

Now, Thrifty Indian Startups Go the Native Way

HOME TRUTHS The days of extravagant offers for global talent are gone as cos come under pressure to tighten purse strings

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Mumbai: Startups in India are no longer rushing to splurge up to \$700,000 a year on executives from abroad. The number of such offers has dried up as much as 60-70% in the past few months, according to headhunters, who said the drive to contain costs has forced startups to rely mainly on local talent for filling senior positions.

The cutback has been the sharpest at bigger firms such as Flipkart, Snapdeal and Zomato, headhunters said. ET spoke to more than eight hiring firms including RGF Executive Search, Longhouse

Consulting, EMA Partners, Transsearch, The Head Hunters, Michael Page India, Heidrick & Struggles and Basil Advisors.

"A company that would hire seven-eight (executives) from abroad has slashed its hiring to two-three at the most," said Anshuman Das, managing partner of search firm Longhouse Consulting, which specialises in e-commerce recruitment.

Gone are the days, Das said, when the bigger e-commerce players would hire even vice presidents for Rs 1-1.5 crore plus stock options that would be worth another Rs 1 crore a year.

"There was a lot of noise on e-commerce companies hiring from

abroad and though not all were successful, at least they were entertained. Now even for that entertainment there is no money," he said. The shift has also happened because the investors want the companies to focus on unit economics and not products as was the case earlier. Therefore, the demand for technology specialists has come down, recruiters said.

"A couple of years ago, one expected e-commerce in India to grow the same way that it did in the West. Firms hired those who have been part of the growth in the West. However, that growth did not happen," said Vinod Murali, managing director of InnoVen Capital India, a venture capital debt fund.



Slimmer Pay Packages

Startups are scaling back on search for global talent

Headhunters say offers are down 60-70% as cos cut costs

Bigger cos such as Flipkart, Snapdeal are cutting back most

Those hiring for senior roles, are looking for options in India



For international recruitments, there is more of contract hiring

Alternative is global talent on a much tighter budget

This is compared to as much as \$600,000-700,000 earlier

They are also open to get in people with less experience at lower cost

