

Media Coverage

Publication	Date	Edition	Link	Headline
News with chai	14 April 2021	Online	https://newswithchai.com/59-of-firms-in-india-intend-to-give-salary-increments-in-2021-with-economic-recovery/22883/	59% of firms in India intend to give salary increments in 2021 with economic recovery



Mumbai: As the economy moves to a recovery path after a sharp decline last year amid the pandemic, a study has shown that 59 percent of companies in India are intending to give salary increments to their employees in 2021.

The study was conducted online among 1,200 companies during February and March across sectors including banking and finance, construction and engineering, education/teaching/training, FMCG, hospitality, HR solutions, IT, ITES and BPO, logistics, manufacturing, media, oil and gas, pharma and medical, power and energy, real estate, retail, telecom, auto, and ancillary. The nationwide study further revealed that around 43 percent of the participants have said there are openings for new recruitments while 41 percent have indicated towards replacement hiring.

However, 11 percent of the respondents said there is no hope of fresh hiring, it noted. The study found that the southern market will lead in terms of new job opportunities with 37 percent hiring, followed by the western zone with 33 percent. It projected that the companies are re-evaluating in strengthening their workforce with 21 percent saying that they are planning to increase the team strength by more than 15 percent and on other hand around 26 percent said they will add 10-15 percent, new employees, to the team.

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However, 30 percent of respondents have said employee strength will increase by 10 percent followed by 23 percent saying there will be no hiring. In terms of manpower downsizing, only 4 percent of respondents said lay-offs are on the cards in 2021. The study further points that junior levels are more susceptible than middle and senior management people and the western zone will see the highest attrition this year.

Moreover, Genius Consultants Chairman and Managing Director R P Yadav pointed out that the government aids and favourable policy encouraging the private sector will fall back on the growth trajectory. "When things opened up last year, the hiring embargo was lifted and industries like banking and NBFC, consumer products, manufacturing, infrastructure, housing, hospitality, service, tourism, pharmaceutical, and e-commerce were on the way to achieving their pre-pandemic figures," he added.

According to staffing company Genius Consultants "10th Hiring, Attrition and Compensation Trend 2021-22", with this impressive growth rate, the market is expected to be stable, and the companies will also relook at their business continuity strategy along with strengthening the workforce. This year, the increment scenario seems "welcoming with 59 percent of companies saying that increment is on the cards, which will range between 5-10 percent whereas 20 percent thinks increment will be less than 5 percent and around 21 percent thinks that there will be no pay rise in 2021 too", as per the study.