Indian Staffing Federation

National Conclave

20th August 2014, New Delhi

Event Report

India Inc. Moves Towards Flexi Staffing

Hon'ble Chief Guest, `Sh Alok Kumar,
Director General / Joint Secretary,
Directorate General of Employment & Training, MoLE

Pramod Bhasin
CEO
Genpact Ltd

S Y Siddiqui
Chief Mentor,
Maruti Suzuki
India Ltd

K Ramkumar
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Ma Foi Group

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President,
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MD – India &
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Kelly Services

Rajiv Kapoor
Chief People
Officer
Fortis Healthcare
Ltd

Prashant
Bhatnagar
Director –
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MD & CEO
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Sangeeta Sahgal
HR Director – India
Bausch & Lomb

Aquil Busrai
CEO (Ex – ED
HR, IBM)
AB Consulting

Muralidhar Rao
CEO
Future Group
Learning

Alok Sheopurkar
Exec VP & Head –
HR
HDFC Asset
Management

Vikas Gupta
Director –
Talent
Deloitte India

R S Reddy
Vice President
Indian Staffing
Federation

Biplob Banerjee
General Manager,
HR – India
Glaxosmithkline
Pharmaceuticals

J S Solanki
CEO
Mahindra SSG

Patrick Brutsche
Director
TEKsystems
(Allegis Group)

Deepak Dhawan
CEO
Talentonic

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Executive Summary

Indian Staffing Federation (ISF), an apex body of leading staffing companies in India, organised its 'National Conclave 2014 - India Inc moves towards Flexi Staffing' on 20th August 2014 at the Taj Mahal Hotel, New Delhi. The event was a resounding success with representation from not only staffing companies in the country, but also from HR fraternity, Clients and the government.

Once only considered by Fortune 100 global firms, flexi staffing is becoming an integral part of all prospering midsize organizations. Clearly outsourcing has gained traction and is no longer reserved for early adopters. Today many mid-size companies with 5,000-10,000 employees avail the benefits through a mix in human resource portfolio which includes temporary and regular employment. The changing dynamics of organizations have aided companies to revamp their human resource portfolio by moving a certain share to third parties and thereby benefitting through just-in time hires across multiple levels. In this backdrop, ISF organised its National Conclave, 2014.

The inaugural session saw speeches by Ms Rituparna Chakraborty (President ISF), Mr Alok Kumar (Director General / Joint Secretary, Directorate General of Employment & Training, Ministry of Labour & Employment), Ms Annemarie Muntz (President CIETT), and Ms Suchita Dutta (ED, ISF).

- **Ms Rituparna Chakraborty, President, ISF** talked about the macro challenges and concerns facing the staffing industry
- **Mr Alok Kumar, DG/JS at DGET, MoLE** articulated the Government's initiatives and plans for the labour market
- **Ms Annemarie Muntz, President, Ciett** spoke of the work CIETT is carrying on worldwide and the importance of ILO's Convention 181 and its ratification
- **Ms Suchita Dutta, Executive Director, ISF** highlighted the main findings of the research report released by ISF - 'Indian Staffing Industry Research 2014: Flexi Staffing in Govt and Public Sector'

The first session – 'Road Ahead for India Inc: Evolution of the Blended Workforce Model' – was led by a panel comprising

- **Mr Pramod Bhasin, Founder & Vice Chairman (Genpact),**
- **Mr S Y Siddiqui, Chief Mentor (Maruti Suzuki India Ltd.),**
- **Mr Moorthy Uppaluri, Chief Executive Officer, (Randstad India),**
- **Mr Rajiv Kapoor, Chief people Officer (Fortis Healthcare Limited),**
- **Dr. Aquil Busrai, Chief Executive Officer, (AB consulting),**

The panel had a lively discussion with the audience around the broad issues surrounding flexi-staffing in India, stigma around the industry, policies adopted by companies to change this scenario and the way forward.

The second session - 'Aligning Flexi Workforce with Organization's Needs' was marked to bring out the current challenges and solutions from the panellists and was led by

- **Mr Alok Sheopurkar, Executive VP & Head – HR (HDFC Asset Management),**
- **Mr Biplob Banerjee, GM - HR (GlaxoSmithKline Pharmaceuticals),**
- **Mr Prashant Bhatnagar, Director – Hiring & Staffing (Sapient Nitro),**
- **Ms Rituparna Chakraborty, President – ISF, Co-founder & Senior Vice President (TeamLease Services)**
- **Mr Vikas Gupta, Director – Talent (Deloitte India)**

The session focused on the tri-partite arrangement between a company, its flexi-staffing partner and the flexi-worker. The audience enthusiastically asked questions while panellists did their best to respond to the queries. One of the best questions that saw much discussion was on the expectations from various stakeholders and the willingness of companies to invest in long term relationships and resources with their flexi-staffing partners.

The third session was titled 'Flexi is cool' – Young Job seekers of India' and was positioned from the point of view of the flexi-worker and whether the industry is viewed as 'cool'. The speakers at this panel were

- **Mr Kamal Karanth, MD - India and Malaysia, (Kelly Services),**
- **Mr K. Ramkumar, ED- HR, CS&O, Service quality & Innovation, (ICICI Bank),**
- **Mr Muralidhar Rao, Chief Executive Officer (Future Group Learning),**
- **Ms Sangeeta Sahgal, HR Director India (Bausch & Lomb), and**
- **Mr Dilip Chenoy, MD & CEO, (National Skill Development Corporation)**

The consensus was that there is a long way to go yet for the industry and there is much to be done by client companies and flexi-staffing companies in changing this image.

Mr K Pandiarajan, Founder, Mafoi group and past President, ISF gave a special address in the after session. He focused on the evolution of the flexi-staffing industry in India. He shared his thoughts on the potential opportunities available to staffing companies to partner with the government on vocational skills training. He proposed the skilling space as a potential business opportunity for staffing companies.

The fourth and last session of the day – 'India Inc is becoming a Fast Forward Workplace' – was an interactive session led by speakers

- **Mr Patrick Brutsche, Director TekSystems (Allegis Group),**
- **Mr K Pandiarajan Founder, (Mafoi Group),**
- **Ms Annemarie Muntz, President (CIETT),**
- **Mr Alok Sheopurkar, Executive VP & Head – HR, (HDFC Asset Management),**
- **Mr Deepak Dhawan, Chief Executive Officer (Talentonic), and**
- **Mr Jasbeer Singh Solanki, Chief Executive Officer (Mahindra SSG).**

The presence of international speakers led to some spirited discussions and comparisons between India and countries with more developed labour markets and how flexi-staffing is viewed in those countries. Ms Muntz, however, stressed the fact that in most countries in the world, there is much work that needs to be done to make the industry robust and dynamic. Mr Brutsche reiterated that most answers to challenges faced by staffing companies were to be found within.

The day's events were concluded by **Mr Raja Shekhar Reddy, Vice President ISF**, who gave the vote of thanks.

'National Conclave 2014 - India Inc moves towards Flexi Staffing'

Indian Staffing Federation (ISF), an apex body aimed at **Staffing India's Growth**. The purpose of ISF is to enhance long-term growth of the staffing industry and to ensure its continued ability to make positive contributions to the economy and society. The principal focus of the Federation's activities is to strengthen triangular employment relationships, in which the staffing company is the employer of the temporary worker, who works under the supervision of the user company.

ISF organised its 'National Conclave 2014 - India Inc moves towards Flexi Staffing' on 20th August 2014 in the Taj Mahal Hotel, New Delhi. The event was a resounding success with representation from not only staffing companies in the country, but also from the HR fraternity, Clients and the government.

Inaugural Session

The inaugural session began with welcoming the Delegates, Speakers, the Executive board and Trustees of Indian Staffing Federation (ISF).

On arrival of the **Chief Guest, Hon'ble Shri Alok Kumar, Director General / Joint Secretary at Directorate General of Employment & Training, Ministry of Labour and Employment;** Ms Isha Gupta, Manager ISF, requested the dignitaries to join the Chief Guest, on stage to light the lamp and initiate the proceedings.

He was joined on stage by Ms Annemarie Muntz, President, Ciett, Ms Rituparna Chakraborty, President ISF and and Mr Raja Shekhar Reddy, Vice President ISF.

(L to R: Shri Alok Kumar, Ms Rituparna Chakraborty,
Ms Annemarie Muntz and Mr Raja Shekhar Reddy)

The lamp lighting ceremony was followed by,

- Welcome Address: Ms Rituparna Chakraborty, President, Indian Staffing Federation (ISF)
- Chief Guest's Speech: Hon'ble Shri Alok Kumar, Director General / Joint Secretary at Directorate General of Employment & Training, Ministry of Labour & Employment
- Keynote Address: Ms Annemarie Muntz, President CIETT
- Briefing – ISF Report 2014 Findings: Ms Suchita Dutta, Executive Director, ISF

Welcome Address:

Ms Rituparna Chakraborty, President, Indian Staffing Federation took the stage to give the welcome address. She emphasised that India's big challenge is not only about providing employment for India's youth but also about innovation in enhancing productivity. In this respect, she spoke about the five geographies of work which will determine innovation in the labour market and the economy.

a) Enterprise geography of work (referring to the organised and unorganised sectors and their impact on the economy)
b) Physical geography of work (referring to the problem of urbanisation and its side effects)
c) Sectoral geography of work (agricultural vs. industrial economy and efficiency in productivity)
d) Education geography of work (endemic issues with tertiary and vocational education)
    i. Lack of a skilling framework for those who 'fail' to progress through the formal school and tertiary education system
    ii. College degrees: Issues with college education and lack of job related skills on graduating
    iii. Apprenticeship in India: with only 2.5 lakh apprentices in the country and an unsupportive regulatory set-up, apprenticeship is not leveraged as it is in countries such as Germany.
e) Regulatory geography of work (referring to outdated laws and bureaucratic red tape which hamper growth)

> "10 years, the industry has employed 5 million youth across 5000 locations in 29 states and 67 industries. More than 50% of the sector's employees are undergraduates and 70% go on to do something better after one year in the industry as they get trained on the job".
> **Ms. Rituparna Chakraborty, President, ISF**

"Can we fix the five dysfunctional geographies of work? Maybe not. But we (the flexi-staffing industry) can do what we do best. Create jobs... create real quality jobs." Ms Chakraborty stated that flexi-staffing is an important innovation and will help to create real jobs for citizens of this country.

She lauded the new government which has shown intent to change the regulatory framework with work already having begun on the Labour and Apprenticeship Acts. She talked about the importance of research and mentioned that ISF has and intends to continue to do research on subjects which have not seen much interest so far.

Report Launch of Indian Staffing Federation 2014- 'Indian Staffing Industry Research 2014: Flexi Staffing in Govt and Public Sector'

Ms Chakraborty invited the **Hon'ble Chief Guest, Mr Alok Kumar**, **Director General / Joint Secretary, Directorate General of Employment & Training, Ministry of Labour and Employment** to launch ISF's new research report 'Indian Staffing Industry Research 2014: Flexi Staffing in Govt and Public Sector'.

Note from Chief Guest:

Post the release of the report, **Shri Alok Kumar** addressed the audience emphasizing that ***his primary objective was to get to know the staffing industry and try to see if Govt. and staffing industry together could get into a partnership for the common goals and objectives.***

He talked about the current thinking of the Government of India (GoI) and new initiatives that are under way or are planned for the near future. He stressed that *GoI is driven by the aspirations of young India. He mentioned that the government is committed to changing the regulatory framework and would involve stakeholders at every stage in the process*.

> "We (the government) are flooded with aspirations... aspirations of a large number of youth and I believe that the eco-system will have to change to meet those aspirations."
>
> **Mr. Alok Kumar, DG/JS at DGET, Ministry of Labour and Employment**

The aim for such change is so that every young Indian gets opportunity according to his potential and abilities through access to information, training, suitable jobs, support in career progression, etc. He mentioned the changes in the Apprenticeship Act as well as plans for Finishing Schools for fresh trainees and periodic skill up-gradation for the existing workforce.

Mr Kumar talked about new initiatives such as **Flexi-MoUs** where the idea is for corporate entities to customise vocational training curricula in ITIs so that youth get skills which lead to jobs and the private sector gets a steady supply of skilled personnel.

Regarding the changes in the **Apprenticeship Act**, he pointed out that the main objective is to train the youth and equip them with job friendly skills.

> "Just changing the regulatory framework is not enough and that MSMEs would benefit tremendously from having apprentices and therefore the GoI planned to support them by paying 50% of the apprentices' salary for the first two years of training".
>
> **Mr. Alok Kumar, DG/JS at DGET, Ministry of Labour and Employment**

Talking about **Career Centres**, Mr Kumar stressed on the need to transform employment exchanges into career centres. Apart from job matching, counselling and guidance will be an important aspect in the new avatar of the Career Centres. He said that aptitude tests would become modus operandi and for job matching, a national level portal is being developed. He further pointed out that Career Centres would work on a public private partnership model (PPP) and private companies, NGOs, and trade bodies could sponsor/manage Career Centres.

Mr Kumar concluded by talking about the need to change the 'hire and fire' philosophy of the private sector and for companies to help employees achieve social security and better skills. This would lead to a harmonious environment and enhance productivity.

Keynote Speech:
Following Mr Kumar's speech, **Ms Annemarie Muntz**, **President Ciett,** gave the keynote address. She provided a high level picture of the CIETT, its composition, its aims and objectives as well as a global sectoral overview. She pointed out that the industry is growing most rapidly in Asia. She went onto talking about CIETT's work with ILO which is a major stakeholder. In this context she referred to CIETT's fair recruitment initiative with ILO which aims to ensure that migrant workers in Nepal, Bangladesh and India get fair treatment at work.

Describing the nature of the relationships in flexi-staffing, she reiterated the need for regulation because of the triangular contract – corporate entity, flexi-staffing company, and flexi-employee. On a lighter note she highlighted to the Chief Guest, Mr Kumar, that, the flexi-staffing industry is unique in asking for regulation intended to curb discrimination and poor labour practices. She stressed that CIETT want its members to be differentiated from informal, illegal and criminal enterprises.

> *"We are one of the few sectors that are asking for regulation. How many sectors do you know that are actually asking for regulation? We need regulation to thrive. We need regulation to distinguish us from the informal, from criminal unethical outfits".*
>
> **Ms. Annemarie Muntz, President, Ciett**

Ms Muntz talked about the work CIETT does with OECD and with IOM on various aspects of flexi and contractual staffing. She mentioned that there are challenges in this space worldwide because it is still a nascent industry (only about 50 years old in Europe). She went onto compliment ISF in how quickly they have been able to establish themselves and expand in terms of number of members, research, engagement with the government, etc.

Ms Muntz highlighted the need for the government to ratify ILO's convention 181 (C181). She pointed out that while ideally it made sense for C181 to be ratified by governments followed by implementation and monitoring, it is also possible to implement only the key elements of C181 without ratification because implementation is important. She highlighted that there are 20 key principles (across four chapters) that can help contribute towards building a robust workforce, sustainability and a strong economy. The four chapters in C181 are as following:

i. guaranteeing rights at work,
ii. promoting social security,
iii. decent employment and working conditions, and
iv. promoting social dialogue.

Ms Muntz concluded her speech by stating that these four chapters fully coincide with ISF's strategy.

Briefing on ISF Report – 2014

Taking the flow of the inaugural session ahead, with the focus being taken back to the launch of the report, **Ms Suchita Dutta, Executive Director, ISF**, presented the findings from the research report 'Indian Staffing Industry Research 2014: Flexi Staffing in Govt and Public Sector'. Ms Dutta gave a brief presentation on the highlights of the study.

She stressed that while the industry had grown rapidly, it still represents only a tiny fraction of the country's total labour force.

In response to a question from the audience, Ms Dutta further explained the breakdown of the numbers.

Report Findings:

1. Significant surge of 7.2 million in the formal sector workforce. However, 3.9 million being in casual jobs with no formal written contract

2. A considerable number of temporary casual workers dependent on Government for livelihood are deprived of a decent work environment.
   i. A large number do not even receive the minimum wages.
   ii. Many of them are not even recognised as government "employees," though dependent on government for livelihood.

3. Rising 'temporisation' – 43% of government dependent workforce are engaged in temporary jobs
   i. 10.5 million casual workers are without any formal job contract,
   ii. Another 1.4 million hold fixed short term written job contracts, deployed primarily in professions requiring relatively more skill

> *"The rising temporisation (in the government sector)... now this is something which is very interesting and very encouraging that the government does see this as a very lucrative opportunity".*
> **Suchita Dutta, Executive Director, ISF**

4. Organised Flexi Staffing players make significant contribution towards social security as well as government revenue
   i. PF (employers') contribution estimated at Rs 1046 crore

ii. ESIC (employers') contribution is estimated at Rs 584 crore

5. Encouraging organized flexi staffing/ manpower outsourcing may be the way to improve welfare
   i. Skill development - enabling younger workers to join workforce
   ii. Employers & workers to better adapt to shifts in labour demand
   iii. Employer to avoid delay in deployment; Reduces search and administrative cost
   iv. To deliver decent work opportunity to flexi workers such as a written job contract and adherence to statutory norms, etc.

6. Adoption of organised flexi staffing/ manpower outsourcing model in government is on the rise
   i. Tripartite model of manpower hiring is on the rise in the Government institutions
   ii. Hiring of tripartite workers has recently expanded into the domain of group C positions
   iii. A limited number of instances of filling high-skill requirement positions, sometimes requiring professional/ post graduate qualification, through agency workers, were also observed

Ms Dutta then spoke about the **suggested way forward** based on the analysis of the report findings.

1. Encourage organised flexi-staffing industry to provide temporary workforce to government sector

2. Accord legal recognition to the flexi-staffing industry

3. Adopt few best practices in the tendering/ manpower agency selection process to ensure better transparency and employee welfare
   a. A two part bid – separate technical and financial bids.
   b. Mention of cost under each head (wage, statutory contribution, service charge of agency, any other charges, etc.). Avoid consolidated quotes.
   c. A pre-specified minimum service charge to be levied by outsourcing agency. Avoid zero margin quotes, which essentially lead to many malpractices.
   d. Payment of employee salary and benefits through banking/ electronic channels.
   e. Pre-specification of salary to be paid to each advertised positions.
   f. Ensure a legally enforceable written contract between flexi staff and staffing agency.

Session 1: Road Ahead for India Inc: Evolution of the Blended Workforce Model

The speakers for the session were:

- Mr Pramod Bhasin, Founder & Vice Chairman, Genpact
- Mr S Y Siddiqui, Chief Mentor, Maruti Suzuki India Ltd.
- Mr Rajiv Kapoor, Chief people Officer, Fortis Healthcare Limited
- Dr. Aquil Busrai, CEO (Ex- ED HR IBM), AB consulting
- Mr Moorthy Uppaluri, Chief Executive Officer, Randstad India

(R to L: Pramod Bhasin – Genpact, S Y Siddiqui- Maruti, Rajiv Kapoor-Fortis Healthcare, Dr Aquil Busrai-AB Consulting)

Mr Moorthy Uppaluri, Chief Executive Officer, Randstad India, introduced the topic and kicked off the discussion with a few thoughts of his own.

He made an interesting observation by drawing parallels between the flexi-staffing industry and Board Members of a company and consultants and said "that these were all short term roles and were inherently flexi but the latter did not generate the stigma that the staffing industry carries".

He stated that staffing jobs are seen as low paying and low level jobs and there is a need to grow the industry to the level as in developed countries.

Mr. Pramod Bhasin, **Founder & Vice Chairman, Genpact,** chose to look at the question at hand from the flexi-employee's perspective.

He noted that while corporate entities accept that true competitiveness comes from human resources, it does not translate into reality. Secondly, companies do not commit to workforce development enough. He felt that it is a crime that organised sector has not increased employment in the last 20 years. He stressed that despite the wealth that has been created it was a shame that more jobs have not been created. He went on to say that it is easier to fire people in India than in most countries in the world and this is the reason for low levels of trust in the private sector.

Mr Bhasin pointed out the direct correlation between training and productivity as seen in economies such as Germany which have an enormous base of skilled people that is feeding the manufacturing sector and is providing competitive edge despite high costs. He observed that in India staffing is becoming an analogy for low cost and this was a huge problem. Corporates, he felt, believe that if they invest in training, people will leave.

He talked about Genpact's example where the exact opposite came true when they were able to reduce attrition through increased training. He also gave the example of TCS which has built a residential training facility for 17,000 people realising the returns on people investment and their growth rate of 20% per annum is proof of the returns they are getting. He lauded Mr Siddiqui and Maruti by stating that their attrition rates were as low as 4% because of the policies and practices they followed in this regard.

Dr. Aquil Busrai, CEO, AB Consulting stated emphatically that manpower policies will make or break this country. He made three specific points in this speech:

a. Regulation: All stakeholders want flexi-workforce yet there are obstacles in the growth of the industry. In this context, he felt it is imperative to understand the basic needs of flexi-employees who want job security. The regulatory framework must ensure that exploitation is not tolerated.
b. Training workforce: Dr Busrai observed that not many flexi staffing companies are committed to workforce development and this must change.
c. Engaged workforce: He also dealt with the topic of a flexi-worker's identity and the need to "belong" to one company.

Mr Rajiv Kapoor, Chief People Officer, Fortis Healthcare made very significant observations while stating facts through a brief presentation about the need for a Blended Workforce model with three levels of employees.

i. Management Committee: Key personnel essential to the running of the enterprise
ii. Subject Matter Experts: Subject Matter Experts supporting the management committee
iii. Multipliers: Execution experts entrusted with implementation of the organizational agenda; need subject to seasonality, availability of projects, health of the organization, economic scenario etc.

He made an interesting point, that *"in a country where the President has a fixed term employment, why do people shy away from contract labour?"*
Companies need to change their attitude about flexi-staffing being about cost cutting through wage arbitration. He stated that facilitative policies to encourage temp staffing as a respectable / widely acceptable mode to generate meaningful employment was imperative.

He summarised some general points about the flexi-staffing industry before talking specifically about the healthcare industry in India:

- The sector is expected to grow at a CAGR of 15 per cent to touch US$ 158.2 billion in 2017 from US$ 78.6 billion in 2012
- Biggest challenge today is finding and retaining 'top talent' (Nurses, Doctors, Para-medics) as new hospital chains enter India and we move to tier 2 and 3 towns.
- Attrition in the medical workforce is one of the major challenges in the healthcare industry. There is a steady outflow of nurses from private healthcare players to Government hospitals and hospital chains in the Middle East/ Canada.

Mr Kapoor said that given this context, the healthcare industry offers a terrific opportunity for flexi-staffing companies to operate in. However, much needs to be done in terms of mindset change. He concluded by saying that quality rather than quantity should be the main requirement.

Mr S Y Siddiqui, Chief Mentor, Maruti Suzuki India Ltd, spoke about Maruti's evolution in the context of flexi-staffing and its changing policies in this regard.

He stated that it was only in the recent past with global competition, that Maruti started looking at labour cost efficiency. With 2008 recession, Maruti chose not to lay off even a single person, but took on labour on contractual terms. He mentioned other policies followed by Suzuki where retired employees are given extensions to work part-time at 30% of their pre-retirement pay.

Mr Siddiqui unequivocally stated that the stigma attached to flexi-staffing is in large part because of the difference in the treatment received by flexi-staffers. And this is something corporate can change. He talked about Maruti's policy where entry level compensation for temp staffers is close to that of permanent employees. Also after three terms of six months, temp staffers become eligible for permanent employment. However, this is only applicable for blue collar roles.

The discussion spurred many questions from the audience. A snapshot is provided below.

Audience Question: Is the biggest growth space for the flex-industry in MSMEs?
Mr Bhasin accepted that while this was true there were also many accompanying issues in MSMEs such as migration, aspiration, etc. He mentioned that J-PAL (MIT's Abdul Latif Jameel Poverty Action Lab) is doing research in this space which will improve our understanding of what drives youth/workforce and this is important for employers to know and take into account.

Mr Siddiqui talked about Maruti's policies in this regard and mentioned the thousands of jobs they have created in Tier 1, 2 and 3 cities. He also mentioned that they are working directly with 30 ITIs to provide real skills to potential employees and would be working with 50 ITIs in the near future. The main thrust of this project was to improve instructor capability and this is a model that needs replication.

Mr Kapoor stated that while numbers are there in MSMEs, quality is missing. Also large organizations are hesitant to work with small and relatively new institutions because quality is suspect.

Dr Busrai mentioned the work CII is doing with 187 member companies that have adopted ITIs. The aim of this project is to make sure that employees leave training schools with quality skills even if they feed the temporary labour pool.

Audience Question: Do companies ignore compliance and other issues in favour of low cost?
Mr Siddiqui said that it was unfortunately true that companies do look the other way, especially with vendors. On the other hand, he said, that Maruti had worked hard to create a cadre of 14,000 flexi rural sales executives who now contribute to 27% of sales revenues who were identified and trained by Maruti.

Mr Bhasin also accepted that this is a big issue. However, he felt that the problem had been addressed in other parts of the world and therefore there was no reason it could not be done in India as well. For example, he mentioned, the garment industry internationally. He felt that companies needed to enforce compliance with vendors they worked with and only then would change get institutionalised.

Audience Question: Why is flexi-staffing still focused on the base of the pyramid (BoP) when we are talking about outsourced CEOs and CFOs? Also is there a positioning focused on women who are returning to the workforce, employees not sure about their careers?
Mr Siddiqui felt that the question was a good one but the reason for looking at soft targets such as poor youth was because this stakeholder group attracts a high emotional quotient besides forming a large chunk of the labour force today and in the years to come.

Session 2: Aligning Flexi Workforce with Organization's Needs

The speakers at this session were as follows:

- Mr Alok Sheopurkar, Executive VP & Head – HR, HDFC Asset Management
- Mr Biplob Banerjee, GM - HR, Glaxosmithkline Pharmaceuticals
- Mr Prashant Bhatnagar, Director – Hiring & Staffing, Sapient Nitro
- Ms Rituparna Chakraborty, President, ISF
- Mr Vikas Gupta, Director – Talent, Deloitte India

(L-R: Prashant Bhatnagar, Rituparna Chakraborty, Vikas Gupta, Biplob Banerjee, and Alok Sheopurkar)

Ms Rituparna Chakraborty, President ISF, who chaired the session, invited the panellists on the stage. She chose to structure the session a little differently and invited questions from the audience which would drive the discussion in the session in an attempt to make it interactive and dynamic.

Audience questions

1. Most organizations want to outsource non-core staff and align them with core staff. How does that work?
2. What is the imperative for flexi-staffing? How do you make flexi-staffers comfortable in organizations? By providing parity in pay and general dignity of work?
3. How does job outsourcing work vis a vis Indian laws?
4. How does flexi-staffing planning happen in private companies; what is the basis for such planning?
5. How do we build more acceptance towards flexi-staff in organizations?
6. How do you protect IPR in organizations that have flexi-staff
7. Most college graduates are not attuned to flexi-staff. How do we change that?
8. What is the role of suppliers in sub-contracting?

Mr Prashant Bhatnagar, Director – Hiring & Staffing, Sapient Nitro was the first speaker in the panel.

He wondered aloud about the connotation of the words used to describe or talk about the flexi-staffing industry such as temporary, flexible unorganised, informal, etc. All these words have negative shades and it is no wonder that the industry has a stigma attached to it. He stated that the biggest driver for the industry is the cost factor or wage arbitrage and this was also inherently linked with the negative ideas about the industry.

He felt that while currently most companies hired temporary staff only in non-core roles, it was possible to see a shift into core areas in the coming years. Mr Bhatnagar pointed out that the very existence of the industry allows for companies to ramp up quickly in times of rapid expansion and this also allows for flexibility in many spheres of the business. This sector, he felt, typically operates on the principles of *fast*, *good*, and *cheap*. According to him, it is possible to achieve two out of these three principles, but not all three and this is the inherent dilemma in the flexi-staffing industry.

Mr Vikas Gupta, Director – Talent, Deloitte India spoke about the aspirations and attitudes of the flexi-employee.

He stated that any change in this sector has to be brought about by us. He talked about the lack of skilled resources in many industries such as healthcare and construction, about the lack of faculty in engineering colleges leading to their shutting down. Mr Gupta pointed out that flexi-organizations need to look at education and how they can help.

He went on to consider the 'stigma' attached to the industry and wondered why such was the case because attrition is an accepted way of life in the corporate world and most people change jobs every few years especially in their 20s. He felt that the negative connotations were because the industry was not being able to meet the aspirations of its employees and that there is a need to change the mindset of people in that they need to see the job/role and not the nature of the engagement or the longevity of the job. He strongly felt that if the staffing industry can grow in the USA from 10% to 40%, then India can follow suit.

Mr Gupta also talked about the importance of technology and the role that it played in the industry. Lastly, he talked about the need to look at laws beyond employment but more focused on securing more work such as IPR laws.

Mr Biplab Banerjee, **GM - HR, GlaxoSmithKline Pharmaceuticals**, stressed that he would be talking from his personal experience and would use incidents to elaborate the points he wanted to make.

He said that while corporate do a lot of talking about women returning to the workforce, how many companies really invest in creating the right infrastructure and environment such as crèches? He also said that the mindset of middle level managers were one of the most difficult to crack.

He quoted a GSK survey on what talent will look like in 2025. Post the survey it had emerged that middle level managers' were most resistant to accepting and implementing any change in policy and typically have the mindset that if something can be done without changing status quo, then why do so. So management education is a big part of the change required. He suggested the use of social media to make middle management aware about such things. He also talked about the Bollywood example and said that if in the film industry people worked from project to project and this was the 'normal' thing to do, the same principles could be adapted to other industries as well.

Mr Alok Sheopurkar, Executive VP & Head – HR, HDFC Asset Management spoke about some incidents where a proper understanding of the contract labour force and their needs resulted in a potentially difficult situation being handled well and harmoniously between the management and workers. He stressed that there's a need to change the mind-set to a level where even the temporary workforce would commit to discretionary efforts for the organization and for that, commitment is required not only from the HR fraternity but all the larger partners of the society like government, employers etc.

Ms Chakraborty then asked the panellists some questions to spur the discussion forward.

- What are the three things you are looking from the flexi staff company?
- What are the three things you are looking from flexi-employees?
- What are the three things you are looking for from the government?

Mr Bhatnagar said that from the flexi-staff company he would expect compliance, scale or specialization, and willingness to take risk and its associated rewards. Mr Gupta said from the flexi-worker he would expect compliance and ethics, and specialised skill. From the Government he expected focus on skill building and changes in IPR and data privacy laws. And from flexi-staffing

companies he expected investment in technology to create and analyse data for a more efficient workforce. Mr Banerjee said that he expected flexi-staffing companies to have a deep understanding of the organization culture and the flexibility to address organizational needs. Mr Sheopurkar pointed out that there is a big gap between an employee's aspirations and the employability of the fresh workforce. He asked the pertinent question: Do we design work to meet talent requirement or do we train workforce to meet job requirements. And in all this, what do we need to do as employers, family, citizens, etc.?

Ms Chakraborty then asked panellists whether they felt corporate India is willing to pay for the expectations that exist from companies and contract employees? Mr Bhatnagar said that yes the willingness to pay was there provided the flexi-staffing company had a good re-deployment rate (i.e. how many of the flexi-staffers are retained by the flexi-company in a similar job once the current project ends).

Mr Banerjee felt that payment is based on perceived value and currently there is probably a 70-20-10 scenario for this, i.e. 10% would be interested in a longer term relationship with the flexi-company and willing to invest. Maybe 20% would need a bit of convincing for the same and 70% would be reluctant to invest resources in such a project.

Mr Sheopurkar gave the example of a project in his company where through their flexi-company partner they take MBAs from lower brand B-schools, take them on for a fixed salary for 18 months, provide OJT and at the end of the period they sit for an exam if they pass they get employed. However, they this would not be possible on a large scale. He concluded by saying that companies were willing to make necessary investments if they saw value and requisite returns.

Audience Question: MNCs push for cost-cutting year on year and this affects flexi-companies; how can this be managed?
Mr Sheopurkar responded to the question by saying that wage arbitrage has limited scalability and in the long run it will not provide competitive advantage especially if it affects compliance issues.

Audience Question: Can stigma of casual employment be dealt with at the interview level?
Mr Bhatnagar talked about how different organizations have different cultures and different levels of maturity. He mentioned that interviewers' are also from different levels within a company and perhaps awareness needs to be created around this. However, he said, it takes time for markets to evolve and in time it will happen here. He gave the example of the US contract labour force makes more money and stick to it out of choice, and such conditions may evolve here as well over time.

Ms Chakraborty concluded the session by saying that flexi-staffing industry showed a convergence of needs – that of companies looking to expand rapidly and flexibly, and of youth looking for opportunities. In future, she said, one hopes to see convergence in aspirations, pay parity and permanent and temporary roles.

Session 3: 'Flexi is cool' – Young Job seekers of India

The speakers for this session were:

- Mr K. Ramkumar, ED- HR, CS&O, Service quality & Innovation, ICICI Bank
- Mr Kamal Karanth, MD - India and Malaysia, Kelly Services & Trustee - ISF
- Mr Dilip Chenoy, MD & CEO, National Skill Development Corporation
- Mr Muralidhar Rao, CEO, Future Group Learning
- Ms Sangeeta Sahgal, HR Director India, Bausch & Lomb

(L-R: K. Ramkumar – ICICI Bank, Muralidhar Rao –Future Learning, Kamal Karanth – Kelly Services, Sangeeta Sahgal – B&L, and Dilip Chenoy – NSDC).

Mr Kamal Karanth, MD - India and Malaysia, Kelly Services & Trustee - ISF initiated the session by clearly stating that the session was about training candidate or contract worker who feeds the statistics that are mentioned in conferences such as this.

He said that in the context the topic 'Flexi is cool' is a big question mark. He mentioned that the morning sessions had gravitated towards the more elitist aspect of flexi work when examples of Ravi Shastri becoming the interim coach for the Indian cricket team were spoken about, as well as the possibility of part time CXO executives. He asked the audience whether they thought flexi was cool. He said it was important to understand the grassroots perspective through the experiences of the expert panel and hoped for an interactive session.

Mr Karanth gave his personal experience of being a part of the industry which has grown from USD 100 million to USD 7 billion in a period of less than two decades. He said it was important to remember that the Indian economy has played a big role in this growth and not because 'flexi became cool'.

Mr K Ramkumar, ED- HR, CS&O, Service quality & Innovation, ICICI Bank shared his views about what society thinks about the flexi-worker. Mr Ramkumar made no bones about the stigma attached to contract or temporary jobs. He said that if a person is a contract worker in the manufacturing sector it has a different connotation from a contract worker in the services sector. In the former case, parents don't accept that the person is in a job. They withhold the information that their child (typically son) is in a contract job. As a result personal lives are affected by this and often even the perceived value of the person in the 'wedding market'.

There is a deep psychological insecurity that comes from contract job and there are many other issues other than financial security that are at play.

Mr Dilip Chenoy, MD & CEO, National Skill Development Corporation gave his comments on the topic at hand and when prompted with a few questions as - what it takes to train people with quality skills? And how can quality be consistent in mass level skilling?

Mr Chenoy responded by talking about NSDC's work and how training outfits are finding it difficult to find people to be trained. A typical candidate's mindset is that "if it's free then I might. If there's a job, I might. If it matches the agricultural cycle, then yes."

He also talked about growth in the sector and that it will happen only when people who start at minimum wages can see a salary growth and job growth similar to that of a white collar worker. Flexi is not cool for companies or individuals, but born of necessity. The construction, gems and jewellery industries are the ones with the highest requirement for flex-workers, but that is not a space where this industry operates due to low margins. Most companies believe that they are best able to train their employees with OJT. NSDC did a survey of 6000 companies to understand the volume of entry level employment (less than INR 15,000/month salary). The survey asked the company if they would be willing to pay one month's salary to a placement agency for this segment of employees and only 10% agreed to pay and this was despite having hundreds of vacancies within these companies.

Flexi candidates do not trust the private sector because of the hire and fire policy followed so far. A societal engineering change is required and not at the individual level. He concluded by saying, "Flexi can be cool if (companies) have a (good) reputation and show a career path".

Mr Karanth posed a question at this stage to **Ms Sangeeta Sahgal, HR Director India, Bausch & Lomb**. He said that the 'flexibility' in flexi-work is to the advantage of the employer and not the flex-worker at present. Therefore inevitably, two categories of employees are born – permanent and flexi-employees; how do employers manage these two categories? Is there differential treatment?

Ms Sahgal responded to the question by saying that corporate India expects contract workers to be highly skilled and productive from day one. They are expected to be team players, understand the company, understand the product, etc. from the day they walk in the door. On the other hand, many concessions are made for permanent employees who are given time to learn and adapt. Companies are invested in people who they feel will stay with the company for say five years vis a vis contract employees who are there for only a few months and therefore not seen as investment worthy. So who should do that investment in contract employees to build their competency? If corporate India will not do it, who else will? Contract employees are treated differently by private companies, for example they cannot use the gym, have different badges, different canteen and transport privileges, etc.

Mr Muralidhar Rao, CEO, Future Group Learning, differed slightly and stated that policies and practices differed from industry to industry. In the BFSI sector, contract is not a bad word. The IT and ITeS industry has also evolved to an extent in this regard and organised retail is also evolving. It is a continuum and it is a maturing of the labour market.

For example, he said, 10 years ago the private sector was not cool, but that has changed. Today's youth is open. What we need is a vocational skills framework which supports this sector – such as the upcoming National Vocational Qualification Framework (NVQF).

Mr Kamal Karanth posed an open question to the panel: Is there a way to make flexi work?

Mr Ramkumar responded to this by saying that he thought that wage arbitrage is nothing but exploitation. He said that while he was not in principle against flexi-work, he felt that it needs to be structured and managed differently. He strongly advocated the need for a governance structure, and the need to have at least a year's visibility on manpower needs so that companies could give longer term contracts to temporary staff. This would mean greater stability for flexi-workers and a greater sense of belongingness and would definitely pay off in terms of productivity. He gave the example of

shop floor where the response to the accident of a permanent employee was different from that of contract employee and felt that such practices must be done away with completely if the industry was to change its image.

Flexi-work will be desirable to candidates only if they see growth and stability in the job and with the company, said Mr Chenoy. If unions come around and support flexi companies, then the scenario for flexi will change, he said. He also have the example of the image change that has emerged for the IT-ITeS industry and the role that NASSCOM and industry leaders had in making this happen over the last 20-30 years.

Mr Karanth then invited questions from the audience.

Audience Question: In Europe, there are specialised companies dealing with specific industries. Do you see training companies moving into flexi space?
Mr Rao responded by saying that the experience of finding a job for a contract employee must become as seamless as it is for most of us to buy a cell phone or a laptop today; he felt there must be a one stop shop where training and job needs can be met. He advocated for strategic partnerships between skilling companies and staffing companies.

Mr Chenoy stepped in at this point and spoke about NSDC, CII and staffing company tie-ups that are being formed. However, he said that there were many more opportunities as only three such partnerships exist as on date.

Audience Question: What are the three things needed to make flexi cool?
Ms Sahgal made an important statement in response to the question; she said, “There is no such thing as a permanent job (except maybe in the govt). Permanent employees need to start thinking that they are in a contract job – until they exit or are fired”. Secondly, one needs to conceive of flexi jobs in non-traditional sectors – middle management for example and also look at work from home options etc.

Mr Chenoy added that if companies are able to remove the barriers between pay and privileges between permanent and temporary employees, then the scenario would begin to change.

Audience Question: When companies find it difficult to engage with permanent employees, how will it happen with contract employees?
Ms Sahgal gave a response saying that the situation was similar to having women bosses 20 years ago. Lots of work went into Learning & Development of women before it was allowed to happen. With similar interventions and time, the scenario is bound to change for temp-staffers as well.

Mr Chenoy gave the example of how they manage short term subject matter experts at NSDC. He said that while it can be challenging and they work with the managers to make it a successful relationship.

Audience Question: What can the flexi industry for white collar workers learn from consulting?
Mr Ramkumar felt that all white collar flexi-workers are just as discriminated against as their blue collar counterparts. He then stated that consulting is a specialist / niche jobs and there is no identity crisis for the consultant as it is a choice for her/him and there is a certain status symbol attached to the job. The typical flexi is a junior entry level person who does not have the luxury of such beliefs. He stated that companies need to work on finding the sweet spot for both the person selling his

skills and for person/company buying the skills. If there is no sweet spot for both parties, then exploitation is likely.

Ms Sahgal stated that staffing companies need to do more brand building. Candidates talk about companies they work with rather than the company that employed them. She gave the example of the IT industry which is largely about outsourcing and yet IT workers are happy to be identified with the company that employs them and not so much the projects they worked on. Another panellist pointed out at this stage that perhaps staffing companies should start giving appointment letters instead of the more traditional deputation letters.

Mr K Pandiarajan, Founder, Mafoi Group, asked at this stage as to what the flexi-staff industry can do to grow and build the brand for the industry?
Mr Chenoy said that ISF should stand for "Individuals Seeking Fulfilment". Essentially he meant that industry should focus on the individual and work to make his future secure and that would slowly change the scenario. He also gave the example of how NSDC has grown and shaped up since 2006 and that such transformations are possible.

Special Address - Mr K Pandiarajan (Founder, Mafoi group and past President, ISF)

Mr K Pandiarajan, **Founder, Mafoi group and past President of ISF** gave a special address in the afternoon session of the conference.

The thrust of his speech was on how the industry has evolved over the last decade. He mentioned how Prime Minister Narendra Modi's speech this past Independence Day took him back to the speech ex Prime Minister Vajpayee had made based on Prof. CK Prahlad's ground breaking article 'India at 75' in which the demographic dividend concept was proposed for the first time.

He talked about the budget set aside for vocational training and skilling by the present government, to the tune of INR 25,000 cr to be spent by 20 odd line ministries. Given this context, he wanted to share potential opportunities available to staffing companies to partner with the government.

He explained that he had lately been made aware of Aajeevika Skills, the job skills program of Ministry of Rural Development and how only two companies had so far got involved. He wanted to propose the skilling space as a potential business opportunity for staffing companies.

Session 4: India Inc is becoming a Fast Forward Workplace

The speakers at this session were as follows:

- Ms Annemarie Muntz, President, Ciett
- Mr Alok Sheopurkar, Executive VP & Head – HR, HDFC Asset Management
- Mr Deepak Dhawan, CEO (Ex-VP & Global Head HR, EXL Service), Talentonic
- Mr Jasbeer Singh Solanki, CEO, Mahindra SSG
- Mr K Pandiarajan, Founder, Mafoi group
- Mr Patrick Brutsche, Director (TekSystems), Allegis Group

L-R: Jasbeer Singh Solanki, K Pandiarajan, Annemarie Muntz, Patrick Brutsche, Alok Sheopurkar, and Deepak Dhawan

Mr Patrick Brutsche, Director (TekSystems), Allegis Group, got the discussion going by soliciting questions from the audience.

Audience Question: How does technology fit into the flexi-staff scenario – telecommuting etc.?
Mr Brutsche spoke of technology that brings work to employees, but he stressed that ultimately companies were still dependent on having the right person to do the job. So the quality of the individual is what is at stake.

Ms Muntz**,** said diversity will rule in the future, but similar to the marriage market, it is difficult to find the right person. The more value companies add, the higher the cost they can set for their services. She reiterated that the scenario in India was not different to the rest of the world. The average margin, she said, decreases every year and this happens in all industries across the world. The idea is to keep innovating and new technology might provide an edge here, she said.

Audience Question: Are there examples of countries which have moved up the value chain in terms of flexi-staffing in the last 5 years

Mr K Pandiarajan, Founder, Mafoi group gave the example of Japan which has developed very fast and the value ascribed to flexi-work is greater than perhaps even in European countries. Legislation in Japan has been very valuable in this regard.

Ms Muntz, said that niche players and specialization is what you see when there is maturity in a sector. However, she said, this sector does not always allow that kind of innovation. She said that the USA is the poster child for this industry, however, Europe has seen interesting business models due to change in legislation and PPP business models. According to Ms Muntz, Japan certainly has invested in long term flexibility to the extent that in Japan, flexi-workers work for 20 years with the same staffing company. However, she did not know if that was necessarily a good thing.

Mr Brutsche added that recruitment process outsourcing had its origins in the USA but a lot of the answers to challenges are available right here in India. He felt that this was because of the nature and volume of the industry in India and therefore even for the flexi-staffing industry, many innovations would be possible in India.

Audience Question: If flexi staffing took root during the recession, is there a new approach to talent acquisition now post recession?

Mr Brutsche stated that earlier companies looked at permanent employees looking at innovation and contract workers to look at maintenance. However, this has now changed and companies look at contract employees to provide innovation as well.

Mr Deepak Dhawan, CEO, Talentonic, then posed a question to the panellists. He asked, "What is the change within an organization which the staffing industry is responding to? In the last session Sangeeta Sahgal said that there are no permanent employees. I read a report about the staffing industry that most employees leave within the first year to seek permanent role."

Mr Alok Sheopurkar added to this question by saying that the nature of the business environment is rapidly changing because of technology – for example one doesn't need to be in office, do not need cash, do not need to go to banks, etc. Given this environment, what is the staffing industry doing to prepare itself for a changing business scenario?

Mr J S Solanki, CEO, Mahindra SSG talked about the experience of this company which provides a range of services from physical security to cyber security and deal with the whole gamut of skills required.

Ms Muntz further posed a question if anyone present had ever worked with a company which had 100% flexi staff? Someone in the audience spoke about a foreign automotive company which had one employee and all others were contract employees. Ms Muntz gave the example of ASML, a microchip company, which has almost 100% flexi-staff because of the nature of the business and volatility. She said these were the kinds of business models which would respond to agility and volatility in the markets of tomorrow.

Responding to repeated questions on social stigma surrounding the industry, Ms Muntz said that social stigma can be done away with by storytelling and by raising awareness amongst stakeholders.

Mr Alok Sheopurkar, Executive VP & Head – HR, HDFC Asset Management said that the stigma is partially related to the low wages associated with temporary jobs; if the compensation increased, the stigma would eventually disappear, he said. Mr Dhawan spoke about his experience in rebranding EXL from a call centre to an insurance company in this context. Mr Brutsche spoke about the US where a change has emerged in perception with a more mature labour market. He felt that educating recruiters and hiring managers was important as they need to believe that they are not just giving a job but changing someone's life. Ms Chakraborty added that the change needed to start in our homes and getting our children to work in the flexi-industry for experience was one of the first steps to be taken.

Audience Question: How much effort does a corporate take to communicate its DNA to its recruitment partner. Or vice versa has a staffing partner transfer its culture to a client?

Mr Brutsche while accepting that it was a good question, turned it around and asked how many times we as staffing companies ask clients about their culture?

Mr Sheopurkar said that for clients, hiring is a monkey shifting act. Speaking about the practices in his company, he stressed the importance of an induction program, NISM exam fee reimbursement, access to internal job postings for all deputees, etc. as measures to ensure that the flexi-worker feels like they belong.

Audience Question: Ms Muntz, earlier in the day you spoke about companies with 100% flexi-staff. In India, companies are judged by how many people they employ and so having 100% flexi-staff is not seen in a positive light. Ms Muntz, what is your perception?

Ms Annemarie Muntz, President, Ciett & Head of Public Affairs, Randstad (Netherlands) said that cultures and perceptions differ and such perceptions tend to exist in industrial societies and not so much in service based societies. In industrial societies, trade unions are driven by the need to protect the unit and its employees. However, my question was whether it is economically necessary to do so. The answer is, no. She said that it was important to understand that in industrial societies unions needed to push for employment in order to guarantee workers' rights; however, with the advent of service societies this is no longer a necessity. She went on to say that today we are an IT driven service society with a highly volatile economy. In such a scenario, business needs flexibility.

Mr Brutsche concluded the session by commenting on the lively discussions that had taken place throughout the day. He said that he had personally learnt that the answer is more within than outside, referring to staffing companies. He said, as a staffing partner we need to believe that our service is truly valuable and communicate that to our stakeholders

Closing address and Vote of Thanks

Mr R S Reddy, Vice President, ISF then offered the closing address and vote of thanks and brought the day's events to a close. He thanked the speakers, sponsors, audience, Team ISF and the hotel staff for helping to make the event a grand success. He concluded by announcing that ISF would be hosting CIETT's annual international board meeting in 2016 and he would look for support and participation from all concerned for that event.

Annexure A – Program Schedule

09.00 – 09 30 Registration

09.30 – 10.15 **Inaugural**
Welcome Address
Suchita Dutta, Executive Director, ISF
Lighting of the lamp by Chief Guest
About Indian Staffing Federation and Way Forward
Rituparna Chakraborty, President, ISF
Indian Staffing Federation Report 2014 - Launch *by Chief Guest*
Speech by Chief Guest
Briefing – ISF Report 2014 Findings
Suchita Dutta, Executive Director, ISF
Keynote address
Annemarie Muntz, President, Ciett

10.15 – 11.30 **Session 1: Road Ahead for India Inc:**
Evolution of the Blended Workforce Model
Dr. Aquil Busrai, CEO (Ex- ED HR IBM), AB consulting
Moorthy Uppaluri, Chief Executive Officer, Randstad India
Pramod Bhasin, Founder & Vice Chairman, Genpact
Rajiv Kapoor, Chief people Officer, Fortis Healthcare Limited
S Y Siddiqui , Chief Mentor , Maruti Suzuki India Ltd.
Dr. Sheen Sunny Akkara, ED – HR (India & South Asia), Nielsen India
Q&A with audience: 10 mins

11.30 – 11.45 Tea break

11.45 – 13.00 **Session 2: Aligning Flexi Workforce with Organization's Needs**
Alok Sheopurkar, Executive VP & Head – HR, HDFC Asset Management
Biplob Banerjee, GM - HR, Glaxosmithkline Pharmaceuticals
Prashant Bhatnagar, Director – Hiring & Staffing, Sapient Nitro
Rituparna Chakraborty, President, ISF
Vikas Gupta, Director – Talent, Deloitte India
Q&A with audience: 10 mins

13.00 – 13.15 Special Address: RAMCO

13.15 – 14.30 Lunch

14.30 – 15.45 **Session 3: 'Flexi is cool' – Young Job seekers of India**
Dilip Chenoy, MD & CEO, National Skill Development Corporation
K. Ramkumar, ED- HR, CS&O, Service quality & Innovation, ICICI Bank
Kamal Karanth, MD - India and Malaysia, Kelly Services
Muralidhar Rao, CEO, Future Group Learning
Sangeeta Sahgal, HR Director India, Bausch & Lomb
Q&A with audience: 10 mins

15.45 – 16.00 Tea break

16.00 – 16.15 **Special Address**
K Pandiarajan, Founder, Mafoi group

16.15 – 17.45 **Session 4: India Inc is becoming a Fast Forward Workplace**
Annemarie Muntz, President, Ciett
Alok Sheopurkar, Executive VP & Head – HR, HDFC Asset Management
Deepak Dhawan, CEO (Ex-VP & Global Head HR, EXL Service), Talentonic
Jasbeer Singh Solanki, CEO, Mahindra SSG
K Pandiarajan, Founder, Mafoi group
Patrick Brutsche, Director (TekSystems), Allegis Group
Q&A with audience: 10 min

17.45 – 18.00 **Closing address and Vote of Thanks**
R S Reddy, Vice President, ISF

Annexure B – Press Release

Press release for immediate publication:

Indian Staffing Federation envisages flexi staffing hiring in government sector to rise further

- 12.3 million temporary workforce already employed in the government sector
- Encourages organized staffing players to provide flexi workforce for government jobs

New Delhi, August 20, 2014: Indian Staffing Federation (ISF), an apex body of leading staffing companies in India, today unveiled its exclusive and comprehensive report on the Flexi Staffing in the Government and Public sector during the National Conclave. The report primarily divulged a rise in temporization in the government sector workforce comprising of 12.3 million which constituted 43 percent of total 28.8 million of an estimated 49.7 million formal sector workforce in India. Besides, it enunciated that the tripartite model of hiring is on the rise and also that organised flexi staffing players have made significant contribution towards social security as well as government revenue in the last few years. The Conclave was well attended by senior members of the bureaucracy, eminent dignitaries from the corporate world and trade bodies.

Interestingly, in government jobs, the temporary employees allowed organisations/corporations to quickly ramp up their services resulting in increase in temporization while in PSE's, temporary employment enabled them to deal better with business cyclicality and uncertainties, as well focus on their core business activities due to the inherent flexibility in planning and rollout that temporary employment provided.

Key Findings of the Report:

- ✓ Significant surge of 7.2 million in the formal sector workforce since 2011 to 2013
- ✓ With the rise in temporisation in government jobs, there is –
  - (a) Increase in tripartite hiring
  - (b) 10.5 million casual workers without any formal job contract, mainly in professions like Craft & related trades workers, Plant & machine operators and Elementary occupations
  - (c) Only 1.4 million fixed short term written job contract holders deployed primarily in professions requiring relatively more skill such as Middle and primary education teaching associate professionals, Other office clerks, Secondary education teaching professionals, Protective service workers, Personal care workers, etc.
- ✓ Not only overall hiring is on the decline in the government sector but also the share of permanent workforce
- ✓ A considerable number of these temporary workers dependent on Government for livelihood are deprived of a decent work environment. A large number do not even receive the minimum wages
- ✓ Share of permanent employees in total central government regular civilian employees also declined from 93.4% and 93.6% in 1991 and 2001, respectively, to 88.45% in 2009.
- ✓ India is ranked among the top 5 Nations in terms of the absolute size of the flexi staffing industry but has only 0.43% penetration of the labour force
- ✓ Overall the flexi-staffing industry stands at 1.7million in 2013, an increase by 4.7% from 2011-2013 and may account for more than 10% of India's formal sector employment by 2025
- ✓ Of the 397.4 million workforce, 49.7 million are employed in the formal sector and 347.7 million are in the informal sector

Rituparna Chakraborty, President, ISF said, "Our study observes that over 43% of those dependent on Government for livelihood are in temporary jobs out of which over 10.5 million have no formal job contracts. We believe that various professional flexi-staffing companies can engage closely with the government sector in a transparent and flexible manner to provide formal employment to millions and also providing access to an effective matching platform thereby addressing the acute skill and manpower shortage that currently exist in this sector. Notwithstanding the role ISF companies in enabling creation of more employment in this sector".

Suchita Dutta, Executive Director, ISF, said, "There is a clear trend of India Inc moving towards flexi hiring adopting a blended workforce model by many leading corporates not just the government sector that allows them to monitor cost efficiently without affecting the work. It is relevant more so in an economic slowdown that India is overcoming and organizations are seen opting for project based employment with enthusiastic, adaptable and skilled multi-taskers."

ISF's recommendations:

- ✓ Encourage organized flexi staffing players to provide temporary workforce to government sector
- ✓ Recognition of flexi staffing as a legal mode of hiring is imperative
- ✓ Setting apt standards in contracting and hiring – a written contract between the agency and the tripartite worker specifying the nature of job, salary, benefits, employment terms and condition, etc.
- ✓ Implementing grievance redressal mechanism
- ✓ Covering the flexi workers under additional group mediclaim and personal accident insurance coverage over and above ESIC requirements
- ✓ Providing skill development opportunities and organising rewards and recognition programme for high performers in consultation with user enterprises

About ISF: Indian Staffing Federation (ISF) was set up by leading staffing companies in India with one common goal - Staffing India's Growth. Staffing - an established form of outsourcing globally - is yet to be recognised and adopted as an effective means of running a business in India. The Staffing Industry provides a platform for recognised employment, work choice, even compensation, annual benefits and health benefits for the temporary workforce that constitutes a sizeable segment of India's total workforce. The purpose of ISF is to enhance long-term growth of the staffing industry and to ensure its continued ability to make positive contributions to the economy and society. The principal focus of the Federation's activities shall be to strengthen triangular employment relationships, in which the staffing company is the employer of the temporary worker, who works under the supervision of the user company. Currently ISF has a member base of over 40 employing about 400,000 employee workers.

For further details, do visit –http://indianstaffingfederation.org/

Annexure C – Photo Gallery

Ms Rituparna Chakraborty presents Shri Alok Kumar, DG/JS, DGET, Ministry of Labour and Employment with a bouquet

Lighting the lamp. (L-R : Shri Alok Kumar, Ms Chakraborty, Ms Muntz, Mr Reddy)

Release of ISF Research Report 2014
L-R: Ms R Chakraborty, Shri Alok Kumar and Ms A Muntz

Mr Reddy presents Shri Alok Kumar with a ceremonial shawl

Ms Suchita Dutta presents memento to Mr. Pramod Bhasin

Media Briefing on the launch of ISF report 2014
L – R: Ms S Dutta, Mr. R Reddy and Ms. R Chakraborty

National Conclave 2014
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