



## JOB INSECURITY IN IT SECTOR : AN OVER VIEW

Dr. J. Chinna Rao, Reader in Commerce, M.R. College (A),  
Vizianagaram,

### Introduction:

The age of uncertainty is looming India's globally striking Info Tech Industry severely. For two decades, the sector has been an attracting heaven, recruiting large number of fresh learned candidates and metamorphosing cities like Bangalore, Chennai, Hyderabad into a world-wide renowned Info Tech Powerhouses. Now the situation is different due to job-insecurity to the staff particularly personnel at middle and higher echelons. The momentum has already started in top units like Cognizant, Infosys, Tek Mahendra, Wipro as a result of which large number of IT employees were removed. This type of phenomenon was not evident in India even during 2008-10 world-wide recession. The axe falls invariably first on those whose performance is not up to the mark which is a common phenomenon in every year. Now the number of job losers is on a large scale. Grapevine sources revealed that Cognizant is seeking the resignation of its 1000 senior employees. On the other hand, according to Wipro head, the company will remove 10 per cent of its employees which lies roughly 18,000, if their contribution to the company's revenue is not satisfactory. Another French Company Cop Gemini is having as many as 1,95,800 employees, a majority of whom are Indians, working in India itself. It has already laid off 200 personnel in its office located in Mumbai, and according to some sources, it is going to sack another 10,000 employees at the end of this year. All these incidents created havoc among the IT personnel

and they are all afraid of job insecurity and the axe falls on whom? is their dilemma.

**Key Words :** Job insecurity, IT Sector, Employment Opportunities.

### Job in security:

There are three important reasons for this crisis, i) Emerging automation ii) Self-protection policies of US President Trump and iii) Desire of the Companies to maximize their projects. With the help of modern technological instruments such as artificial intelligence, Robo type automation Cloud computing etc., work becomes much easier with the help of Skelton staff only. Work which was earlier done by large workforce is now performed by few hands due to mechanization, resulting in phenomenal cut in the total wage bill. The existing staff is feeling difficult to work with these novel machines as they lack know-how in that field. Indian IT Companies have to be more proactive about developing their personal skills as well as knowledge so as to avoid possible sacking. Unfortunately they are not updating their skills resulting in confronting a feeling of job insecurity. There is danger of lying off jobs on a large scale in the departments of manual testing, technology support, system administration. US President Trump's new policies are adding fuel to the existing fire. In order to provide job to one US citizen, the companies have to lay off four Indians working there. The companies have to pay heavy price if they do not adhere to Trump's rules. Against



this gloomy picture, it is surprising that the Centre along which IT experts have been assuring the work force that nothing will happen to them. They say that it is a common practice to remove a few personnel every year if their performance is not satisfactory. Of the four lakh IT employees in the two Telugu speaking States, the speaking did not exceed even 10,000. At present, the wind is flowing against software experts internationally. Problems with regard to "work permit" are arising with countries like L.S, Singapore, Australia, Newzeland. In the era of economic liberalization, these companies get humongous incentives and tax concessions as they provide reasonably attractive employment, promote exports and contribute to the economic growth. The rapid pace with which jobs are being reduced questions the very legitimacy of these sops to them at the cost of public exchequer The IT companies operates on global business and therefore facing cut throat competition hence they innovating or perishing is the novel mantra in the liberalized economy. These companies are increasingly embracing novel technologies and automation tools resulting in replacement of people who prefer tasks using outdated technology.

The Industry has already realized that its employees need to be re-skilled and made proficient in the realm of latest technologies. A 2016 NASCOM report suggests that 60-70 percent of the existing workforce would need to be re-skilled. While changing, technology and automation will displace jobs there be others in emerging digital areas. The engineering colleges in the country are imparting students curriculum devoid of standards and novelty, necessary for the current generation. There is therefore

imperative need to reinvent IT curriculum. The teachers should be trained first with the emerging curriculum as a burning candle only can light others. A teacher without possessing sufficient knowledge cannot impart enough knowledge to the students. The IT companies which are removing its employees without hesitation should retain them by imparting required skills in the emerging fields. Some of the top companies are following this practice. According to NASCOM, there is a great demand for IT experts in the realm of "Internet Security Sectors" in the wake of thriving cyber crimes, frauds, and hacking. By 2025 the country needs 10 lakh recruits in this field. The IT Companies are worrying due to the non-availability of such experts as a result of which they are unable to fill such posts. NASCOM is also struggling hard to bring in the relevant reading material useful to the existing IT employees through internet.

With a strong belief that their jobs are permanent, the IT employees have taken some financial decisions. They have borrowed loans from banks for house construction, purchase of electronic household items, bikes, cars Some parents have admitted their kids in corporate schools by paying prohibitive fees If these employees suddenly lose their jobs, they face pathetic plight as they cannot continue to repay monthly installment for the items they have bought on loan and they cannot continue the education of their children in the corporate schools. This has adverse effect on banking and real estate sectors. Of late the removal of jobs in Cognizant led to formation of Federation of Infotech Employees in Chennai. The Labour Commissioner in Chennai clarified the IT



employees that they will come under the purview of Industrial Disputes Act. It is not desirable for the companies to sack their employees who have worked all these years sincerely and contributed their might for the company's profits. If at all it is inevitable to remove the employees, the system of removal must be transparent.

Through IT exports/I every year our country is earning as much as, approximately 10 lakhs crore rupees in the form of foreign exchange. In Telangana which is employing 4,31,891 persons as much as Rs.57,000 crores is coming by way of foreign exchange. Development of IT sector started newly formed Andhra Pradesh. Of late top companies like HCL, soon will enter the State. Steps should be taken to prevent the entry of bogus IT units in

the State. IT coaching centers have lost their image due to latest crises in the sector. Unable to run these centers, some owners have closed them. Instead of depending on US and Europe, it is better to concentrate on domestic market. By this step IT units can create more jobs. This is one of the solutions in the wake of current crisis, of course, in the beginning, the opportunities may not be rosy as the domestic market is always subjected to ups and downs and present insignificant share of domestic market as the IT companies at present get only 1% of this income from the domestic market. Fortunately Indian IT Companies are at present leaning much on its domestic market. They are planning to expand their operations in Japan, Europe and Asia Pacific. Indian IT personnel need to re-skill their knowledge besides developing soft skills such as quick learning, mixing and working with groups etc., There will be vast potential

to; develop IT sector as all the countries are on the path of developing their economies. There is a possibility of evaluating IT services in different sectors by the companies on the one hand and society on the other. For example Indian Railways have already made an attempt in this direction. With G.S.T already in implementation, the Indian IT sector will play a crucial role in its success. There is no need now to roam around Government Offices for months together for getting required certificates such as Birth Certificate, Death Certificate etc. The two Telugu State Governments are providing as many as 400 services to the people through internet. Modi at the Center and Naidu at the State are creating miracles by using IT technology in their realm of administration. Instead of depending on IT sector alone for employment, the Government should also concentrate on the development of other areas and sectors like China. As a result, employment opportunities to the youth will be bright. Unfortunately, if one sector or area falls in crisis, the other sectors or areas will come to the rescue.

#### **Conclusion :**

With the onset of liberalization era, opening up of large areas of employment world over notwithstanding, cut-throat competition is initiated among the people for lucrative jobs, which has given high pedestal to people having skilled and proficiency in the latest technical know-how. Engineering Colleges, I.I.Ts, N.I.Ts and other institutions, in this context, have a role in evolving a curriculum with high standards and with the capability to promote novel thinking. Despite having problems like retrenchment of employees and trump policies, liberalization undoubtedly has opened great number of



job avenues all over the world. Enhancement of skills and updating of knowledge have no substitutes and it requires teachers trained in specialized fields. Exploring new job avenues like 'Internet Security Sector' is also a remedy. Forming of unions and awareness of Labour Laws also can check the problem. Above all, dependence on domestic market rather than on U.S and U.K will set things right.

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