



## SALES DOMAIN HAS THE POTENTIAL TO CREATE 2.5 MILLION JOBS OVER THE NEXT 3 YEARS -STATES TEAMLEASE

*~10 regulatory reforms can create 10 million sales jobs~*

**Bangalore, March 07, 2018:** While manufacturing accounted for the bulk of jobs created in some of the developed countries, the potential to spearhead India's transition from farm-to-non-farm -jobs is with sales domain states TeamLease analysis. Sales domain has the potential to create 2.5 million jobs in the next 3 years. In fact, with the 10 regulatory reforms **1) Consolidation of 44 central labour laws into 4 labour codes 2) Unique Enterprise Number (UEN) 3) Employee Salary Choice 4) PPC Compliance Portal 5) The Factories Amendment Bill 2016 6) Small Factories Act 7) Amendments in Contract Labour and Regulation Act 1970 8) Amendments in Industrial Disputes Act 1947 9) Amendments in Trade Union Act 1926 10) Adoption of the Model Shops and Establishment Act.** The profile has the ability to create more than 10 million jobs in a span of three years.

The job creation in the sales domain will be largely driven by organized retail sector (50%) and FMCG/FMCD (30%). According to the analysis, a combination of macro-economic, strategic and technological factors like GST, FDI, digitization and Artificial Intelligence (AI) will help in realizing the exponential opportunities the domain presents. Successful implementation of GST alone can add up to 12% additional sales jobs in certain sectors while FDI can create as much as 50% more sales jobs.

### **KEY FINDINGS OF THE SURVEY**

- *The sales domain in India has the potential to create 2.5 million jobs over the next 3 years, without any structural reform. And, 10 million sales jobs with structural reforms*
  - *FMCG / FMCD >> potential to create 30% of the 2.5 million jobs*
  - *Organized Retail >> potential to create 50% of these jobs*
- *The immense job creation potential could be realized through a combination of macro-economic, strategic and technological factors*
  - *A successful GST >> up to 12% additional sales jobs in certain sectors*
  - *FDI potential >> 50% more sales jobs*
  - *E-payments >> 8% and AI >> 15% to 25%*
- *A severe demand-supply mismatch across sectors needs to be addressed by initiatives that encourage skill development and cross-industry and cross-location talent mobility*
  - *BFSI and Automotive has a relatively larger sales talent pool in Hyderabad, Chennai, Pune, Kolkata and Ahmedabad which could help fill deficiency in other sectors*
- *While the function has kept pace with the times, Sales skills are a critical deficiency across sectors, and across all levels of an organization*
  - *Sales skill deficiency >> Organized Retail and Tourism (65%), Travel & Hospitality (35%)*
  - *Demand-versus-supply skill gaps >> up to 18% in Negotiation / Persuasive Skills, Market Trends and Tech Skills*
- *Growth and investments, capacity creation / expansion and innovation are the major drivers of sales jobs in FMCG, FMCD, Retail and Ecommerce*
  - *Positive macro-economic factors will result in incremental 170 K jobs in FMCG and 260 K in FMCD during 2018-2021*



- *Retail real estate capacity expansion could potentially add 680K retail sales jobs during 2018-2021*
- *Salary growth prospects as high as 25%*
- *Digital transaction volumes accelerating at 31% will create 122K Merchant Acquirer jobs*
- *The new, 'expanded', sales profile which goes beyond face-to-face and door-to-door sales is valuable to Ecommerce.*
  - *61% of all sales organizations see ecommerce as the biggest threat to retaining talent.*
  - *30% of employers say sales roles most vulnerable*
- *Salary and compensation is what attracts 95% professionals to sales while career growth opportunities attract 93%, company culture attracts 90%*

Commenting on the analysis, **Ms. Rituparna Chakraborty, EVP and Co-Founder, TeamLease Services** said, "By just doing 10 regulatory reforms we can create 10 millions sales jobs and this is an opportunity India which is at a critical demographic crossroad, simply cant lose out on. The urbanization, rising middle class and a free-spending younger generation coupled with business-friendly government reforms have made India to be one of the world's fastest-growing emerging markets. Increased adoption of digital technologies, as well as government's initiatives around GST, regulatory simplification, increasing FDI inflows will further boost the economy. The ability of companies to take advantage of this opportunity will depend on their capability to sell more, sell better and sell faster which in turn will stimulate the demand and make sales the inevitable and most potent profile."

Elaborating on the trend, **Mr. Jia Lal Koundal, Head- Trade Marketing Panasonic India**, said, "In the last decade, the face of retail has changed from old-age Kirana stores in by lanes to Tech-enabled experiential stores, growing exponentially to be a \$1.1 trillion market by 2020. There is a steady growth opportunity of 20% to 25% in the modern retail sector in India. Over 43 million retail employees serve customers on a daily basis. Additionally, analytics and artificial intelligence are playing a critical role in boosting productivity of people. Coupled with the exponential growth in the retail sector along with opportunities for startup retailers to create their own niche there is a bigger market opportunity in terms of collaboration and partnership. The number of sales jobs thus created in the retail sector is going to be tremendous."

According to analysis, owing to rapid industry transformation, market expansion, customer evolution, reach and revenue growth the business models are evolving and so is the sales function across sectors. By 2025 India is set to become the fifth largest consumer durables market in the world and it will have a corresponding impact on sales profile. With FDI inflow of 77K crore between April 2000 and March 2017 the incremental sales job creation resulting from FDI inflow is estimated at around 200k in the next 3 years. Similarly, the retail and ecommerce sector will see an incremental sales job creation of 350K in the next 3 years. Some of the key profiles that will see a huge demand in FMCG are sales representatives, Business Development Officer, Sales Coordinator, Territory Sales In-charge and sales officer. It will contribute to 71.7K incremental job creation. However, in FMCD 60.6K incremental jobs will be contributed by profiles like Cluster manager, Trade sales manager, Inside Sales, Sales trainers and Category Managers. Retail sector will see an incremental job creation of 69K in profiles like Store Manager, Channel sales specialists, Relationship Manager, Sales Executive and Promoter.

Commenting on the potential of the profile, **Mr. Ajay Sachdev, Head Learning, Training and OD, Eureka Forbes**, said, "In the fast evolving world - where technology is impacting lifestyles every day, one thing which remains unchallenged and unchanged is Career for 'Life in Sales'. With a potential to create 2.5



million sales jobs over next 3 years, the growth opportunities in the Sales domain is unmatched for. However, there is a need to showcase the success stories of entrepreneurs who could not succeed without being a salesman at heart. With an ever evolving requirement of consumers, no matter how advanced the products are in terms of technology, personal connect and user experience is the only thing that will help sell the product, which in turn is managed by the sales employees. Thus, a need to embrace sales at the early stage of one's career to unleash the entrepreneur spirit is of utmost importance."

"The e-commerce and technology sector, contrary to popular opinion, will be responsible for the creation of maximum jobs in sales domain. Since these sectors have moved towards unified interface across online and offline, they will now need offline sales people to augment some of the digital sales processes. This will be seen in the physical stores of most online brands right from furniture retailing to grocery stores. The e-commerce companies will need sales force to augment selling at these stores. Also, in payments and financial services the merchant acquirers will have a large need of people who will be required not just for tracking brands but also to synchronize an understanding and making sure the brands understand their products and ways in which they can be engaged." added, **Mr. Mrinal Sinha, COO, Mobikwik Systems**

Apart from traditional sectors new age business driven by the governmental thrust on digital India is also going to add a hundred thousand jobs. The adoption of mobile banking and e-payments will add new profiles such as merchant acquirers. In fact, the profile alone will create around 122K jobs in the next 3 years.

However, as much as there is a demand for talent, the supply is uneven. While BFSI and automotive sectors in cities like Mumbai, Delhi, Kolkata, Chennai and Hyderabad have a surplus of talent, organized retail, Tourism, Travel & Hospitality and Consumer Durables/Goods seems to be struggling with deficit of supply. Organized retail has a shortage of around 65%, tourism, travel & hospitality of around 35% and Consumer Durables/Goods of 30%.

Analyzing a plethora of sectors according to the study, apart from Sales, the other domains that will see a boom in job creation are Engineering & Design, Information Technology, Marketing, Accounts & Accounting and Human Resources.

An in-depth study, the analysis also delves deep into the various factors that govern talent management like attrition. According to the research only 32% of the employees stay with an organization for more than 5 years indicating the need for a robust and comprehensive people management policy. As per the analysis more than 93% of the sales professionals feel selling is repetitive. The second most common reason is poor reputation of the profession.

India's Job Market Salvation: Sales is a comprehensive analysis that brings forth the areas that will contribute to job creation. The analysis covers 10 sectors namely organized retail, consumer durables / goods, construction & real estate, healthcare & pharmaceuticals, beauty and wellness, BFSI, automobile, transportation, logistics, warehousing & packaging, food processing and media and entertainment.

### **About TeamLease Services Limited**



TeamLease Services established in 2002, is one of India's leading human resource service companies in the organized segment. A Fortune India 500 company listed on both NSE & BSE markets, TeamLease has a presence in 8 locations, with over 2500+ clients and 1900 employees across the country. It is a one-stop provider of human resources services to various industries and diverse functional roles, offering staffing, payroll processing, recruitment, compliance and training services. TeamLease set in motion the larger company mission of 'Putting India to Work' by focusing on its vision of 3 E's – Employment, Employability and Education.

The Company in partnership with the Government of Gujarat, set up TeamLease Skills University (TLSU), India's first vocational university, at Vadodara. In FY2015, TeamLease rolled out NETAP (National Employability through Apprenticeship Program) to provide on-the-job training to apprentices. The company at present has over 170,000 associates/trainees spread across the country and has till date given employment to 1.6+ million people with an aim to hire millions more.