

Annual HR Salary Survey 2011

Benchmarking of HR professionals

September 2011

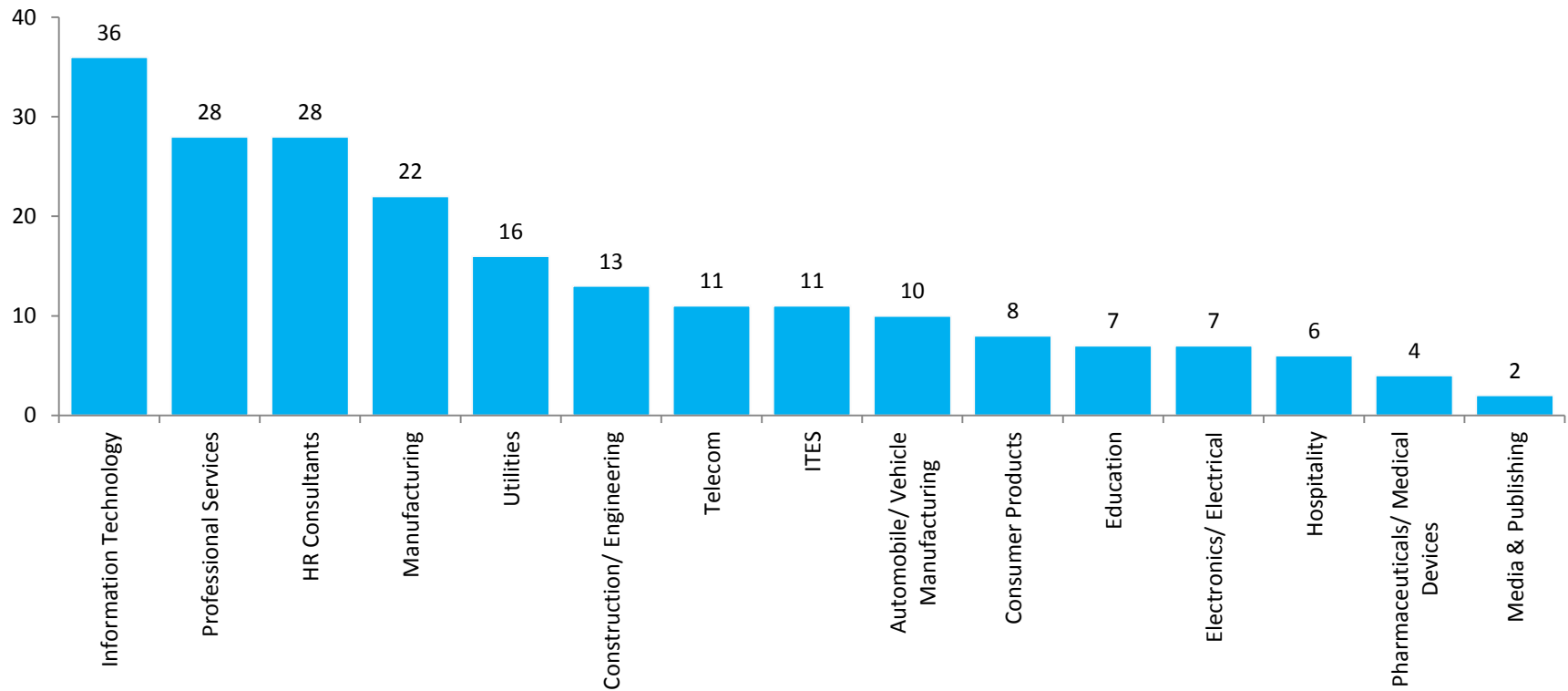
- HRhelpdesk.in is an HR outsourcing and consulting company offering customized services to support the HR needs of Indian and multinational clients in India. Some of the key products we offer are

| | |
|--|--------------------------------------|
| Balanced Scorecard Design and Rollout | CTC Reimbursement Process Management |
| Employee Query Desk Setup and Management | Employee Insurance Management |
| Employee Satisfaction Survey | Internal Employer Branding |
| HR Manuals | HR Process Outsourcing |
| Past Employment Verification | Recruitment Process Outsourcing |
| Salary Benchmarking Studies | Training Content Development |

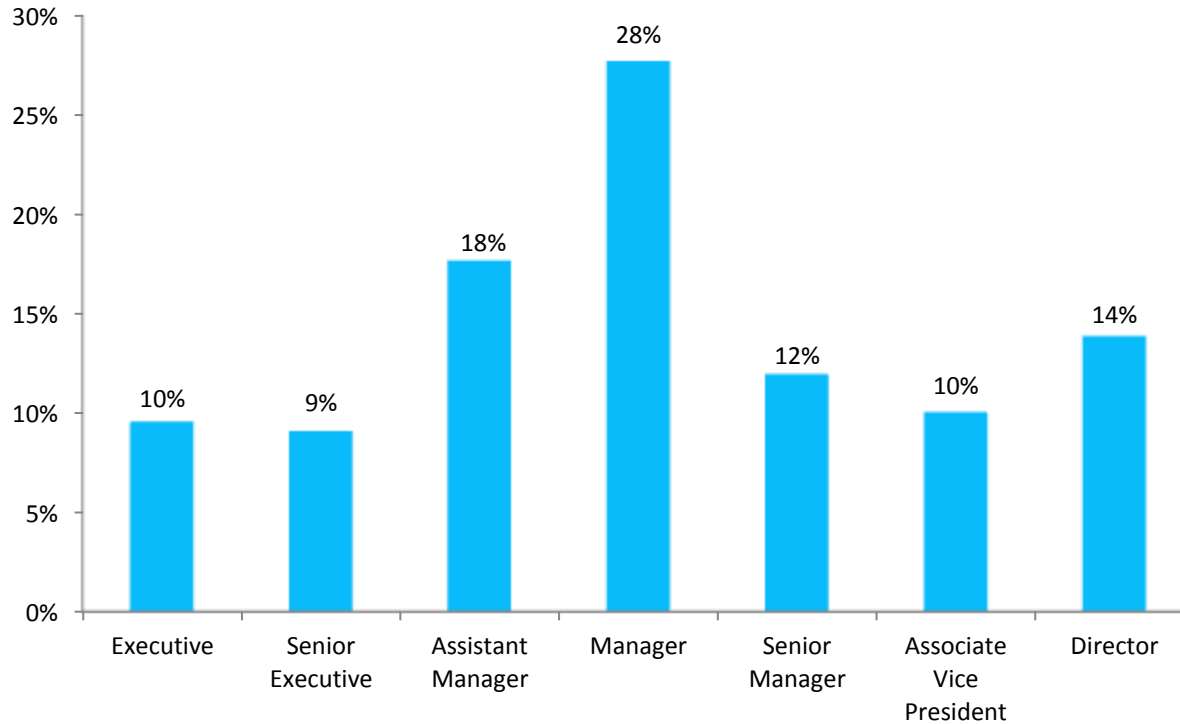
- Respondents
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- HR Metrics
 - Salary increase
 - Attrition
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 - Other factors
- Benchmarks
 - Percentile positioning at each designation
 - Years of experience at each designation
 - Highest and least paying industries at each designation
 - Other factors
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Respondents

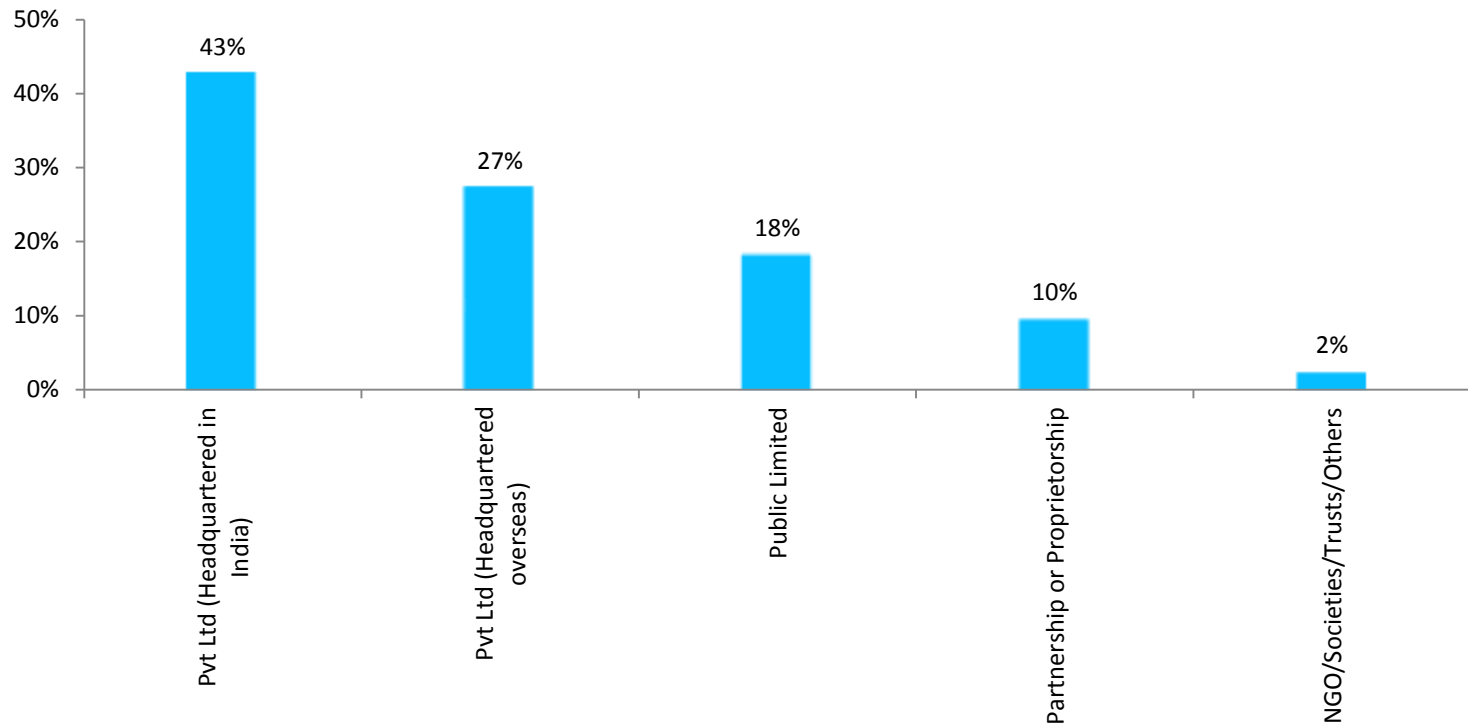
- Data of more than 260 companies received in this survey which ran from 1st August to 31st August 2011
- Basis accurate and complete information provided by participants, a total of 209 companies data qualified for being included in this report, thus making this one of the largest study of its kind in India



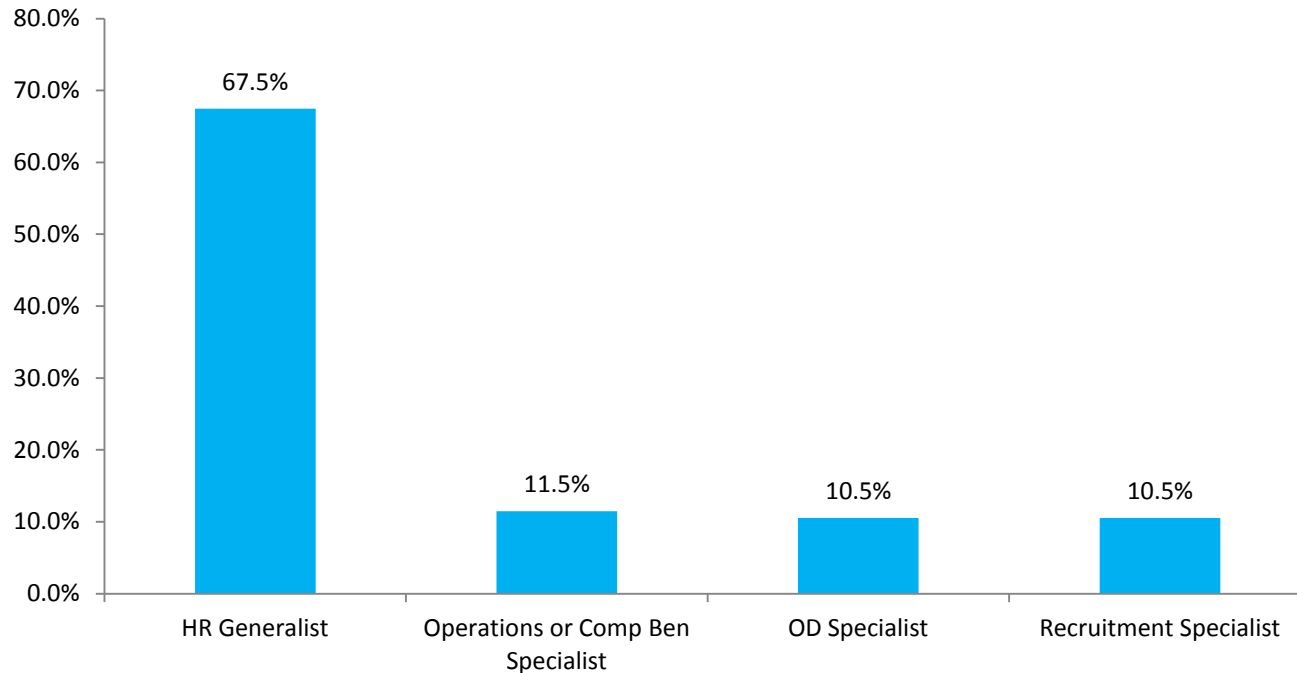
A total of 209 companies data was used for this benchmarking study, presenting a healthy mix of industries and in most cases providing enough data points to have an industry* benchmark



While maximum data points were for Managers, a healthy mix of Designations across industries gave a good benchmark



A sizeable proportion of the companies were from Indian origin and multinationals. A trend of having HR Practitioners in proprietorship and partnership companies was also seen with atleast 20 such companies reporting their data



Close to 30% data points were for specialists and the remaining were for generalist profiles, for purposes of this study, people performing more than one specialist role were classified as generalists

HR Metrics

| Industry* | Average fixed salary increase for HR practitioners in the year 2010-11 |
|-----------------------------------|--|
| ITES | 24% |
| Media & Publishing | 20% |
| Construction/ Engineering | 17% |
| Consumer Products | 14% |
| Utilities | 13% |
| Professional Services | 13% |
| Information Technology | 12% |
| Automobile/ Vehicle Manufacturing | 11% |
| Telecom | 11% |
| HR Consultants | 11% |
| Manufacturing | 11% |
| Pharmaceuticals/ Medical Devices | 10% |
| Electronics/ Electrical | 10% |
| Education | 8% |
| Hospitality | 3% |

On an average, HR practitioners saw an increment of 12% in their gross fixed CTC for the year ending 2010-11. ITES lead the group by giving an average increment of close to 24%. While majority of industries stayed around the average increment of 12%. Hospitality showed an average increase of only 3% to gross salaries of HR practitioners

| Company Type | Average increment in fixed salary for HR Practitioners in the year 2010-11 |
|----------------------------------|--|
| NGO/Societies/Trusts/Others | 9% |
| Partnership or Proprietorship | 8% |
| Public Limited | 12% |
| Pvt Ltd (Headquartered in India) | 13% |
| Pvt Ltd (Headquartered overseas) | 13% |

While at a broader level, ownership of the company type did not make a significant difference to the salary increment of HR practitioners for the year 2010-11, a slight subduing of increments was observed in Partnership and Proprietorship companies

| Industry* | Average attrition for the year 2010-11 |
|-----------------------------------|--|
| Professional Services | 73% |
| Information Technology | 45% |
| Hospitality | 44% |
| Automobile/ Vehicle Manufacturing | 32% |
| Utilities | 31% |
| HR Consultants | 30% |
| Education | 29% |
| Telecom | 25% |
| Media & Publishing | 22% |
| Pharmaceuticals/ Medical Devices | 20% |
| Construction/ Engineering | 19% |
| Manufacturing | 18% |
| ITES | 16% |
| Consumer Products | 14% |
| Electronics/ Electrical | 10% |

The HR profession saw an average attrition of 34% across industries* for the year 2010-11.

Surprisingly, professional services saw a very high attrition rate, making the HR practitioner one of the fastest job changing individual.

Close to 60% industries data represented that HR practitioners in their companies showed an average attrition rate which was more than the imaginary acceptable number of 20%

| Industry* | Average HR to employee ratio |
|-----------------------------------|------------------------------|
| Utilities | 931 |
| Electronics/ Electrical | 185 |
| Manufacturing | 168 |
| Media & Publishing | 167 |
| Automobile/ Vehicle Manufacturing | 157 |
| Consumer Products | 137 |
| Hospitality | 115 |
| Construction/ Engineering | 103 |
| Professional Services | 98 |
| Pharmaceuticals/ Medical Devices | 93 |
| Information Technology | 80 |
| ITES | 77 |
| Telecom | 70 |
| Education | 38 |
| HR Consultants | 29 |

Except utilities which have a ratio way out of the normal average, owing to their large employee base, almost all other industries* are having a leverage of 100 to 200 employees per HR practitioner. The trend seems to be moving from having a higher leverage from services to a lesser leverage to manufacturing

- Outlook for the year 2011-12, puts HR practitioners bonus expectations at an average of 12% of gross CTC
- The appraisal for 80% of the companies happens annually and the bell curve is applicable to 50% of HR functions
- Strangely, only 7% companies have non-monetary bonuses, rewards and policies for the HR function. Definitely an area of work for top management and HR leaders

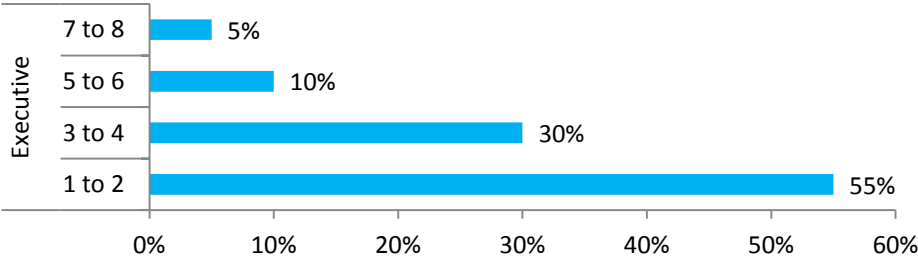
Benchmarks

Percentile Positioning of the Gross Salary in Indian Rupee

| | | | | | | |
|---------|------------------|------------------|------------------|------------------|------------------|------------------|
| Minimum | 10 th | 25 th | 50 th | 75 th | 90 th | 99 th |
|---------|------------------|------------------|------------------|------------------|------------------|------------------|

This data is available only in Participant or a Purchased Report, please write to us at hrhelpdesk@hrhelpdesk.in for info

post "HR qualification" experience in years



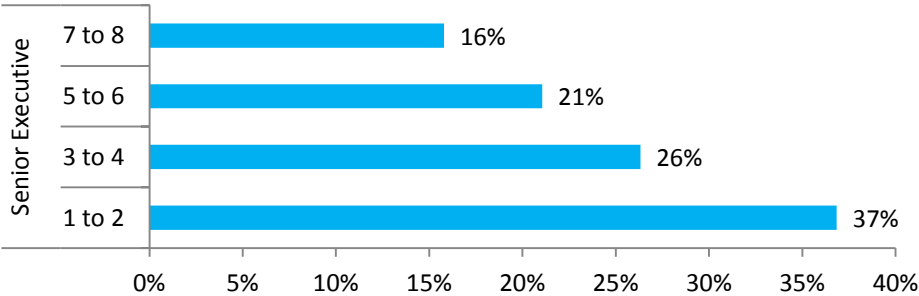
Rank Order of salaries paid by various industries at this level

| | | | | | | | | | | |
|---------------------------------|----------------|-----------------------|-----------|-----------------------------------|-------------------|---------------|-------------------------|---------------------------|-----------------------------------|--|
| Least Salary Paid at this Level | | ➔ | | | | | | | Highest Salary Paid at this Level | |
| Information Technology | HR Consultants | Professional Services | Utilities | Automobile/ Vehicle Manufacturing | Consumer Products | Manufacturing | Electronics/ Electrical | Construction/ Engineering | | |

Not enough data available for other industries at this level to run a comparative against other industries

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| Least Salary Paid at this Level | | ➔ | | | | | Highest Salary Paid at this Level | |
| Utilities | Construction/ Engineering | Automobile/ Vehicle Manufacturing | Manufacturing | ITES | Telecom | Professional Services | HR Consultants | Information Technology |

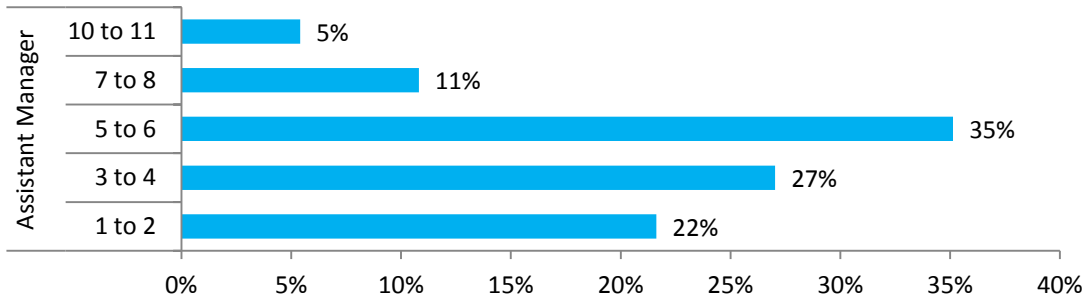
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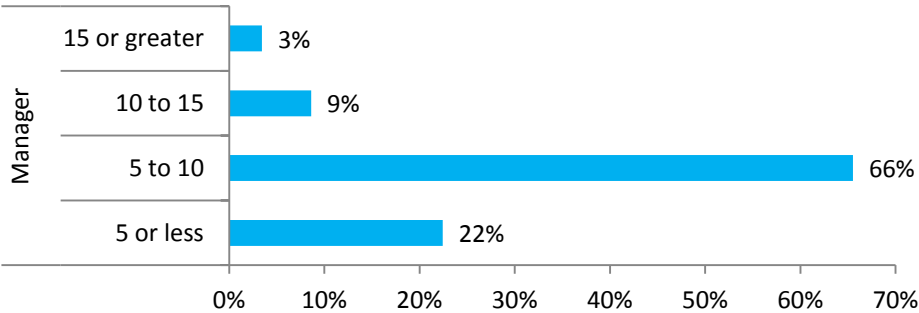
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|---------------------------------|-------------|----------------------------------|-----------|------------------------|-----------------------|---------------------------|---------------|------|-----------|---------|----------------|-----------------------------------|--|--|--|--|--|--|--|--|--|--|--|
| Consumer Products | Hospitality | Pharmaceuticals /Medical Devices | Education | Information Technology | Professional Services | Construction/ Engineering | Manufacturing | ITES | Utilities | Telecom | HR Consultants | | | | | | | | | | | | |

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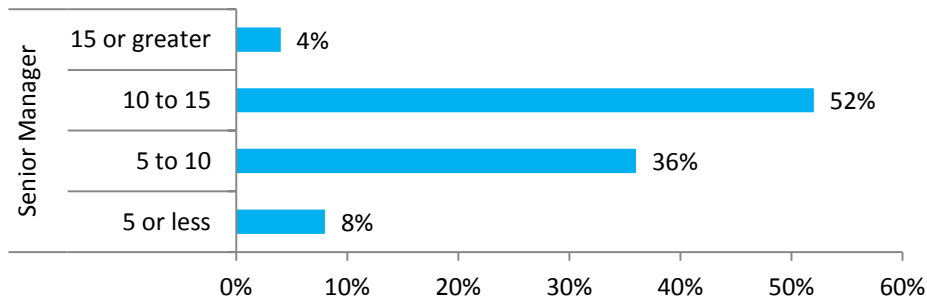
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| Media & Publishing | Construction/Engineering | Hospitality | Pharmaceuticals/Medical Devices | Education | ITES | Manufacturing | Automobile/Vehicle Manufacturing | Electronics/Electrical | Professional Services | Telecom | Utilities | Consumer Products | Information Technology | HR Consultants |

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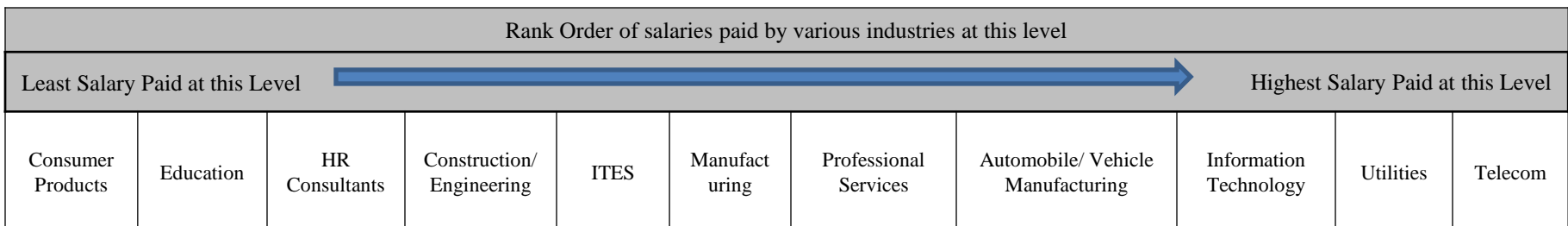
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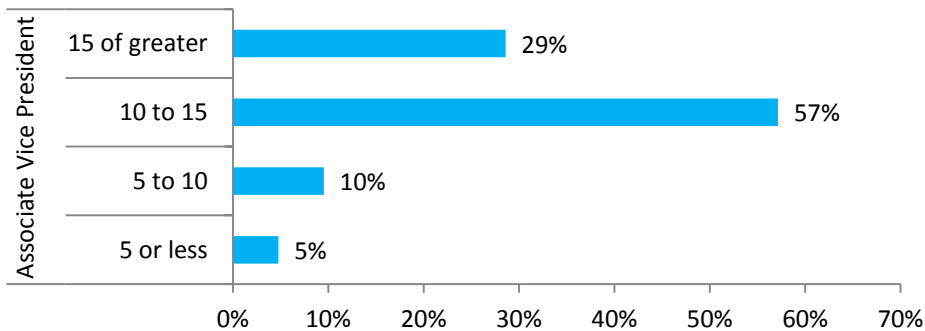


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|--|-------------|-----------|-----------------------------------|---------------------------|---------------|------|-----------------------------------|-------------------------|------------------------|-----------------------|
| HR Consultants | Hospitality | Utilities | Pharmaceuticals / Medical Devices | Construction/ Engineering | Manufacturing | ITES | Automobile/ Vehicle Manufacturing | Electronics/ Electrical | Information Technology | Professional Services |

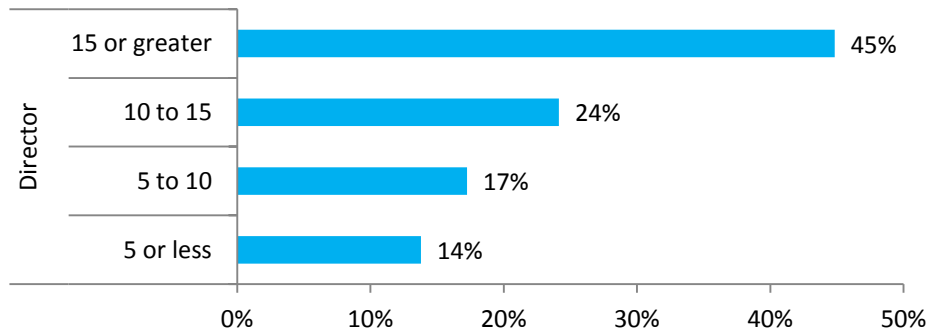
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|---|---------------|-------------------|-----------|-----------------------|------------------------------|-------------------|-----------------------------|----------------------|---------|---------------------------|--------------------------|-----------------------------------|--|--|--|--|--|--|--|--|--|--|--|
| Automobile/ Vehicle Manufacturing | Educati on | Manufact uring | Utilities | Media & Publishing | Construction/ Engineering | HR Consultants | Electronics / Electrical | Consumer Products | Telecom | Information Technology | Professional Services | | | | | | | | | | | | |

Not enough data available for other industries at this level to run a comparative against other industries

- Salaries across designations were location neutral. This, unlike the trend of having cost of living index and other compensation practices, is a change in the mindset of companies. Similar salaries, with slight variations were paid in smaller towns and metros
- Educational institutions made a stark difference in salaries, specially to those of Executive, Senior Executive, Assistant Managers and Managers. Post which, the significance of educational institution is not felt in salaries of HR practitioners
- The trend of HR practitioners salaries is almost similar in all companies, whether Indian or Multinationals. The only notable point being significantly low salary for entry level and senior most position in Proprietorship and Partnerships

- HR role performed also did not impact the salary significantly. Specialists and generalists both were almost at similar salary bands
- CXO salaries are not covered as part of this survey. As they are individual and company dependent. However, as a thumb rule, CXO salaries can start from the 70th percentile of the Director salaries and go upto the companies and the individuals capability. Factors beyond benchmarking play a significant role in deciding CXO salaries

Information

- Names of participating organization are not revealed in this report
- In the event of purchasing an Industry report, only where more than 10 companies have participated a report is generated and the entire list is added to the report
- No data is shared in any format which will reveal the individual company salaries, individual employee salary or an individual designation salary in a particular company
- Should you want to know more about the confidentiality policy, please write to us at hrhelpdesk@hrhelpdesk.in

* Industries clubbed together

| | |
|----------------------------------|-------------------------------------|
| Consumer Products | Consumer Products |
| | FMCG |
| | Retail (Wholesale & Distribution) |
| HR Consultants | HR Consultants |
| | Recruitment Consultants |
| Manufacturing | Chemicals & Petro-Chemicals |
| | Manufacturing |
| Media & Publishing | Media |
| | Publishing |
| Pharmaceuticals/ Medical Devices | Health care and Education |
| | Pharmaceuticals/ Medical Devices |
| Professional Services | BFSI |
| | Financial Services |
| | Professional Services |
| | Services |
| Utilities | Aviation |
| | Plantations |
| | Power & Energy |
| | Power Generation |
| | Transportation/ Shipping/ Logistics |
| | Utilities/ Oil& Gas/ Mining |