

SPECIAL ISSUE

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for managing tomorrow

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INDIA'S BEST CFOs



S. Mahalingam,
CFO, TCS

A BT-YES Bank study has S. Mahalingam of TCS as India's Best CFO for his efforts at steering the IT services behemoth when growth declined, the rupee yo-yoed and customers disappeared. PG 32

PLUS

PROFILES OF 13 OTHER WINNERS | CFOs WHO BECAME CEOs





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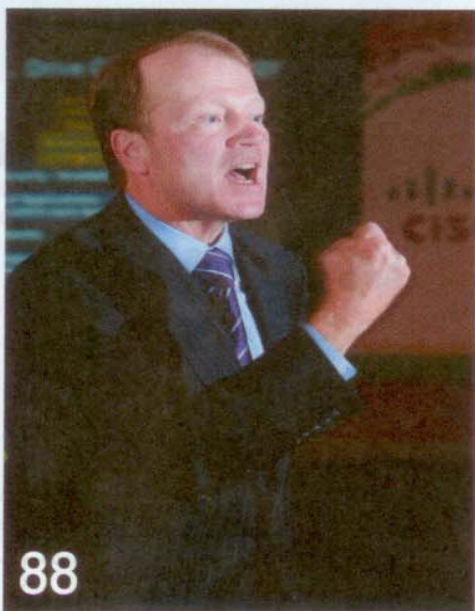
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Matching Aspirations

Recruiting companies were wasting time and money looking for 'employable' candidates among the millions of graduates. So these savvy brothers came up with a match-making test.

MANU KAUSHIK

June 2009: Rahul Yadav, a fresh graduate in computer science from Seth Jai Parkash Mukand Lal Institute of Engineering & Technology in Radaur, Haryana, is keyed up for campus interviews and his ticket to the corporate world. Bad luck: Against the usual half-a-dozen information technology (IT) firms that used to visit the computer science department of the little-known institute earlier, only Tata Consultancy Services (TCS) and i-Flex turned up. And Yadav was not among the 80-odd to get an offer.

"While the downturn had an impact on placements last year, the more compelling reason was the location and unknown brand of my institute," says Yadav. "Most large IT companies chose to hire only from tier-I campuses and cities." (Radaur is 170 km from Delhi.)

For the next six months, Yadav kept looking for jobs. He got some offers from business process outsourcing (BPO) firms, but that was not the industry he wanted to work for. In January this year, a friend told him about the Aspiring Minds Computer Adaptive Test or AMCAT, an employment assessment exam, and he tried his hand at it in February. Based on his good score, Aspiring Minds asked him to turn up at a recruitment event at the Dehradun Institute of Technology (DIT).

March 2010: Mphasis appoints Yadav as a trainee software engineer at a salary of Rs 2.5 lakh per annum.

Yadav is not a one-off example: Aspiring Minds' AMCAT has opened a portal of opportunity for hundreds of students studying in tier-II and -III campuses who until recently were being ignored by big-name recruiters not keen to send their teams all over the place to look for talent.

Proof of AMCAT's success lies in

the numbers: since the first test in 2007, over 1.4 lakh candidates from 400 engineering and management colleges and universities have taken different modules, giving recruiters linked to Aspiring Minds a huge pool of tested talent to choose from.

India has an estimated 60 million graduates. How do you create a market for jobs for them, asks Tarun Khanna, Harvard Business School professor. "Aspiring Minds provides the credibility to the guy from Bareilly

AMCAT

What it is

- ✓ Computerised test, based on employer's selection criteria.
- ✓ Same test for graduates from IIT and ordinary engineering college.
- ✓ Test becomes harder or easier depending on response to each question.

What it does

- ✓ Helps employers find 'right' candidates.
- ✓ Lowers the cost of reaching out to tier-II and -III colleges.
- ✓ Provides more opportunities to students from small colleges.

or Madurai. Now, people are coming and asking how they can take the model to Indonesia or China," says Khanna, who has personally invested in the venture.

Testing Times

It was 2007, and Himanshu Aggarwal, an alumnus of IIT Delhi, had come back to India with plans of starting his own business after working in the US for over four years. The IT landscape had not yet turned bleak: the IT and IT-enabled services industry was grow-

ing 30 per cent a year and the main problem was the lack of "employable" graduates.

"The idea of this business came when I saw that the industry was crying for the 'right' people even though the education system was churning out so many engineers," recalls Himanshu. "I was confident that a common nation-wide assessment test for jobs would address this problem."

He called up younger brother Varun, who was in the US planning a doctorate in artificial intelligence at the Massachusetts Institute of Technology (MIT), having completed his Master's in statistics, and invited him to join his startup, Aspiring Minds. "Varun got convinced and prepared the first test draft by October 2007," Himanshu recalls.

The test had four modules—English, quantitative ability, logical ability and computer programming. Later, they added more modules, taking the number to 18, covering everything from aptitude and skills to personality assessment. Candidates have to opt for four to six modules per test, depending on their preferred job profile. In the first year, some 2,500 students took the test. The numbers went up to 22,000 in 2008, 70,000 in 2009 and 55,000 this year.

According to an Aspiring Minds study based on the huge base of students it has tested so far, only one out of six recruiters goes to tier-II and -III campuses even those in big cities, because the cost of going to these campuses is 2-3 times the cost of picking up a graduate from tier-I campuses. But, it found, more than 70 per cent of employable students in the IT sector are in tier-II campuses.

Home Delivery

Typically, Aspiring Minds goes to a recruiting company and offers a complete end-to-end assessment deliv-

ery and recruitment support. Once a company partners with it, Aspiring Minds conducts an internal exam within that company on a set of employees to create a benchmarking tool for selecting candidates from its existing database. Aspiring Minds also invites the filtered candidates and organises interviews.

The entire offering costs a company around Rs 3,500 per job offer, which is almost one-third of what it costs to go to tier-II and -III campus. "There are instances when a company asks us to visit a cam-



MONEY SHARMA

health care and retail."

With its unique model, Aspiring Minds has plans to cater to other sectors like retail and health care. "Besides staying aligned to the industry needs, the key challenge is to cater to more and more sectors," says Neeti Sharma, Co-founder & Vice President, TeamLease Services.

Aspiring Minds also aims to add 2.5-3 lakh unique candidates to its database this year covering over 900 campuses. Not a difficult task, since graduate-level test-takers—B.Sc., B.Com, BA, BBA and BCA—ac-

"In the past, we have often missed out in hiring the right candidates for the jobs through our internal testing methods. Aspiring Minds' scientific tests assess the true abilities of candidates on various parameters"

HUSSAIN MALIK/ General Manager (Recruitment)/ HCL Technologies

pus, but we don't charge more for that exercise," says Himanshu.

Today, Aspiring Minds has a client base of 60 companies, such as HCL Technologies, Microsoft Research, Evalueserve, Godrej, Accor Hospitality and SKS Microfinance. "We will be adding another 100 companies of different sizes this year," says Himanshu.

Until March this year, over 5,000 AMCAT products have been hired by various companies in the IT/ITES, the banking, financial services and insurance sector, consulting, pharma, microfinance and hospitality space.

Since AMCAT is offered in multiple subjects, it helps diverse students get placements. Different companies look at different combinations of these scores, and some companies do not even look at all scores. So, students not performing well in a subject or two still have a very good employment chance. For instance, some software companies do not care about the English score if the job is not client-facing; many companies do not look at computer programming score if the candidate has high aptitude.

Says Hussain Malik, General Manager (Recruitment), HCL Tech: "In the past, we have often missed out in hiring the right candidates for the jobs through our internal testing methods. Aspiring Minds' scientific tests assess the true abilities of candidates on various parameters." HCL Tech has hired more than 1,000 people in the last three months based on their AMCAT scores.

Grabbing Mindshare

Bangalore-based MeritTrac Services is another major pre-recruitment assessment firm, but its business model is different. MeritTrac conducts tests according to the needs of its corporate customers in both offline (paper-pencil) and online format. So MeritTrac just creates and administers the test, and gives the scores to its client. The client has to get the candidates. Madan Padaki, Co-founder & CEO, MeritTrac, says: "Since our inception 10 years ago, we have assessed over 2.5 million candidates for over 250 clients in about 15 sectors such as IT, BPO, BFSI,

count for 12 per cent of its database, and India produces over 2.3 million graduates every year, against eight lakh MBAs, engineers and MCAs. "The large base at the graduate-level presents an enormous opportunity," says Varun. Aspiring Minds charges Rs 300 per test from individuals but offers discounts to institutes that serve up large numbers of students.

"This year has been particularly good so far. The number of candidates is growing by around 12,000 every month. Now that the downturn is over, we expect the number to go up to 20,000 a month by August," says Varun. AMCAT is available in English, Hindi and Telugu.