



Poaching: It's all fair in the CgA jungle. Only look who is in trouble? Rude shock for the animator; and ruder shocks for the animation factories who get zonked in a dog eat dog world.

Poaching Animators

The mystery of the missing animators

Poaching animators is a big problem in the Indian animation industry. In the run for outsourcing animation projects, new start ups without any background in animation creation resort to unscrupulous manpower hunting. The fact of Poaching itself reflects the shortage of credible and trained manpower. On the other hand there is a desperate desire and belief in animation outsourcing potential and growth. The animation industry in India is barely worth US \$ 250 million today; but everybody in the animation industry declares and challenges that the animation industry will explode to billions of dollars. This can only happen if the manpower is available to animate the revenues.

*Ranjit Singh articulates the state of the manpower problem in this exclusive submission to **Studio Systems**.*



The animation industry in India is growing on a daily basis and at quite a healthy rate. This steady growth has brought about many changes to the industry as well as its related economy. However as expected it has its share of negatives and the one that is beginning to bother us the most

is –Poaching. It's not that poaching is a new phenomenon, it's been around since the early days, however rising stakes and risks have ensured that it hurts a bit more.

CGA 2004, FICCI FRAMES 2004, World Animation Day, Animation India 2005 are among a host of animation related events that have added to the excitement. We have been quite successful in putting forth destination India as the next stop for animation. Interestingly most of these seminars and sessions have now started paying attention to the basic requirement in animation –the artist. Thankfully at least some industry leaders are accepting (although in hushed tones) that there exists a problem with our consistency, talent pool and infrastructure, not insurmountable, but still very relevant and urgent.

For any industry to reach a position of global strength, I believe there are a few essentials that come to mind. Strong fundamentals, efficient infrastructure, pro-active approach, long-term objectives, collaborative attitude, recognition for self-regulation, state as a facilitator.

Genuine self-assessment will undoubtedly provide answers to the question – Is India really the next destination?

I believe, currently a lot is desired in talent development and basic infrastructure. We might achieve the distinction of being the most inexpensive workforce but short-term goals of bagging the next contract without paying adequate attention towards basics is dangerous and is doing long-term damage to brand India. Undeniably, the biggest factor in any brand development is credibility. It was indeed heartening to see a downgraded (closer to realistic) projection of the Indian animation scenario at NASSCOM '05. To better understand the problem of poaching and to hopefully find a lasting solution, a look at the following may help.

Limited talent-pool

No secret here, that we have a serious shortage of talent. Precious little is being done to alleviate this problem. I'm personally glad to see that my 12-part series on the importance of industry participation in training has evoked strong positive comments from a large section of the industry including those in the business of training. The problem is simple – we just don't have the numbers. It is the same faces doing rounds of different studios on contract. The minute one studio gets a project there is a mad rush to fill up seats. There are a limited number

of artists who can be approached. Little surprise that when more than one project is underway the entire system is under pressure and poaching saves the day! There is no level-2 or level-3 bench unlike the IT sector and thus drawing a parallel with that industry itself is incorrect.

AW dated Jan 18, 2005 reported that the lack of labor in India has spurred one of the leading game development studios to set up a facility in China. While for some this may come as a surprise or shock, this was inevitable. Indian demand for talent has increased exponentially and supply has lagged behind. In such circumstances companies are compelled to snatch talent from

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each other as and when required. At least setting up a facility in a foreign land may immunize a company from poaching (for some time at least). However on a more serious note this development should not be brushed away as an aberration. It will take one success story from across the borders to initiate change.

Investments v/s returns

Returns in this industry are not commensurate with the investments required, at least not in the short run. In simple terms it costs a lot of money for capital expenditure, once that is done wouldn't it be a huge saving if you don't have to spend on talent development. It's surely more lucrative to grab someone else's experienced team. Poaching is a short cut solution and successful too considering that there is realistically very little an employer can do. This problem is further

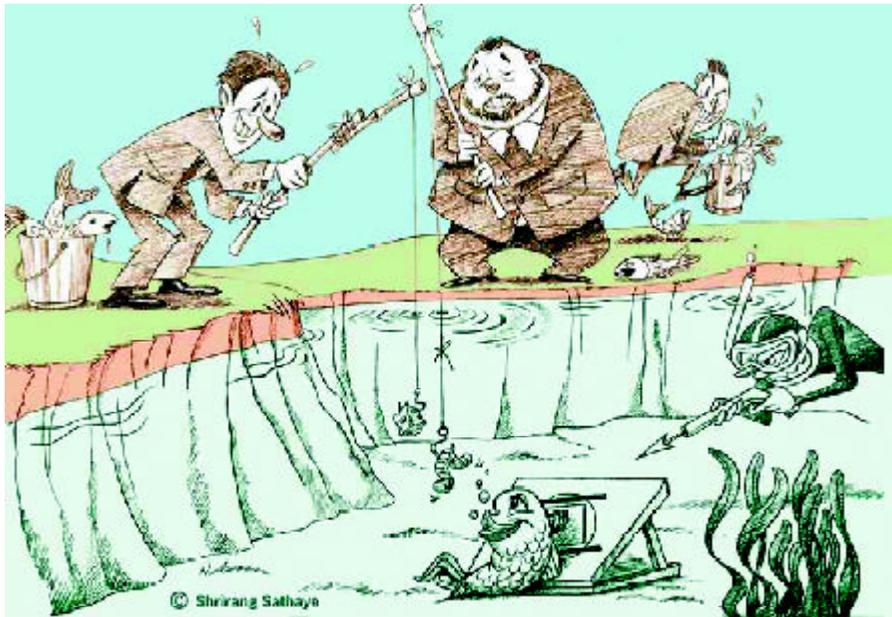
compounded since there is no dearth of misinformed investors. With so much expectation in the air on how animation is going to change the face of modern India, quite a few early birds have begun fishing and more are sure to arrive on scene. In such a situation it's the responsibility of the entire industry to tread cautiously. While we should encourage long-term players who are interested in this business because they see the larger picture we have to be selfish and on guard from destructive fly-by-night operators. As the number of players increase this already talent-starved industry is going to face tremendous pressures to fight off poaching and unethical business practices.

Work conditions and talent retention

On large-scale projects, 2-3 shifts per day are quite common. However non-stop repetitive work creates an extremely vulnerable team of artists. Little wonder that they are eager to jump to 'lucrative' offers which give them an opportunity to do different things. Most artists (computer and traditional) that I have met are extremely concerned about their quality of work and at the same time are quite clear that if their contributions to the larger picture are not adequately recognized, they will look for other opportunities. Why should anyone blame the artists if they are offered better conditions (read compensation)? Thinking from the perspective of the other person to see what compulsions, needs, desires and wants exist and to what extent are they being fulfilled may help solve the problem before it rears its head.

Job rotation, paid leave, medical benefits, housing solutions, incentive-based pay, on-time payments, easy loans, allowances and reimbursements etc., surprisingly the basic HR issues can save the day. I must share with you a joke doing the rounds on the net that was recently sent to me. While in outer space, NASA realized that due to zero gravity, pens don't work because the ink doesn't flow downward. After 10 years and billions of dollars they developed a pen that could write when held upside down, underwater and on just about any surface imaginable. The Russians had meanwhile found a simple solution –they used a pencil. Sometimes we focus too much on the problem when we should be focusing on the solution.

The single largest reason for disquiet is delayed salaries and renege commitments. A breach of trust is not easily forgotten especially since it adds unwanted pressure



Limited Talent Pool: Too few fish in the pond and too many ambitious carpet baggers eyeing the '\$50 Billion' animation global outsourcing opportunity.

of survival on an individual in expensive cities like Mumbai. Companies tend to remember the artist for leaving in the middle of a project but conveniently forget delayed payments.

For every employer there is a poacher waiting to grab people with bigger payouts. The solution is to create an environment that people don't want to leave. Whether artists are part of capital assets or a figure in the list of revenue expenditure is the basic question.

Rise of the independent contractor –benefits v/s drawbacks

Animators on hire for specific projects bring short-term commitments from the company and the artist alike. It suits both parties as costs can be pre-determined and controlled effectively. Artists are happy as it enables them to get value for specific skills and commitment to an organization for as long as they desire. Clearly the changing trends have turned this aspect of hiring into a supplier's market and not a buyers' domain anymore. This aspect is what hurts companies the most. Immense pressure to get into the 3d animation market and with demand for talent far outstripping the supply, we have seen a sudden spurt in the number of freelance artists demanding their pound of flesh. A look at what this means to companies and artists.

Advantages - companies

- Varied talent available at different cost.

- Cost control and pre-determination is easier.
- Hire and fire requires less operative and post-operative expenditure.
- Some tend to think it's an easier system for taxation headaches.
- Companies are able to balance lean periods against overloaded ones.
- Fixed costs can be kept to a minimum.
- No pressure for extra benefits to retain talent.
- No extraneous responsibilities towards labor.

Advantages – artists

- Choose your company / project.
- Know how far and how much in advance.
- Work for pay – clean system of dealing, less expectations and therefore less chance of disappointments.
- Chance to work and gain experience in different environments.
- Can attempt to stick to company they really like.
- Can periodically increase their pay-cheque depending on market conditions.
- Can drive hard-bargains in desperate situations.
- Not tied down to one unit – can develop and network for their own benefit.
- Take as much work as they think they can handle comfortably.

- No overheads and so can offer services at substantially reduced prices to clients.

Disadvantages – companies

- Commitment is the main fear factor.
- Artists liable to leave anytime thereby jeopardizing entire projects.
- High stakes are held to ransom by few individuals.
- Consistent quality is difficult with new faces on every project.
- Talent retention becomes a big head ache.
- Less scope to build teams.
- Development plans become open secrets.
- International credibility can be easily damaged.
- Consistent rise in pay-scales upsets long-term budgets.

Disadvantages – artists

- Credibility / loyalty and commitment to project constantly under scanner.
- Unstable future.
- Forever disorganized.
- Unable to develop work culture as each organization has its own system.
- Fierce competition for place in current team.
- Absence of protective umbrella in times of need.
- Absence of extra benefits and coverage in addition to fixed income
- Dependent on personal network and abilities.

An encouraging fall-out of the independent contractor has been that talent today is quite aware of its responsibilities. Undeniably there are some bad apples but that does not mean that the development of the independent animator should be discouraged. The motives behind employers wanting to see the end of the mercenary animator are understandable. However labeling freelance artists as some sort of rabid mercenaries is foolish. My experiences with animators (freelance and employed) lead me to believe that talent is careful and selective. People who matter don't jump ship because of money. Today people want stability, commitment, opportunities, growth and a healthy environment from companies. Artists have started questioning their employers and this seems to me as one of the reasons for adverse reactions.

Understanding the reasons

While it is simple to play the blame game, we have to identify the reasons and

try to work towards a solution. Companies may label these issues as questions of ethics and responsibility on the part of the artists but we should be ready to accept similar accusations from artists. It is understandable for anyone to dislike being held to ransom while facing critical delivery schedules. The damage to painstakingly built credibility is huge and a workforce has no right (knowingly) to play truant. However who is answerable for inexcusable delays in salaries? For every studio that pays on time there is one that doesn't. The industry has enough regulars who delay salaries on some pretext or another; the most common being that the client hasn't paid. If we are happy dealing with such clients at the risk of alienating our teams, then who's to blame?

There have been instances of people at senior management levels being deprived of their monthly income. So is it then a big surprise that we see large-scale 'desertions' and 'lack of ethics' from artists? In a city like Mumbai where the cost of living is prohibitive for most, an artist who relies on timely payments is not going to wait for the next round of embarrassment from his creditors. It's difficult enough to be the butt of the adage – *artists die hungry*.

We have to address this as a cause and effect situation. Find out why. Is it only money? Is it the lure of a large project? Work conditions? Exposure? Comfort? Somewhere in there lies the reason and if employers can pre-empt that, then in most cases they will not have a problem or maybe able to tide over without too many difficulties.

I mentioned earlier that a major contributor is the steady influx of 'opportunists' – people with money looking for easy returns. The availability of inflated figures from trade bodies and so-called representative analysis has largely contributed to this lopsided approach. We in the industry have always laughed at these projections of billions of dollars. Where have these figures come from, who has actually projected these numbers and on what basis? In a situation where companies are shutting down and creditors including employees are being left high and dry with dues, where has all this wealth gone? Is the taxman listening? Most of us know that overseas deals offered to many studios are pathetic. Local TV channels don't pay enough for original content development (one of the main reasons why we have not seen too many forays into intellectual

property) so how have we become the billion-dollar industry? To come back to the point these projections have created a mindset that this is a lucrative business in the short run. The basic requirements are initial capital, standard machinery and off the shelf talent. Money can't buy you people but it sure helps. As it is there are enough 'consultants' who can help setup a show from logistics to human resources.

Personal experiences range from oil dealers to garment exporters wanting 'in' on the business. All it requires is a formulated set of questions to quickly understand a prospective investor in detail. Mostly I feel sad for these educated white collar professionals who have been so

I blame irresponsible salaries as one of the factors that encourage poaching, somehow we have managed to establish a system where money plays the central role in our arrangements with employees

effectively misled that they spend time and energy to seek out that 'genie' who will make it happen for them in animation. Somehow most of them believe that a 22-minute episode is the way to start! As an informed reader you can understand where this is leading. For a person who is a stranger to your industry to surface with a specific requirement that takes years to target let alone achieve, it clearly shows the impact that inflated projections have had. Couple this with the fact that talent is viewed as cattle that can be bought at the local fair and you have a recipe for trouble – enter poaching.

The importance of investors in such a high stakes industry is undeniable. Equipment, infrastructure and manpower all require substantial financing. The problem is compounded by long periods of zero returns – the initial months and sometimes

years that it takes to get a project from concept to screen. Success comes to those who hold back their fears and genuinely believe in the medium and the goals. Those who pressure the system for a fixed return on investment at the end of the year invariably land up in the red. The nature of this business is such that if you plan a grand entry then you have to be prepared for initial losses. Unless of course you have a stroke of luck or genius that so far has eluded most of us. More often than not incorrect perceptions drive investors towards animation and poaching is the easiest solution to creating a large productive workforce in a short period of time.

Another contributor is the ready availability of high-tech tools that has brought with it a complete lack of patience. In our quest for bigger and better we have reached a situation where we have lost this age-old virtue. This age of instant gratification is creating animators overnight and episodic work is the only quest, 3d is the way to go and we want to change the face of Indian animation in the blink of an eye. Whatever happened to learning to walk before trying to fly? The problem has to be addressed at the starting blocks. The nonsense being perpetrated through short-term/high cost courses for animation has to be checked. We are generating idiots in numbers and then we expect them to be ethical in business. Imagine a family that has spent hard earned money to educate their child in animation. It needs to quickly recover that investment. The child starts working and soon he gets opportunities to jump ship at higher salaries. Is he going to hang on or is he going to take the plunge? You decide. Don't be under the illusion that this is a field for the affluent. A quick trip to any studio will enlighten you about the financial status of people working there. Majority consists of people like us from average middle to lower-middle class families pursuing their larger-than-life dreams. For such people an increment of a few thousand rupees is incentive enough. Unfortunately in the war against bills and uncertainty, professionalism and ethics are the initial casualties.

Pay scales

I blame irresponsible salaries as one of the factors that encourage poaching. Somehow we have managed to establish a system where money plays the central role in our arrangements with employees. In the past companies racing to out do each other splurged on talent. This is better

explained with figures. Early salary structures saw animators earning approximately between Rs.6000-8000 per month. With the influx of huge capital and sudden demand for numbers, employers started huge payouts to corner artists and the industry average jumped up to Rs.15,000 and beyond per month. However what we conveniently forgot is to check whether the person being offered Rs.15,000 per month actually brought equal value to the table. In most cases this was not true, the focus was to increase numbers to deliver on over-committed overseas deals. However once the ball started rolling it became difficult to control. While some sincere efforts were made through in-house training for talent development it was too little and too late. Once you start playing the money game you have to remember that there are bigger fish out there to beat you at your own game. This reckless attitude is unfortunately continuing unabated even today. The only positive fallout today is that the really talented artists have become selective and to a large extent able to command their price.

On the other side mediocre talent has developed an attitude of 'make hay while the sun shines'. A few months with a company that pays double of current take-home is not viewed as something wrong. If nothing else it brings financial flexibility. Ethics and business commitments can take a hike. If I am viewed as a purchasable commodity then is it wrong to behave like one?

Suggested Solutions

Unfortunately there is no magic wand and we certainly can't wish this problem away. Artists and employers will have to collectively solve this one. We will have to take a collaborative approach with each party willing to give more than wanting to take. Recognizing and accepting that there is a problem comes first. Understanding and respecting each other's responsibilities is the next step. Artists will have to be ready to face the music if they hold an organization to ransom for unreasonable demands and vice-versa. While some have suggested blackballing irresponsible artists thankfully this idea hasn't found favor

with most. Are companies willing to be blackballed for their transgressions? Confrontationist attitudes do not provide lasting solutions. Rather elaborating responsibilities and respecting them through transparent actions will make for a good start.

Maybe what we need today is an independent arbitration body that can act as a guide for both employer and employees. A suggestion is to establish an entity by electing representatives from both sides. In case of any dispute, (say an employee leaves a company in the middle of a critical project) this body empowered by the industry steps in to resolve the issue. Artists will be aware that industry representatives have their eyes on them and unreasonable demands bring the risk of industry rejection. It's a subtler form of blacklisting, more like a voluntary boycott. As far as the employer is concerned, how many would want their dirty linen washed in public. If the demands of concerned artists are found justifiable it will surely lead to public disgrace and may act as a deterrent.

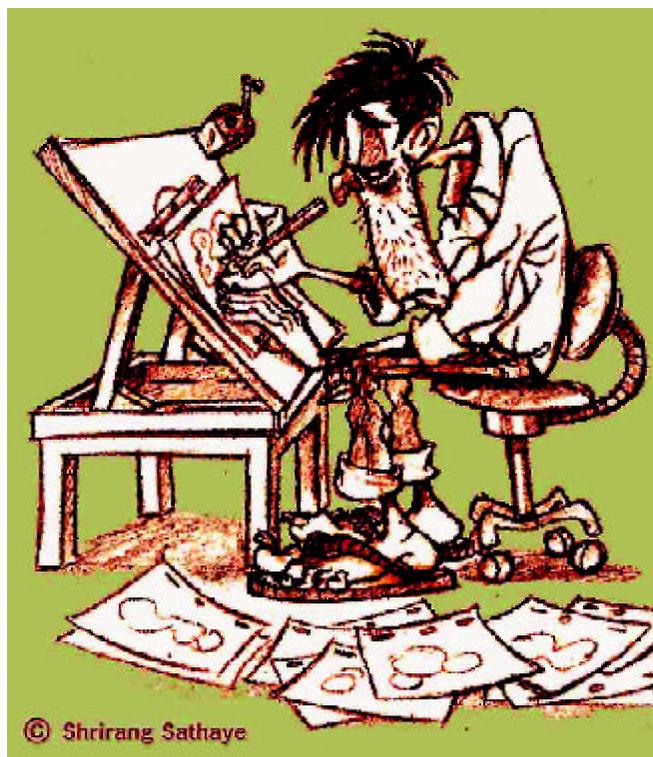
If nothing else this may at least provide a common platform to the industry to

seriously address these issues. It may eventually create an atmosphere of trust and interdependence that in the long run may force companies to evaluate the consequences and hopefully dissuade each other from poaching. We might just as well see developments towards collaborative projects. Eventually it boils down to collective organization. Artists will have to come together and help each other. Whether it be demands for better work conditions, pay, benefits or contracts.

Maybe an artist's federation is the way out. Union is a much maligned and misused word but maybe pulling a leaf out of the Hollywood union system of working may not be such a bad idea. Although this concept can be shot down because this industry is in its infancy, it's better to have some level of organization than none at all. Maybe organizing ourselves into a collective unit (employer and employee together) will provide some level of discipline.

This can only work if the leaders of this industry initiate a movement in this direction. While we have all formed trade bodies, societies and associations these are ineffective toothless tigers as far as poaching is concerned. Firstly memberships are neither compulsory nor binding and secondly organizations are free to ignore even constructive suggestions if they are detrimental to them in the short run. Associations have been formed to build businesses, promote exchange of ideas and bring about development through industry interaction, however not one step has been taken in the direction of self-regulation. Maybe it's time we did that too.

An interesting but long-term solution to settling the shortage crisis is to introduce time-based internship programs in studios. This scheme can work wonders if all studios come together and pledge their support. Depending on its current strength each studio can promise a fixed number of seats to fresh entrants on a rotation basis for a pre-determined tenure. For example a studio with 25 artists can pledge a



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Work condition and talent: The hired animator is an exploited tool. It is the animator who is supposed to bring the moolah for the 'Studio' bosses. Not the studio who is going to financially liberate the animator.

minimum of 3 seats for 60 days. Each studio has to make its own pledge and faithfully follow it. There are organizations such as TASI that can be requested to take on the responsibility of promoting these schemes. However the thrust and willingness to comply has to come from within the industry.

Each company can announce the number of seats available/vacant from time to time. A system of registration can be formulated whereby companies are assured to some extent of the caliber and potential of interns. The future then lies in the hands of the individual and the organization. The artist knows that he has to prove his worth to the organization within this period, he gets a confirmed chance to enter the industry and the company has no obligations to employ him unless he is worthwhile. It can make him a job offer at the end of the tenure or he has to leave and make way for the next batch. The net effect of this will be a steady and disciplined increase in the number of artists who are at least aware of the internal workings and pressures of this industry. Companies will be able to lend infrastructure towards talent development without feeling the pinch. While people may argue that most companies already have internship programs in place, we do not have a unified approach and definitely need one immediately.

With so many 'artists' flooding the industry on a daily basis from half-baked courses we also need some form of Industry Level Certification. A panel of members can be selected to conduct periodic examinations with the intention of certifying students. This solution has to be worked upon keeping logistics in mind and the State can play a major role as a facilitator. As a concept, industry certification would ensure some level of caliber and performance potential. Relaxed eligibility criteria for basic certification and as the system grows, higher levels of certification with specializations can be introduced. Since the industry will decide on acceptable levels and devise examinations accordingly there is a fair chance that extremely high standards can be achieved. At least one advantage that comes to mind is that we may no longer have to face situations like "I've just completed a 6 month course and this company says whatever I've been taught is irrelevant". The industry collectively decides on what it needs, conducts common examinations and those that pass are readily absorbed.

Those that fail to make the grade at least know what is expected of them.

A direct benefit of this will be that training academies and schools will have to perform devise courses that will allow their students to excel in relevant knowledge. There will be enhanced competition to provide the correct type of talent to the industry irrespective of course material. With an increase in the number of industry certified artists it is quite obvious that we will be able to reduce the pressure of talent shortage and thereby effectively reduce the need for poaching. In the process we would have devised a disciplined and organized art pool that will benefit everyone. Key players here could be the State education boards and relevant Ministries.

Another important aspect missing today is an effective guidance and counsel-

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ing system. Large organizations that tend towards impersonal interactions need to put effective checks and balances in place. Resentments, (justifiable or otherwise) have to be addressed in the open to avoid miscommunication and eventual breakdown of relations. A large team has a soul and life of its own that is independent of its constituents. This life has to be protected and guided impartially. Workers will always look upon 'owners' as the other side. Whether we like it or not and whether we accept it or not US & THEM starts from the first day of employment. Therefore an effective bridge is required between the two sides. Counseling of

workers in times of uncertainty and impartial hearing of grievances can help avoid potentially dangerous situations. Dedicated guidance counselors may just be the solution. They can help stop mass movements of people across companies and in an eventuality at least warn companies of impending danger.

Conclusion

Poaching is a serious problem today and threatens to damage the very roots of our industry. We have to collectively find a solution and fast. In the end it's true that what we do today will have a bearing on our tomorrow. Ignoring this problem and playing the blame game is not going to solve the situation at hand. Companies blame artists while artists blame them and in the process clients don't know what to expect. Will their project get the attention it deserves? Will the quality suffer? How can companies promise scheduled deliveries with a vacillating workforce? Do these questions not harm the overall image of our industry?

When you poach are you not sending out a signal that buying is an option and if you allow yourself to be poached well aren't you justifying the actions of the poacher? This is a debatable and touchy issue. I do however believe that if we allow ourselves to be recognized as people who change loyalties for a few rupees without concern for commitments and reasonable justification then we deserve our fate at the hands of unforgiving clients.

We have to decide where we want to direct our energies, either we go around the world and sell India as the next 'promised land' or we strive to make it one so that people are naturally drawn to us, is in our hands. The harshest insult that can be bestowed upon a people is lack of credibility. It is said that there is a time and a place for everything. To me the time today is to set our house in order and to hold back a bit on the shameless rhetoric of brand India. Let not the hard work of the genuine players get diluted because our majority is trying a hard sell of a non-existent product. Together let's get to a situation that our work speaks for itself, our commitments carry weight and consistency in quality becomes our trademark. Then and only then is an industry justified in calling itself a global player and can we proudly and justifiably sell brand India to the world.

Illustrations by Shirrang Sathaye

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