the top functional area hired by employers

The production/manufacturing functional area is where hiring happened the most (23%), according to the employers, during the quarter followed by sales (18%), marketing (15%) and IT (12%). On the contrary, employers have hired the least for the functional areas of logistics/transportation (6%), accounts and finance (6%), HR (3%), and management (2%).

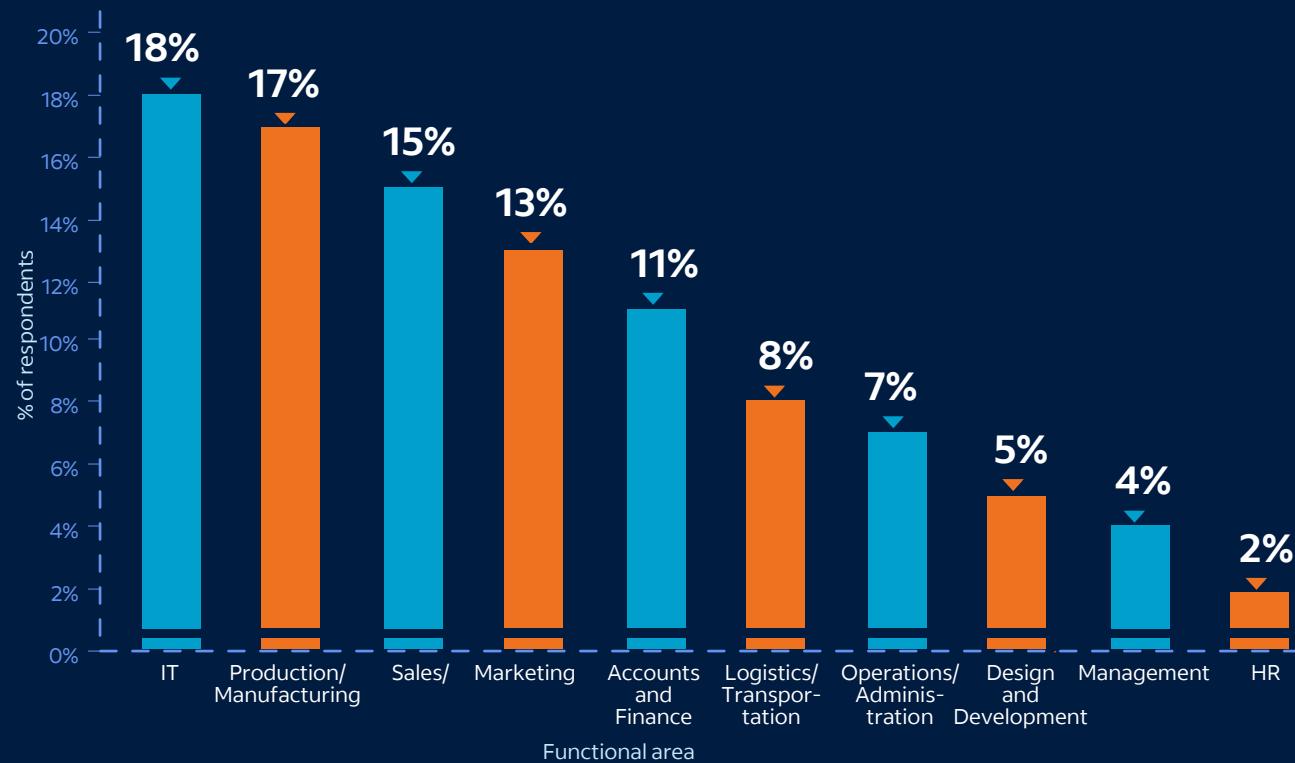
IT continues to be the most sought-after functional area of work among jobseekers

IT continues to be the most preferred functional area (18%) of work for employees during the quarter, followed by production/manufacturing (17%), sales (15%), and marketing (13%). Design & development (5%), management (4%), and HR (2%) tend to be the least preferred functional area for jobseekers.

Functional area employers hired during Apr-Jun Quarter FY'24



Employees preferred functional area of work

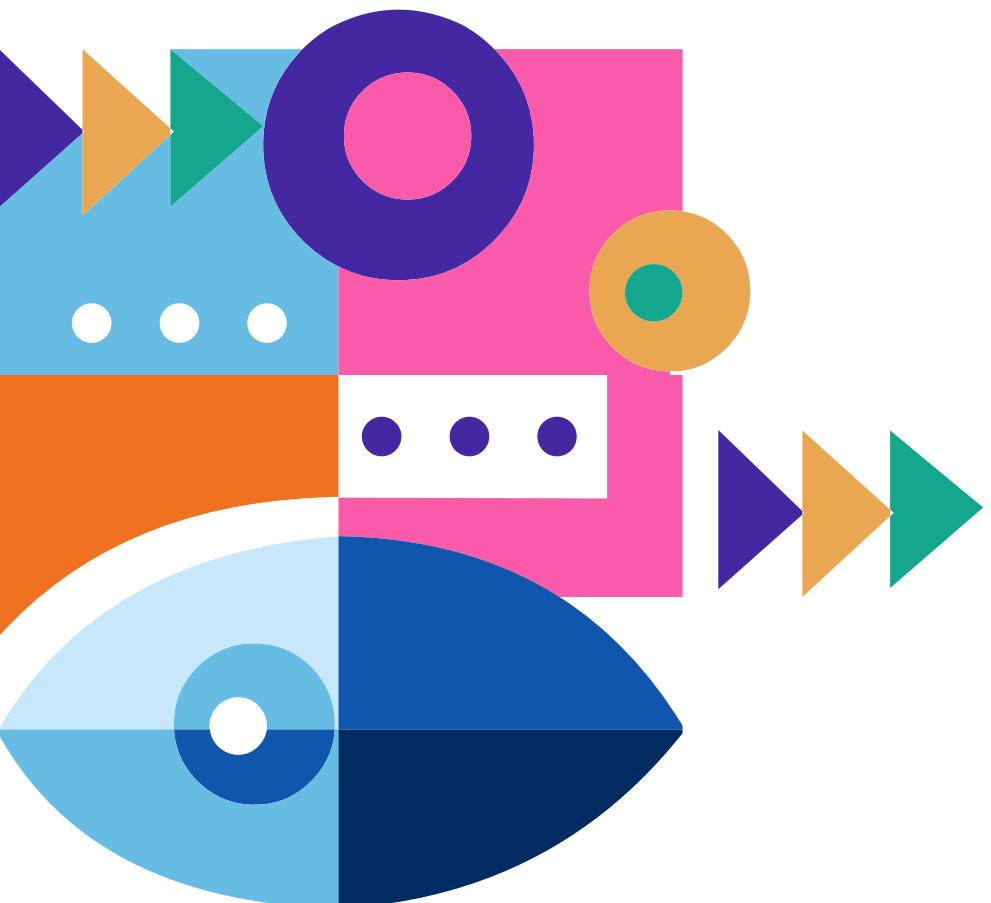




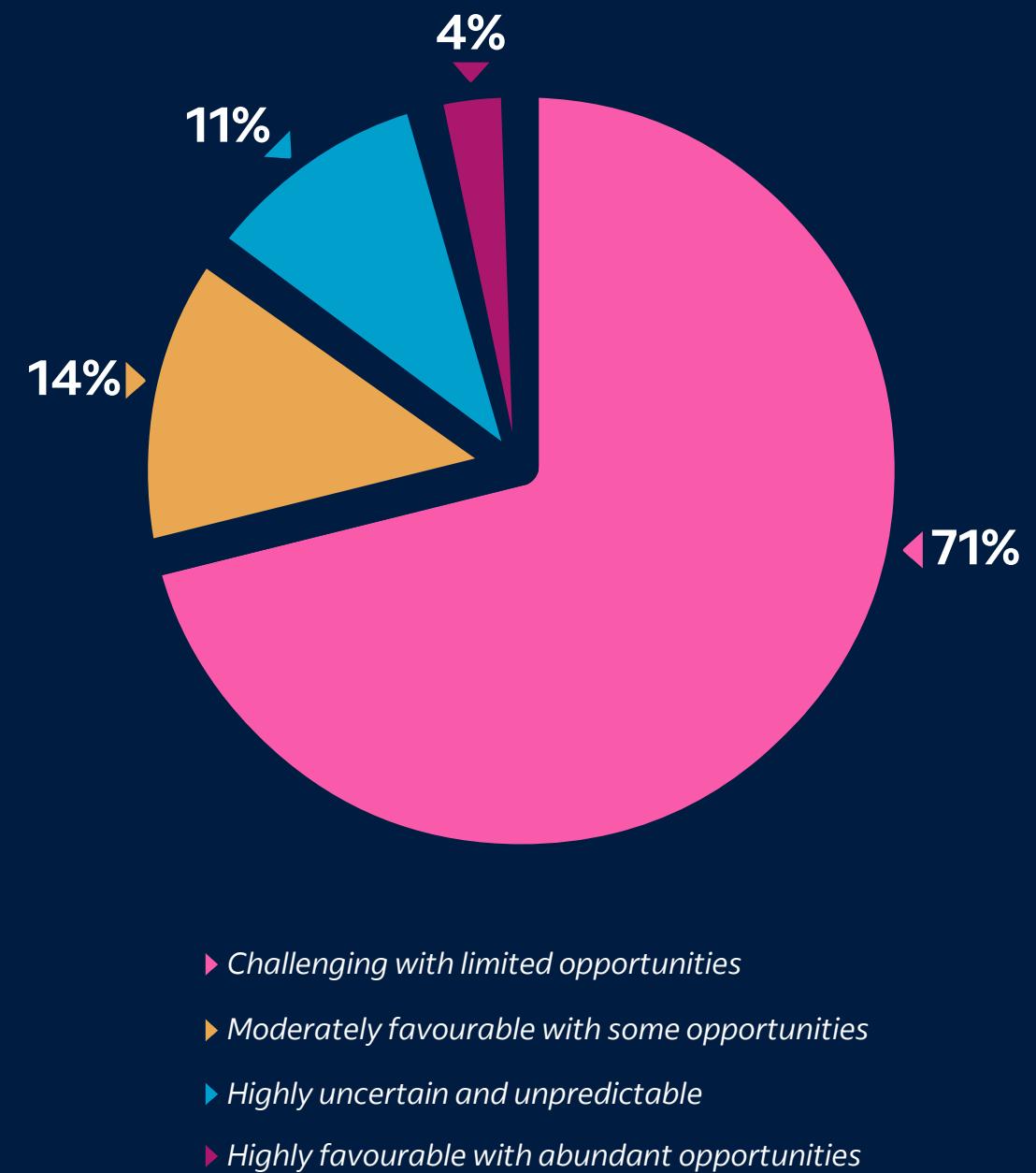
Job market for New Graduates

Market perception – uncertainty lingers in the job market with prospects slightly more favourable in the IT sector

The majority of employers (71%) consider the current job market conditions for new graduates to be challenging with limited opportunities. A smaller portion of employers (14%) view the job market as moderately favorable offering some opportunities for new graduates. Additionally, more than one in every ten (11%) employers find the job market highly uncertain and unpredictable.



Current job market conditions for new graduates as per employers

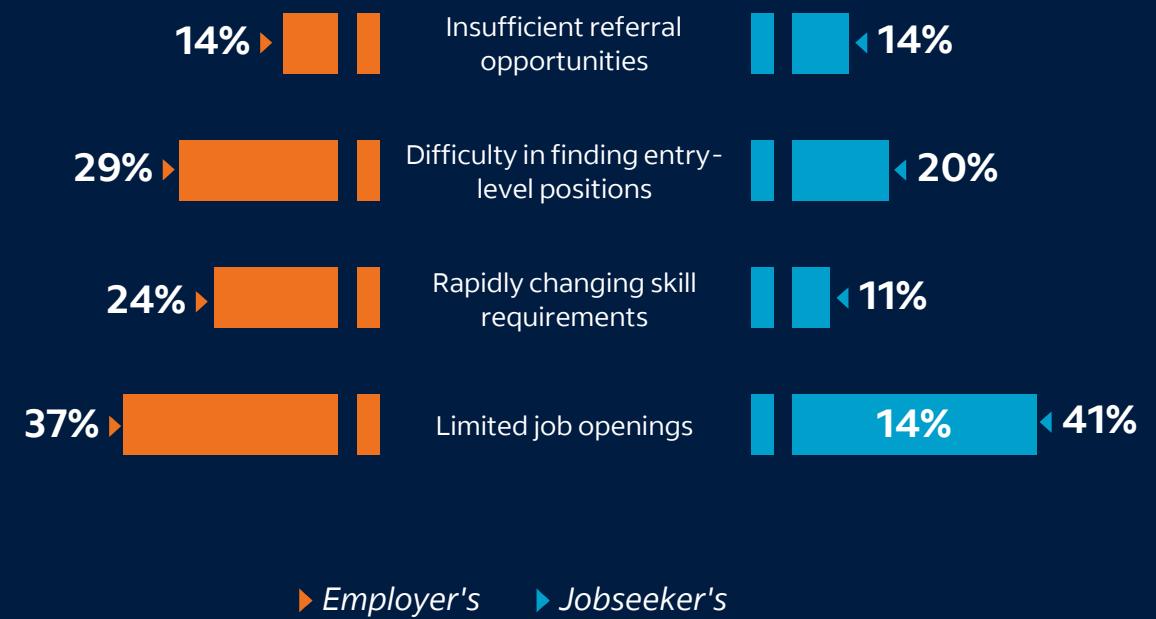


Limited job openings for new graduates in the job market

When it comes to challenges new graduates face when entering the job market, the perceptions of employers and jobseekers differ. Limited job openings are a significant challenge for both employers (37%) and jobseekers (41%). The cities where job openings are lacking the most are Kolkata (50%), Chennai (46%) and Delhi/NCR (45%). Hyderabad (37%) and Pune (39%) are where they lack the least, so a slight increase in opportunities emerge.

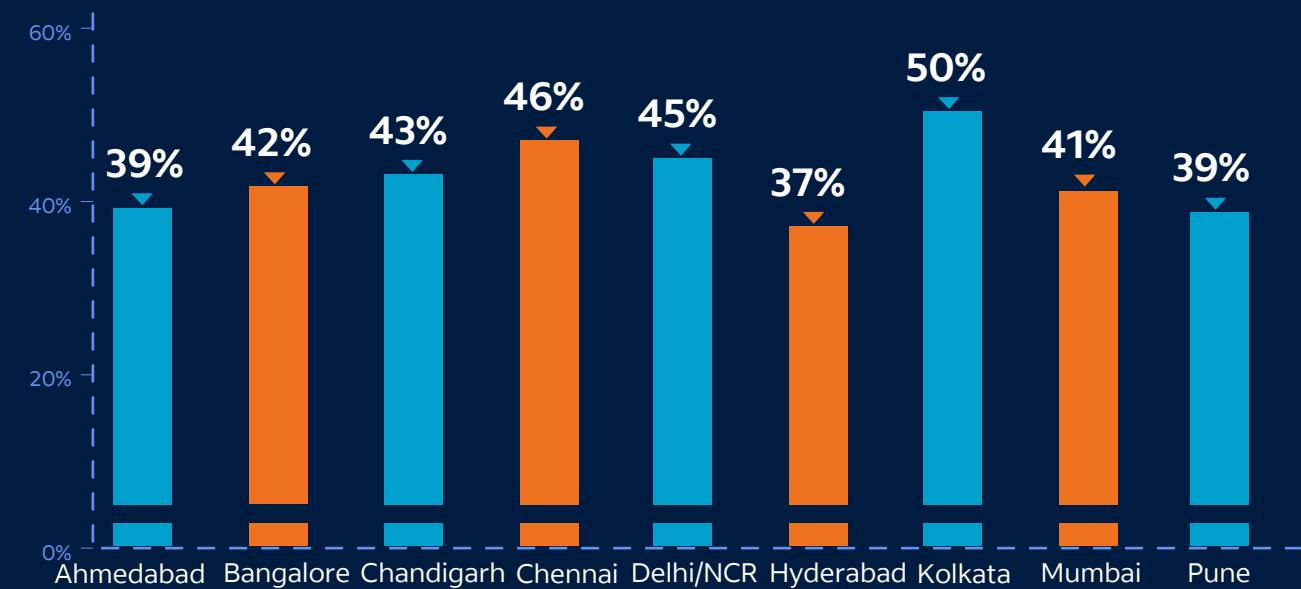
Rapidly changing skill requirements pose a challenge for nearly a quarter of employers (24%) and a smaller percentage of jobseekers (11%). Insufficient referral opportunities are equally challenging for both employers and jobseekers with 14% of each identifying this as an issue.

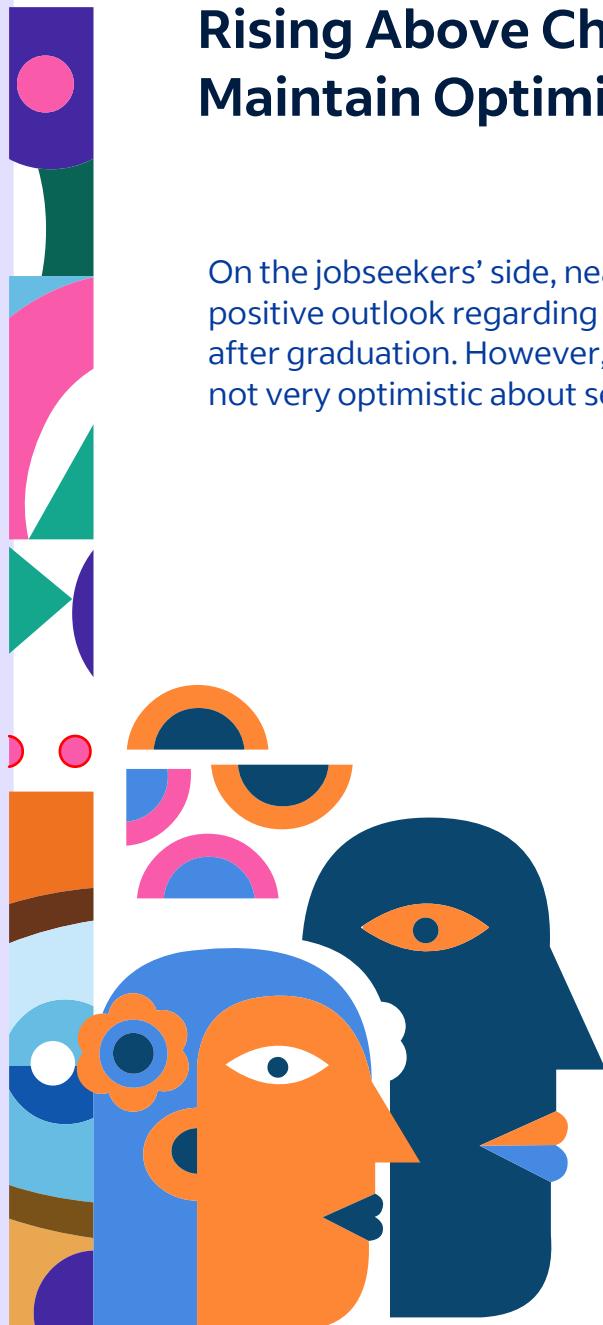
What specific challenges do you think new graduates face when entering the job market?



Note: The percentages add up to more than 100% since each respondent is allowed multiple responses

Cities with limited job opening

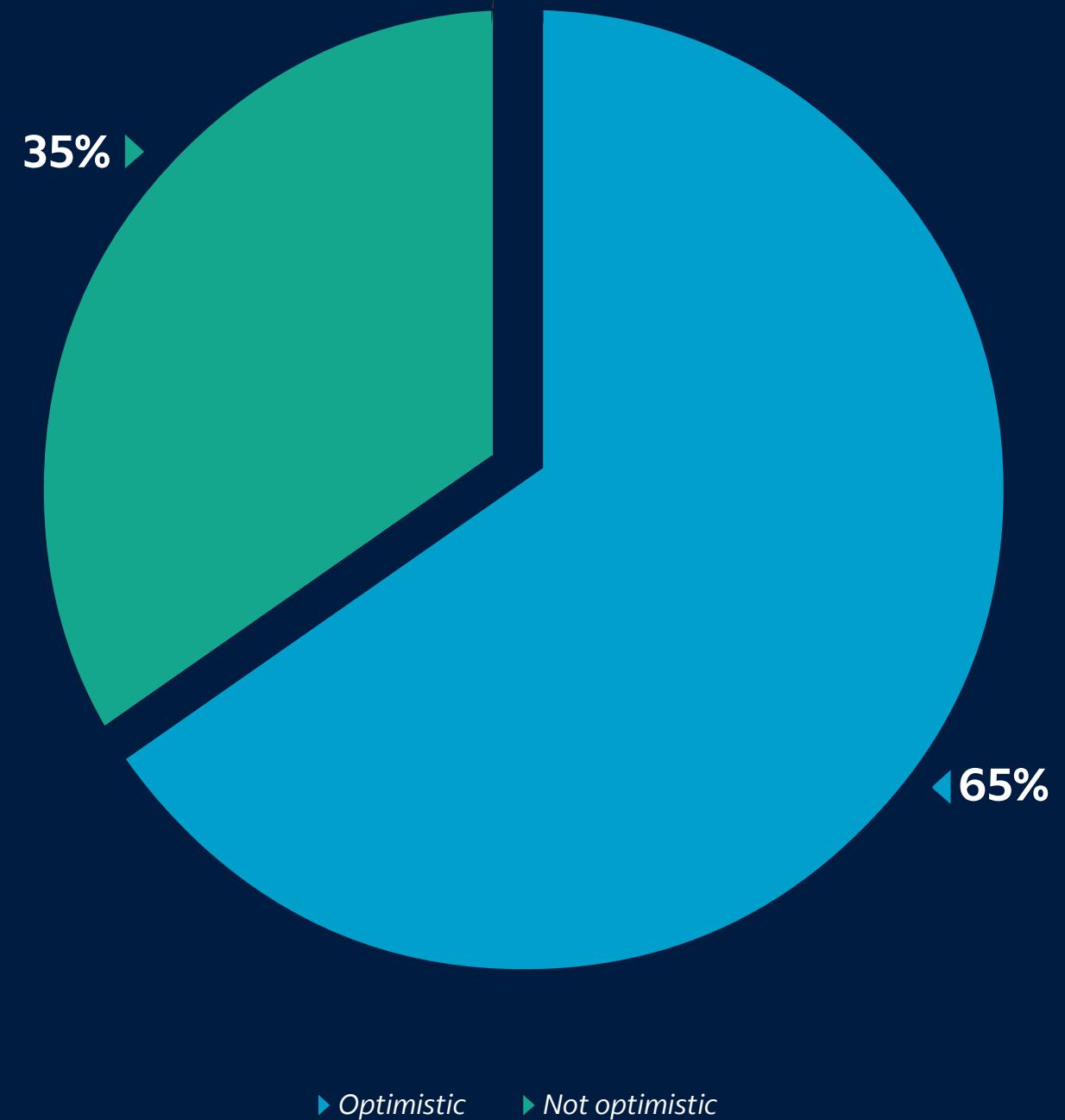


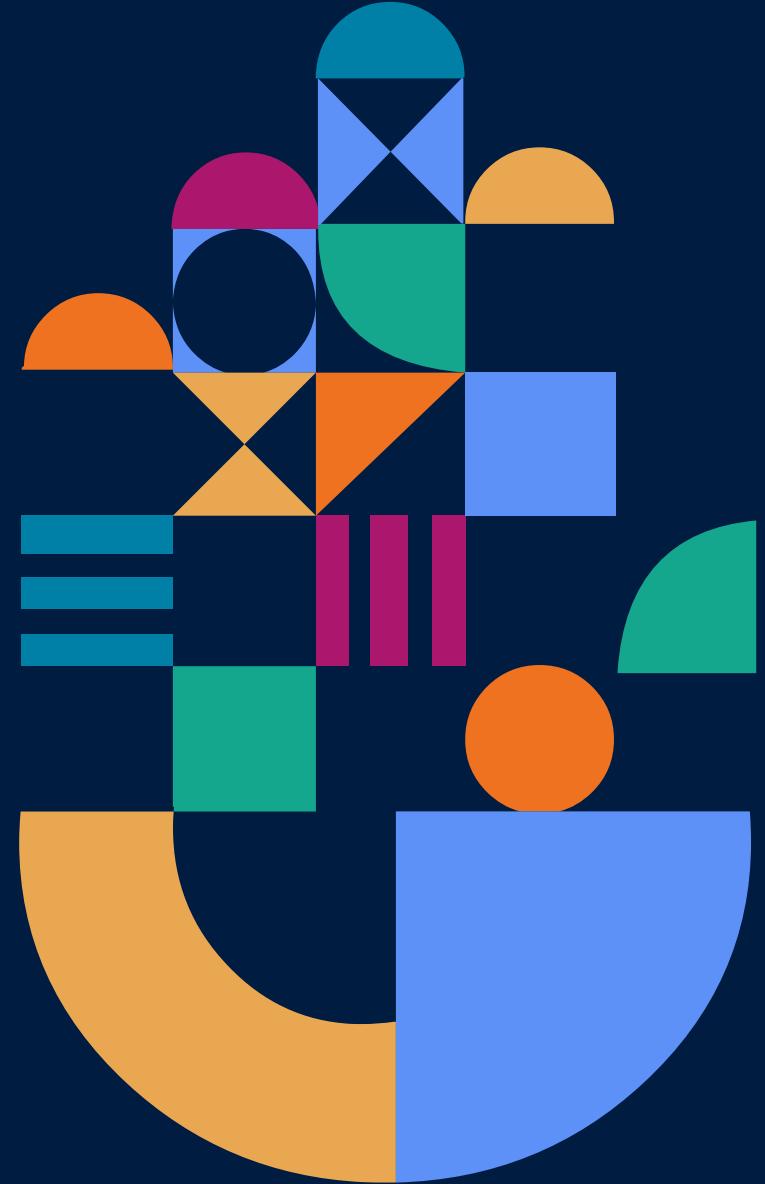


Rising Above Challenges: New Graduates Maintain Optimism about Job Prospects

On the jobseekers' side, nearly two-thirds of new graduates (65%) hold a positive outlook regarding their chances of receiving job offers shortly after graduation. However, more than a third of the jobseekers (35%) are not very optimistic about securing a job after graduating.

Are employees optimistic about receiving job offers shortly after graduation?



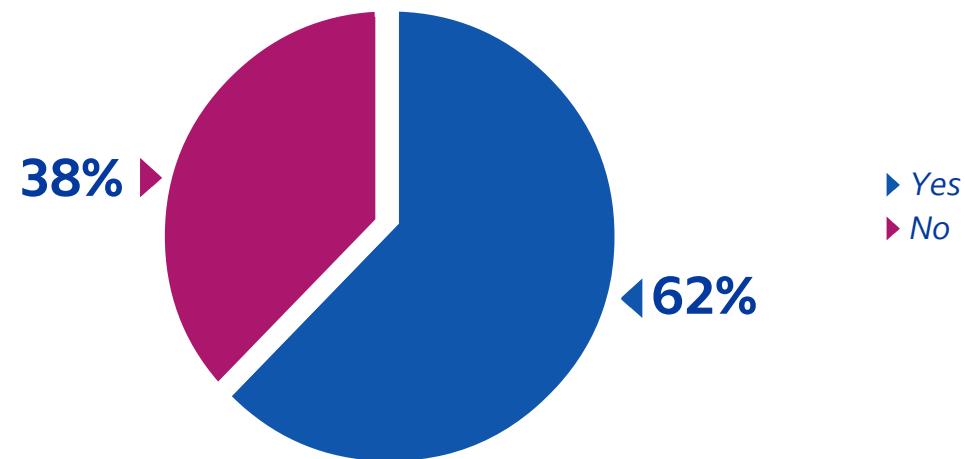


Industry Trends shaping up post recent layoffs and recessions

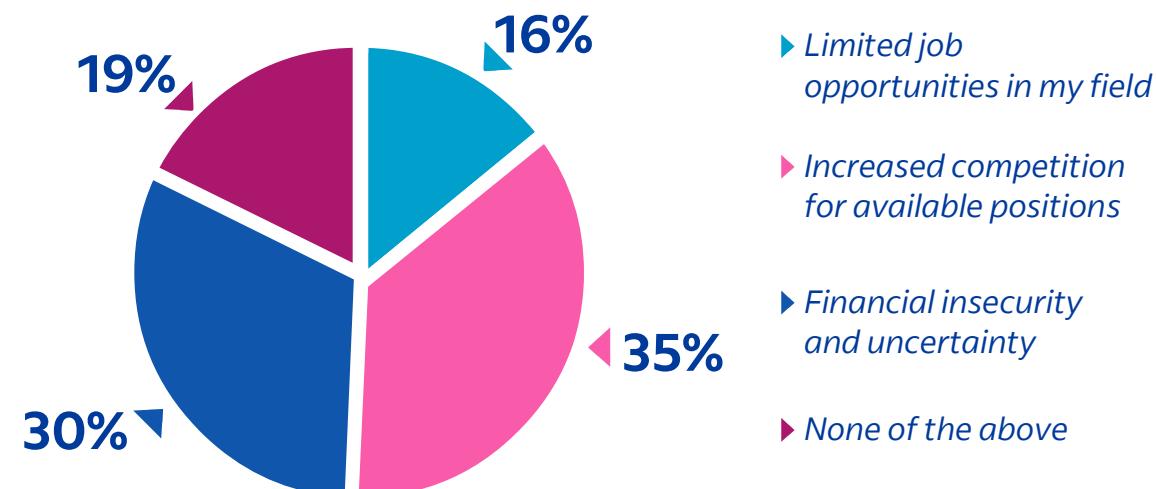
Work mode changes in wake of layoffs: Employers observe heightened competition and uncertainty in job market

Recent layoffs witness a significant number of employees losing their jobs. 62% of employees claim to have either lost their job during this course of time or have witnessed it happening to someone else. Moreover, it has also affected jobseekers in their job-search. Over 1/3rd of jobseekers (35%) has experienced increased competition around them in the process and 30% have felt financially insecure and uncertain about their employment prospects as a result.

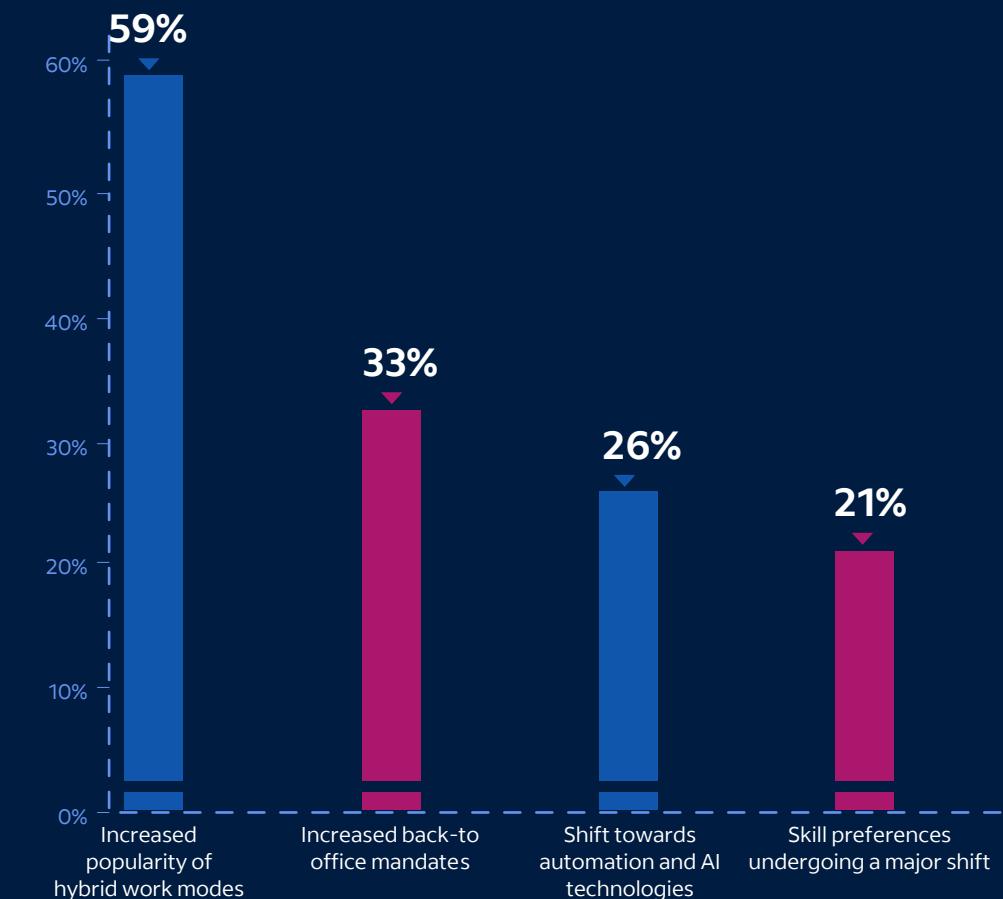
Have Employees experienced or witnessed job losses/layoffs lately?



How Job Losses and Layoffs Shape Employee Job Hunt and Future Opportunities - Employees perception



Employers on most prominent industry trends post layoffs and recessions

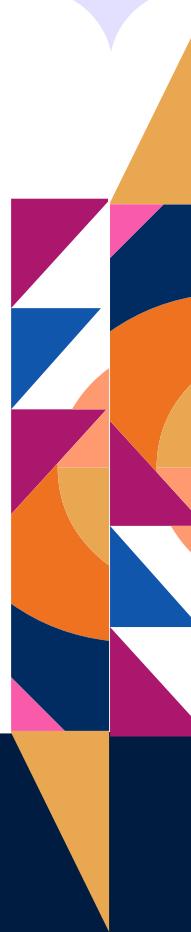


According to 59% of employers, there have been an increase in the popularity of a hybrid work mode setup since the recent layoffs and recessions. On the flip side, 1/3rd of employers say that back-to-office mandates have been increased. Over a quarter of them (26%) believe that there has been a shift towards automation and AI technologies. According to a few of them (21%), skill preferences have undergone a major shift since then.

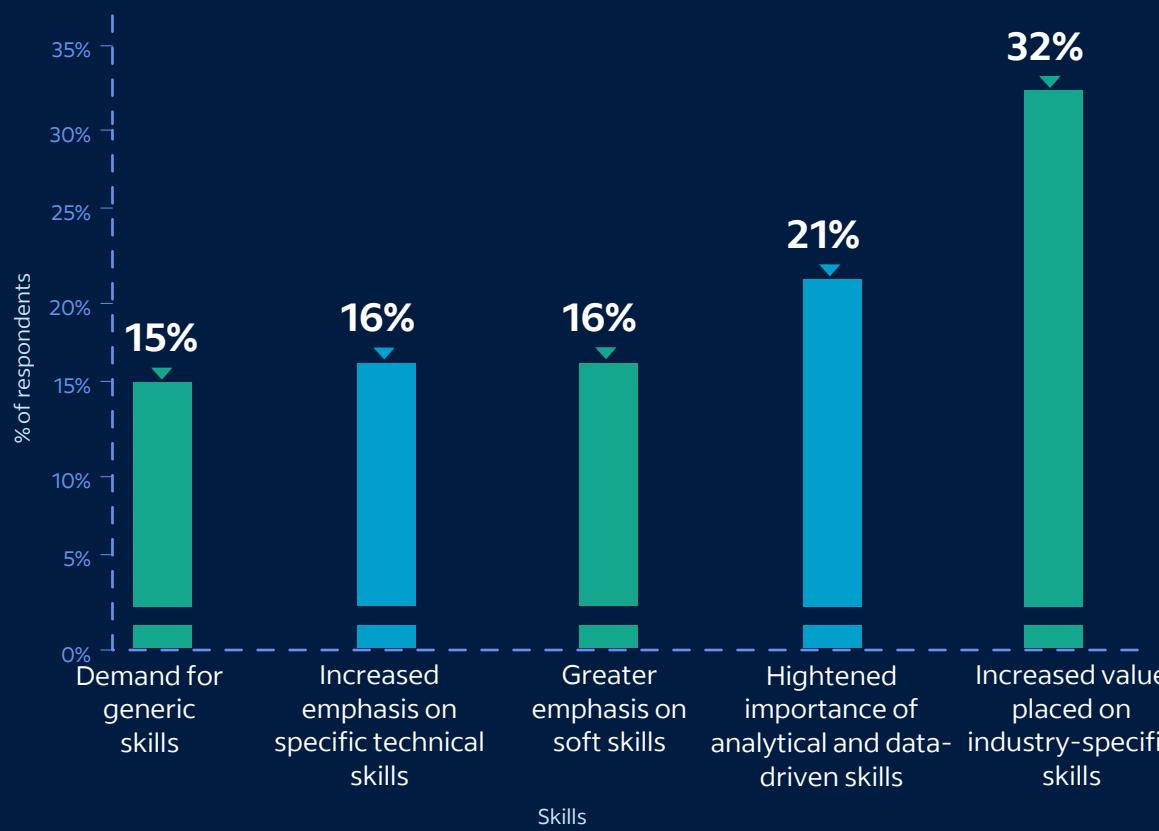
Note: The percentages add up to more than 100% since each respondent is allowed multiple responses

Skill-Based Hiring Surges After Workforce Reductions: Employers Prioritize Specific Abilities in India

Employers, after the onset of layoffs and recession, have shifted their focus on industry-specific skills for potential candidates. Furthermore, they also seek skills that are more analytical in nature and data-driven (21%) in addition to technical and soft skills (16% each). This shift highlights a centred and selective approach by employers to screen candidates to fulfil their industry requirements.



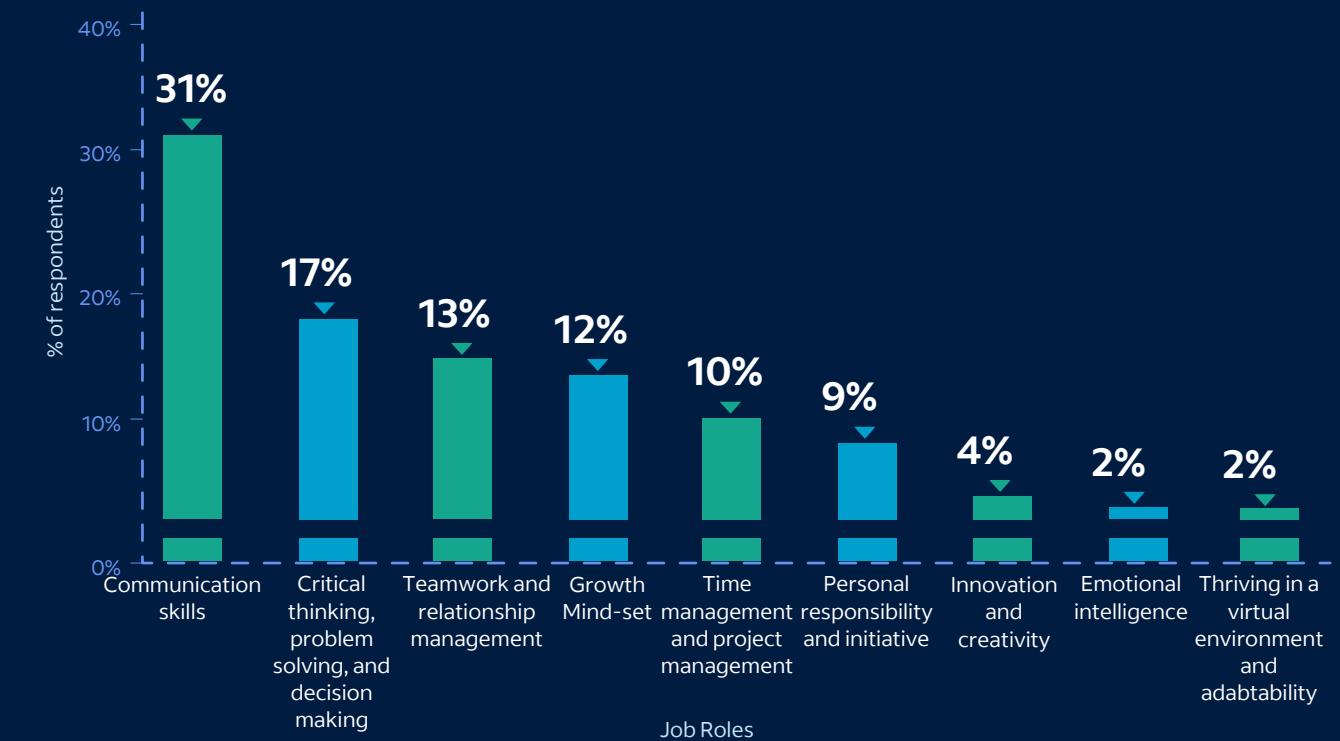
How have recent layoffs and recessions changed skill requirements for employers?



Among soft skills, communication is the most sought after for hiring employers in Q1 FY '24

Communication (31%, up from 27% last quarter), critical thinking, problem-solving, & decision making (17%, up from 15% last quarter), and teamwork and relationship management (13%, up from 11% last quarter) are the top three soft skills employers are looking to hire in Q1 FY '24 whereas innovation and creativity (4%, down from 9% last quarter), thriving in a virtual environment and adaptability (2%, down from 5% last quarter), and emotional intelligence (2%, down from 3% last quarter) stands at the bottom of the list.

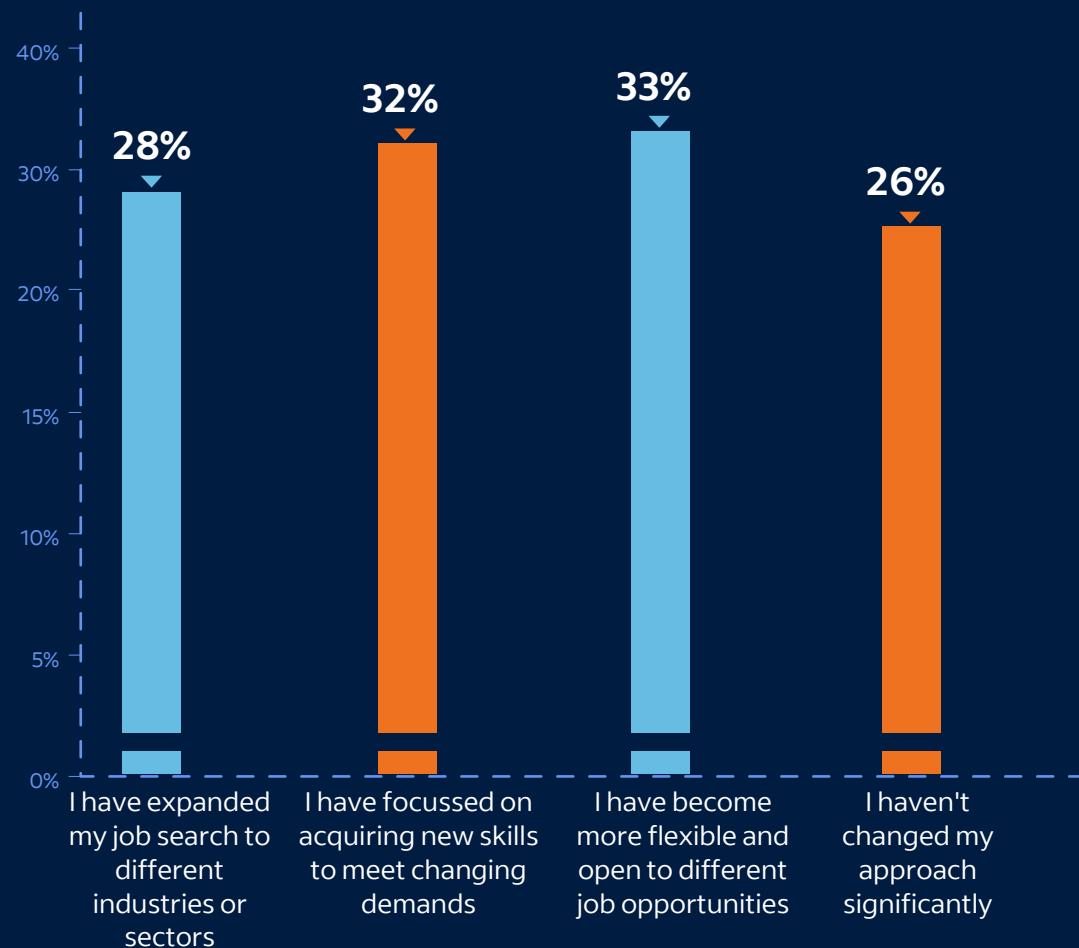
In demand soft skills employers are looking to hire in Apr-Jun Quarter FY'24



Most employees change their approach to job-search as a result of surging new demands

74% of employees have changed their job-search approach after the layoffs and new-skill requirements from employers. Within this proportion, 33% are open to taking up different jobs from what they are used to and becoming more flexible. 32% have focused on acquiring new skills and 28% have expanded their job-hunt to different industries.

Impact of layoffs on employees' job hunt approach

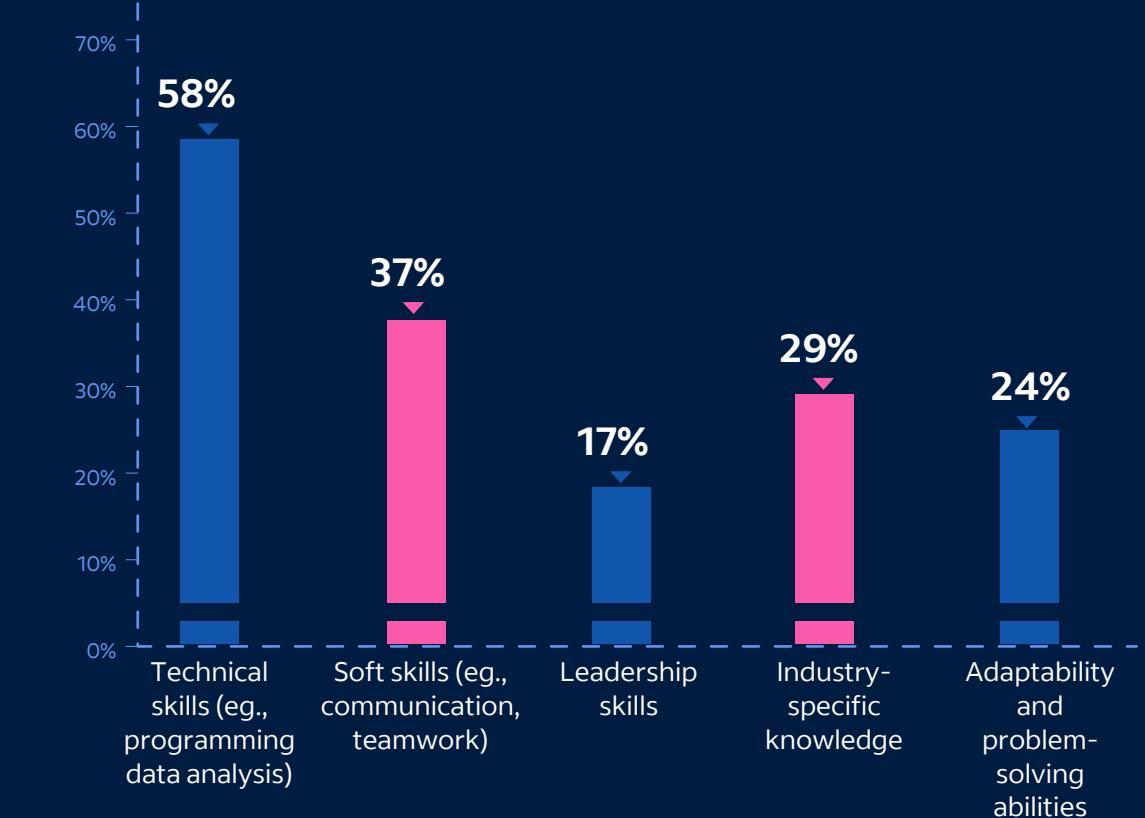


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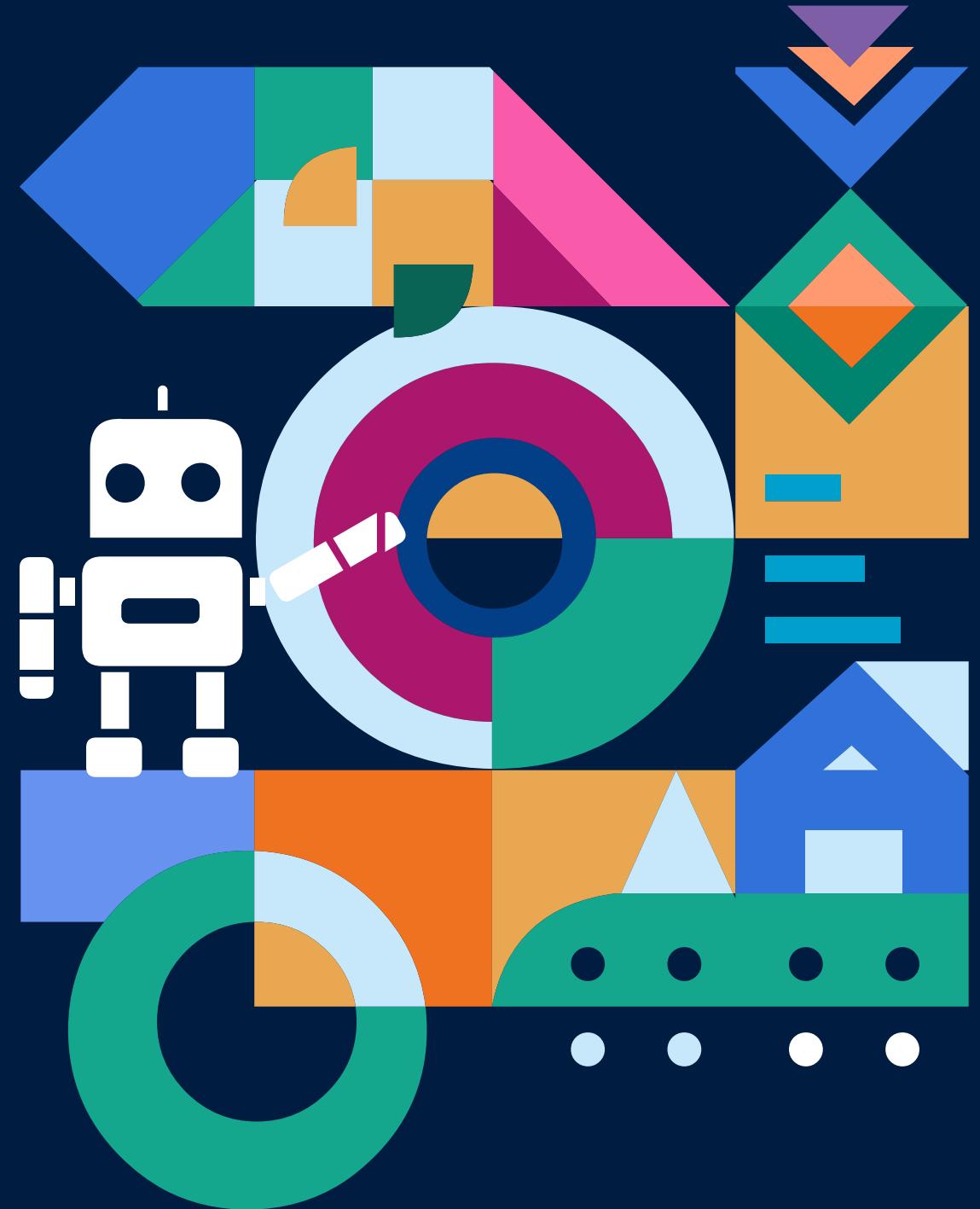
Employees look to add technical and soft skills to meet rising demands

58% of employees are looking to add technical skills to their resume. In addition to that, 37% are looking to add value through soft skills. While most employers are seeking candidates that have industry-specific skills, it appears that employees are not prioritizing this area as much as they should; a considerably lesser proportion of employees (29%) are looking to gain industry-specific knowledge. Meanwhile, 24% are focusing on adaptability and problem-solving abilities.

What skills are employees looking to build on?



Note: The percentages add up to more than 100% since each respondent is allowed multiple responses

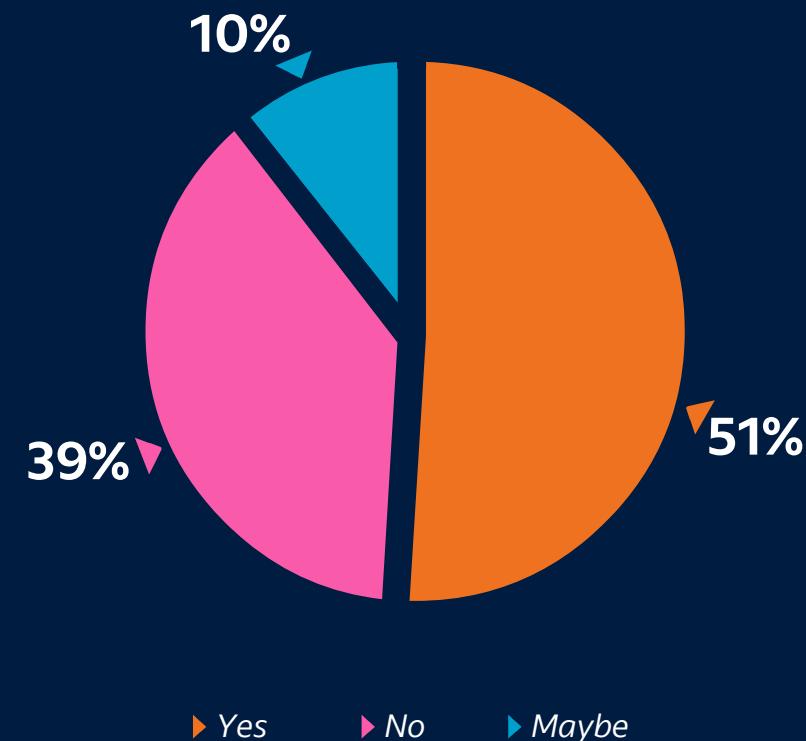


Role of AI in the future of jobs

Majority of employers recognize the potential for AI to play a role in the future of jobs

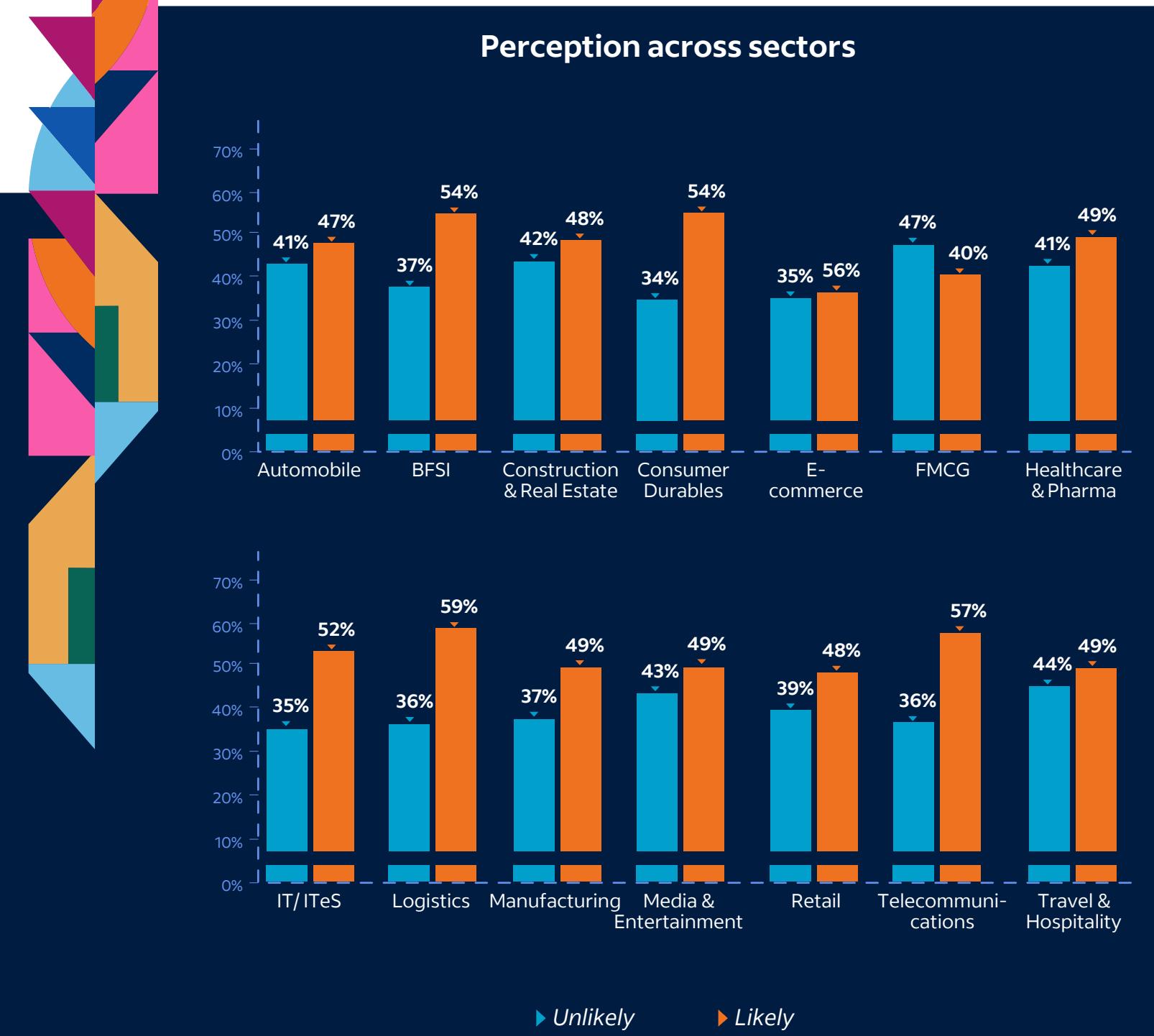
Over half of the employers (51%) believe that generative AI tools are likely to replace peoples' jobs in the next 1-3 years. 39%, on the other hand, believe that this scenario is unlikely to happen, and 10% are unsure of it. Overall, the perception among employers suggests that, although, the trend in generative AI usage has been uprising in recent times, the prospect of it replacing jobs could go either way.

Employers' opinion on whether AI tools is likely to replace peoples' jobs?



This perception is shared across various sectors, presenting opportunities for exploring innovative ways to blend human skills with AI technologies for more efficient and rewarding work experiences. The perception is more prominent across sectors namely logistics (59%), telecommunications (57%), e-commerce (56%), consumer durables (54%), and BFSI (54%). More employers in almost all sectors believe that it is likely to happen as compared to those who believe it won't. In contrast, almost half of employers (47%) in the FMCG sector believe it is unlikely to happen, as compared to 40% of those who do.

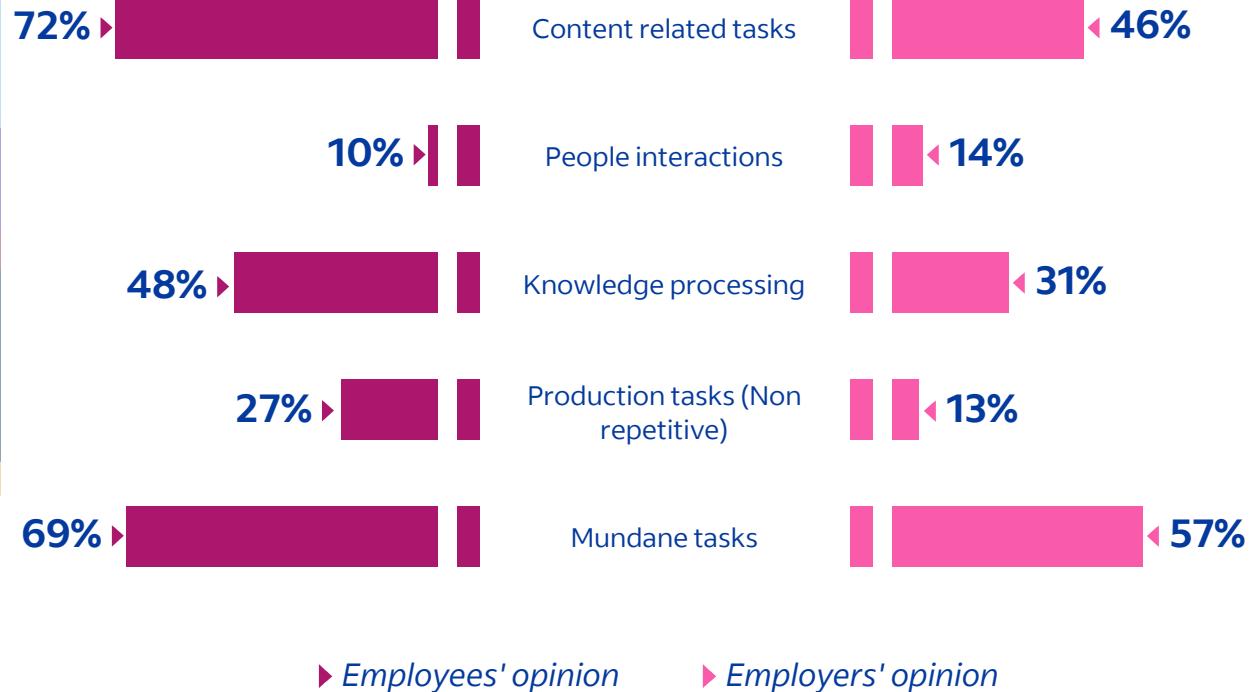
Perception across sectors



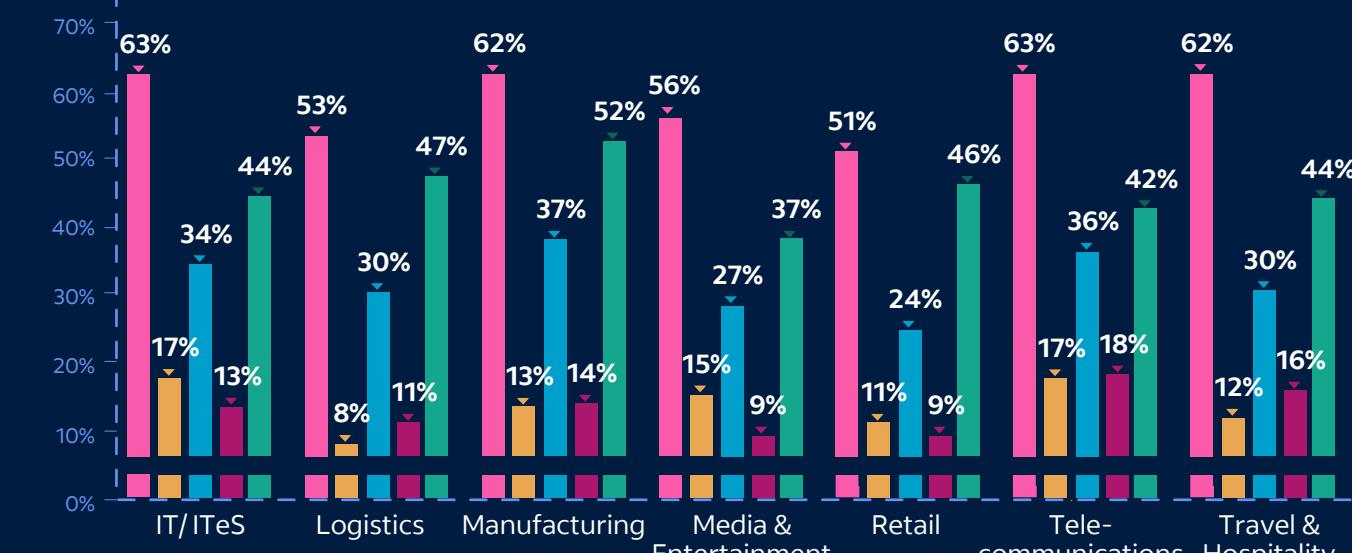
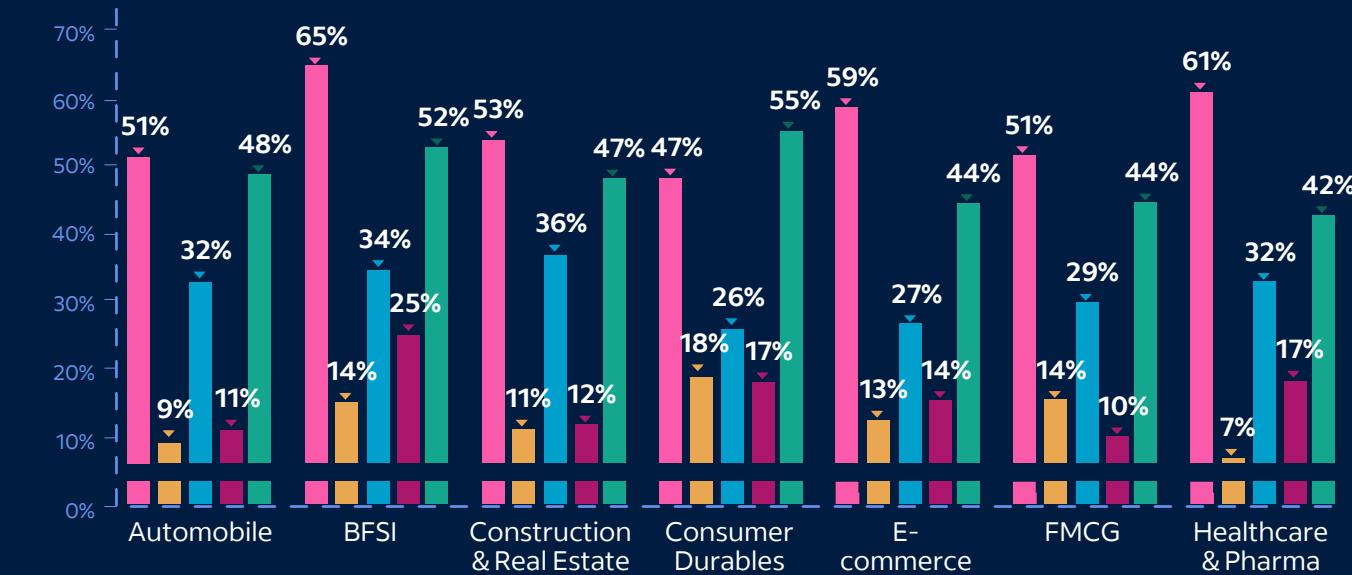
Jobs with repetitive and content related tasks could be at risk

With AI taking over being a strong possibility, let's have a look at the kind of tasks it could replace. Most employees (72%) believe that AI could replace content-related tasks; a considerably fewer proportion of employers (46%) share this opinion. Both employees and employers believe that AI could very well replace repetitive and mundane tasks (69% of employees vs 57% of employers). Lastly, knowledge processing could also be replaced by AI, according to 48% of employees and 31% of employers.

What job aspects will AI tools replace?



Perception across sectors



- Repetitive tasks and Mundane tasks
- Production tasks (Non-repetitive)
- Knowledge processing
- Content related tasks
- People interactions

Repetitive tasks could be replaced by AI & Automation in the near future. More employers in sectors BFSI (65%), IT/ITeS (63%), and telecommunications (63%) believe that it could be the case, as uncertainty over it looms around. Comparatively fewer employers - just over half of the employers (51%) in automobile, FMCG, and retail believe the same. When it comes to content-related tasks, media & entertainment constitute the fewest employers (37%) in comparison to other sectors who believe AI could replace it.

Note: The percentages add up to more than 100% since each respondent is allowed multiple responses

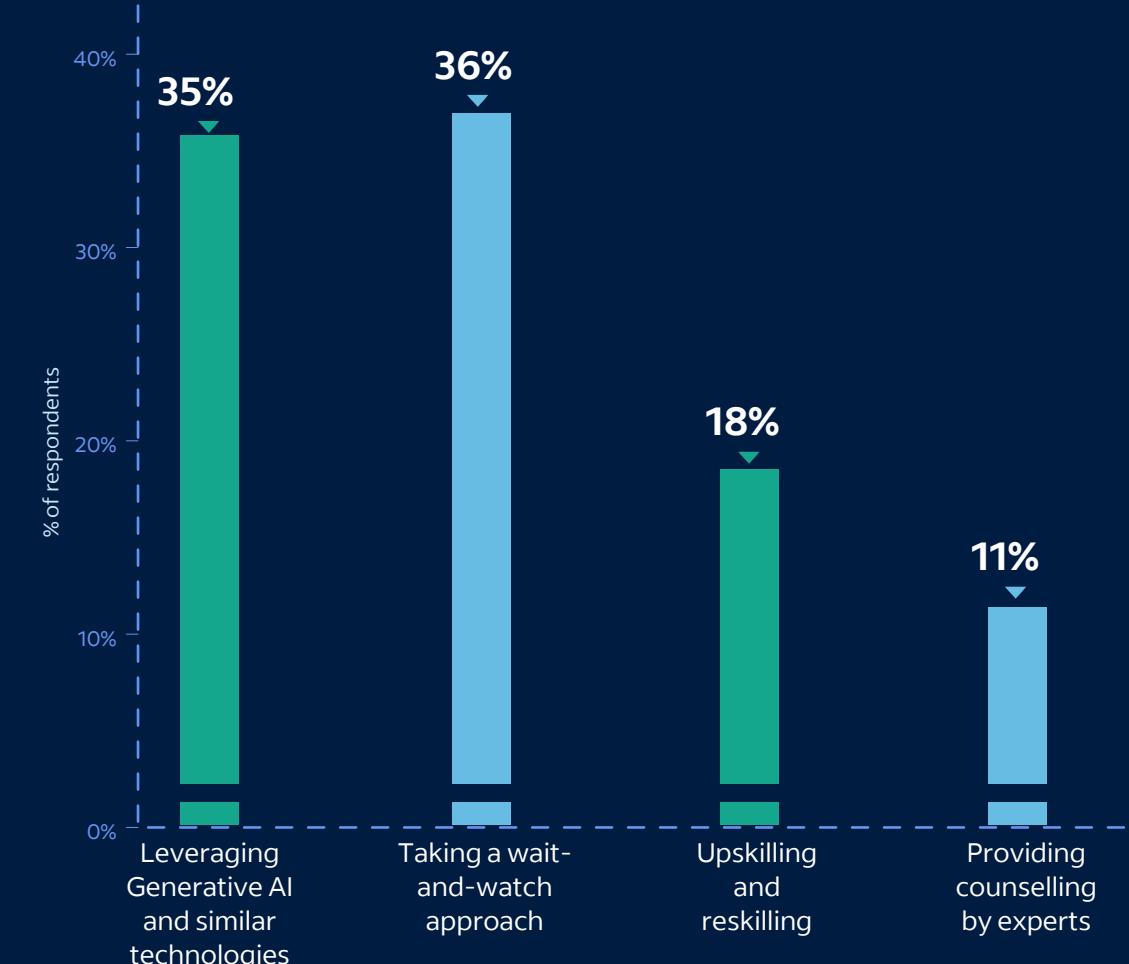
Note: The percentages add up to more than 100% since each respondent is allowed multiple responses

Observing the impact: employers' 'Wait-and-Watch' approach on generative AI

With the potential impact of AI possibly on the brink, more than a third (36%) of employers are adopting a 'wait-and-watch' approach, indicating that they'd rather wait it out and see how things shape up with generative AI tools before taking any specific actions or initiatives. 35%, on the other hand, are actively leveraging generative AI and similar technologies, recognizing their potential and utilising them in their operations. However, 18% of employers are focusing on upskilling and reskilling their employees and understanding the importance of developing relevant skills to adapt to the era of AI tools.

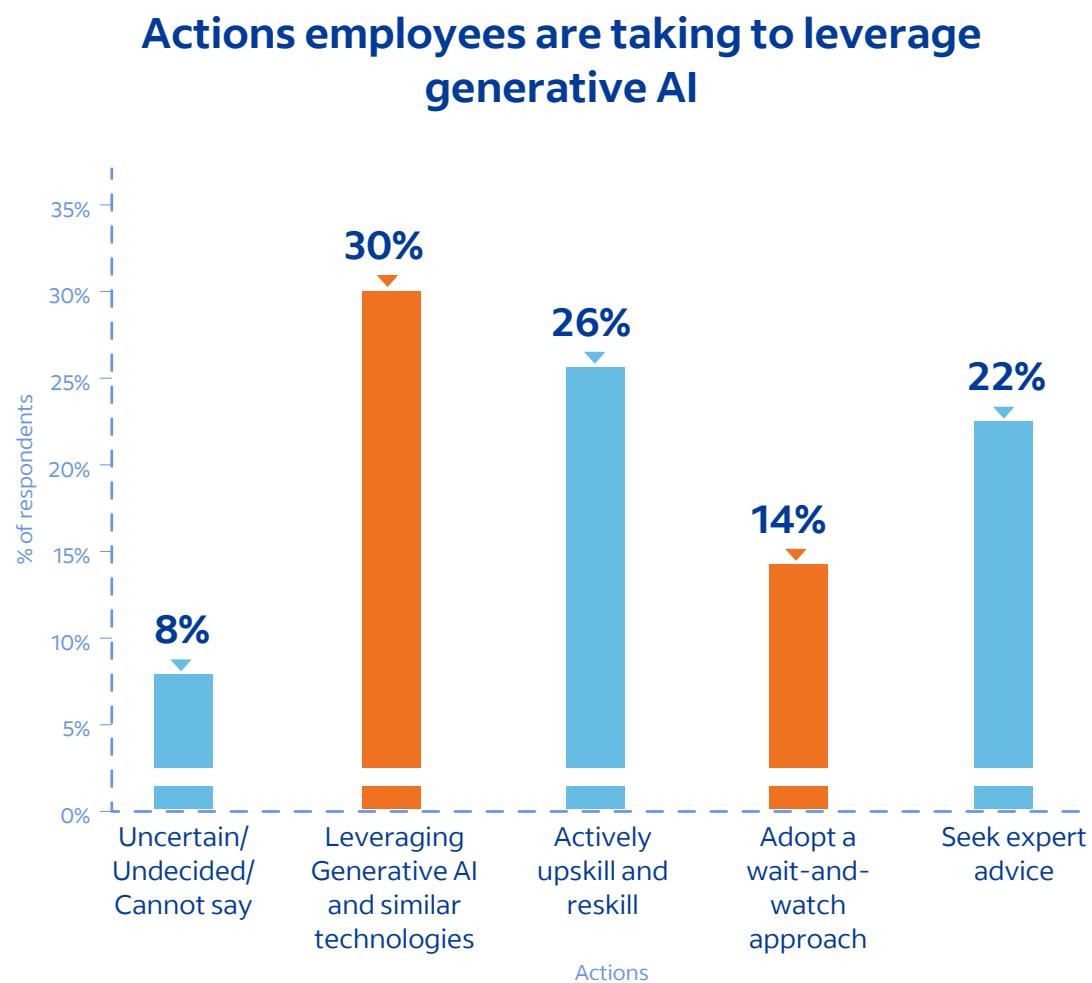


How employers are preparing employees to stay relevant in the era of generative AI tools



Employees embracing generative AI: leveraging technology for skill enhancement

A significant portion of employees (30%) intend to use generative AI and similar technologies. Over a quarter of them (26%) also intend to actively upskill and reskill to stay relevant. A notable percentage of employees (22%) plan to seek expert advice to navigate the concerns related to job replacement. A smaller proportion of employees (14%) prefer to adopt a 'Wait-and-Watch' approach.



Methodology

This survey was conducted by Valuvox on behalf of Indeed among 1,109 employers and 2,517 jobseekers and employees in the months of Jan -Mar, 2023. The survey respondents were segregated into cities, and further categorized into large, medium, and small organizations, and then into sectors.



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