

New year begins on a bright note for CXOs as demand spikes 25-30%

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With perform or perish culture, firms on the prowl for top talent to drive growth

As the spectre of unemployment looms large before the government ahead of the general elections, the new year has begun on a bright note for C-level executives, with demand for CXOs, who command remuneration of ₹1-1.5 crore, spiking 25-30 per cent in the current JFM (January/February/March) quarter.

The demand, which includes both replacement and fresh hires, is fuelled by the need for key talent to drive sustainable growth, as the new culture of 'perform or perish' percolates industry sectors spanning FMCG, banking and financial services, consulting, e-commerce start-ups, fintech start-ups, IT services and global in-house Centres (GICs) of multinational corporations.

"India Inc is getting more Americanised and less European in its mindset, as we see a 'hire and fire' culture sweeping across sectors wherein corporates are getting rid of sub-optimal talent mercilessly. We see up to 30 per cent increase in demand for CXOs this JFM quarter, compared to the same quarter last year, largely driven by replacement hiring in the FMCG and banking and financial services sectors," said Ronesh Puri MD, Executive Access, a global executive search firm. Overall, Puri expects a 25-per cent increase in demand for CXOs in the calendar year 2019 and says while the roles that are most in demand are of CHROs (chief human resource officer), CFOs (chief financial officer) and heads of Sales & Marketing, there is an emerging demand for head of Corporate Affairs/Government Affairs.

At Xpheno, a specialist staffing firm, demand for CXOs in the ongoing JFM quarter exceeds

30 per cent compared to 2018. "Last quarter, 116 start-ups got funded, which has resulted in about 100-150 open CXO positions. Of these 116 start-ups, 42 raised seed and Series-A funding, which alone creates 80-100 positions for CFOs, CBOs (chief business officer) and CPOs (chief product officer). Importantly, 70 of the 116 fund raise deals were worth \$2.27 billion, creating a huge potential for recruitment of CXOs," Kamal Karanth, co-founder, Xpheno, told *BusinessLine*.

Karanth expects overall demand to spike by over 20-25 per cent in 2019 led by funded fintech and consumer internet start-ups, IT captives of MNCs, Indian IT services firms and the big four consulting firms which are losing senior talent to start-ups.

Many start-ups are in the growth stage due to a natural progression (many began in 2015), and hence there is a heavy demand for CXO level hires, observed Roopa Kumar, COO at Purple Quarter, a CTO recruitment firm, which is also registering a sharp rise in demand this quarter.

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