

Firms may hire 35% more gig workers this festive season

Synopsis

According to Alok Kumar, senior director at Manpower, more than 300,000 job vacancies are expected to be created by companies in ecommerce, logistics, consumer durables and the lifestyle products segments during this year's festival season.



Hiring of 'last-mile' workers may even top 35% if India is able to contain or prevent the much-feared third Covid-19 wave, said experts.

Companies in ecommerce, food-tech, logistics and retail are likely to increase hiring of temporary workers for the upcoming festival season by 20-35%, according to staffing firms, to meet an expected surge in demand driven by discounts and catchy offers.

Staffing and recruitment firms Adecco, Randstad, Manpower, Qess, CIEL HR

Services and **TeamLease** NSE -0.07% told ET that most companies in these segments are bullish about an uptick in festival-season demand led by a rebound in consumer confidence after the ebbing of the second Covid-19 wave.

The demand for more hands is expected in the delivery, logistics, warehouse, sorting and packing segments, they said.

Ecommerce and logistics players are seen hiring more to meet the expected surge in orders.

Yeshab Giri, director of staffing at **Randstad India**, said seasonal hiring of temporary staff in 2019 was 15% higher than in 2018, while in 2020 the growth was 20%, largely due to demand from tier 2 & 3 cities.

"The year 2021 has seen a surge in demand for new temp staff, which is likely to be close to 35% higher than last year, as most offline retailers have gone digital," said Giri.

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This could also push up variable pay this year, according to experts. "Primarily due to increase in the fuel cost and the surge in per day delivery numbers, the variable earnings per delivery have gone up, which is benefitting the front-line executives," Kumar said.

Salaries, too, are expected to increase—from Rs 18,000 per month, including all benefits, to more than Rs 20,000—said Rituparna Chakraborty, cofounder of TeamLease Services.

“Festive sales are expected to register a 40% growth over the previous year, driven by purchases from tier 3 and 4 cities,” Chakraborty said.

Lohit Bhatia, president of Workforce Management at Quesst Corp., pegged the demand for temporary workers at 30%, but said the number may rise given that ecommerce and logistics companies are hiring more than before.

According to Aditya Mishra, CEO, CIEL HR Services, the variable pay volumes may go up by 20% this year. In comparison with others, CIEL is experiencing a more bullish demand of about 50% from its clients.

“There is a rise in demand for delivery partners, picker/packers, store promoters, logistics staff, field sales executives, customer care executives and more,” said Manu Saigal, director, general staffing, Adecco India. Saigal put the expected growth in seasonal hiring at 20-30%.

Last year, Amazon and Flipkart had together created 170,000 seasonal jobs around the festive season. These companies, along with Myntra, confirmed that they are hiring aggressively this year, too, to prepare for the expected surge in online shopping.

“The hiring will be in line with business and festive months which have traditionally seen increased hiring every year,” said a Flipkart spokesperson. From March to May alone this year, Flipkart has hired over 23,000 people across the country.

Its rival Amazon is also gearing up for the season. “This year too, we will welcome seasonal associates...as they join more than tens of thousands of our associates at fulfilment centres and delivery network,” said a spokesperson for Amazon.

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