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IBM headcount in India close to 25,000

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Bangalore: IBM's headcount in India is inching closer to the 25,000 mark as the Big Blue has ramped up its operations aggressively over the last few quarters.

IBM increased its India employee base to 23,000 as of end-2004 compared to 9,000 at end-2003, a growth of some 150 per cent, said Shanker Annaswamy, Managing Director, IBM India. The company continued to grow its employee base, Annaswamy said even while declining to comment on the latest headcount, citing company policy. Except for the year-end headcount details, IBM does not provide any regular updates on its employee base.

Though bulk of the growth in headcount was on account of the acquisitions that IBM did in 2004, the company has been adding more people in India to execute the increasing number of projects that were off-shored. The buy-outs included the \$170 million Daksh eServices deal that brought in about 6,000 employees into the IBM fold. Also the acquisition of Rational and Trigo, which had development centres in India brought in several hundreds of developers into the IBM fold.

Industry sources said IBM continues to hire aggressively for its global services division and the business process outsourcing outfit. Most of the hires are laterals and the company has been hiring people for its operations in Bangalore, Kolkatta and Gurgaon. IBM could be adding on an average of over 500 people every month, sources said.

Considering the fact that the company has been aggressive in moving jobs overseas, especially to countries such as India and China, and the ramp-up happening on an ongoing basis, IBM's headcount in India could have easily crossed the 25,000 mark till date, sources said.

IBM recently announced that it would slash some 13,000 jobs, mainly in Europe to cut costs. Sources said some of those jobs may land up in India as the company is expected to move some of its operations out of Western Europe to lower-cost regions.

Apart from IBM, other technology majors such as Hewlett Packard, Dell and Accenture are seen aggressively hiring in India as they shift more projects to reduce their costs.

These technology majors can get their work in India at a fraction of the costs in the US.

The National Association of Software and Services Companies has predicted that the movement of jobs from western countries to India could touch 1.2 million by 2008 and bring in revenues of between \$21-24 billion.

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