

# Fat pay cheques & added roles delay hiring at top levels

**Diksha Dutta**

**New Delhi, Jan 4:** Increasing salaries at the top levels, a wish to promote an internal employee rather than hunting for an outsider and demanding responsibilities at the CXO level have slowed the hiring process at senior positions. Top positions have remained vacant for much longer durations recently. Experts say that while it used to take two to three months to fill vacancies at this level, it has now stretched to at least seven to nine months.

Sample this: Jaideep Wadhwa, the India managing director of Ingersoll Rand, a \$14-billion global diversified industrial company, resigned on October 19, 2010, and no one has been hired to fill his

got filled after 10 months.

It is true that in cases where companies have promoted internal employees, the process has been quicker. Take the case of CEO and president of Genpact, Pramod Bhasin, stepping down and NV "Tiger" Tyagarajan taking over last year.

A recent global survey by Stanford Graduate School of Business reveals that 80% of new CEOs appointed are internal executives.

Chaitali Mukherjee, country manager, Right Management, a talent and career management company and an arm of Manpower-Group, said: "Many positions at the top level are lying vacant. When a company is hiring executives with 20 years of experience and the right exposure, they become very de-

## VACANCIES GALORE

- Ingersoll Rand's India MD Jaideep Wadhwa resigned on October 19, 2010, and no one has been hired to fill his shoes until now
- Position of Geetu Verma, executive director and vice-president for innovation, who left Pepsico in September 2011, is also vacant



- Recently a position at the chief marketing officer level in a leading consumer electronic company got filled after 10 months
- One of India's largest footwear retail company took two years to find a legal head in the country, the MD of a consulting firm said

shoes until now. Venkatesh Valuri, president, India, at Ingersoll Rand has been taking care of the India operations.

Another example of a top post lying vacant in the FMCG sector is that of Geetu Verma, executive director and vice-president for innovation who left Pepsico India in September 2011 to join Hindustan Unilever's food division.

E Balaji, managing director and chief executive officer of Ma Foi Randstad, a leading HR firm, said: "Filling up positions at the top level took two to three months earlier, but in some cases it even stretches to 15-18 months now. The risk-taking ability of companies has reduced and they do not want to hurry in hiring executives for bigger responsibilities. Moreover, conditions like a slowing economy further slows down such processes."

He explained that how recently a position at the chief marketing officer (CMO) level at a leading consumer electronics company

manding. The salaries have also increased at the top level and ranges anywhere from ₹50 lakh to ₹1 crore. This makes it all the more difficult to find a candidate from outside."

Jyorden T Misra, managing director of Spearhead InterSearch, an executive search consulting firm, agreed, saying: "It is difficult to get a CEO for less than ₹80 lakh today. Top job salaries have only gone northwards in the last five years." He shared an example in which one of India's largest footwear retail company took two years to find a legal head in the country.

Ronesh Puri, managing director at Executive Access, said: "Internal process of hiring is definitely more robust. A wrong induction can cost the company a lot, which companies are trying to avoid by being cautious. Another reason for a longer hiring cycle is the speed at which meetings are organised at the top level and the terms or conditions at which the previous company relieves the candidate."