

B-school placements: start-ups may not make a splash this year

Having over-hired last year, most are now focussing on consolidation, profitability

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Struggling with high cash-burn and fewer fund-raising avenues, start-ups and e-commerce firms are likely to limit hiring at premier business schools this year. These emerging businesses had over-hired last year and are now focusing on operations and profitability.

"The interest from e-commerce firms is limited for this season with major Indian firms going for no or limited hiring," confirmed AF Mathew, Chairperson-Placements, IIM-Kozhikode. Final placements at most IIMs will kick-start in mid-January.

Rajiv Mishra, Chairperson-Placements at XLRI Jamshedpur, said that apart from well-established e-commerce firms such as Flipkart and Snapdeal, the institute is not expecting start-ups to visit its campus for placements this year. IIM-Bangalore, too, has seen participation drop. "E-commerce firms have been a significant recruiter in the

past two-three years. We have, however, seen a decrease in the number of offers some of them are making this year," said Sapna Agarwal, Head of Career Development Services at the institute.

The founder of a hyper-local firm said that most start-ups have over-hired and are looking at consolidation to focus on profitability. Venture capital funds and investors want start-ups and e-commerce firms to now focus on getting into the black.

B-schools cautious

This decline in placement offers comes in the backdrop of many start-ups resorting to mass lay-offs, which have also made institutes and students from B-schools cautious.

"We have increased the due

diligence we undertake through various industry contacts, including alumni network, in addition to checking on start-ups' funding and growth before confirming and allotting a slot," said IIM Kozhikode's Mathew.

An official from the placement team at IIM-Calcutta, too, said that the institute conducts due diligence on every firm participating in the recruitment process.

The exceptions

However, well-funded and established start-ups such as Paytm are bucking the trend. The company is looking to more than double its hires this year on the back of a growth in business.

Having hired about 75 from tier-I colleges last year, it intends to recruit 150-200 this year.

"We are launching our payments bank business some time early next financial year, even as we continue to invest in our existing business," said Amit Sinha, Vice-President, People and Business, at the e-commerce firm.

