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Human Resource or HR, as it is commonly known, highlights the contribution of workforce behind the functioning of an organization. Human resource planning is today a very important issue as every business house is bound to plan a prosperous future for all its employees. The HR processes information and delegates it to the various organs of the organization for the smooth and efficient functioning.

Over the past few years, the Indian human resource agencies have grown significantly. This is largely attributed to the change in the mind-set of large Indian companies in two ways:

1. Companies have started increasingly engaging consultants to meet their HR requirements on account of the growing complexity of doing business and talent challenges.

2. They are opting for a temporary staff model to have smaller bench strength to withstand the global economic crisis.

Given this transformation in customer segments, the industry is emerging as more than just a vendor in clientsâ€™ growth plans. The present HR marketplace in India has some individual freelancers, start-ups, small and medium players, as well as large Indian companies and MNCs.

The industry can be broadly divided into permanent recruitment with a market size of Rs 23â€“25 billion, temporary recruitment with a market size of Rs 167-170 billion and other segments with a market size of Rs 33-38 bn The human resource industry in India has grown at a compounded annual growth rate of 21% over the past four years and is estimated to be around Rs 22,800 crore, according to a report by Executive Recruiters Association.

The 'Human Resource Industry Solutions Report 2012' indicates a maturing industry which is moving from being fragmented to getting more organized. The industry has people that are segregated into recruitment, temporary staffing and executive search. HR consultants' image has moved many notches up from being a vendor to that of a partner, who plays a key role in the company's growth trajectory.

The search sector gets its boost from foreign players entering Indian markets and expanding into different geographies and industries. Companies that deal with the automobile, luxury, agricultural and food business that have entered India in the past few years have used human resource agencies to expand further. "The Indian economic, social and cultural landscape is in the middle of unprecedented change. The need for solutions for complex problems of growth, innovation, and professionalization is driving the opportunity for the HR solutions industry in a way that has never been seen before," says Amit Zutshi, Partner in Ernst & Young's.

It was early 2000 when India experienced a tangible transit from a manufacturing to a service dominated nation. There was a gradual shift from job hunting by individuals to mass recruitment by employers. This happened due to emergence of IT and ITES. Our manpower had an edge due to which we became a global outsource destination, the factors being largest English speaking nation primarily and low cost of operations.

The strong growth witnessed by the sector has brought a combination of opportunities as well as challenges. Today, there are dozens of HR consultancy firms in India that offer valuable services and experienced human resource consultants who offer reliable and result oriented services.

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