

MNCs Lose IIM Interns to SMEs

About 15% of IIM-Kozhikode and 6.5% of IIM-Indore students choose to intern with SMEs and NGOs

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Seldom do you see the likes of Hindustan Unilever, GlaxoSmithKline, Deutsche Bank and HSBC competing for talent with Calicut-based VKC Footwear, V-Guard, AVT group and non-profit organisations such as Janaagraha and Kudumbhasree. Yet, they were — during the recent IIM-Kozhikode internship placements.

There, and in IIM-Indore too, students this year have shown they aint just enticed by the big brands and monies that global corporations offer. Small and medium enterprises (SMEs) and non-profits are attractive too, if challenging roles are on offer. About 15% of the 328 students at IIM-Kozhikode have chosen to intern with SMEs. At IIM-Indore, about 6.5% of the batch — 30 students — has opted to intern with SMEs in 2012.

"This is the first time these South-based (SMEs) are coming to the IIM-K campus," said Arjun Mohan, member, placement committee. The reason, Mohan said, was that some of these companies wanted to

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grow their turnover five-fold in the next five years. And they wanted the right talent. If students get a taste of the possibilities with SMEs during internship, there's a chance they might consider them while deciding on their jobs.

Professor Ashish Sadh, chairman, placements at IIM-Indore, said: "SMEs bring a lot of sector diversity to the campus. They could be operating in businesses like e-waste management to carbon trading to clean water supply." Firms, such as Gurgaon-based e-waste management provider Green Vortex and boutique investment bank ARC Financial Services, have recruited summer interns from IIM-Indore.

At IIM-K, Australia-based investment banking firm Macquarie offered the highest stipend of ₹1.6 lakh. But what worked in the favour of SMEs and non-profits was their job profiles.

Sanish MS needed a lot of thought and "inputs from friends in the corporate world" before he decided to let an offer from an MNC pass in



favour of one from VKC Footwear: "VKC has offered me the sales and marketing profile as any other marketing MNC would do. Apart from that, I would be working on branding their new product

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launch and ideas in the pipeline," he said. "The other advantage I have over working in MNCs is that I would be interacting with the top management of VKC on a daily basis, which would expose me to the day-to-day management activity at an organisational level."

Classmate Manju Nair U has accepted an internship with

the AVT Group. "Many companies are looking to expand beyond the region (South), and such expansions would open up opportunities for more meaty roles during internship," she said.

Companies are dangling the job-profile carrot. Thomas Kadaven, general manager (HR and administration) at AVT McCormick Ingredients and AVT Natural Products, said: "Our company is on an expansion spree and we are looking at second-line employees. We already have first-line employees, who are the experienced people from IIMs. The second line is the freshers from IIMs who can add new and innovative ideas."

Anjan Das Gupta, sales head of Eastern Condiments, said, "We plan to reach a turnover of ₹1,000 crore in the next few years (from ₹500 crore now).

And we need these graduates to give fresh insights for our business growth." It was easy for the Kerala-based group to seek out candidates from Kozhikode.

Green Vortex, which was set up in 2008, has recruited interns from non-IIM schools such as Narsee Monjee Institute of Management Studies, Mumbai, in the past. It offers ₹20,000 as stipend to these students for a two-month internship. This year, it not only took interns from IIM-Indore, but also visited the IIMs at Kozhikode and Lucknow.

Shankar Sharma, co-founder of Green Vortex, said, "In a large company, they would probably work in a specific role and get limited exposure. With us, they can work in various domains such as sales and marketing, finance, HR simultaneously, getting a bigger exposure to running a start-up effectively."

Himanshu Jain, one of the founders of ARC Financial Services, says: "A large investment bank may not involve candidates with every aspect of a deal. We, on the other hand, provide them exposure to every stage of the deal. They get to work on live projects, which add a great deal to their knowledge and understanding of the investment banking industry."

While the increasing lure of the SMEs is evident, candidates still largely prefer a big company when it comes to employment. "Compensation is one major constraint. We can't offer them a salary like an international bank does. In fact, the stipend that we pay is also quite negligible," said ARC's Jain.

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