

# NASSCOM

## NASSCOM STATEMENT: Job creation and Hiring in Indian IT-BPM industry

In view of some recent news reports based on a talking about the apparent job losses in the Indian IT/BPM industry, NASSCOM would like to clarify and put things in perspective around hiring and job creation in the sector. With the evolution of technology and increasing automation, the nature of traditional IT jobs and roles will evolve overall leading to creation of newer jobs. The Industry continues to be a net hirer of skilled talent, adding 138,000 people in FY2021, and robust hiring plans for FY22 with the top 5 Indian IT companies planning to add over 96,000 employees. The Industry is upskilling more than 250,000 employees in digital skills and has hired more than 40,000 fresh digitally trained talent, indicating at its commitment and investment towards rapid enhancement of workforce capabilities.

The recent report on the job scenario has some great insights on the Future of Work and other emerging trends. However, certain data points on job displacement in IT/BPM sector are incorrect and for the following reasons

- The BPM sector in India, which has been called out as the sector ripe for automation, employs over 1.4 million people (excluding domestic and in-house) and not 9 million as the report suggests. The IT-BPM sector overall employs 4.5 million people as of March 2021.
- Around 33% of the total jobs in the BPM sector are related to customer interaction services (e.g. call centre work including mail, chat etc). Most of the customer work from India is now being done in an omni-channel model and involves higher end expertise with technology and automation already built into the processes.
- Automation and RPA has been maturing in the last 3 years and has led to a net creation of jobs for the BPM sector. The addressable opportunity for BPM according to a NASSCOM-McKinsey Report is \$180-220 bn, leaving significant headroom for growth and jobs.
- BPO industry in India is constantly innovating on reimagining processes for global customers – building products, leverage analytics, customer experience and the announcement by all companies showcases the growth in a pandemic year and opportunity ahead.

With one of the strongest deal pipeline, and strong business outlook, the industry is on track to meet its vision of \$300-350Bn revenues by 2025. The Industry will continue to be a net creator of jobs and is committed to people-centric innovation, relentless talent focus, and delivering a superior transformative customer experience.

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