

Covid disrupts CXO hiring, too

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Recruitment drops 80% as companies put offers on hold

Even as organisations continue to lay off employees across redundant business functions to survive, CXO hiring has taken an 80 per cent hit as a consequence of the unprecedented business disruption caused by the Covid-19 restrictions.

Organisations are revoking, scrapping and indefinitely putting on hold all offers that were accepted by candidates, making life extremely difficult for those who have already resigned from their previous positions and are serving notice. These CXO positions command CTC between . 1 crore and □6 crore per annum.

“Almost 70-80 per cent of our CXO searches are on hold indefinitely since March. Four offers made by organisations have been scrapped and another 10-12 offers have been put on hold for at least 6-9 months or, in many cases, indefinitely. We are advising candidates not to resign from their positions until such time that the offer is sure to come through,” Jyoti Bowen Nath, Managing Partner at executive search firm, Claricent Partners, told *BusinessLine*.

Some global-oriented roles like that of a marketing director will cease to exist and some others such as Head of sales will demand a strong background in e-commerce, in keeping with the need of the times, she said.

Top job title searches

While organisations continue to lay off employees and effect pay cuts across all levels, CXOs are also bearing the brunt of these actions, as evident in the sharp spike in CXO job searches over the last few weeks.

“We have noticed 5,000 searches for job titles including CEO, CFO, COO, CTO, CIO, CSO and CMO over the last 30 days, which is unprecedented. These are candidates with over 15 years of experience, who are searching on LinkedIn, Naukri, Monster and other job portals. And these candidates are not from start-ups or entrepreneurial ventures but work in well-established firms,” observed Kamal Karanth,

co-founder of specialist staffing firm Xpheno. He said none of the CXO positions that Xpheno has hired for have been revoked but, they have been put on hold indefinitely.

“One lady CXO of a tech engineering firm who was to join an FMCG major withdrew her resignation and stayed on because of the sheer uncertainty of the situation. Yet another local centre head of a technology major messaged me desperately in the wee hours of the morning asking for a suitable role for which he was ready to relocate to Mumbai, Bengaluru, Hyderabad or Chennai. A large tech firm for which we effected 8 Director level-and-above hires has pushed the joining month from July 1 to September 1,” recounted Karanth.

CXO hiring has gone slow by 60 per cent wherein, the majority of organisations are adopting a ‘wait and watch’ and pessimistic approach, pointed out Ronesh Puri, Managing Director of Executive Access. “April has been a muted month. However CXO hiring has picked up in the last 10 days with a few e-joinings as they continue to work out of their current locations. Organisations are also realising this is the right time to hire talent, but, with a 60-70 per cent variable pay component instead of the usual 40-50 per cent pre-Covid,” he said.

One of the few sectors that still continues to hire is GICs (Global In-house Centres) of multinational corporations. “Pre-COVID we expected 50 per cent growth in hiring in 2020 however, now we expect flat growth. We have visibility into 1,500 open positions from 3 years to 15 years of experience which we have to fill in the next two months, of this, 15 per cent are for Director level and above positions. Access to specialised skills like data engineering/analytics, greater control of work output, continuity of knowledge --- technology being a big differentiator for their business in these turbulent times --- are the topmost reasons for GICs continuing to hire” said Vikram Ahuja, co-founder, Talent500 by ANSR, which specialises in talent acquisition for GICs of Fortune500 companies.