Indian IT hiring down 49% in August

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New Delhi : Recruitment by Indian IT companies witnessed a slowdown in the month of August, owing to the crisis in the US and Europe region, but the overall hiring mood in the country is upbeat, says a survey.

It might take 2-3 months for recruitment activities in the IT sector to gain momentum, according to recruitment tendering platform MyHiringClub.com, which said that hiring activity saw a 49 per cent drop in the IT and ITes sectors in August vis-a-vis the previous month.

The US accounts for almost 60 per cent of the revenues of the USD 60 billion Indian IT industry.

In contrast, other industries such as FMCG, banking, telecom and automobiles saw 14 per cent more recruitment in August, compared to July.

"This data shows the strong impact of the US and Euro crisis in Indian IT sector hiring. We had seen the overall hiring trend was healthy in the previous month, except the IT and ITeS sectors," MyHiringClub.com CEO Rajesh Kumar said.

"When discussed with some employers, they indicated it will take 2-3 more months for hiring from these sectors," he added.

A city-wise analysis shows that most cities experienced a lull in hiring activity in the IT and ITes sectors in August, 2011. The IT hub of Bangalore saw a 29 per cent

decline in hiring vis-a-vis the previous month.

Among the metros, the Delhi/NCR region saw a 19 per cent drop in hiring in August compared to the preceding month, while Chennai witnessed a fall of 15 per cent. Mumbai and Hyderabad saw a drop of 13 per cent and 8 per cent, respectively, in August.

The survey was conducted among 353 employers, including 127 employers from the IT and ITeS sectors.