

2011 SALARY APPRAISAL

Survey Report

Presented by:



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SURVEY PROCESS

- This Survey was conducted by the SuperCFO Talent Management Team. More information about SuperCFO and its Talent Management Arm is provided on page 34.
- After thorough analysis, Survey Questions were drafted in such a way to ensure that respondents, who comprised of CXO's and Corporate Professionals across the spectrum, could complete the survey in about two minutes.
- The Survey Questionnaire was circulated to CEO's, CFO's, Controllers, Finance Heads, Auditors, HR & Finance Consultants, and few other Management Executives.
- Responses were received from professionals across 32 countries (Argentina, Australia, Brazil, Belgium, Canada, China, Chile, Denmark, Egypt, France, Great Britain (UK), Ghana, Georgia, India, Indonesia, Israel, Netherlands, Norway, Pakistan, Poland, Portugal, Russia, Saudi Arabia, Spain, Sweden, Switzerland, Turkey, UAE, USA, Vietnam, Yemen and Zambia)
- The Survey was conducted over a month, and thereafter results were carefully reviewed and analyzed, to present a detailed report as below.

Disclaimer

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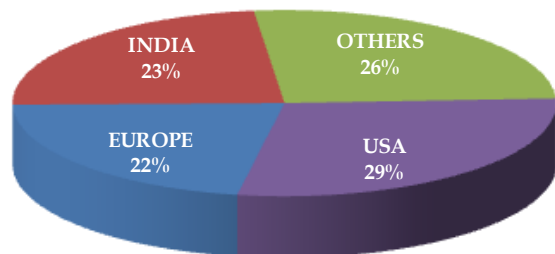
EXECUTIVE SUMMARY

- 88% companies in India gave increases last year as compared to 69% by US, 81% by Europe and 74% by others.
- While 89% companies said that they do plan to give increases this year, 41% are planning to give upto 5% increase, 20% fall in the 5 to 10% bracket, 20% in 10% to 15%, and very negligible response for over 15%.
- In India, only 2% companies are not planning to give any increments and 93% companies are planning to give increments in the range of 5% to 20%.
- 21% of Micro Companies (Revenue US\$ 0 to \$ 2 mn) are not planning any increments this year.
- 81% companies are planning to give annual incentives/bonuses this year with vast majority opting for 5% to 20%.
- 79% companies are not planning to give any ESOP's this year.
- Majority of the respondents expect an increment between the ranges of 5% - 15%.
- It was interesting to note that only 28% of the respondents expect a job change or promotion this year.
- In 2010, a large number of respondents (32%) did not receive any bonus as a percentage of their salary. 2011 heralds a positive change as the number of respondents expecting a nil bonus has gone down from 32% last year to 17%.
- 71% of the respondents are either actively (34%) or passively evaluating a career/job change, with only 21% replying in the negative.



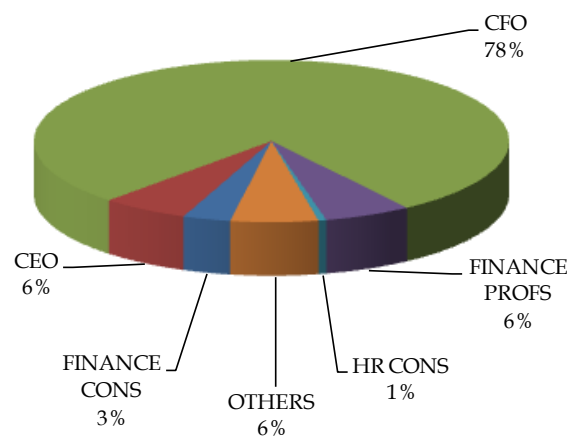
RESPONDENTS

Region Wise



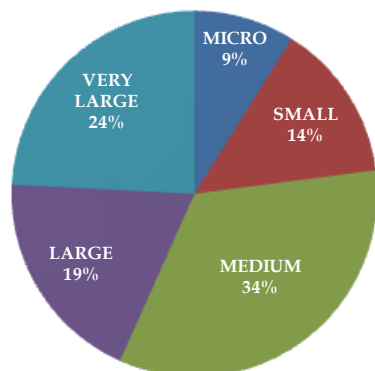
There was somewhat of equanimity of results on this front with USA marginally contributing to the highest share of respondents with almost 29% followed by Others, India and Europe respectively with 26%, 23% and 22% respectively.

Profession Wise



Again, CFOs topped the respondents' pie with 78% as opposed to last year where they were again proactive respondents with 68%. CEOs were at 6% this year compared to 8% last year and the CXO ratio (CEOs plus CFOs) was at 84% this year as compared to 76% last year. In order to get a broader industry perspective, we surveyed Finance and Accounting Executives, HR Professionals and Auditors as well, who collectively totaled 10% of the global respondents.





Company Size Wise

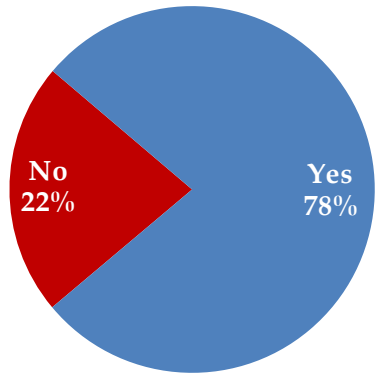
Just as in 2009, companies were categorized into various sizes ranging from Micro (Upto USD2million) to Very Large (Over USD 250 million) in 2010. This was done to further decipher companywide responses region wise as also on other categories as we have observed that there are divergent views from companies in different size categories as well. Again, just as in 2009, there was a greater response from SMEs (medium sized) companies in 2010, which was a higher figure of 34% compared to 26% last year.

Company Size Definition (in terms of revenues):

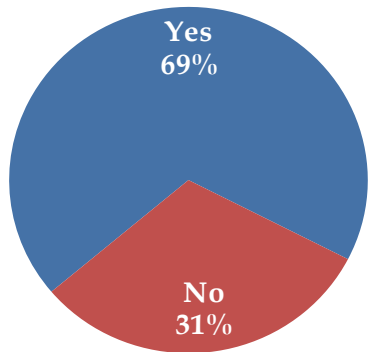
- Micro Company: Nil to \$ 2 mn (Rs. 10 Crores)
- Small Company: \$ 2 mn to \$ 10 mn (Rs. 10 Crores to Rs. 50 Crores)
- Medium Company: \$ 10 mn to \$ 50 mn (Rs. 50 Crores to Rs. 250 Crores)
- Large Company: \$ 50 mn to \$ 250 mn (Rs. 250 Crores to Rs. 1,250 Crores)
- Very Large Company: Over \$ 250 mn (over Rs. 1,250 Crores)



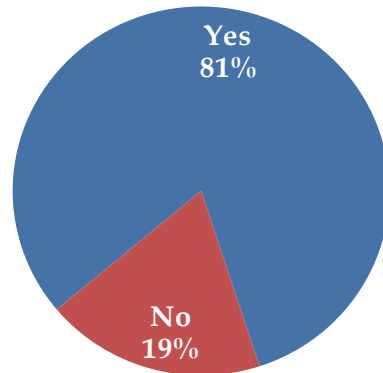
INCREMENTS LAST YEAR



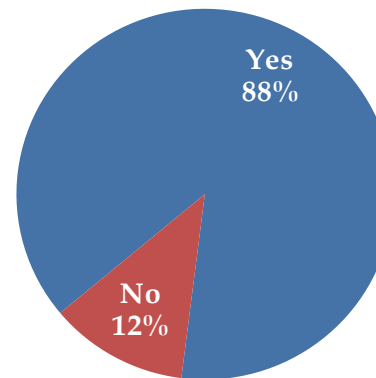
Last year was a turnaround for most regions of the world in terms of coming out from the throes of a recession in 2008 and 2009. Whereas in 2009 64% respondents did not receive any increments only 22% in 2010 responded negatively. This is a big change as compared to last year. A harbinger of good times just to come? We certainly think so! This interesting piece of statistic was further analyzed into geographic regions. 88% companies in India gave increases last year as compared to just 46% last year. This shows that the biggest beneficiary of the global economic turnaround is India. Consequently, if you observe, the US influence in global economic activities is certainly not competitive anymore. In 2009 31% of companies in the US gave increments. That number has just increased to 69%, which is still below international average of 75-80%.



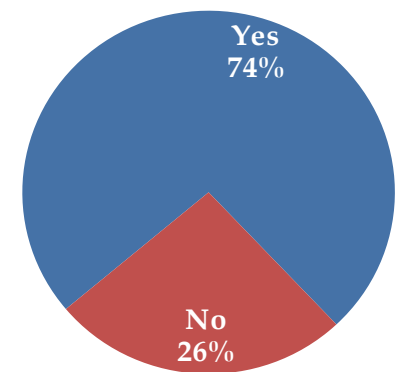
USA



EUROPE



INDIA

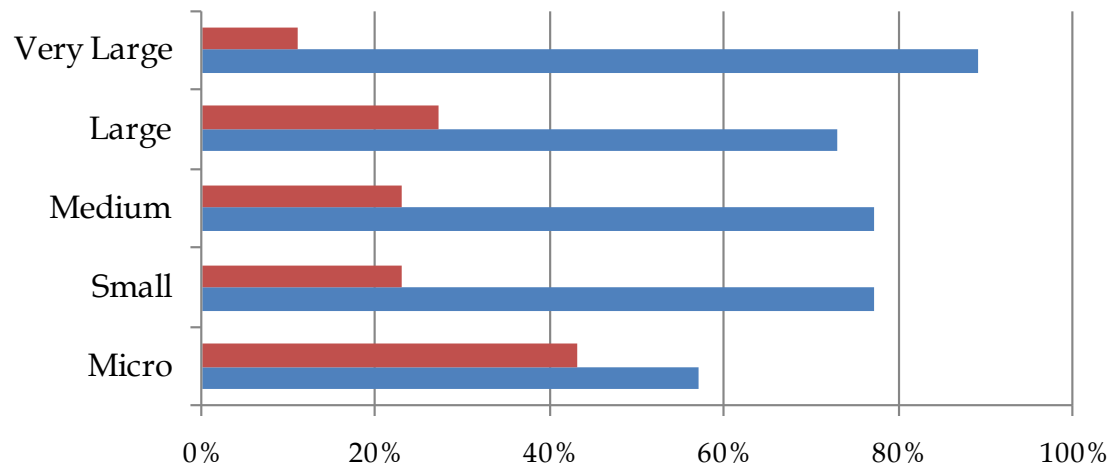


OTHERS



Increments - last year analyzing responses against Size of the Companies

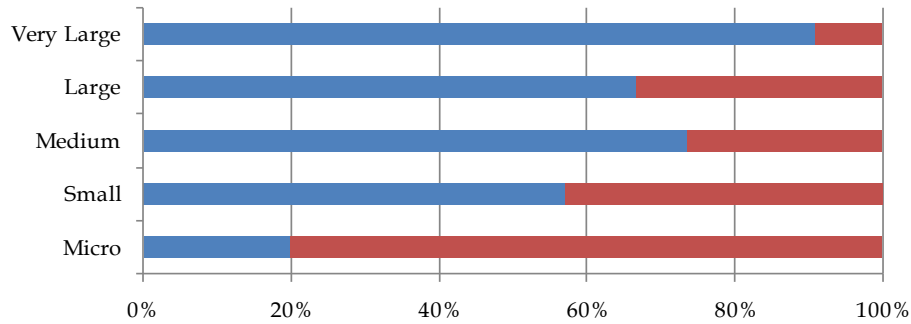
If one segments companies by size according to the earlier definition, it is noticed that only 57% Micro companies gave increments in 2010. Very large companies along with SMEs and large companies generally tend to be the most generous when it comes to doling out increments with 89%, 77% and 73% of them doing so respectively in 2010.



	Micro	Small	Medium	Large	Very Large
■ No	43%	23%	23%	27%	11%
■ Yes	57%	77%	77%	73%	89%

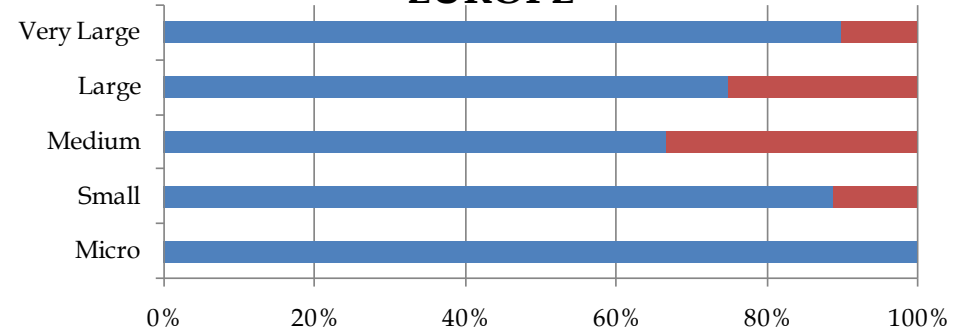


USA



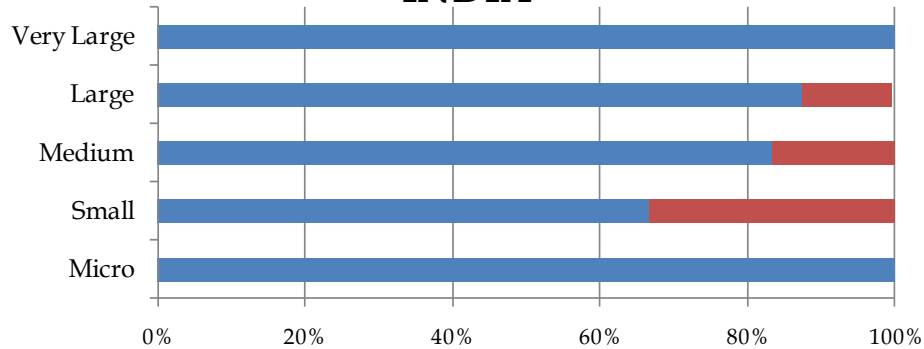
	Micro	Small	Medium	Large	Very Large
■ YES	20%	57%	74%	67%	91%
■ NO	80%	43%	26%	33%	9%

EUROPE



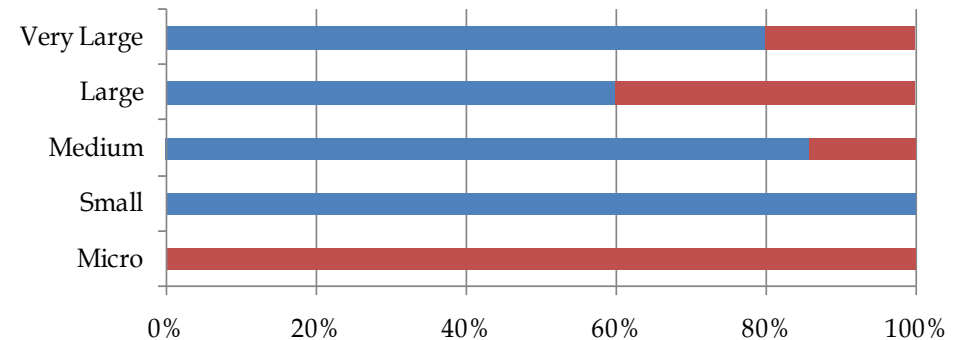
	Micro	Small	Medium	Large	Very Large
■ YES	100%	89%	67%	75%	90%
■ NO	0%	11%	33%	25%	10%

INDIA



	Micro	Small	Medium	Large	Very Large
■ YES	100%	67%	83%	88%	100%
■ NO	0%	33%	17%	12%	0%

OTHERS



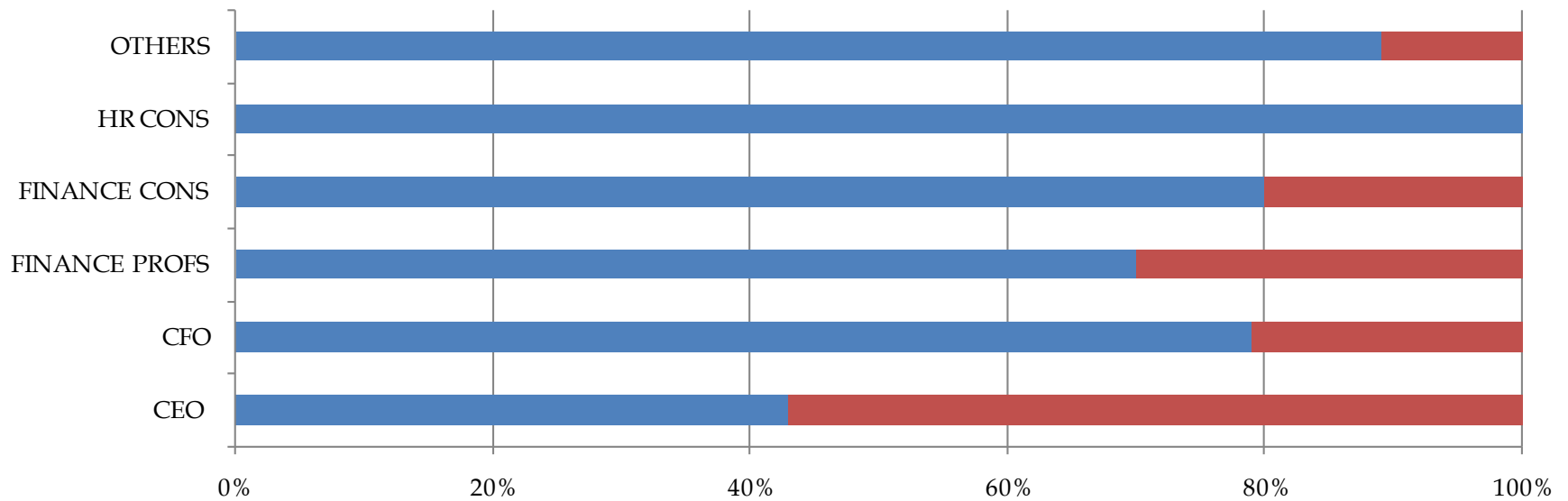
	Micro	Small	Medium	Large	Very Large
■ YES	0%	100%	86%	60%	80%
■ NO	100%	0%	14%	40%	20%



Increments - last year analyzing responses from different professionals

Profession wise, in 2010 one sees increments across the professional spectrum with over 70% HR Consultants, Others, CFOs Auditors and Finance Execs saying that they got increments. Among CEOs the number is slightly smaller with 43% nodding in agreement.

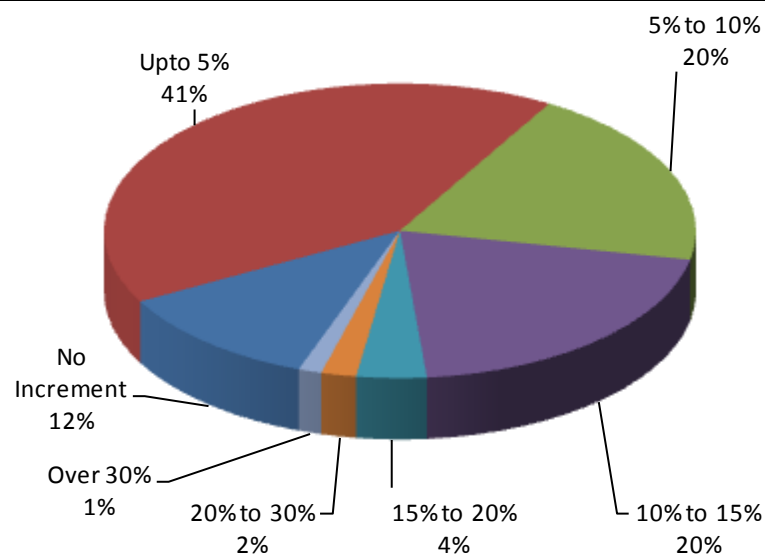
In fact all the HR consultants surveyed got increments in 2010.



	CEO	CFO	FINANCE PROFS	FINANCE CONS	HR CONS	OTHERS
■ Yes	43%	79%	70%	80%	100%	89%
■ No	57%	21%	30%	20%		11%



INCREMENTS - CURRENT YEAR (2011)



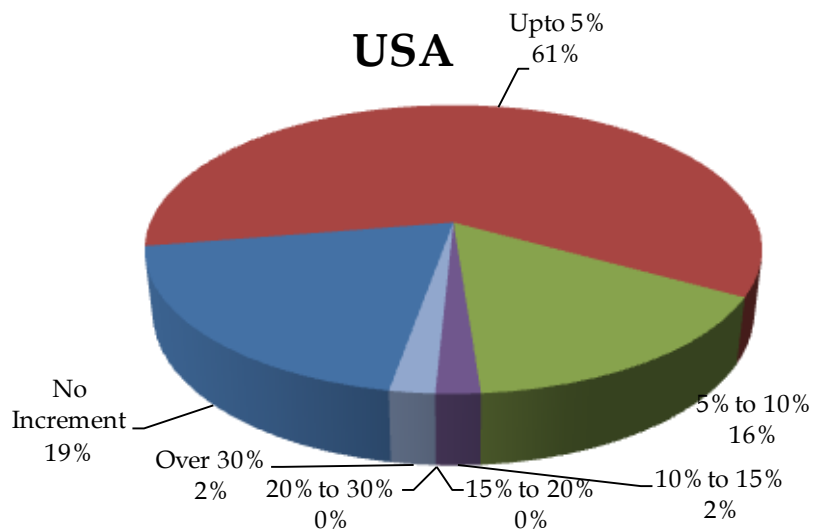
Are you planning to give any salary increase this year?

A majority of respondents (89%) responded in the affirmative to this question which is up a whopping 11% compared to 2010.

However, the quantum of that increment to be doled out this year by companies largely falls in the 5-15% bracket with 0-5% being the biggest contributor of 41%. This basically shows that though a majority of companies are giving increments this year across professions, the percentage increase is not very attractive. If we break this data down further into geographical territories, some interesting observations can be seen.

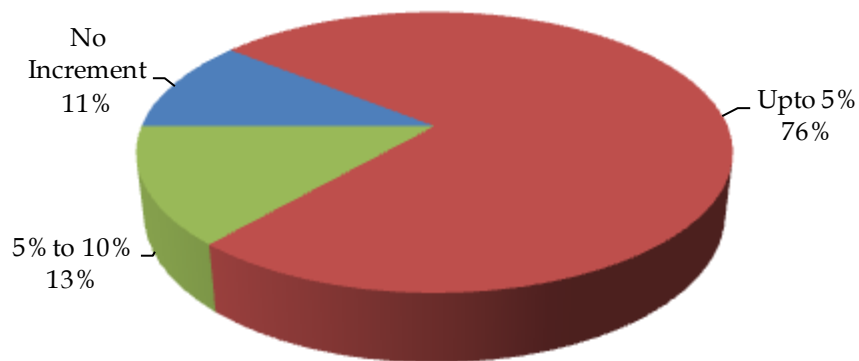


USA



- 20% of the companies surveyed in the US are not planning to give any increments in 2011.
- Out of the remaining 80% slated to give increments, 61% are going to be extremely conservative i.e. in the range of 0-5%.
- Between 15% -40% ranges, no increments are envisioned among the survey participants. This clearly reflects the state of the US rate of growths which is abysmally slow and evens the slow recovery is capital intensive in its nature and not really a job led growth.

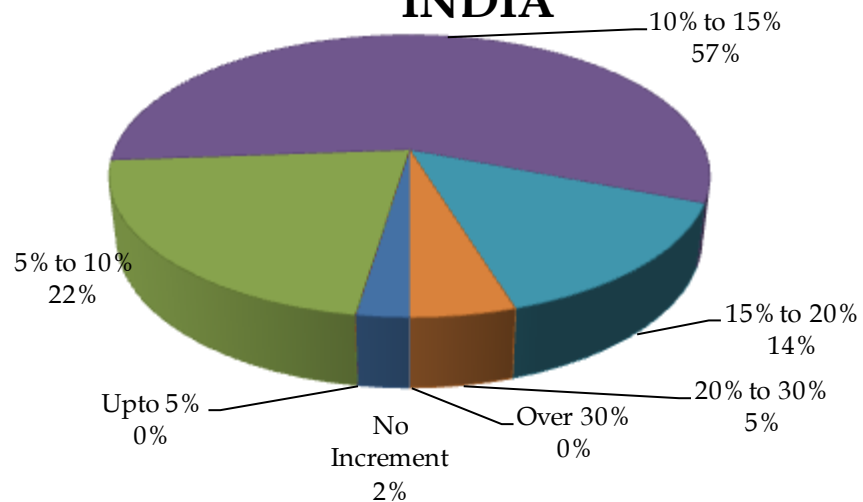
EUROPE



- In Europe, only 11% of the companies surveyed, do not plan to give any increments.
- Again, the state of the economy in Europe largely mirrors that of US with 71% of the companies giving increments in the range of 0-5%.

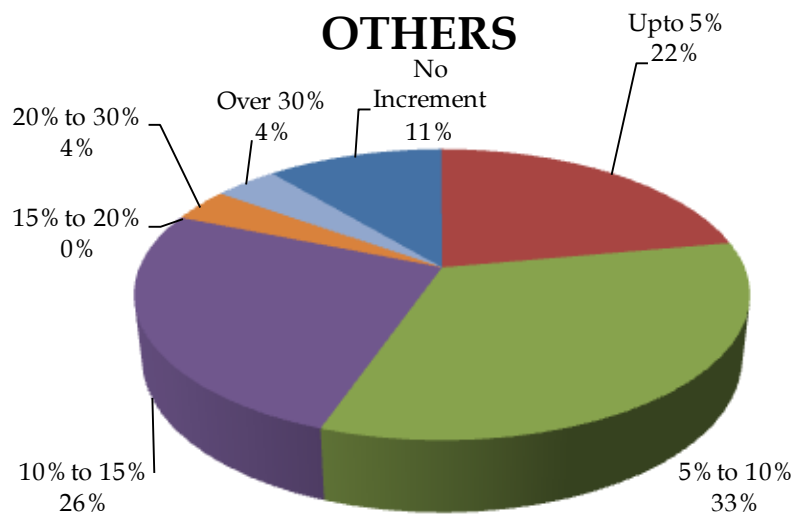


INDIA



- India is a sheer contrast with the developed economies of the world with only 2% of the companies not giving any increments in 2011.
- Not surprisingly, of the 98% of the companies giving increments most of them are in the healthy 10-15% range and quite a few in the 15-30% range as well.

OTHERS

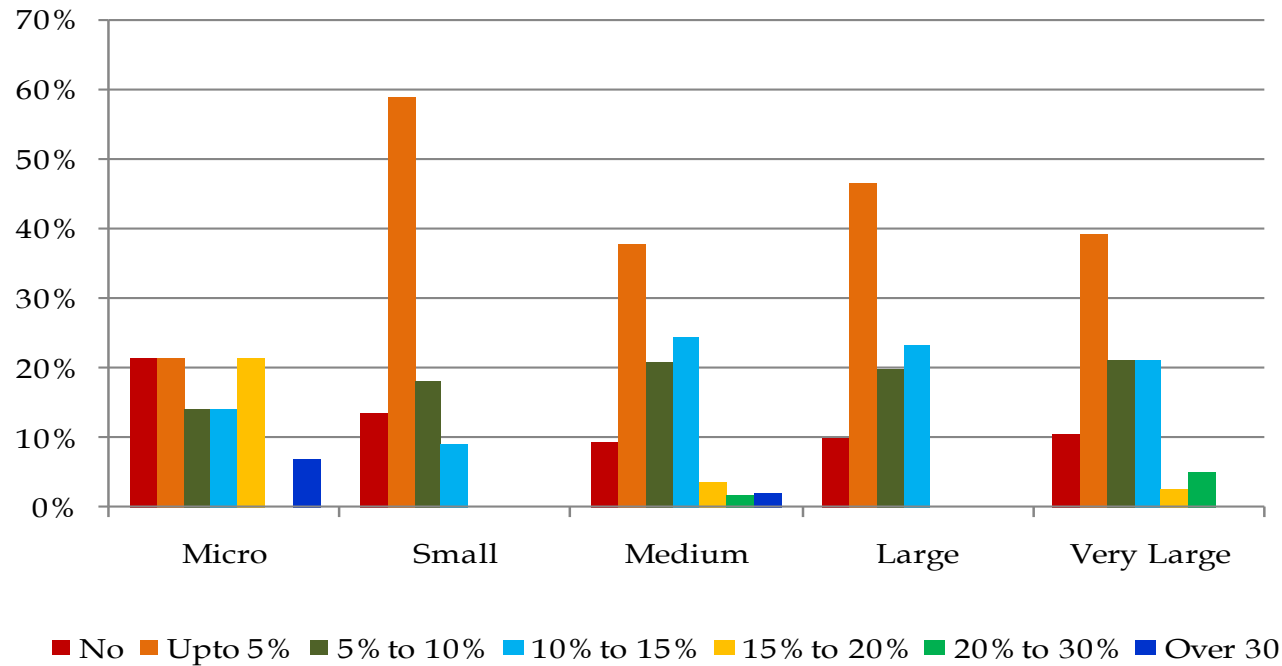


- Among the rest of the world, 89% of the companies will give increments with a majority of them in the 5-15% range as also a substantial number in the 0-5% range.



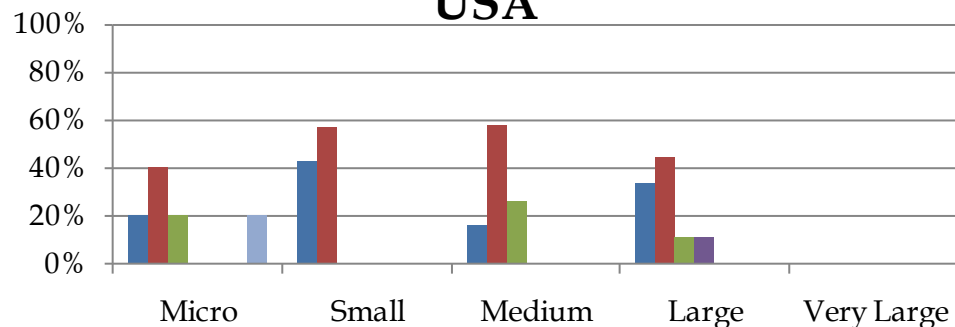
INCREMENTS - CURRENT YEAR ... analyzing responses against Size of the Companies

- Among companies in the size wise category, micro companies lead the pack of those not planning to give increments with 21%.
- Most preferences among the participant companies lie in the 5-15% range for increments in 2011.

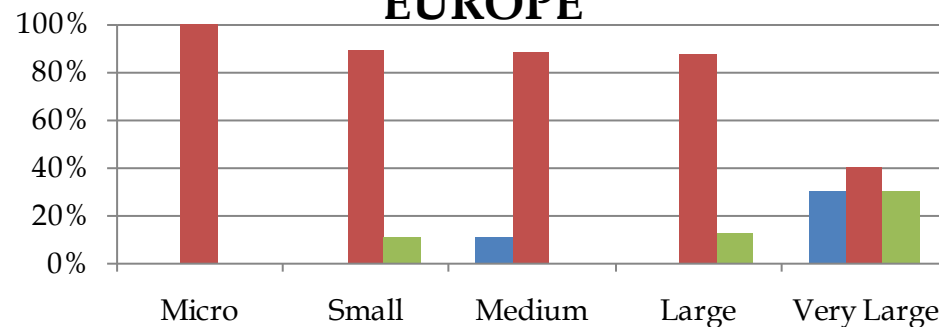


- As compared to the rest of the world, India shows most increments in the healthy 10-20% range.
- In US and Europe companies across the size strata are in the 0-5% range.
- In the others category data shows increments across company sizes in the 0-10% range.
- This shows a clear picture of the situations in Europe & US is changing moreover with cold - shoulder and a firm augmentation stage is perceived in the developing world.

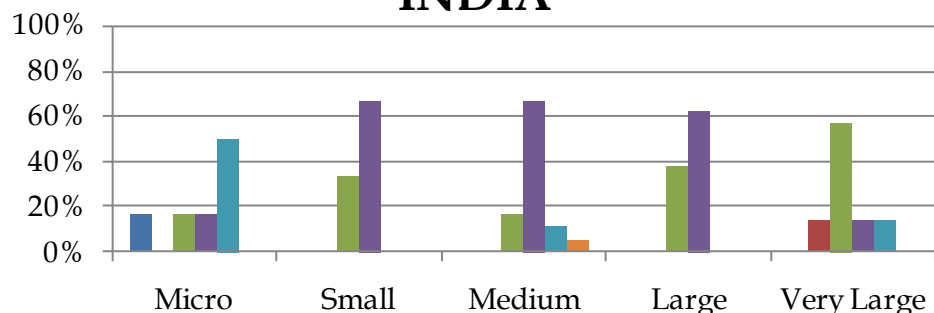
USA



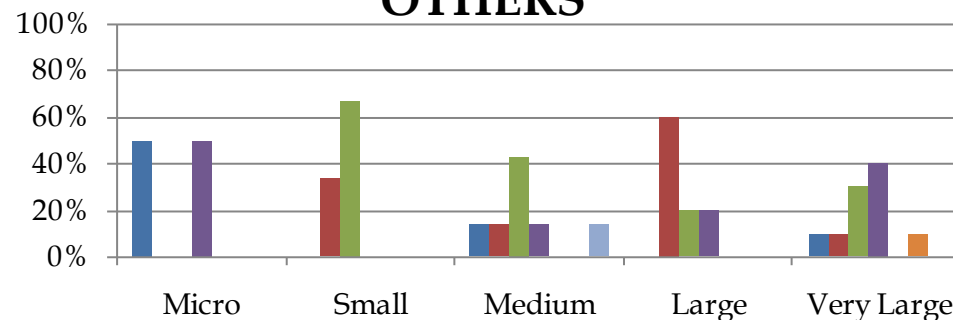
EUROPE



INDIA



OTHERS

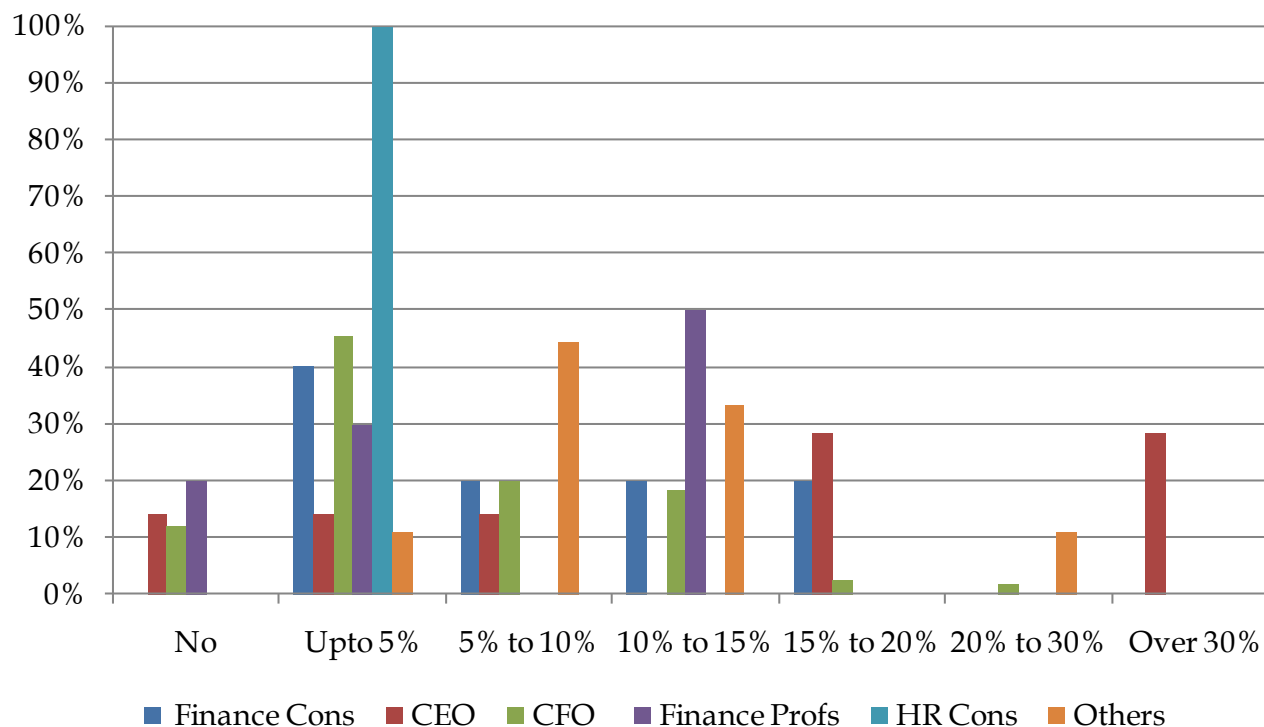


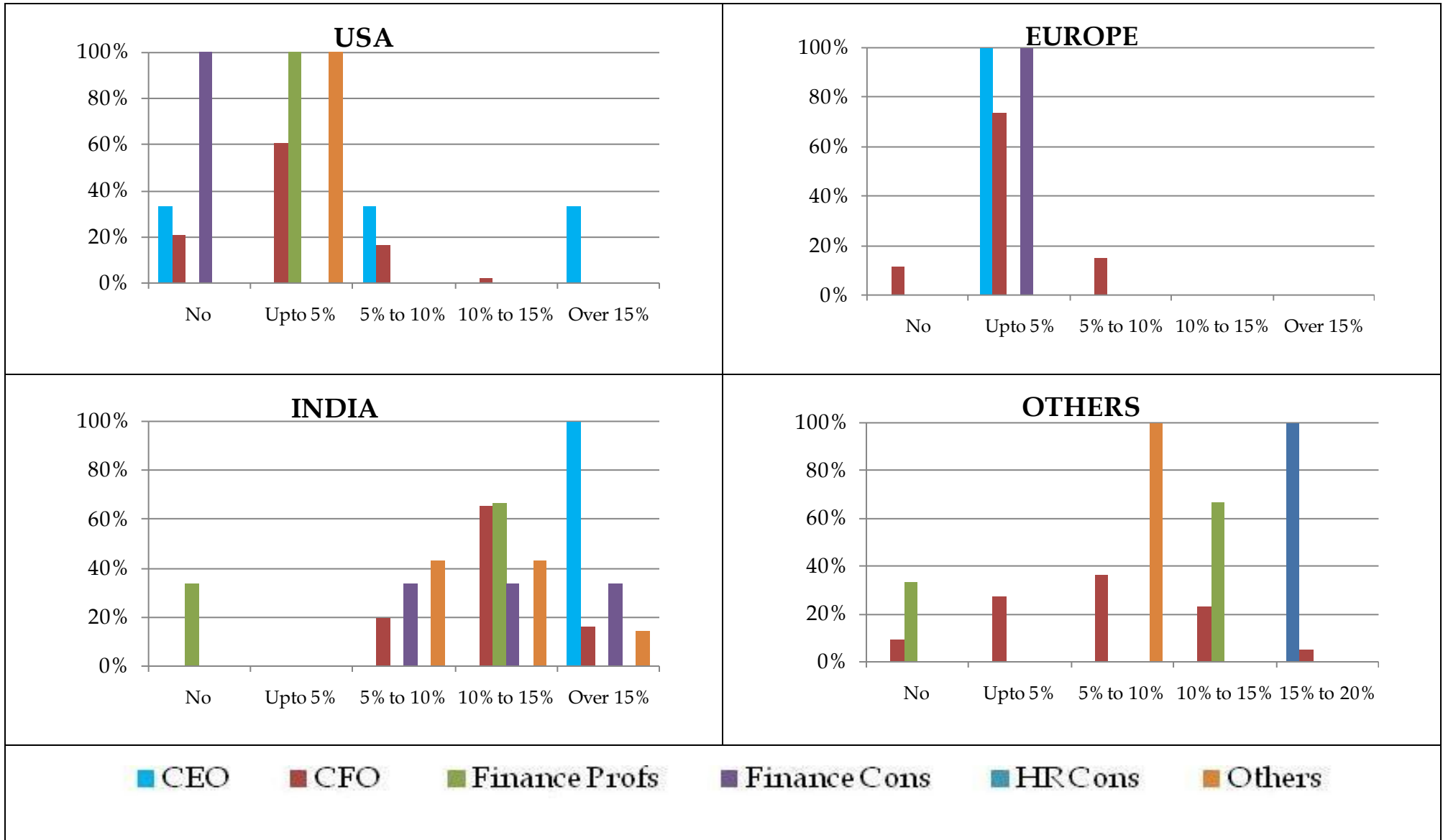
■ No ■ Upto 5% ■ 5% to 10% ■ 10% to 15% ■ 15% to 20% ■ 20% to 30% ■ Over 30%



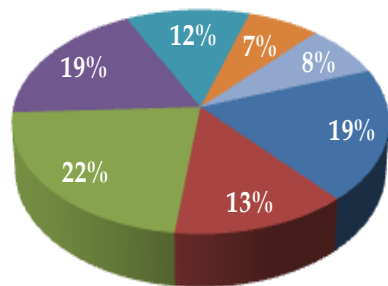
INCREMENTS - CURRENT YEAR ... analyzing responses from different Professionals

- Most professionals surveyed expect increases in the 0-15% range, with 29% CEOs expecting increases in the 15%-20% and over 30% categories respectively.
- Again if one is to look at this data of professional increment expectations geographically, then India shines out with most professionals across domains expecting increments above 15% this year.



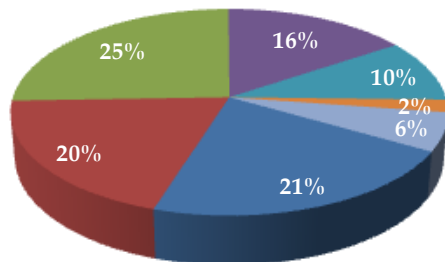


INCENTIVES / BONUS - CURRENT YEAR (2011)

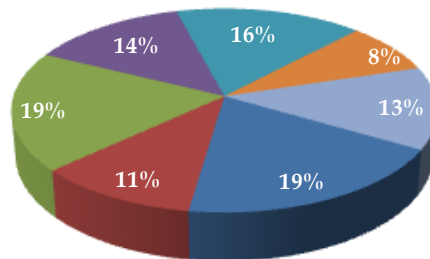


As opposed to the trend last year where 68% of companies were willing to dole out bonuses last year, this year again heralds a healthy trend on the bonus front. 81% of the companies surveyed are willing to dole out bonuses in 2011, which certainly augurs towards a healthy trend macro economically across the globe. This year, respondents across the world are willing to give bonuses in excess of 30%, across the world, to some extent. In other words there is no region in the broad areas surveyed, where companies are not giving bonuses in excess of 30%. The average bonus across the world is 13% and most of the companies across the geographical spectrum are giving bonuses in the range of 5%-20% of the annual compensation of the employees. This is a shade better than last year when majority companies across all jurisdictions were giving bonuses in the range of 5%-15%.

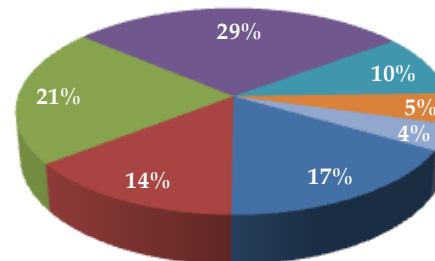
USA



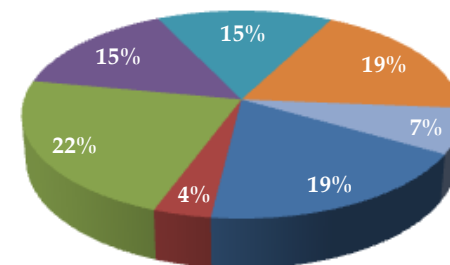
EUROPE



INDIA



OTHERS

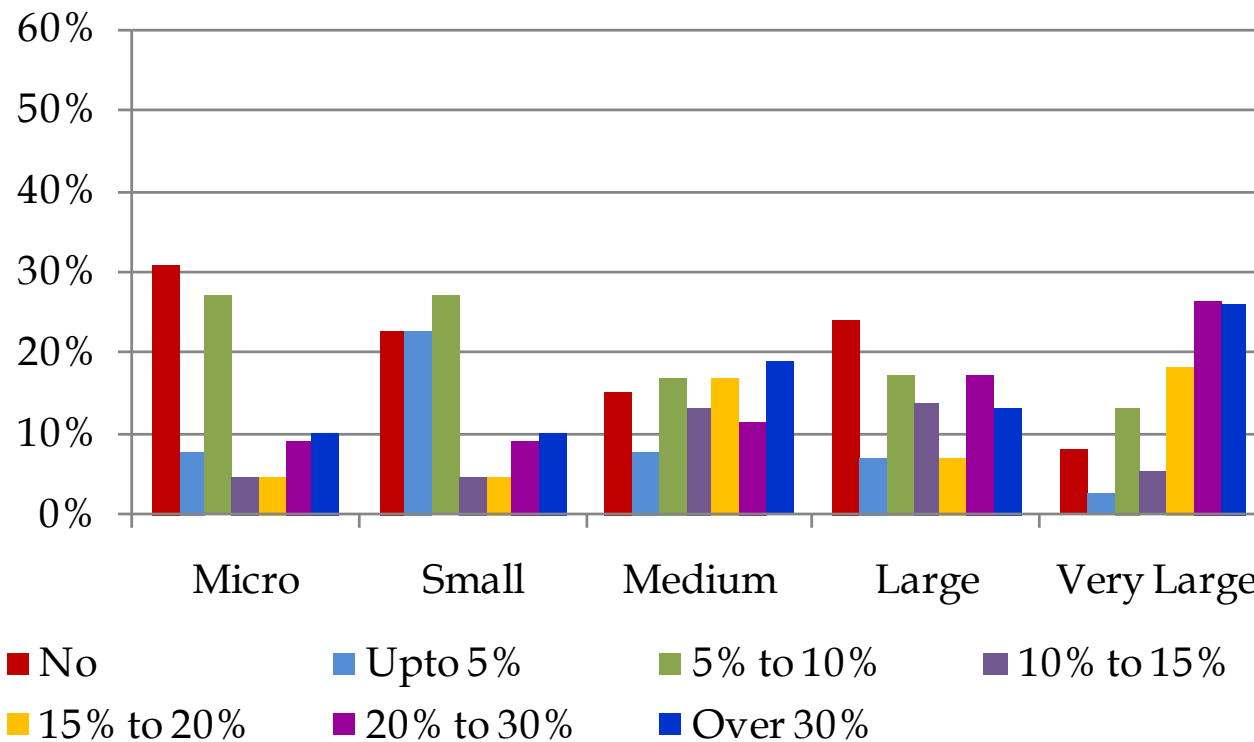


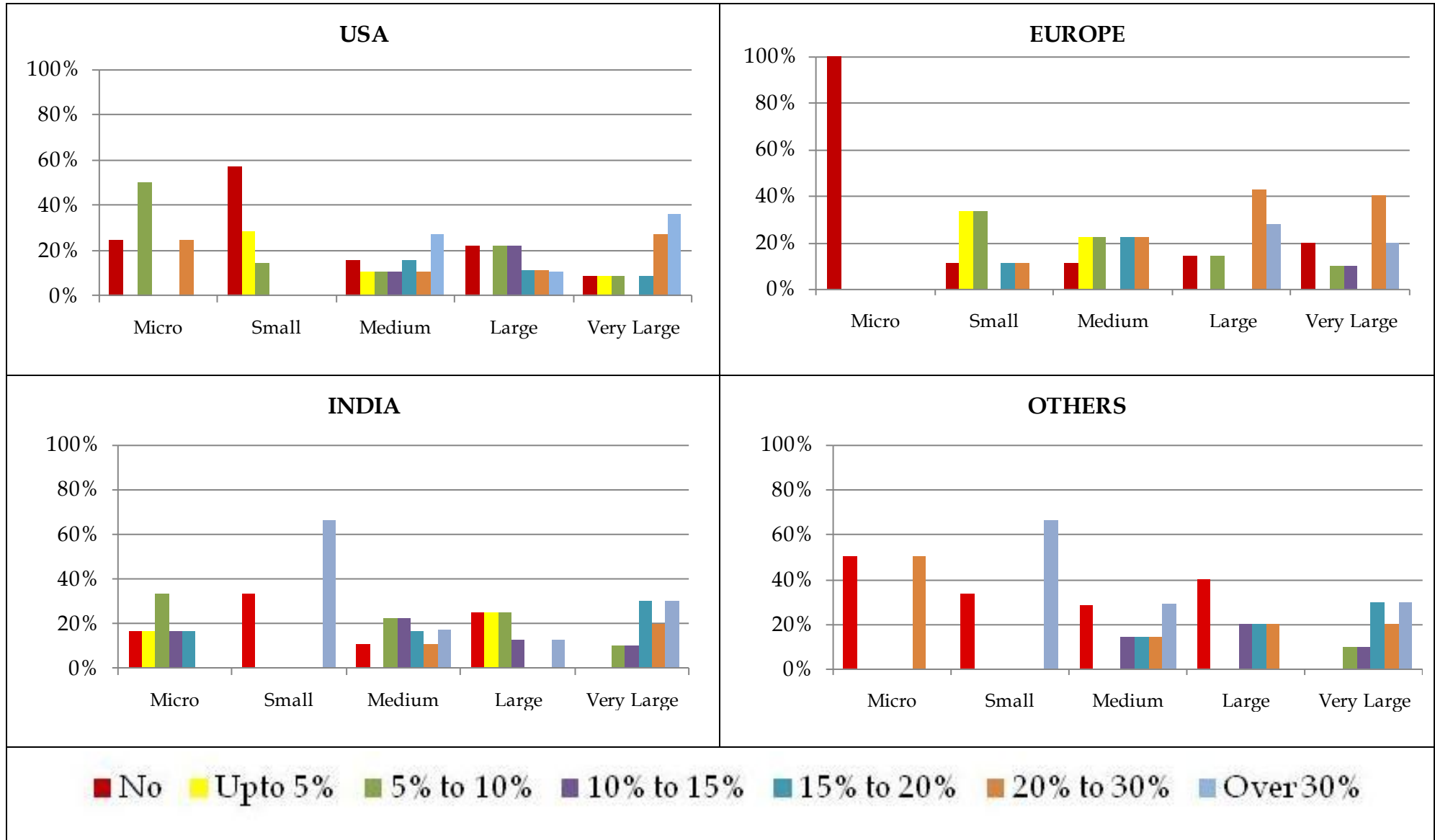
■ No Incentive ■ Upto 5% ■ 5% to 10% ■ 10% to 15% ■ 15% to 20% ■ 20% to 30% ■ Over 30%



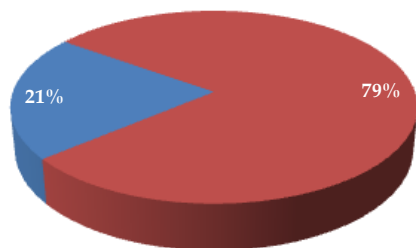
INCENTIVES / BONUS - CURRENT YEAR... analyzing responses against Size of the Companies

Despite global economic scenario showing signs of a turnaround, micro companies, mainly due to their size and budgetary constraints, just like last year, are among those, who are majorly (31%), not giving bonuses.





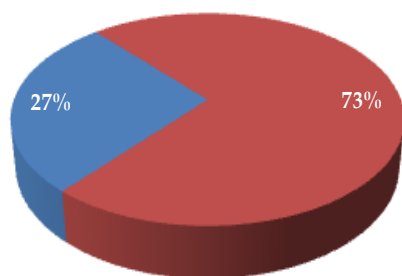
PROPOSED STOCK OPTIONS - CURRENT YEAR (2011)



■ Yes ■ No

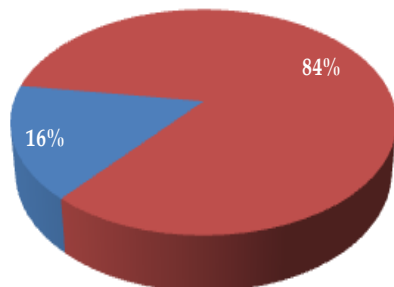
- Stock options have over the years been consistently declining in popularity as a tool for employee incentivisation. This is due to global volatility on the bourses as a result of worldwide economic, natural and political uncertainties. A whopping 79% of the respondents surveyed were not in favor of giving ESOPS this year.
- Geographically too, companies across jurisdictions are not in favor of paying stock options with an average of 79%, choosing not to pay stock options.

USA



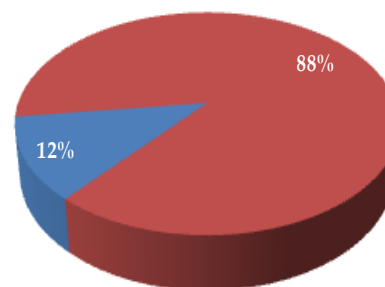
■ Yes ■ No

EUROPE



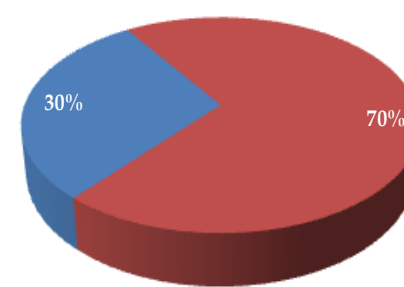
■ Yes ■ No

INDIA



■ Yes ■ No

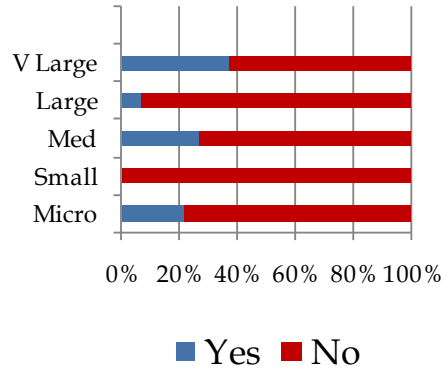
OTHERS



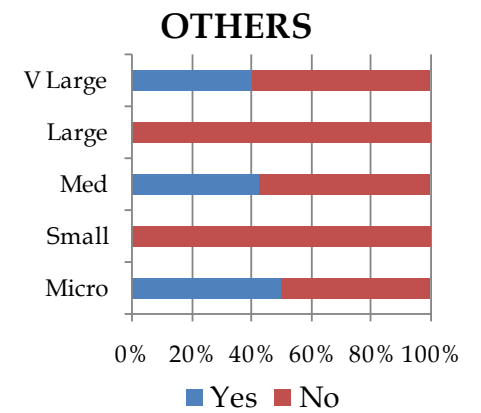
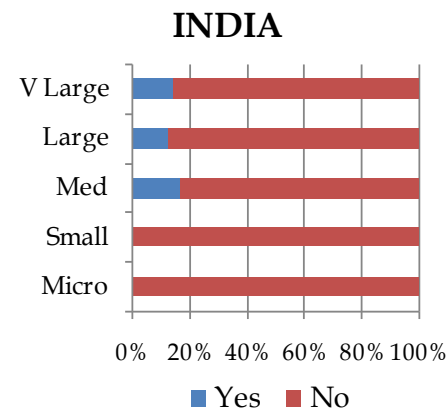
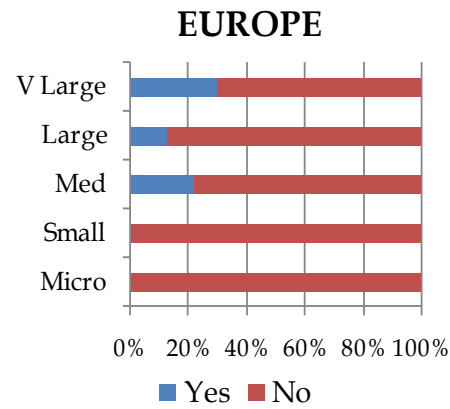
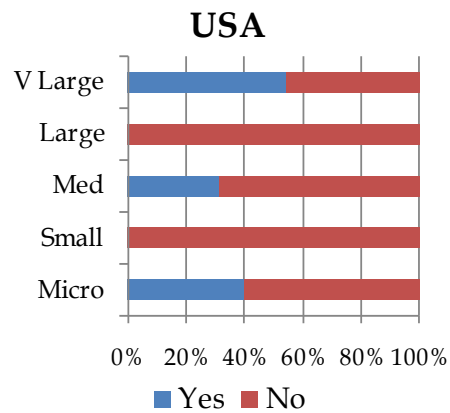
■ Yes ■ No



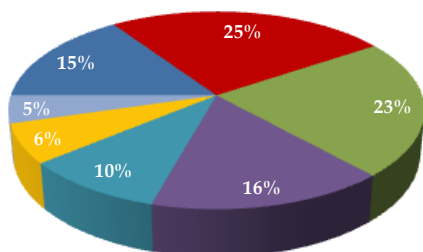
PROPOSED STOCK OPTIONS -... analyzing responses against Size of the Companies



Response across different sizes of companies also met with an overwhelming NO for ESOPS. It was observed that 37% of very large companies were planning to give ESOPS; the highest and none of the respondents from small companies were willing to give stock options.

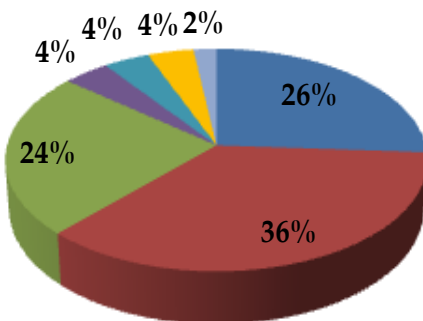


INCREMENTS EXPECTATIONS FOR SELF- CURRENT YEAR (2011)

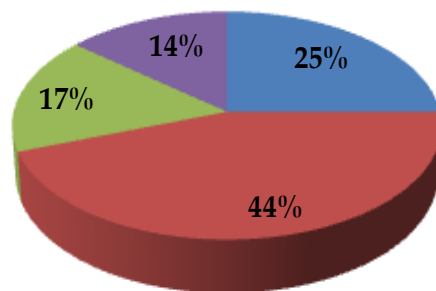


- Majority of the respondents expect an increment between the ranges of 5% - 15%. A very small percentage of them expect to receive anything above 30%.
- If you see the geographical trend then unsurprisingly, most of the respondents surveyed in India expect increments in 2011, with only 2% replying in the negative. Majority of the respondents in US and Europe expect little (upto 5%). In India, the expectation in 2011 hovers between 10%-20%.

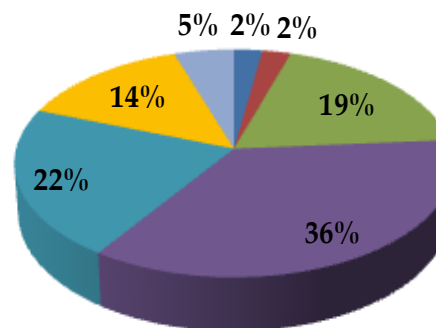
USA



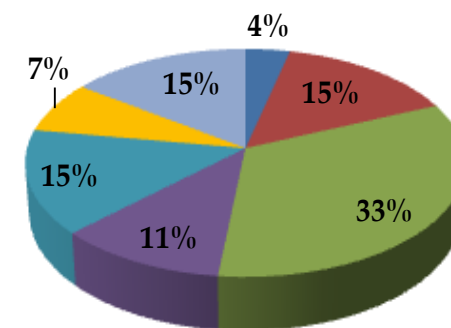
EUROPE



INDIA



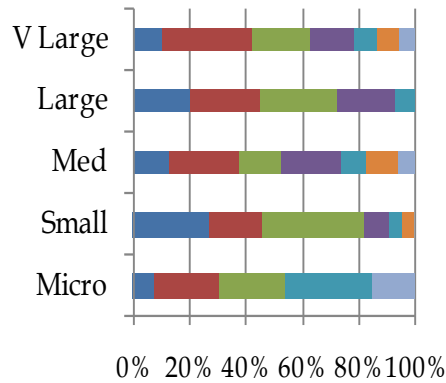
OTHERS



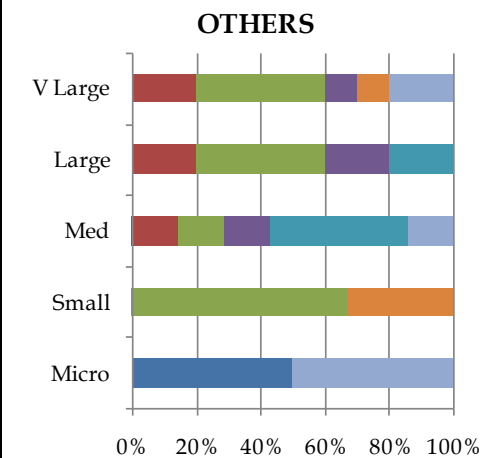
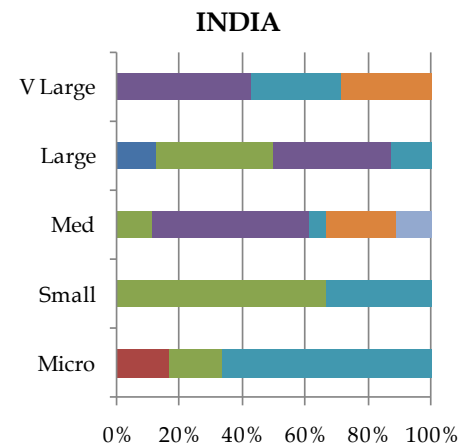
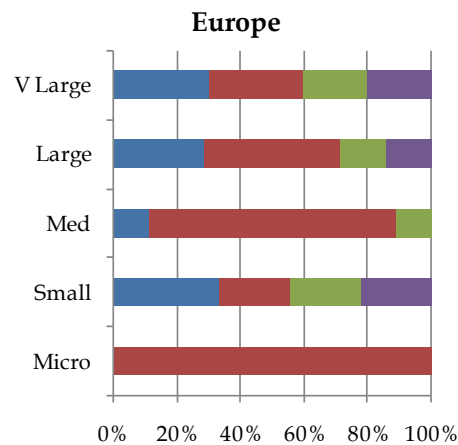
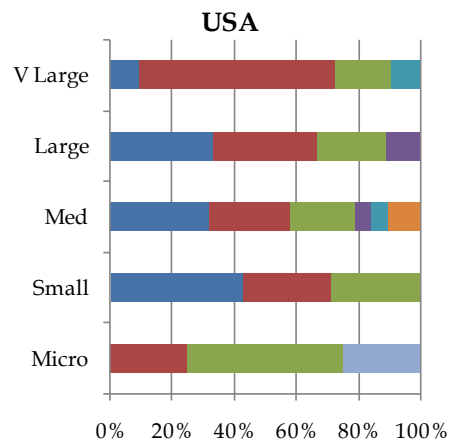
■ No Increment ■ Upto 5% ■ 5% to 10% ■ 10% to 15% ■ 15% to 20% ■ 20% to 30% ■ Over 30%



INCREMENTS EXPECTATIONS FOR SELF- CURRENT YEAR analyzing responses against Size of the Companies



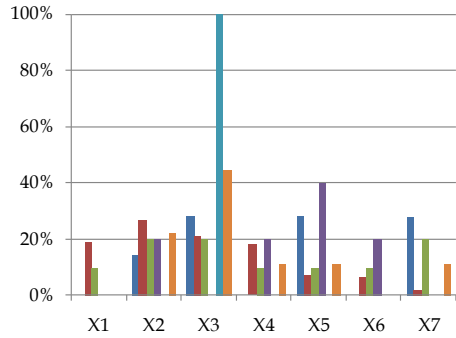
An average of 16% of companies across different sizes has decided not to give increments this year.
 Majority of the respondents who said yes to increments expect them to be in the range of 5- 10%.



■ No
 ■ Upto 5%
 ■ 5% to 10%
 ■ 10% to 15%
 ■ 15% to 20%
 ■ 20% to 30%
 ■ Over 30%



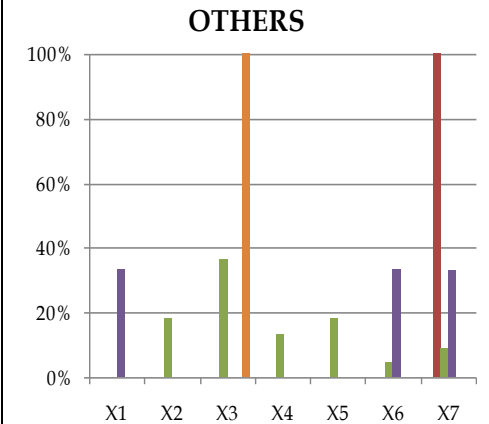
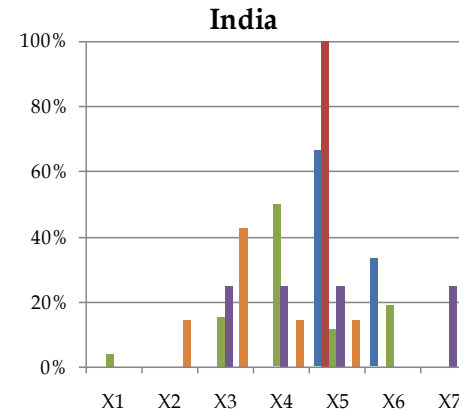
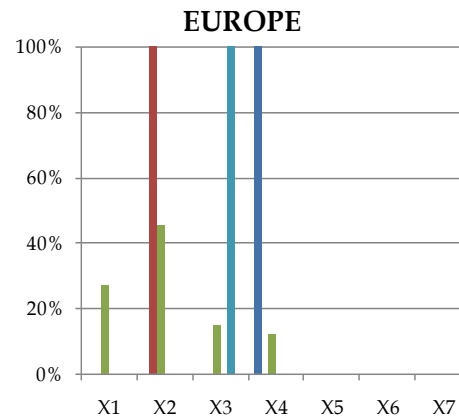
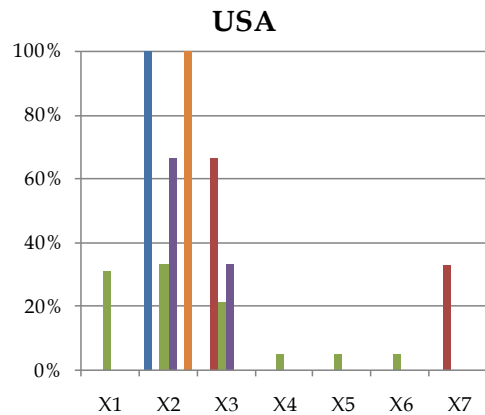
INCREMENTS EXPECTATIONS FOR SELF- CURRENT YEAR analyzing responses from different Professionals



Except for the financial domain, where 19% of CFOs and 10% of Auditors are not expecting increments; all other professionals surveyed expect some form of increment or the other.

Legend used for the graphs:

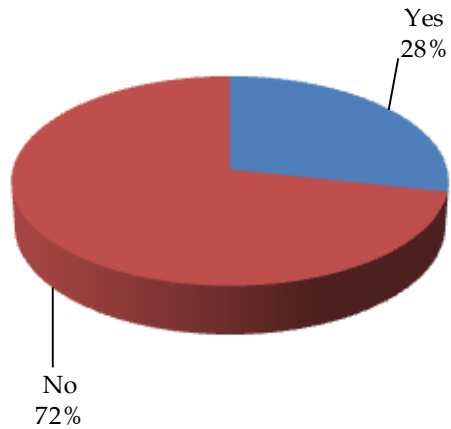
- X1 = Nil
- X2 = Upto 5%
- X3 = 5% to 10%
- X4 = 10% to 15%
- X5 = 15% to 20%
- X6 = 20% to 30%
- X7 = Over 30%



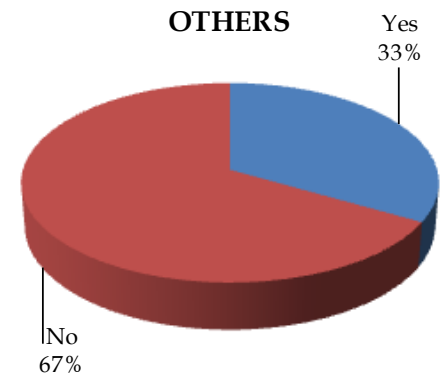
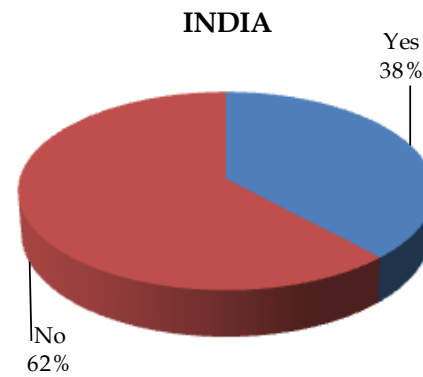
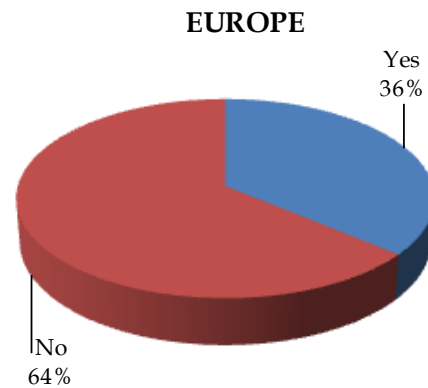
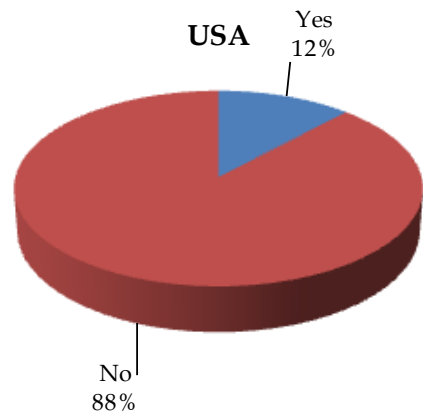
■ Finance Cons ■ CEO ■ CFO ■ Finance Profs ■ HR Cons ■ Others



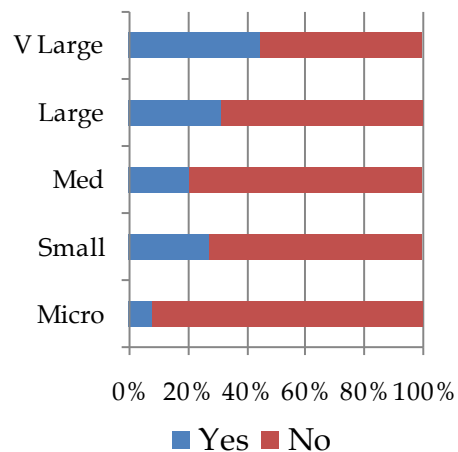
EXPECTATIONS FOR SELF PROMOTION OR CHANGE IN JOB PROFILE THIS YEAR



As against above average salary increment expectations for the current year, it was interesting to note that only 28% of the respondents expect a job change or promotion this year.

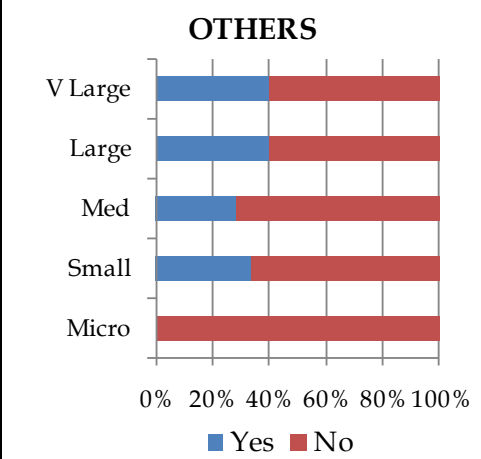
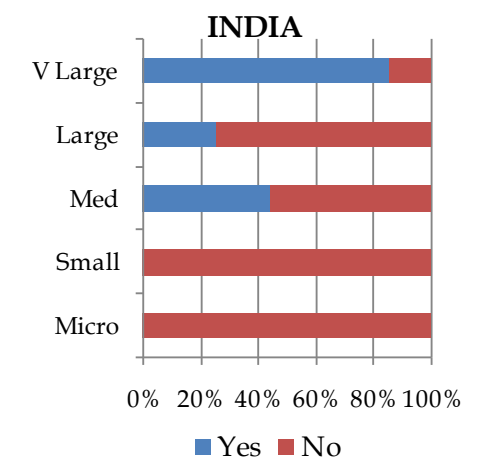
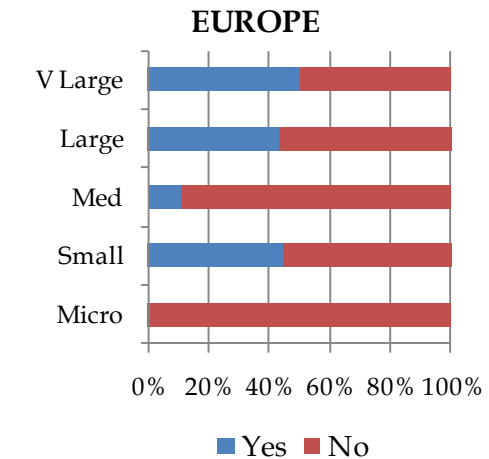
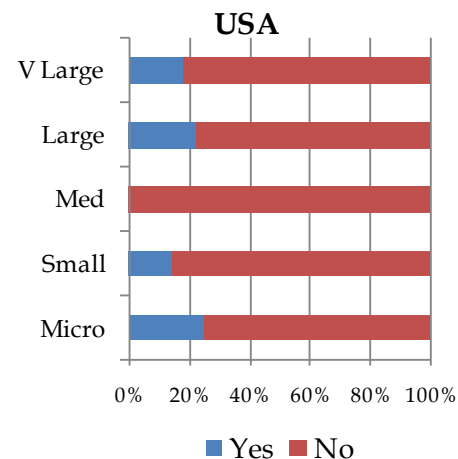


EXPECTATIONS FOR SELF PROMOTION OR CHANGE IN JOB PROFILE THIS YEAR analyzing responses against Size of the Companies

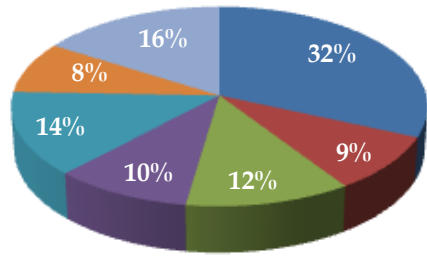


Among different company sizes there is progression starting with micro companies and ending with very large companies where the number of respondents who expect a promotion rising from 8% to 45% for micro and very large companies.

As is evident, US economic gloom seems to have permeated expectations of promotion or job change that her citizens might have with over 88% respondents pessimistic of a change in profile or promotion. In contrast there is greater optimism in Europe, India and Other nations of the world.



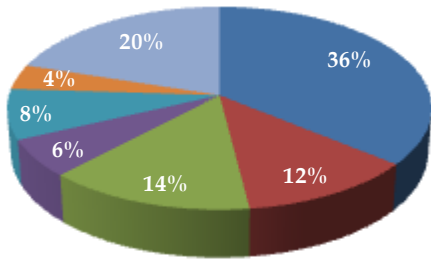
BONUS - LAST YEAR (2010)



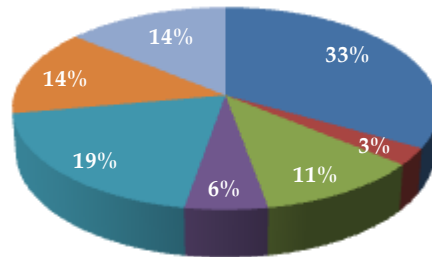
In 2010, a large number of respondents (32%) did not receive any bonus as a percentage of their salary. Again the median bonus rate was between 5% - 20%, with a few of the respondents getting upwards of 50%.

Across jurisdictions an average of 31% respondents did not get bonus as a percentage of their base salary.

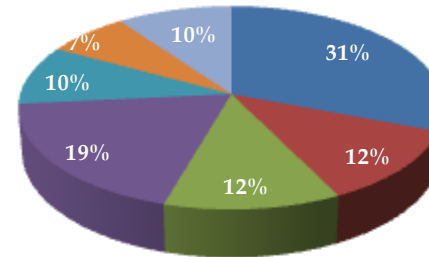
USA



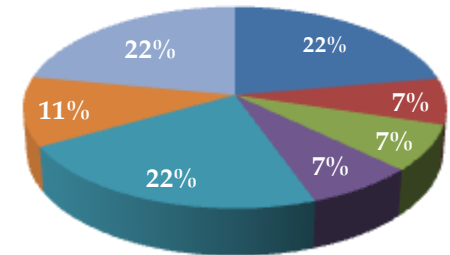
EUROPE



INDIA



OTHERS



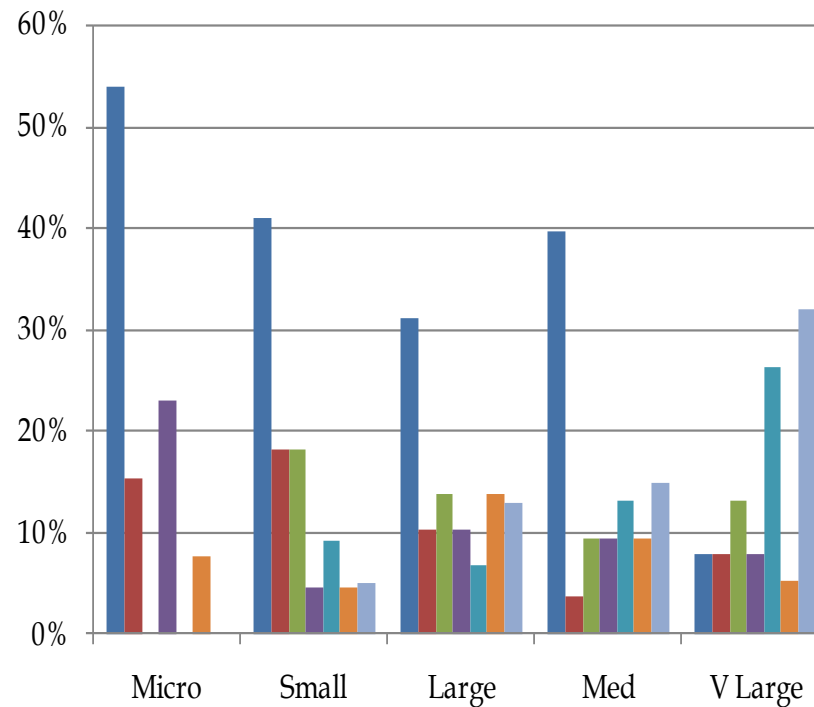
■ No ■ Upto 5% ■ 5% to 10% ■ 10% to 15% ■ 15% to 20% ■ 20% to 30% ■ Over 30%



Bonus - Last year (2010) ... analyzing responses against Size of the Companies

Most respondents from very companies received a bonus as opposed to other company sizes.

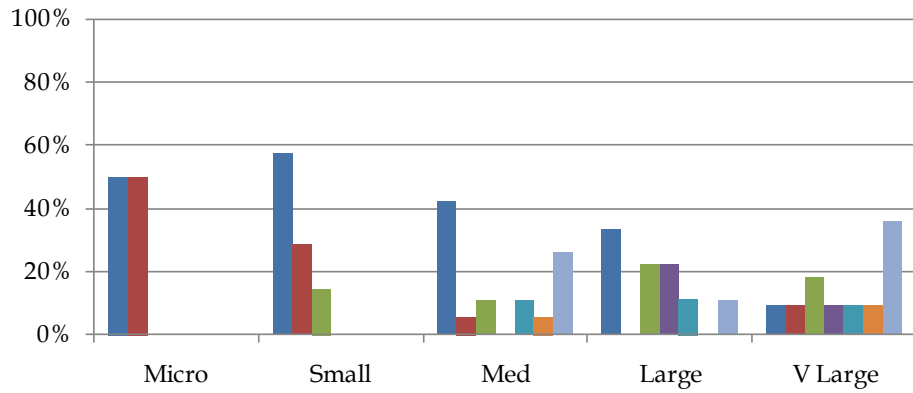
In fact 32% of the respondents in large companies who received a bonus received it in excess of 50%.



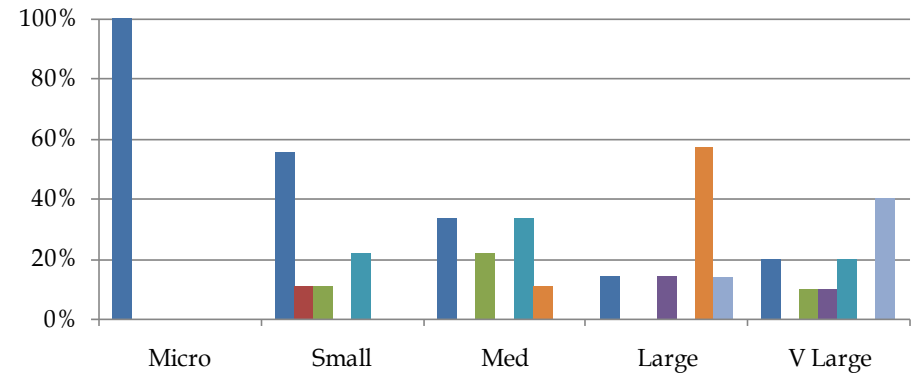
■ No ■ Upto 5% ■ 5% to 10% ■ 10% to 15% ■ 15% to 20% ■ 20% to 30% ■ Over 30%



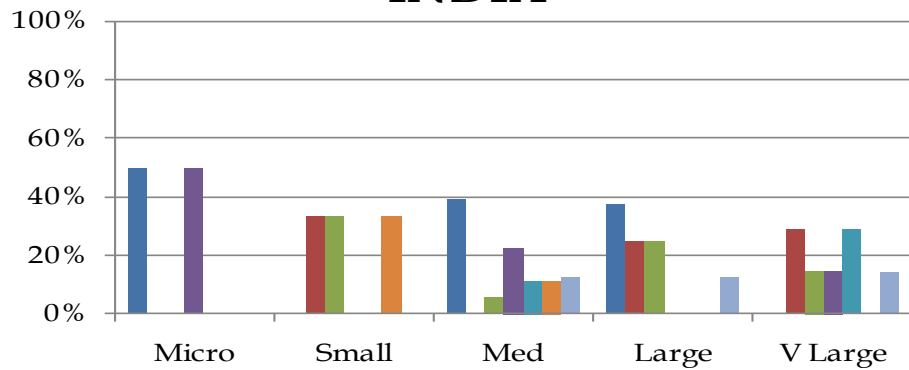
USA



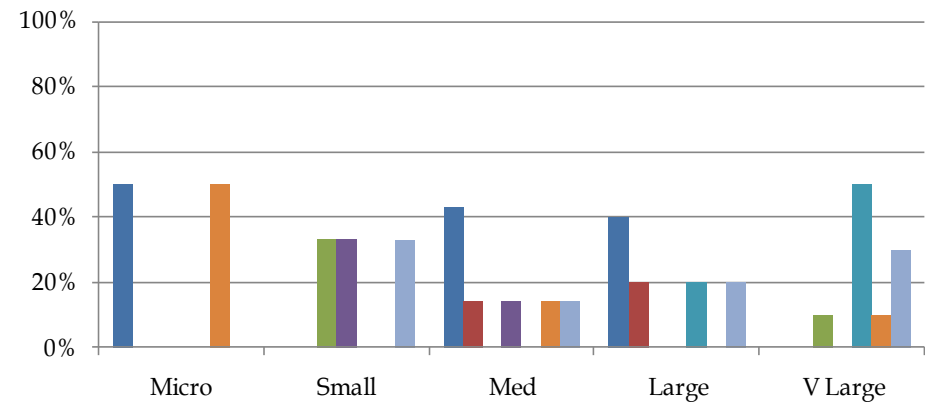
EUROPE



INDIA



OTHERS

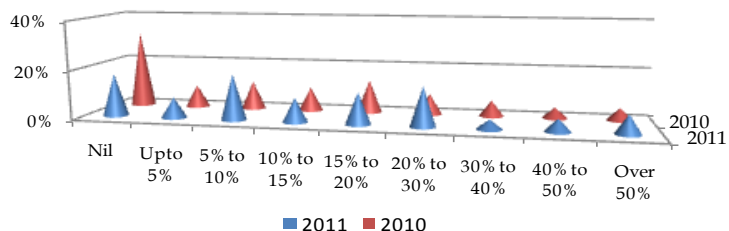


■ No ■ Upto 5% ■ 5% to 10% ■ 10% to 15% ■ 15% to 20% ■ 20% to 30% ■ Over 30%



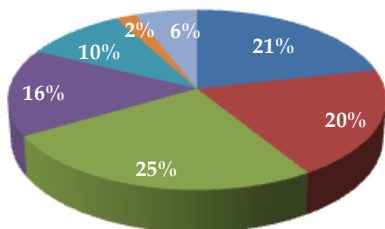
BONUS EXPECTATIONS FOR SELF CURRENT YEAR

2011 heralds a positive change as the number of respondents expecting a nil bonus has gone down from 32% last year to 17%. Moreover, the average range of those respondents expecting bonuses in the range of 5% to 20% has risen from 12% last year to 41%. Also those expecting a bonus over 50% of their base salary have gone up from 5% to 8%.

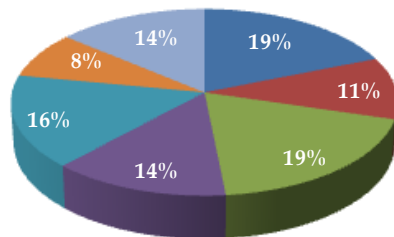


Across jurisdictions, the average respondents who did not receive any bonuses last year were 31%. This number fell to 19% in 2011. This simply means that global expectations of employees for better pay through bonuses especially have risen significantly. Another interesting observation here is that the percentage of respondents expecting fat bonus packages in excess of 50% has fallen on an average from 6% to 4%, whereas the mean range of 5%-20% bonus as a ration to the base salary has risen from 12% in 2010, to 18% in 2011.

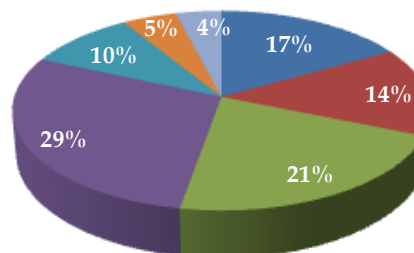
USA



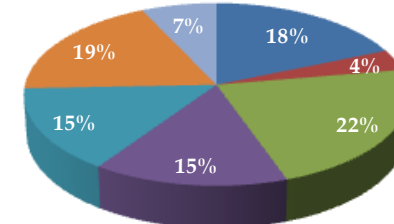
EUROPE



INDIA



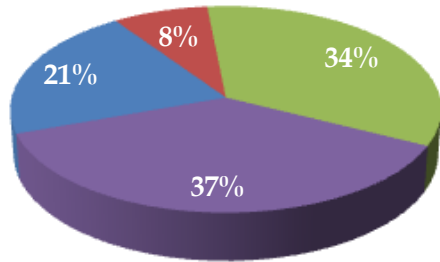
OTHERS



■ No ■ Upto 5% ■ 5% to 10% ■ 10% to 15% ■ 15% to 20% ■ 20% to 30% ■ Over 30%



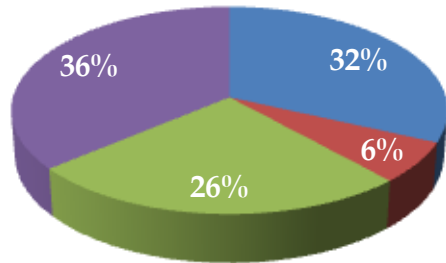
EVALUATION OF A JOB/CAREER CHANGE THIS YEAR



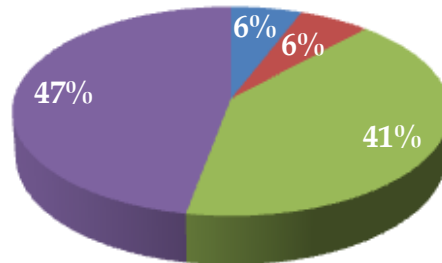
71% of the respondents are either actively (34%) or passively evaluating a career/job change, with only 21% replying in the negative.

This shows that a level of dissatisfaction has enveloped the working community in their current jobs and corporate HR has a proactive role to play in order to ensure that employee turnover is at a bare minimum.

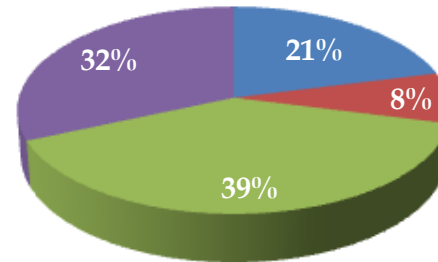
USA



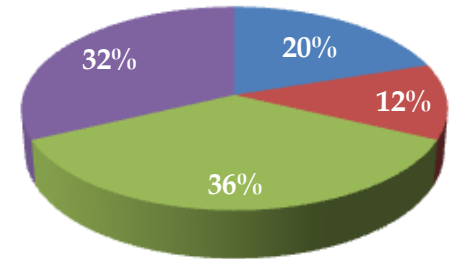
EUROPE



INDIA



OTHERS



■ No ■ No Comments ■ Yes, Actively ■ Yes, Passively



RANGE OF CHANNELS USED FOR GOOD CAREER OPPORTUNITIES

A wide range of channels are used to search jobs, the majority of executives credited recruitment firms as the most popular method for finding a new job. Among the large number of recruitment firms it is hard to find really good ones. Executives were asked to list the most influential channel which contributed to find their job. A large majority thinks that LinkedIn (social networking site), Naukri, Monster, Career builders, Indeed, Hector & Streak, Ma Foi Randstad, Spencer Stuart are the most effective channels to find a job.



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