



## Satyam defers recruits joining date

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Satyam Computer has delayed the joining date of graduates it has recruited from college campuses by months--the latest sign that India's fourth largest software exporter is trying to cut operational expenses amid a slowdown in its largest market, the United States.

The company visited college campuses late last year and issued offer letters in February.

Campus recruits that ET spoke to say that they were initially asked to join the company in Hyderabad in the first week of June and had even undergone the mandatory medical tests as a precursor to their formal appointment.

Subsequently, their joining dates have been repeatedly postponed by the company and the latest date for these students to come on board has been set for the first week of September.

However, the students--who did not wish to be identified for fear that the offers made to them would be withdrawn--are apprehensive that the new date, too, could be a mirage.

Satyam, on the other hand, insists that it has no intention of withdrawing any offers and that it is on track to hire the 12,000-15,000 people this year, in line with its guidance.

Satyam says it has made offers to 7,500 college graduates but it is not clear how many students have been affected by the delay. The professional lives of most campus hires, meanwhile, are on hold.

Those who decided to accept the offer instead of pursuing higher studies find that they have fallen between two stools. And others are in a dilemma whether or not to hunt for other jobs.

"Satyam intends to honour all offers made. But, individuals have their own preferences and they have the liberty to accept alternative employment," Satyam HR global head S V Krishnan said in an e-mail response to questions.

"Traditionally, the patterns we have seen are that bulks of entry-level recruits join around Q3 or Q4. This is because many are still to complete their academic year and some might want to take a break before they start work."

**HR consulting and staffing firm Adecco India's CEO Sudhakar Balakrishnan reasoned that the postponement of joining dates by IT companies is their way of coping with the fewer-than-anticipated orders for projects from US companies.**

**With American firms cutting their IT budgets , Indian outsourcers are forced to bring down operational costs by utilising existing resources to the maximum and trimming bench strength, he said.**

**“While IT firms visited the campuses and gave offers in November-December (2007), they started feeling the heat from the US slowdown during the last two quarters. That could be one of the reasons for the deferred joining date of freshers as they don't want to keep them on bench. In fact, during the last few months, bench strength of most IT firms has gone down to about 5-6 per cent as against over 12 per cent one year ago,” he said.**