

# Business Line

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## Call of the Continent: Hire and hold

*Tap talent in Europe..*



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Europe has been held up as the next big driver of growth for Indian IT companies for several years now. The likes of TCS, Infosys and Wipro were close to converting this dream into a reality before they ran into the Eurozone crisis which curtailed customer's propensity to experiment with offshoring. Yet, they continue to bet on the long-term growth prospects of this burgeoning market.

As part of their strategy to shrug off the image of being 'Indian companies,' software exporters have been steadily localising their operations by hiring natives in France, Italy, Germany and other countries. However, this comes with its own set of challenges. For instance, Jeffrey Heenan Jalil, head of Wipro's Europe operations, was quoted recently as saying that the company is not getting enough people to fill the hundreds of vacancies that are up for grabs in the continent. And this is not a phenomenon restricted to Wipro alone, according to Peter Schumacher, CEO of management consulting firm Value Leadership Group.

In an e-mail interaction with eWorld, Schumacher talks about what Indian companies need to do to attract and retain talent in Europe. Edited excerpts.

**Are Indian companies finding it difficult to hire locally in Europe? Or is it something that is only relative to Wipro alone?**

These problems are not limited to Wipro. European talent does not yet see Indian firms as attractive employers where they can develop their careers. Additionally, many leave in frustration after just a short time because they hit invisible barriers and feel that their contributions are ignored. To capture the mindset of European talent, Indian firms need to rethink key aspects of their European approach. As companies with global aspirations, these firms need to become less India-centric in terms of management, they must open their organisational culture to enable a

stronger sense of belonging and inclusiveness across cultures. The issue is not about bridging cultures, but about creating synergies amongst them.

While many Indian firms are quick to blame the recession for their revenue declines and growth problems in Europe, they dismiss that their inability to recruit, retain, and integrate European talent has created self-made barriers to growth. The fact is that the game has changed and offshore delivery is no longer novel. The lack of a strong European talent base is hurting their ability to connect with customers and deliver a value proposition that resonates positively and offers more than just functional benefits. This puts many Indian firms at a competitive disadvantage in Europe.

**Is it to do with the perception that they are 'body shops' or 'chop shops' as reported by a section of US senators?**

Yes, the commodity image of offshore firms is one of the issues that is negatively impacting their ability to recruit local talent in Europe. However, foreign companies in general, and Indian companies in particular, are seen as a riskier place to work compared with local firms. So there is a mix of related obstacles, many of which are tacit, that Indian companies need to understand better and address. To attract the attention and imagination of European talent, Indian firms need an HR mindset that is based on more than just skill, cost and efficiency issues. HR strategies based solely on ideas and approaches from the US can be detrimental to their efforts in Europe. Many Europeans sense this mindset and recoil from it.

**Are they losing local employees or Indian employees to enterprise companies? If so, then what is the reason?**

Yes, offshore firms are losing employees to enterprise companies where they are assuming project management roles. As alumni they are intimately familiar with the Indian firms and in turn offer the Indian firms entry points. Additionally they bring offshoring expertise and management capabilities to their companies. As such they can help institutionalise global delivery processes and thinking, and thereby help expand global delivery engagements with Indian firms.

**How do Indian companies get around this issue? Are paid internships a good way of ensuring greater visibility?**

Europe is now entering an era of increasing talent shortages which means that the competitive rivalry for top talent will increase considerably. While Indian companies have started to hire European talent on the top level, they have not done enough on the entry and middle levels. Clearly, smarter talent strategies are needed across all levels.

An interesting example for entry level recruitment is a Global-Delivery-Internship-Initiative in Germany managed by VIBE Internships and sponsored by the Value Leadership Group. Today this program has the support of ten offshore companies and in the first phase aims to offer high potentials 50 internships annually. The first batch of 12 interns are already working at Cognizant, Wipro, L&T Infotech, Capgemini, and SAP Labs where they have been assigned meaningful jobs on global delivery projects of 3-6 months duration. The participating companies gain privileged access to an alumni network of business, computer science, and engineering graduates who have been trained in India in global delivery. As such this programme represents a first step in the right direction.

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