

From towering glass-sealed skyscrapers to sunflower fields, Indian workplaces are getting a new address. We are now witnessing a seismic shift in the way multinational enterprises approach talent sourcing.

The hunt has moved from major Indian cities like Bengaluru, Delhi, Mumbai, Hyderabad and more toward smaller cities like Chandigarh, Ahmadabad, Indore, Coimbatore and similar.

Once peripheral, these new wave of regions are top attractions for organizations to source, nurture, and deploy

niche talent.



Go Local, Go Global they say, and the reverse is happening right now, where global enterpirses are going local by setting up their GCCs and data centers in India's tier 2 and 3 cities.

Driven by a massive demand for localized speed, latency, increased integration of edge computing, and supportive

policies and initiatives from local governments, we are witnessing the rise of non-metros as operational and talent hubs.



The Great Migration – Challenges In Tier I Cities

At the other end of the spectrum lies challenges associated with sourcing talent in India's tier 1 cities:

- A high cost of acquisition
- Limited availability of candidates
- Long, manual onboarding cycles
- Significant attrition post offer letter rollout and more

Talent Demand In Tier 2 & 3 Cities In Numbers

Reports indicate that these cities could account for

35% of the advanced engineers by 2028. Job openings in Al, cybersecurity, and cloud computing have increased

20-38% year-on-year with the rise of GCCs.

Digital literacy in such regions is also rapidly increasing with numbers pointing to north of

30%



Impact On Organizations

- Cost-effective Expansion enterprises and GCCs are strategically reducing their Total Cost Of Operations (TCO), mitigating high costs and saturation of tier I metros.
- Hub-And-One Model businesses are adopting a model that enables them to maintain core functions in tier I cities (the hub) and establishing supporting centers (the one) in smaller cities.
- <10% Attrition Rates as employees value the increased quality of life and the opportunity to build a promising career closer home, enterprises are witnessing reduced attrition as well.

Cost Factors In Numbers – A Highlight Enterprises report up to 30% reduction in their operational costs

- Despite offering competitive salaries, enterprises manage to source talent at a cost lower by 20% compared to tier I cities
- Infrastructure and real estate costs such as rentals for office spaces and warehouses
- are significantly lower by around 30-40%

Challenges In Sourcing Glocal Talent

Statistics report that out of 1.5mn engineers graduating in India every year, only 45% remain employable. Besides, critical challenges exist in tapping potential from 2nd-tier regions:

What appears like a low-hanging fruit also needs cleaning and polishing.

Absence of mentoring and support

Lack of confidence and exposure

Unclear structured career paths and other factors

theory and experiential learning

- Communication and people skills that demand honing and refinment and more

Blended learning models with digital-first content and in-person workshops to balance

Transitioning From Potential To Productivity

- Localized content with contextual real-world scenarios Stronger foundation on communication and power skills
 - Strategic mentorship programs to nurture exposure and expertise
- Targeted training programs that bridge academia and industry requirements and more

Diamonds appear shiny and are sold in cities while they are sourced and polished from the heartlands. Talent is no different. With the right talent strategies and L&D initiatives, enterprises can tap into an incredible pool of talent that can work wonders for them.

Phone: +91 900198 87000