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Recruitment in small towns, mini-metros on upswing

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Posted online: 2011-07-21 15:15:34+05:30

New DelhiA positive trend of recruitment was witnessed in smaller towns and mini-metros during the April-June period of 2011 on the back of increased hiring in sectors such as engineering and manufacturing, says a survey.

According to a study by MyHiringClub.com, 41 per cent of the companies surveyed said they recruited 23 per cent more personnel in tier-II cities such as Pune and Hyderabad during the first quarter of 2011-12 compared to the year-ago period.

Another 12 per cent of the respondents said they hired 5 per cent more employees in tier-III cities like Jaipur, Ghaziabad and Kochi during April-June, 2011.

"The same hiring trend will continue in the next quarters also," MyHiringClub.com Founder and CEO Rajesh Kumar said.

Tier-II and Tier-III cities seem to be gaining ground compared to the metros as companies continue to look at them as cost-effective destinations.

"The motivational reason to hire from these cities are rising salaries and high attrition experienced from hiring in metros," the survey noted.

The engineering and manufacturing sector accounted for 22 per cent of total hiring from tier-II and III cities, followed by insurance, banking and other financial services sector (18 per cent), IT and ITes (18 per cent), FMCG (16 per cent), retail (14 per cent), telecom (12 per cent) and infrastructure (10 per cent).

"With increased volume of activity, particularly in engineering, manufacturing and financial services, the tier-II and III cities had seen strong hiring. Also, IT-ITes companies are looking to relocate to non-metros as companies don't have to pay that much and attrition is lower. The huge demand in manpower is pushing companies to hire from tier-II and tier-III cities," Kumar added.

The survey was conducted by MyHiringClub.com, a recruitment tendering platform catering to Asia and the Gulf/Middle East, among 232 employees and 897 recruitment

consultants between May and June this year.