

India Inc optimistic of pay rise in second half of 2016

CHENNAI: A recent study reveals that salaries are likely to increase by an average of 10.7%, across sectors in the second half of 2016. While the hiring figures for 2016 have dipped in comparison with 2015, the projected salary hikes for 2016 is nearly the same as in 2015.

An end to end online recruitment and career solutions portal, Wisdomjobs.com recently released the results of a survey on expected hiring and salary trends across various top sectors in India, for the months of July-December 2016. The study covered various industry sectors across Chennai, Delhi-NCR, Mumbai, Bengaluru, Hyderabad, and Kolkata. Although certain sectors are expected to offer bigger pay hikes, most companies are expected to be conservative in their appraisals, thus bringing down the overall average.

Ajay Kolla, Founder & CEO, Wisdomjobs.com, said, "At a time when Chennai is recovering from the effects of the 2015 floods, the hiring scenario seems to have caught pace. However, it is comparatively lower than it was in the last year. The hiring sentiments will be in favour of IT, manufacturing and healthcare sectors. While e-commerce is still going strong, banking and telecom sectors are expected to be especially cautious in their hiring."



SALARY TRENDS IN KEY SECTORS

IT: Compensation in the IT industry is interlinked with business performance and revenue growth. Hikes will see variances based on individual performance. However, the industry average is expected to be between 6 to 9%

Healthcare/Pharma: With the industry growing at a tremendous pace owing to increasing demand, growing coverage and interest from private players, this sector could see consistently high pay hikes in the region of 12 to 13%

BPO/ITeS: With the focus on objective setting and developmental plans, it is likely to adopt a continuous feedback mechanism instead of the traditional annual appraisal approach. Hikes will be linked to competencies, niche skills and their criticality to business. This sector is likely to see average pay hikes of around 10 to 11%

Banking, Financial services and Insurance (BFSI): With compensation in the BFSI sector being market driven, this sector is likely to see one of the lowest pay hikes at around 8 to 9%. This is due to weak financial performance by many banks and the lukewarm market performance

Consumer Durables/FMCG: The sector is expected to see salary hikes in the region of around 12%, with high performers like to get hikes of more than 20%. Professionals in marketing and packaging development are expected to get a higher than average hike

Projects/Infrastructure: With activity in the Infrastructure sector yet to pick up significantly, this sector is expected to see an average pay hike of around 9% at best. This sector would take a year or two to recover

Retail: With e-Commerce driving the growth of online retail, and offline retail too seeing significant growth, the retail sector is expected to see average pay hikes in the range of 10 to 12%, with top performers expected to get a 15 to 18% hike

Manufacturing and Engineering: This sector is expected to see average hikes in the region of 11%

Automotive: An average pay hike of around 10 to 12% with top performers likely to get a further 4 to 5% increase