

**ASSOCHAM**

**PLACEMENT**

**PATTERN**

**“Trends of Job Openings”**

December 2007

*Prepared by – Swati and Samreen*

*ASSOCHAM Research Bureau*

## **Job openings no more restrained to metros, Tier II cities catching up fast: Assocham**

The buoyancy in the Indian economy appears to have penetrated in the smaller cities as well, evident by the job openings in IT, education, financial services, real estate sectors which have enabled the top 15 tier II cities to corner more than 20 per cent of the job space in last four months, according to an Assocham Placement Pattern (APP) Study.

The APP Study on “Trends of Job Openings” done during the period of August-November 2007, it was found that the Chandigarh, a Tier II city, was ranked fifth among the top ten employment providing cities in India, above the metro cities of Kolkata and Hyderabad.

After Chandigarh, the cities of Vadodra, Jaipur, Pune, Agra and Ahmedabad topped the chart of smaller cities generating maximum employment opportunities. These were followed by Ludhiana, Bhopal and Vijaywada. The next five were occupied by Calicut, Surat, Ranchi, Amritsar and Lucknow.

“The growth momentum in smaller cities has begun to pick up. If adequate attention is provided to building infrastructure and nurturing the talent pool in these emerging cities, the contribution of these cities in employment generation would increase manifold”, said Mr. Venugopal N Dhoot, President, Assocham.

The AEP was based on the sample of 4400 vacancies posted by around 1000 companies in the national and regional dailies, journals and job portals like “naukari.com” and “timesjobs.com” during the four months period of August-September 2007.

Table 1: **Top ten tier II cities** (in per cent)

Sno.	States	Share in total jobs in Tier II cities
1.	Chandigarh	12
2.	Vadodra	7.5
3.	Jaipur	7
4.	Pune	7
5.	Agra	6
6.	Ahmedbad	6
7.	Ludhiana	5.21
8.	Bhopal	4
9.	Kanpur	4
10.	Vijayawada	4

**Source:** Announcements in newspapers and job portals.

Delhi-NCR has emerged as the top employment provider with a share of 37.5 per cent in the sample jobs tracked by AEP. The capital cities of Mumbai and Chennai were ranked second and third constituting 9.25 per cent and 6.4 per cent of the total vacancies offered. The next in line were Bangalore (5.6 per cent), Chandigarh (3 per cent), Kolkata (2.7 per cent) and Hyderabad (2.3 per cent).

Table 2: **Top Five Metropolitan Cities** (in per cent)

Sno.	Region	Share in total jobs in Tier I cities
1.	Delhi	37.5
2.	Mumbai	9.2
3.	Chennai	6.4
4.	Bangalore	5.6
5.	Kolkata	2.7

**Source:** Announcements in newspapers and job portals.

Interestingly, the fast growing tier II cities like Vadodra and Jaipur have managed to get a place in the “Top Ten Group” with 1.7 per cent and 1.6 per cent share in the placement openings announced in last four months.

IT which created maximum number of jobs constituting 29 per cent of the total sample, despite the pressure of rupee appreciation on the bottom lines of the IT companies, also dominated the vacancies posted in the emergent cities. The IT and IT-enabled services accounted for 11 per cent of the total job openings in Tier II cities. The low-cost cities of Agra, Chandigarh, Jaipur, Mangalore and Pune were the most sought after by the IT firms.

The second largest share of the vacancies posted in the upcoming cities was for teachers and professors in schools and universities. Almost 10 per cent of the openings publicized in last four months in smaller cities belonged to the education sector.

Financial Growth in savings and investment rate, surge in the money poured by FIIs in to stock markets, rise in foreign private equity funds, growing M&A activity in the corporate sector has led to rise in staff requirement of the banks, mutual funds, insurance companies, brokerage houses. The financial services sector was ranked at third place with 5 per cent share by the AEP in terms of employment opportunities in the emergent cities. Chandigarh, Pune and Jaipur recorded maximum vacancies in finance-related jobs.

The surge in the real estate companies willing to explore the vast potential of the smaller cities in construction sector, has contributed to rise in the job prospects in these cities. The openings in real estate sector have contributed 4 per cent to overall openings in Tier II companies in last four months. Amritsar and Chandigarh have recorded maximum of real estates jobs among the smaller cities.

The telecom industry, adding 8 million subscribers every month, has also appeared as a prominent employment provider. The non-metro cities like Secunderabad, Patna, Surat appeared in the telecom job space.