

# Indian IT Staffing Report 2024

Sectoral & State IT Staffing Employment Trends  
Indian Staffing Federation



DATA ANALYSIS

Research conducted by EY

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# Foreword



The Indian IT flexi staffing market is poised for an exciting trajectory, as we release the Indian Staffing Federation IT Staffing Report 2024. The report predicts growth from USD 4.9 billion in FY 2024 to a robust USD 5.6 billion by FY 2026, reflecting a commendable compound annual growth rate (CAGR) of 7%. This upward trend signifies not only the increasing reliance on flexible employment solutions but also showcases the dynamic evolution of India's tech landscape. Companies are increasingly embracing agile workforce strategies to navigate rapid changes in technology and client demands, leading to enhanced efficiency and innovation. The report underlines how organizations are leveraging flexi staffing models to tap into specialized skill sets while maintaining cost-effectiveness—a strategy that resonates well with startups and established enterprises alike. As digital transformation accelerates across sectors, this growth forecast underscores an optimistic outlook for both employers seeking talent agility and individuals looking for diverse career opportunities within the vibrant Indian IT ecosystem.

The positive outlook encapsulated in this report serves not only as a roadmap for businesses looking to navigate their staffing strategies but also as an inspiring testament to India's position as a formidable player on the global tech stage.

## **Lohit Bhatia**

President, Indian Staffing Federation



# Foreword



The Indian Staffing Federation IT Staffing Report 2024 reveals a vibrant landscape where the IT/ITeS/ GCC sector dominates, accounting for an impressive 51% of the total market value in flexi staffing. This significant contribution not only highlights the sector's robust growth but also underscores its pivotal role in shaping employment trends across India. With a complementary workforce share of 49%, these sectors are harnessing flexible staffing solutions to adapt swiftly to evolving technological demands and project requirements. The findings showcase how organizations within this ecosystem are embracing agility and innovation, empowering talent with diverse opportunities while fostering a dynamic work environment that benefits both employers and employees alike. As businesses continue to navigate change, this interplay between flexibility and skilled workforce, positions the Indian IT sector as a beacon of resilience and adaptability in today's competitive marketplace.

**Manmeet Singh**, Vice President, Indian Staffing Federation



The Indian Staffing Federation IT Staffing Report 2024, emerges as a beacon of optimism in the rapidly evolving landscape of India's information technology and flexi staffing sector. This comprehensive report meticulously analyzes the current trends and future projections within the IT staffing industry, highlighting a robust growth trajectory fueled by technological advancements and an ever-increasing demand for skilled professionals. With insights drawn from extensive research and data analytics, the study conducted by EY, celebrates the resilience of Indian talent amidst global challenges, showcasing innovative hiring practices and emerging job roles that are set to redefine workforce dynamics. The report further emphasizes how various geographies within India are developing strengths in the tech landscape and which sectors are leveraging AI/automation to enhance productivity while simultaneously advocating for upskilling initiatives that empower employees to thrive in this digital age.

**Suchita Dutta**, Executive Director, Indian Staffing Federation

# Acknowledgement

The Indian Staffing Federation IT staffing Report 2024 stands as a testament to the unwavering dedication and relentless efforts of its Executive Board and Committee Members, whose hard labor and rigorous research have been instrumental in bringing this comprehensive study to fruition. With each data point meticulously gathered and analyzed, their collaborative spirit shone brightly, reflecting a shared commitment to illuminating the evolving landscape of IT staffing in India. The insightful contributions from these passionate professionals not only enriched the findings but also underscored the collective vision for fostering growth within this dynamic sector. Their expertise provided invaluable perspectives that transformed complex challenges into actionable strategies, ensuring that this report serves as a pivotal resource for stakeholders aiming to navigate the intricacies of an ever-changing market. The tireless guidance has truly crafted this remarkable report through their combined wisdom and perseverance.

- R P Yadav, Board Member & Research Committee Co-Chair, Indian Staffing Federation (CMD, Genius Consultants Ltd.)
- Sanju Ballurkar, Board Member & Research Committee Co-Chair, Indian Staffing Federation (President Experis, ManpowerGroup Services India Pvt. Ltd.)
- Sunil Chemmankotil, IT Staffing Research Committee & Corporate Member, Indian Staffing Federation (India Country Manager, Adecco India Pvt. Ltd.)
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- Neeti Sharma, IT Research Committee and Corporate Member (CEO, Teamlease Digital)





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**Executive  
Summary**

# Executive Summary



**USD 114.7 Bn**

Global IT Flexi Staffing Market size is USD 114.7 Bn in FY 24



Indian IT Flexi Staffing Industry is expected to grow at a **CAGR of 7% from FY 24 to FY 26**



**IT/ITeS/GCC accounts for 51% of the total market value** of IT Flexi Staffing. It also has a highest combined **IT Flexi Staffing Workforce of 296 K**



**USD 4.9 Bn**

Indian IT Flexi Staffing Market size is USD 4.9 Bn in FY 24



**IT Flexi Workforce penetration is 5.5%** for system integrators (IT & ITeS) and **8.2% for GCCs**



**597 K**

IT Flexi Staffing Workforce in India is 597 K and **IT Flexi Workforce penetration in India is 8.2%**



**BFSI & Fintech has the highest IT Flexi Workforce penetration at 17.1%** followed by Logistics, Energy & Utilities at 14.6%



**Karnataka has the largest IT Flexi Market size in the country** with a market value of **USD 1.4 Bn** followed by Telangana & Maharashtra



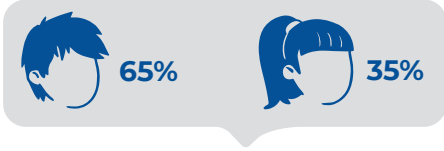
**Karnataka, Telangana, Maharashtra, Tamil Nadu and Delhi NCR** are the 5 states dominating the IT Flexi Staffing Industry in India with a **combined market value of USD 2.8 Bn** which is **57% of the total Market Value**





# Executive Summary

## Gender Ratio



**Media & Entertainment Sector leads in gender diversity in IT Flexi Staffing Workforce hiring**, thanks to its inclusive work culture and equal opportunities for both genders



**Delhi NCR has the most balanced gender ratio in the IT Flexi Staffing industry**, with 55% male employees & 45% female employees



**BFSI & Fintech** show significant growth potential, forecasting increased demand for tech talent in the sector due to digital transformation initiatives like **Open Banking & Fintech adoption**



**GCC's show higher penetration (8.2%) as compared to IT/ITeS.** This is primarily due to the fast pace with which GCC's are being setup in India & a high preference for flexible staffing model



**Telecom sector is expected to grow by 25% in FY 25.** This expected growth can be attributed to **Digital Transformation and diversification of product portfolio**



**The IT flexi staffing workforce is typically hired for 12 to 24 months** in both IT and non-IT sectors within an experience range of 5-10 years



38% of organizations cited **ease of doing business and talent availability** as the main reasons for considering IT flexi staffing across different cities

### Top Cities with demand for IT Flexi Staffing Workforce

- Bengaluru
- Hyderabad
- Chennai
- Mumbai
- Kolkata
- Delhi NCR

### Emerging Cities with demand for IT Flexi Staffing Workforce

- Ahmedabad
- Coimbatore
- Vishakhapatnam
- Surat
- Kochi
- Nagpur

# About Indian Staffing Federation

Indian Staffing Federation, is an apex (industry) body representing manpower outsourcing industry in India. The federation works towards one common goal - Staffing India's Growth. Founded in 2011, the federation represents companies that are either utilizing services or providing services around manpower outsourcing in tripartite engagement.

Manpower Outsourcing (Staffing), an established form of outsourcing globally, is recognized and adopted as an effective means of running businesses. The Manpower Outsourcing industry is broadly sub-segmented as Temporary/Flexi Staffing, Facility Management or Security Services companies, who provide formal employment to its job seekers. The formal staffing industry provides a platform for recognized employment, work choice, even compensation, annual benefits and health benefits for the temporary workforce that constitutes around 40% of India's total workforce.

The purpose of ISF is to enhance long-term growth of the staffing industry and to ensure its continued ability to make positive contributions to the economy and society. The principal focus of the Federation's activities is to strengthen triangular employment relationships, in which the staffing company is the employer of the temporary worker, who works under the supervision of the user company.

ISF today comprises of over 130 member companies who collectively provide employment to over 1.7 million people throughout the country.

# Practices of organized staffing – The Differentiators

The organized staffing firms mandatorily ensure that all the statutory provisions in place to protect the interest of the workers are adhered to. Employees are paid wages at par with the prevalent market rates, subject to compliance with the Minimum Wages Act. Similarly, benefits like Provident Fund, medical and insurance coverage under ESIC are also provided to each of the employees. Staffing companies are required to adhere to the labor laws like

- Minimum wage Act
- Provident Fund Act
- CLR Act
- ESIC Act
- Industrial Dispute Act
- Gratuity Act

In addition, the organized players also follow the practices mentioned below:

- Not charging flexible employees for placement
- Generating salary slips/wage receipts for every flexible employee
- Run an accurate pay roll system
- Issuing appointment letters giving all the terms and conditions of employment

Indian Staffing Federation also suggests the following best practices to its members:

- Paying salaries through proper banking channels
- Support the staff in addressing their issues or concerns around their employment
- Implement grievance redressal mechanism
- Cover the flexi workers under additional group mediclaim and personal accident insurance coverage over and above ESIC requirements
- Organise rewards and recognition programme for high performers in consultation with user enterprises
- Provide skill development opportunities in consultation with user enterprise





## Indian Staffing Federation

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