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Telecom Industry –Growth & Challenges

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Abstract
India's telecom business is expanding quickly. India's telecom industry currently holds the largest market share in the world, with 827 million subscribers as of 2011. In terms of the nation's gross domestic product (GDP), the mobile phone industry contributed 2.1 percent in 2011, which amounted to 1.8593 trillion in added economic value. According to figures from PWC, the telecom sector will generate roughly 1 crore job opportunities in 2011–12. The telecom industry is expanding rapidly, but it is also encountering significant challenges related to government regulations and persistent customer demands for improved customer service.

Introduction
Due to the favourable association between internet and mobile service penetration and GDP growth, the Indian telecom sector has become one of the most important drivers of economic development necessary for the nation's whole socioeconomic growth. After post-liberalization, India's telecom sector has experienced exponential growth, which has really aided the nation's economic progress (Nasit, 2011). Indian telecommunications is poised to become an economic miracle, claim Earnst and Young (2011).In terms of a country's socioeconomic development, they claimed that linking such a thriving frugality with more than a billion persons to one another and with the remaining of the world is an astounding feat. According to Shah (2008), the government of India's policy reforms finished the past 10 years have led to a significant transformation in the growth, technology content, and market structure of India's telecom sector. After liberalization, the industry underwent a significant shift from a government monopoly to a competitive market where a number of private businesses could enter and begin providing services to clients. Tarab (2012) asserts that the sector's government and commercial entity collaboration efforts have significantly improved and are well on their road to growth and development. A number of factors, including the proactive participation of private businesses, foreign direct investment, a series of transformational government initiatives, and wireless technology, contributed significantly to the sector's extraordinary expansion in the country. It has developed into a highly important service that is required for the quick evolution and transformation of many different sectors of the national economy

Objective of the study:-
The objectives of the research study are-
a)To research the development and history of India's telecom industry.
b) To research the trends and potential areas for future growth in the Indian telecom industry in 2011.
c) To study the job opportunity in telecom sector.

Significance of the study
This research helps to understand the importance of telecom industry in creating job opportunity along with the growth & challenges attach to it. Job opportunity in telecom sector are for every level of employees both educated and semi educated are employed. Reason for the same is increase in call centers in order to increase customer care. Customer care is helpful retaining the customers from switching the operator.
There are many research done concerning the customer satisfaction, but the research of job opportunity in telecom industry are very less. This research will also help the researchers who are willing to perform the research in this particular sector.

Limitation of the study
Every study has some restrictions, and this study has the following restriction as well. The following is a discussion of the study's limitations:
- ❖ Some customer did not give proper response.
- ❖ Time, money, and other critical aspect shortages prohibited in-depth investigation, which was the primary reason for the report's limitations.
- ❖ The study is based on limited geographical area only.

Literature Review

According to Rashmi Baruah & Dr. Papori Baruah study ,the study reveal Telecom Sector in India: Past, Present, and Future found that telecom industry's expansion and development have equipped it to play a significant role in India's economic and social advancement. Every functional union and supplier of service in the nation's telecom sector strives to set up top-notch telecom infrastructure in their service areas in order to deliver services to their clients and help the nation advance in the global economy.

Research &Methodology

It is built using secondary data grouped from the Ministry of Communication, Department of Telecommunication, Telecom Regulatory Authority of India, and other sources. Statistical tools including annual growth rate, percentage, and year-by-year market share of various service providers were calculated in order to examine the predetermined targets.

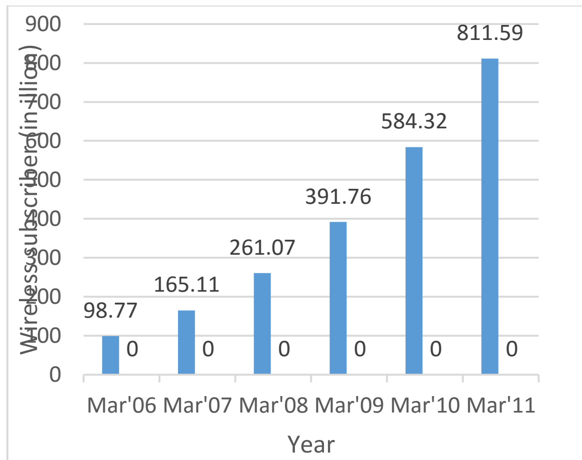
The purpose of this study is to illustrate India's telecom sector's history, evolution, current trends, and future potential. Additionally, the researcher has covered topics including the increase in phone usage, tele-density, public versus private telecom markets, wireless versus wireline divisions, service providers and their market shares, etc. It has been observed that India's telecom industry has had extraordinary growth in recent years, driven in large part by the unprecedented expansion of mobile telephony and groundwork, which not only benefits the telecom industry but also has spillover effects on the entire nation.

Data Analysis & Interpretation

India's telecom sector has experienced phenomenal growth as a result of a number of causes, chief among them being the creation of a fiercely competitive market by the government and regulator, which has resulted in low tariffs and affordable device pricing. The government has kept the market open to a growing amount of competition. Over the past year or so, market competition has intensified even further. This fiercely competitive industry gained another another facet in 2011 with the introduction of Mobile Number Portability (MNP).

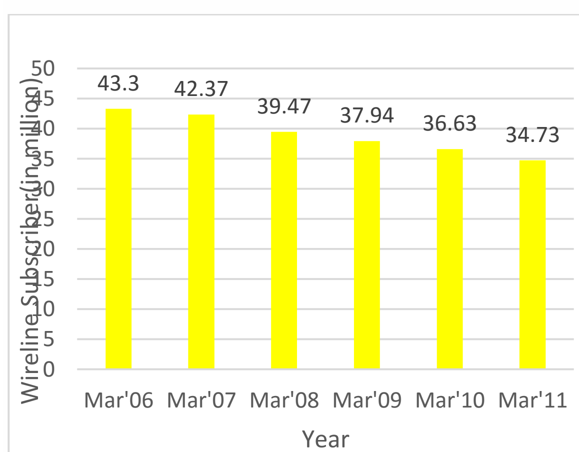
a) Wireless

As of the end of March 2011, there were 811.59 million wireless subscribers, up from 584.32 million at the same time the previous year. In the fiscal Year 2010–11, it further added 227.27 million subscribers, representing an annual progress rate of around 38.89 percent. The number of wireless service subscribers has increased overall, from 98.77 million in March 2006 to 811.59 million in March 2011 but still there are various challenges in order to satisfy subscriber to go wireless. Another equal challenge is compete with the competitor’s technology.



b) Wireline

As of the end of March 2011, there were 34.73 million wireline subscribers, down from 36.96 million at the same time the previous year. This represents a decrease of 2.23 million subscribers from 2010 to 2011. 26.04 million of the 34.73 million wireline users are in urban areas, and the remaining 8.69 million are in rural areas. the situation of wireline subscribers throughout the previous six years. Lack of fixed line penetration is the main challenge in wire-line because India has very few penetration of fixed line in its network.

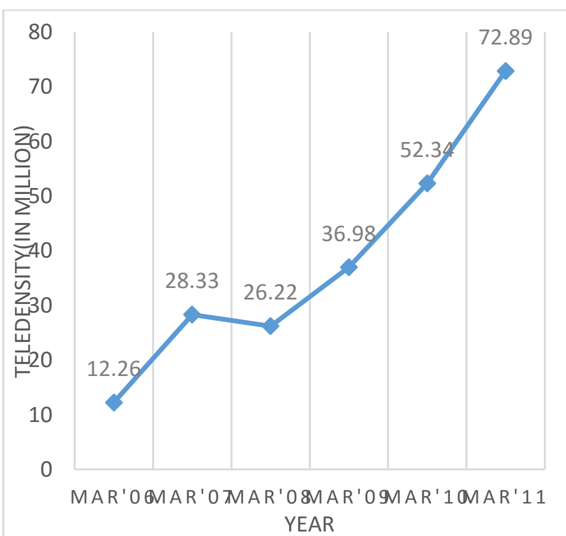


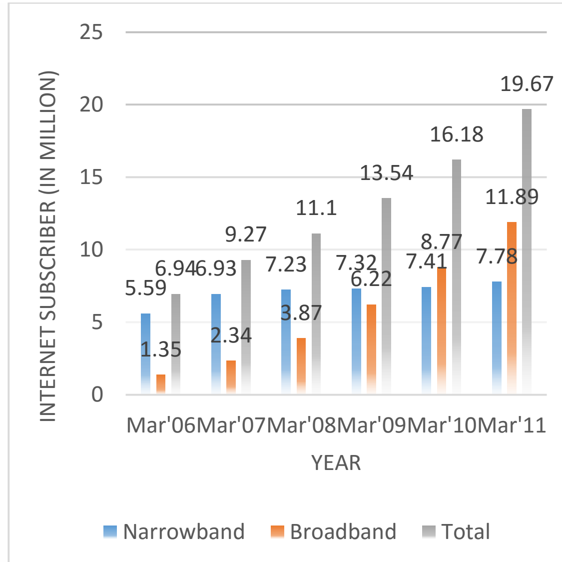
c) Teledensity

By the end of March 2011, the tele-density had risen to 70.89 from 52.74 at the end of the preceding year, an almost 18.15 growth. From March 2006, teledensity has been growing.Even if some service provider accomplish modest gains in main telephone lines, the teledensity is still static due to the ever-growing population.

d) Internet subscribers

The number of Internet subscribers in the nation increased from 16.18 million on March 31, 2010, to 19.67 million on March 31, 2011, a 21.56 percent annual growth rate. In comparison to 8.77 million on March 31, 2010, the total number of broadband subscribers has increased to 11.89 million as of March 31. This represents a net addition of 3.12 million broadband subscribers during the fiscal year 2010–2011, representing a growth rate of 35.57 percent. Although number of subscribers has increased but educating rural population about the internet is the great challenge along with this service provider have to incur huge initial fixed cost for both rural and semi-rural areas.





In India, there are numerous mobile network operators, each with a unique user base and market share. Their subscriber base and market share for the years 2010 and 2011 are shown in the table below. Companies that were active in 2010 and 2011 were:

1. Spice Telecom
2. Tata Teleservices
3. Uninor (Unitech)
4. Videocon
5. Vodafone Essar (formerly Hutchison Essar Telecom
6. Dishnet/Aircel
7. Bharat Sanchar Nigam Ltd (BSNL)
8. Bharti Airtel
9. Data Access
10. Etisalat DB Telecom (Swan Telecom)
11. Hughes Telecom
12. SpiceIdea/
13. BPL Mobile (formerly loop Mobile)
14. Mahanagar Telephone Nigam Limited (MTNL)
15. Reliance Communications
16. S Tel
17. Sistema

Operators	Subscriber Base(in million)		
	Rural Subscriber	Urban Subscriber	Total Subscriber
BSNL	8.64	16.58	25.22
MTNL	-	3.46	3.46
Bharti	-	3.30	3.30
Tata	0.04	1.24	1.28
Reliance	0.002	1.23	1.232

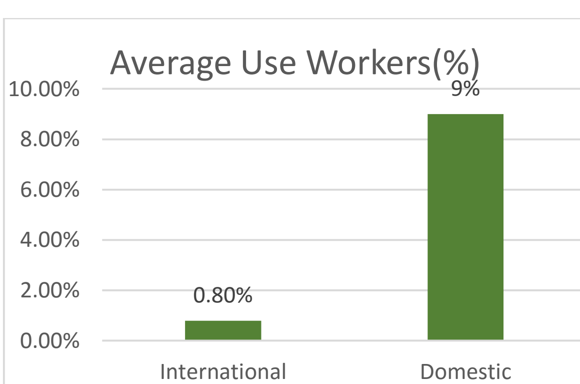
Quadrant(HFCL)	-	0.19	0.19
Sistema	0.005	0.03	0.04

The rapid expansion of the call centre sector is a global phenomena driven by information technology advancements and the sharp drop in the cost of voice and data broadcast over the past 2 decades. In the last five years, call centres in India have seen phenomenal expansion as a component of this worldwide sector. They are responsible for 70% of the BPO(Business Process Outsourcing)sector's revenues in India.

Managing the recruiting, employment, training and retention of employees and managers with the necessary skills and competencies to deliver excellent service has become more difficult as a result of this rapid development. This paper focuses on these crucial human resource problems and provides managers with organised benchmarking data. Based on a survey conducted on-site at 60 contact centres in the following cities like Bangalore, Bombay, Chennai, Delhi, Hyderbad, and Kolkata.

With the rapid development in telecom industry , growth and development of the society at alarge will take place as a result more job opportunity will take place. An article published "telecom sector to create 1 cr jobs"According to a PwC research, the Indian telecom sector will employ close to 1cr people by 2012. By 2012, the telecom sector will generate around 28 lakh direct jobs and over 70 lakh unplanned jobs, according to a research conducted by PwC under contract for the COAI (Cellular Operators Association of India).

In the Indian setting, theexertionof part-time and temporary labour is incredibly low. According to this report, part-time and temporary workers make up on average 9% of the national call centre labor force and a pitiful 0.8 % of the overseas call centre staff.



Focusing on the proportion of the workforce that is full-time and permanent is one more technique to examine staffing strategies. This is the more conventional method, and it gives workers a clear indication that their jobs are secure. In this survey, the majority of call centre employees—95 percent—have steady, full-time jobs. Nation's Call centres employed about 92 percent of their personnel as permanent, full-time hires, compared to 99 percent of their workforce at international call center.

Conclusion & Recommendations

India's mobile market continued to expand through 2011 in a boom mode. With 827 million mobile subscribers by April 2011, the country has reached 69 percent saturation. In 2011, the mobile market was still growing at a rate of over 40% per year. With 85% of the mobile subscriber market, GSM was reaffirming its position as the leading mobile technology as CDMA continued to lag behind.As of April 2011, there were 12 million broadband Internet subscribers, representing a saturation rate of 1% of the population. Although DSL continued to hold a roughly 85% share of the local broadband market, it was steadily losing share to alternative non-DSL internet platforms, particularly wireless broadband platforms. The number of call centres will expand, which will mean that more educated and semi-educated people will have career prospects.

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