

GCCs offer higher salaries to freshers

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Bengaluru: Despite the pervasive impact of inflation on various aspects of our lives, the starting salaries for freshers in the IT sector have remained stagnant for more than a decade. The compensation for entry-level positions has been around Rs 3 lakh - Rs 4 lakh, showing no significant increase over the years.

Even the pandemic has not altered the fresher salaries significantly. Companies did not increase their offers to fresh graduates despite hiring in large numbers to meet the demand post-Covid. As they now face the consequences of over-hiring during the 2021-2022 timeframe, companies have reduced fresher hiring due to a slow uptick in discretionary spending and subdued macro-

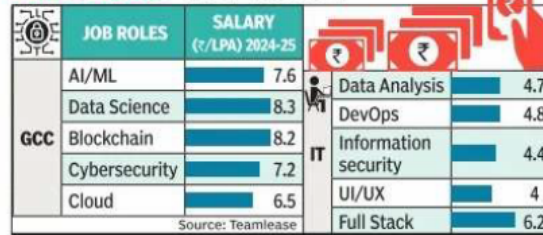
economic conditions.

In contrast, the average salary for a fresher at a global capability centre (GCC) is Rs 5.2 lakh per annum. In GCCs, freshers employed as blockchain developers and data scientists command over Rs 8 lakh as annual compensation. At Vellore Institute of Technology (VIT), GCCs hire over 50% of freshers.

"Students prefer to work in GCCs because of faster career growth and the job profiles. They are also attractive because of the MNCs. There are over 1,600 GCCs that have set up their development centres in India and they have started to hire from the campuses," said Samuel Rajkumar, the director of the career development centre at VIT.

Manish Goyal, MD of professional services firm Alva-

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rez & Marsal, emphasised that GCCs prioritise aligning the skills of their workforce with the parent company's strategic road map, placing a greater emphasis on quality rather than cost reduction. "Besides strong technical and functional skills, they need to possess strong communication, collaboration skills, as well as thought leadership to work independently and drive

problem-solving. They are seeking value and expertise, not bulk hiring," Goyal said.

According to Monica Jamwal, MD for talent solutions at ANSR, 5% to 10% of the hiring at GCCs is through campus placement. "GCCs typically follow a dual campus hiring strategy: they recruit from premier institutions like IITs and IIMs, while also hiring from a second segment of col-

leges such as RV College of Engineering and others. This approach enables them to tap into a diverse pool of talent, blending top-tier academic excellence with fresh perspectives from emerging institutions," Jamwal said.

Sunil Chemmankotil, the India country manager at Adecco, a workforce solutions company, cites several reasons for the lack of salary growth. These include an abundance of college graduates, economic recessions, restricted bargaining power, and the attractiveness of GCCs. Chemmankotil also highlights a crucial aspect contributing to this stagnation: the discrepancy between the educational curriculum provided by institutions and the practical skills demanded by employers in the job market.