
TEAMLEASE EMPLOYMENT OUTLOOK SURVEY

Quarter -V (January – March 2008)

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I. BACKGROUND

Post-liberalisation, India has undergone a sea change and Young India is all the more confident now. The booming industrial sectors like BFSI, Telecom, IT, ITeS, Manufacturing, Retail, FMCG, etc, drive the country's economic growth. It is one of the best of times in recorded history to be an Indian.

As salaries continue to rise, in this booming economy, with the advantage of having educated English-speaking young talent, Employment Outlook is proving to be very encouraging.

To share the right picture on the Employment scene with policy makers and the human resources community, TeamLease continuously conducts regular surveys on quarterly basis, thus providing for a better planning and management of country's human capital. The survey reports are available for the quarters of October-December 2006, January-March 2007, April-June 2007, July-September 2007, October-December 2007 and would be made available for the subsequent quarter of January-March 2008 on www.teamlease.com

The study covers India's organized sector providing adequate representation across various verticals of Manufacturing (Mfg) & Engineering (Eng), Financial Services (Fns), IT, ITES, Infrastructure (Infra), Retail, Media & FMCG and Telecom. The survey focuses on employment growth potential and hiring forecasts, and provides an overview of hiring pattern with relation to location and company profile.

It goes further to explore hiring requirements by management levels, function and age group and captures the responses of HR Heads, CEOs and the Senior Management professionals responsible for hiring decisions in their respective organizations.

Key Findings

- ★ Employment Outlook Index for Quarter –V (January – March 2008) stands at 80 index points, which is a slight increase of 2 index points from the previous quarter. Among the sectors covered, there are increases in index points of ITES (with 100 points) and Telecom (with 90 points). Telecom sector which was included in the previous quarter has stood as the 2nd highest.
- ★ While comparing the last four quarters, there is a **gradual increase in Employment Outlook Index points of ITES sector** and **a gradual decrease in index points of Retail and Media & FMCG sector.**
- ★ Among the cities, there is an **increase** in Employment Outlook index points of **Bangalore, Chennai, Ahmedabad and Hyderabad** cities. There is a **decline in index points of Mumbai, Delhi, Kolkata and Pune.**
- ★ In Quarter – V, **Manufacturing & Engineering sector is the major contributor for employment growth in Pune and Ahmedabad.** IT for Delhi and Chennai; Retail, Media & FMCG for Bangalore; ITES for Hyderabad; and Financial Services for Mumbai.
- ★ While comparing all the five quarters, it is also observed that the **employment growth in Infrastructure sector is gradually growing in Hyderabad;** whereas the gradual decreases are observed ITES sector in Bangalore and Financial Services in Delhi.
- ★ In Quarter – V, the Business Outlook Index points have shown a major increase in IT and Infrastructure sector. There was neither an increase nor decrease in the ITeS sector. **The index points of Retail, Media & FMCG and Telecom sectors have majorly decreased.**
- ★ Among the last five quarters, there was a decline of Business Outlook Index points of Pune, Hyderabad, Bangalore and Ahmedabad.

- ★ **The hiring trend in Tier-I & II cities are increasing;** whereas in Metro cities, it is decreasing. Still there is no preference for hiring from rural areas.
- ★ **The intention to hire across all Managerial levels is gradually decreasing.**
- ★ During the past three months, the attrition rate across all the cities was 13% & above. Among these **Hyderabad and Chennai cities were having the highest attrition rates. During the past one year period, the attrition rate was higher in Mumbai city.**
- ★ More than 50% of the employees pertaining to Retail, Media & FMCG, Infrastructure and ITES sectors are moving within the same sectors. More than 33% of the employees in Manufacturing & Engineering, Financial Services and IT sectors are moving within the same sectors.

II. OBJECTIVE

The objective of the proposed survey is to track and understand the hiring expectations of the private sector in India; this will further enable the HR sourcing companies to develop strategies with respect to their hiring/making skilled resources available respectively. It also helps the Corporate Houses to understand the employment trend in the present market situation in major cities.

III. METHODOLOGY

The TeamLease-Employment Outlook Survey follows a rigorous, statistically validated process adhering to the highest standards in Marketing Research.

Sample Design

For the purpose of sampling a combination of database, and random sampling as a technique has been used. For non-IT/ITES companies and non-financial, we have used the Kompass directory. The Kompass directory is enlisting 70% of the registered companies in the organised sector. Particularly, it provides good coverage of small, medium and large sized companies. To ensure continuity with the baseline measurement, the core random sample was drawn from this database. However to have a better understanding of the dynamics in specific industry segments such as IT and ITES companies, we supplemented the above sample with random sample of companies selected from NASSCOM in case of IT, companies registered with the website of www.bpo.india.org in the case of ITES and a database of financial companies registered with the Bombay Stock Exchange (BSE) in the case of financial services.

Sample Size

Sectors	Mum	Del	B'lore	Kol	Chn	Pun	Hyd	Ahd	Total
Manufacturing & Engineering	10	10	5	15	15	30	0	15	100
Retail, Media & FMCG	30	30	5	10	5	5	5	0	90
Financial Services	30	15	0	5	5	0	5	10	70
IT	10	15	25	0	15	5	10	0	80
ITES	5	20	20	0	5	10	15	0	75
Infrastructure	10	10	5	5	5	0	10	0	45
Telecom	5	15	0	5	5	0	0	0	30
Total	100	115	60	40	55	50	45	25	490

Reference: Mum: Mumbai, Del: Delhi, 'B'lore: Bangalore, Kol: Kolkata, Chn: Chennai, Pun: Pune, Hyd: Hyderabad, Ahd: Ahmedabad

Respondent Selection

The target respondents for the study were the HR Heads. The database offered a contact name for each company listed. MARCH interviewers called into each of these companies and obtained the names of the appropriate individuals who were responsible for hiring decisions.

Data Collection

The survey instrument was then administered to the target respondents on the telephone and the responses obtained were coded at the time of data collection. Post the data collection the collated file was sent for the analysis. The analysis was then done using the software called Statistical Package for the Social Sciences (SPSS) package, which is used across the research and consulting organizations across the globe. Given the concentration of most companies and their headquarters in the top 8 major cities of Mumbai, Delhi, Bangalore, Kolkata, Chennai, Hyderabad, Pune and Ahmedabad, this study was restricted to covering only companies with a presence in these cities. A random sample was drawn from within each city with proper representation in terms of size.

Questionnaire Design

A questionnaire was used for filling the responses to capture the following information areas:

- Over all business improvement (last three months and next three months)
- Over all recruitment needs (last three months and next three months)
- Recruitment trends (across age band, across geographies, across functions, across levels)
- Attrition rates
- Cross industry movement of the workforce
- Demographic information about the organization

Fieldwork

A total of 490 interviews were covered during the month of November 2007 from the database. The database was a combination of Kompas, NASSCOM and www.bpo.india.org. Sufficient care was taken to get an equitable representation across the industries to remove any bias or variation which might be an attribute of a particular industry

IV. INDICES USED

We have computed certain indices to elaborate and analyze the trends in the data. A description of those indices follows:

Employment Outlook Index

The Employment Outlook Index is computed as the difference in the proportion of respondents who report an increase in hiring needs and those who report a decline in hiring needs over the next three months.

Employment Trend Index

The Employment Trend Index is calculated by dividing the Current Employment Outlook Index with the baseline index and converting the same in percentages by multiplying with 100.

Business Outlook Index

Index computed by subtracting the percentage respondents who say business in the next three months is likely to decrease from the percentage who say it will increase.

Business Confidence Index

Business Confidence Index is computed by dividing the Current Business Outlook Index with the baseline business outlook index, and converting the same in percentages, by multiplying with 100.

QUARTER COMPARISON SHEET

Net Employment Outlook:

The 'Net Employment Outlook' is derived in Percentages as the difference in the proportion of respondents reporting an increase in hiring needs and those who report a decline in hiring needs over the next three months.

Quarter	Period	<i>(Figures in percentage)</i>			
		Increase	Decrease	No Change	Net Employment Outlook
5	Jan-Mar 2008	80	-	20	+80
4	Oct-Dec 2007	79	1	20	+78
3	Jul-Sep 2007	85	1	14	+84
2	Apr-Jun 2007	83	1	16	+82
1	Jan-Mar 2007	82	1	17	+81

Net Employment Outlook growth sector wise:

The Net Increase/Decrease in the Employment Outlook growth sector-wise is derived by subtracting the percentage of responses of Quarter 4 from Quarter 5

Sectors	<i>(Figures in percentage)</i>					Net Increase/ Decrease
	Quarter					
	5	4	3	2	1	
IT	84	89	87	86	78	-5
ITES	100	92	87	85	90	+8
Financial Services	72	79	89	84	85	-7
Retail, Media & FMCG	68	76	84	86	78	-8
Infrastructure	58	71	82	78	71	-13
Manufacturing & Engineering	75	78	76	73	71	-3
Telecom	90	83	*	*	*	+7

* Not covered in previous quarters

Net Employment Outlook Growth City wise:

The Net Increase/Decrease in the Employment Outlook growth city-wise is derived by subtracting the percentage of responses of Quarter - 4 from Quarter - 5

City	<i>(Figures in percentage)</i>					
	Quarter					Net Increase/ Decrease
	5	4	3	2	1	
Mumbai	66	77	91	93	90	-11
Delhi	70	87	81	76	88	-17
Bangalore	100	96	93	94	90	+4
Kolkata	67	68	69	64	57	-1
Chennai	87	64	93	93	74	+23
Pune	56	80	80	76	82	-24
Hyderabad	89	73	73	70	76	+16
Ahmedabad	85	77	80	80	76	+8

Net Business Outlook:

The 'Net Business Outlook' is derived in Percentages as the difference in the proportion of respondents reporting an increase in Business and those who report a decline in Business over the next three months.

Quarter	Period	<i>(Figures in percentage)</i>			
		Increase	Decrease	No Change	Net Business Outlook
5	Jan-Mar 2008	82	3	15	+79
4	Oct-Dec 2007	82	1	17	+81
3	Jul-Sep 2007	91	1	8	+90
2	Apr-Jun 2007	91	1	8	+90
1	Jan-Mar 2007	93	2	5	+91

The Quarter V Net Employment Outlook Index points of +80% is slightly higher than the previous Quarter and the Net Business Outlook Index points of +79% of Quarter V is slightly lower than the previous Quarter.

Net Business Outlook growth sector wise:

The Net Increase/Decrease in the Business Outlook growth sector wise is derived by subtracting the percentage of responses of Quarter - 4 from Quarter - 5

Sectors	<i>(Figures in percentage)</i>					
	Quarter					Net Increase/ Decrease
	5	4	3	2	1	
IT	92	77	89	90	96	+15
ITES	87	87	91	91	92	-
Financial Services	79	80	96	91	93	-1
Retail, Media & FMCG	67	91	90	90	80	-24
Infrastructure	89	64	96	91	92	+25
Manufacturing & Engineering	77	82	86	87	90	-5
Telecom	70	83	*	*	*	-13

* Not covered in previous quarters

Net Business Outlook growth city wise:

The Net Increase/Decrease in the Business Outlook growth city wise is derived by subtracting the percentage of responses of Quarter - 4 from Quarter - 5

City	<i>(Figures in percentage)</i>					
	Quarter					Net Increase/ Decrease
	5	4	3	2	1	
Mumbai	84	83	95	97	97	+1
Delhi	59	91	79	75	90	-32
Bangalore	83	89	93	89	97	-6
Kolkata	83	79	93	93	85	+4
Chennai	89	58	95	93	87	+31
Pune	74	85	94	94	89	-11
Hyderabad	80	81	87	88	86	-1
Ahmedabad	40	80	93	93	91	-40

Employment scenario:

The Net Increase/Decrease in the Employment scenario is derived by subtracting the percentage of responses of Quarter - 4 from Quarter - 5

City	<i>(Figures in percentage)</i>					
	Quarter					Net Increase/ Decrease
	5	4	3	2	1	
Metro	77	80	51	52	56	-3
Class - I	13	12	46	43	40	+1
Class - II	10	8	3	4	4	+2
Rural	0	0	0	1	0	0

Managerial level hiring:

The Net Increase/Decrease in the Intention to hire across Managerial Levels is derived by subtracting the percentage of responses of Quarter - 4 from Quarter - 5

Level	<i>(Figures in percentage)</i>					
	Quarter					Net Increase/ Decrease
	5	4	3	2	1	
Junior Level	70	82	95	93	87	-12
Middle Level	41	42	46	45	35	-1
Senior Level	5	8	11	11	12	-3

Intention to hire across functions:

The Net Increase/Decrease in the Intention to hire across Functions is derived by subtracting the percentage of responses of Quarter - 4 from Quarter - 5

Functions	<i>(Figures in percentage)</i>					
	Quarter					Net Increase/ Decrease
	5	4	3	2	1	
Marketing	46	23	25	23	25	+23
IT	34	9	21	21	18	+25
Production	27	20	18	18	18	+7
Finance	30	11	12	10	10	+19
Administration	14	8	10	10	9	+6
HR	13	8	6	7	4	+5
Customer Service	17	9	-	-	-	+8
Others	13	12	8	11	16	+1

V. EMPLOYMENT OUTLOOK

The **Employment Outlook Index**, which is the difference in proportion of respondents who report an increase in hiring needs and those who report decline in hiring needs over the next three months, is at 80.

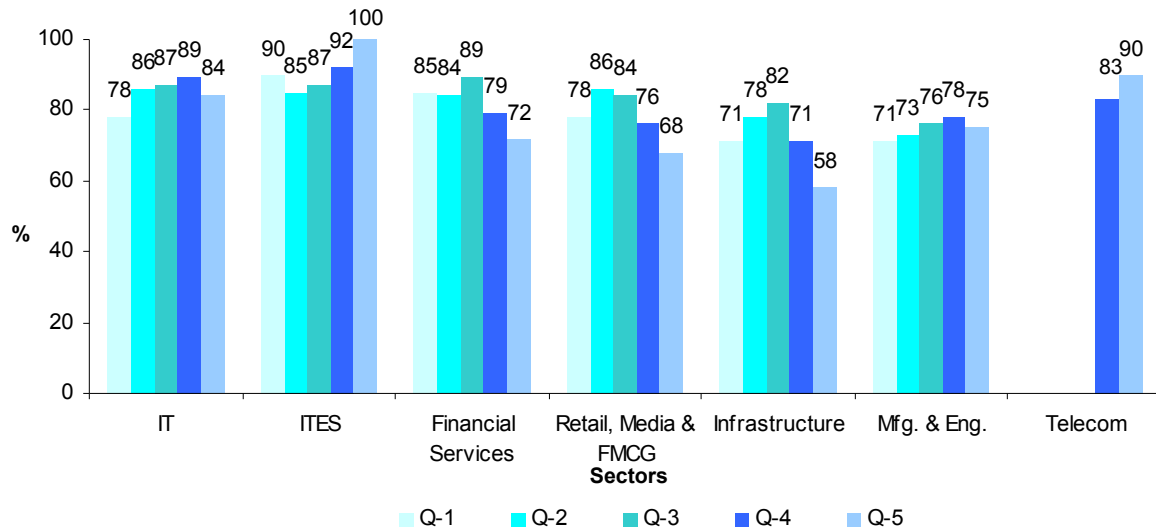
Employment Outlook Index	Quarter-5: Jan 2008	80
	Quarter-4: Oct 2007	78
	Quarter-3: July 2007	84
	Quarter-2: April 2007	82
	Quarter-1: January 2007	81

When compared to the previous quarter of October 2007 (Quarter - 4) the Employment Outlook Index has shown an increase.

The **Employment Trend Index** which is calculated by dividing the Current Employment Outlook Index with the baseline index and converting the same in percentages by multiplying with 100 is at 99.

Employment Trend Index	Quarter-5: Jan 2008	99
	Quarter-4: Oct 2007	96
	Quarter-3: July 2007	104
	Quarter-2: April 2007	101

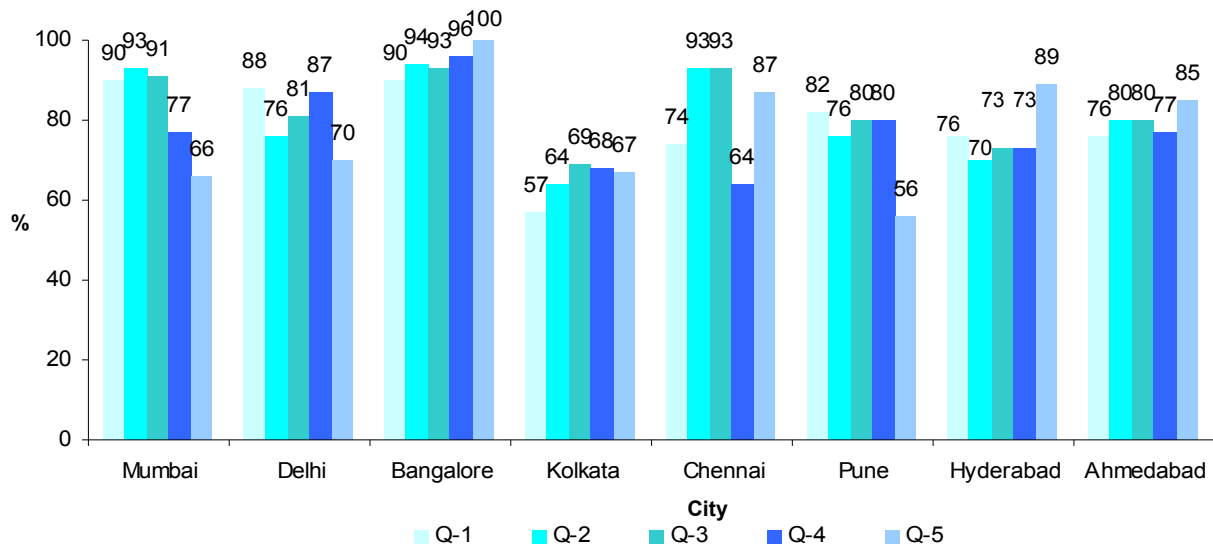
Employment Outlook Index – Sector Wise



In Quarter – 5, there is an increase in Employment Outlook Index points in ITES and Telecom sectors. The decreases in index points are in IT, Financial Services, Retail Media & FMCG, Infrastructure and Manufacturing & Engineering sectors. The index point of ITES is the highest among all.

Comparing to the previous quarters, there is a gradual increase of index points in ITES and Telecom sector. While comparing the last four quarters, there is a gradual decrease in index points of Retail, Media & FMCG sector.

Employment Outlook Index – City Wise



In Quarter- 5, there is an increase in Employment Outlook Index points in the cities of Bangalore, Chennai, Hyderabad and Ahmedabad. The decreases in index points are in the cities of Mumbai, Delhi, Kolkata and Pune.

Comparing to the last three quarters, the index points for the cities of Bangalore and Hyderabad are increasing; where as the index points of Mumbai, Kolkata and Pune cities are decreasing.

Employment Growth across Cities:

City	Qtr	Total	Sector						
			IT	ITES	FS	RMF	Inf	M&E	Tel
Mumbai	5	66	5	4	32	6	2	17	-
	4	77	7	5	22	25	2	12	4
	3	91	9	11	34	12	6	19	-
	2	93	11	11	33	12	6	20	-
	1	90	10	8	24	14	5	29	-
Delhi	5	70	16	12	8	11	11	12	-
	4	87	13	4	9	27	6	14	14
	3	81	10	23	10	11	7	20	-
	2	76	13	18	11	9	9	16	-
	1	88	16	24	14	7	12	15	-
Bangalore	5	100	21	16	8	23	19	13	-
	4	96	37	22	-	11	9	17	-
	3	93	34	22	11	6	6	14	-
	2	94	34	23	12	6	5	14	-
	1	90	29	24	12	7	8	10	-
Kolkata	5	67	-	-	10	14	-	19	24
	4	68	-	-	5	17	5	36	5
	3	69	7	7	18	9	11	17	-
	2	64	9	4	9	11	7	24	-
	1	57	11	5	14	7	2	18	-
Chennai	5	87	20	16	10	11	13	8	9
	4	64	10	-	4	6	-	38	6
	3	93	18	18	18	7	6	26	-
	2	93	18	23	18	9	7	18	-
	1	74	24	20	12	11	7	0	-
Pune	5	56	5	12	-	-	-	39	-
	4	80	7	-	-	9	-	64	-
	3	80	18	16	8	6	10	22	-
	2	76	16	18	8	6	10	18	-
	1	82	5	8	5	8	5	51	-
Hyderabad	5	89	12	24	12	11	23	7	-
	4	73	13	21	13	14	12	-	-
	3	73	18	18	13	5	7	12	-
	2	70	17	19	10	7	7	10	-
	1	76	20	22	10	8	5	11	-
Ahmedabad	5	85	-	-	19	-	-	66	-
	4	77	-	-	14	-	-	63	-
	3	80	13	17	14	13	13	10	-
	2	80	10	17	13	13	10	17	-
	1	76	14	13	12	12	11	14	-

[Reference: IT – IT; ITES – ITES; FS – Financial Services; RMF – Retail, Media & FMCG; Inf – Infrastructure; M&E – Manufacturing & Engineering; Tel – Telecom]

In Quarter - 5, Manufacturing & Engineering sector is the major contributor of employment growth in three out of eight cities. The cities are: Pune and Ahmedabad. IT is the major contributor for Delhi and Chennai; whereas Retail, Media & FMCG is for Bangalore. In the remaining sectors, the major contributor for ITES is Hyderabad; for Financial Services is Mumbai; and for Telecom is Kolkata.

Comparing to the previous quarter, the employment growth in many sectors is declining across all cities. Any how, IT is growing in Chennai and Delhi; whereas ITES in Delhi and Hyderabad; Financial Services in Mumbai and Kolkata; Retail, Media & FMCG in Bangalore; Infrastructure in Bangalore; Media & Entertainment in Mumbai; and Telecom in Kolkata.

While comparing all the four quarters, it is also observed that the employment growth in Infrastructure is gradually increasing in Hyderabad. The gradual decreases are observed in ITES sector in Bangalore and in Financial Services sector in Delhi.

VI. BUSINESS OUTLOOK

The **Business Outlook Index**, computed by subtracting the percentage respondents who say business in the next three months is likely to increase from the percentages who say it will decrease, stands at 79.

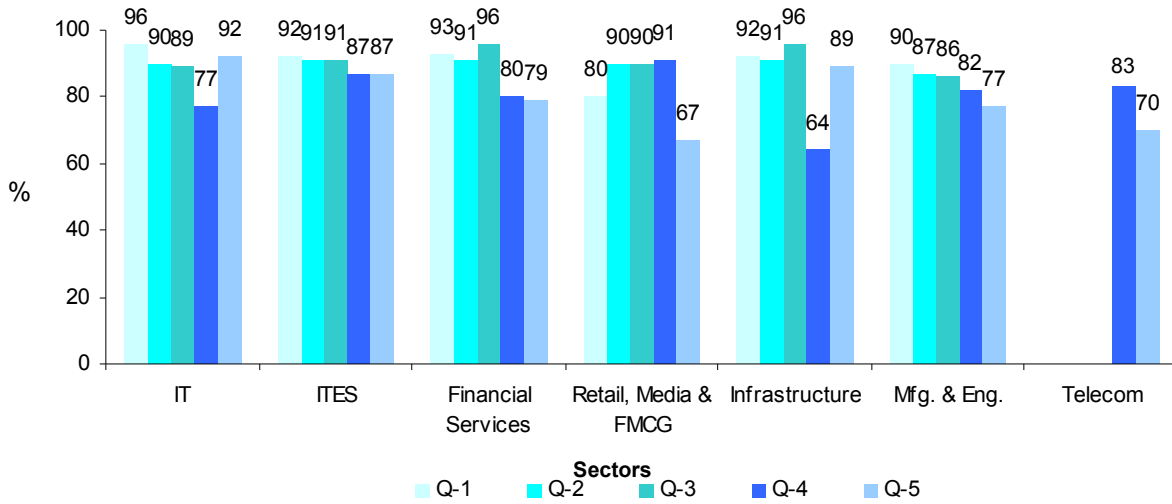
Business Outlook Index	Quarter-5: January 2008	79
	Quarter-4: October 2007	81
	Quarter-3: July 2007	90
	Quarter-2: April 2007	90
	Quarter-1: January 2007	91

Business Outlook Index Point in Quarter - 5 as compared to the previous quarter has slightly decreased by 2 Index points.

The **Business Confidence Index** computed by dividing the Current Business Outlook Index with the baseline business outlook index, and converting the same in percentages, by multiplying with 100 stands at 87.

Business Confidence Index	Quarter-5: January 2008	87
	Quarter-4: October 2007	89
	Quarter-3: July 2007	99
	Quarter-2: April 2007	99

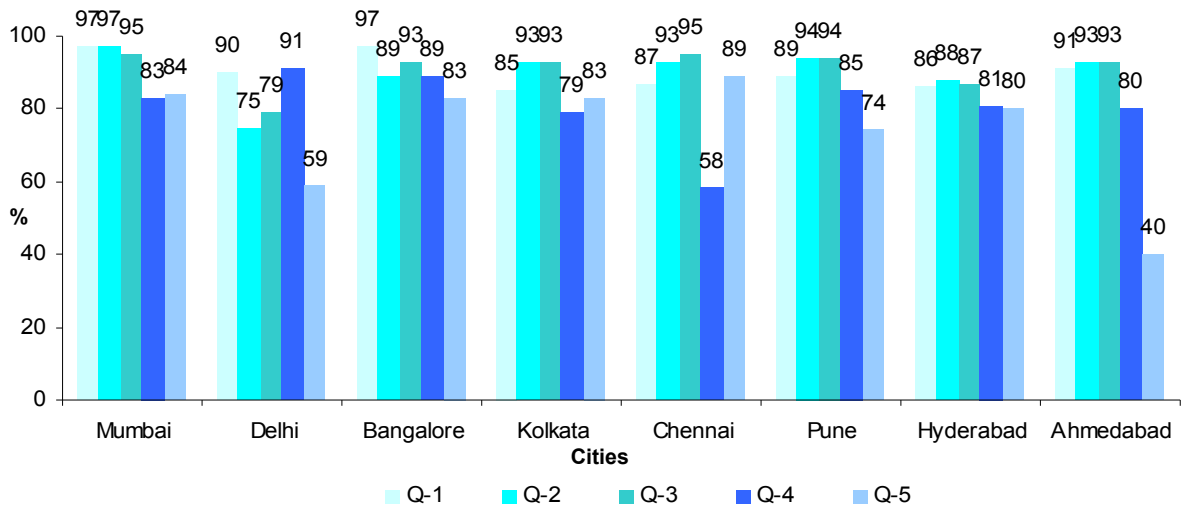
Business Outlook Index – Sector Wise



In Quarter – 5, the Business Outlook Index points has shown significant increase in the sectors such as IT and Infrastructure. There was no increase or decrease in ITES Sector. IT is having the highest index points of 92. Especially, index points of Telecom have majorly decreased.

Comparing to the last three quarters, the index points of ITES, Financial Services and Manufacturing & Engineering are gradually decreasing.

Business Outlook Index – City Wise



In Quarter – 5, there was decrease in Business Outlook Index points across many cities except a major increase in Chennai and a slight increase in Kolkata and Mumbai. A major decrease in index points is observed in the index points of Ahmedabad (by 40 points).

Among all the four quarters, there was a decline in index points of last four Quarters in Pune, Hyderabad and Ahmedabad.

Sector Growth across Cities:

City	Qtr	Total	Sector						
			IT	ITES	FS	RMF	Inf	M&E	Tel
Mumbai	5	84	5	4	39	10	4	22	-
	4	83	9	5	26	25	2	13	3
	3	95	12	11	35	11	6	20	-
	2	97	9	9	33	20	11	15	-
	1	97	12	6	26	12	6	35	-
Delhi	5	59	14	9	9	11	8	8	-
	4	91	14	4	10	24	10	13	16
	3	79	8	20	13	11	11	16	-
	2	75	11	13	10	14	16	11	-
	1	90	16	22	13	6	13	20	-
Bangalore	5	83	9	9	10	24	11	20	-
	4	89	25	19	-	11	10	24	-
	3	93	33	21	12	6	6	15	-
	2	89	31	18	11	10	9	10	-
	1	97	34	21	12	8	6	16	-
Kolkata	5	83	-	-	15	17	9	42	-
	4	79	-	-	7	9	4	54	5
	3	93	11	11	20	11	11	29	-
	2	93	11	11	18	11	11	31	-
	1	85	11	12	16	13	7	26	-
Chennai	5	89	29	10	9	8	8	18	7
	4	58	8	-	4	6	-	34	6
	3	95	18	18	18	8	7	26	-
	2	93	18	16	18	10	9	22	-
	1	87	19	25	15	5	8	15	-
Pune	5	74	6	-	-	8	-	60	-
	4	85	8	-	-	10	-	67	-
	3	94	18	20	8	8	10	30	-
	2	94	18	20	10	8	10	28	-
	1	89	4	13	4	10	3	55	-
Hyderabad	5	80	10	26	10	12	22	-	-
	4	81	15	31	12	11	12	-	-
	3	87	20	22	13	7	8	17	-
	2	88	22	21	13	7	8	17	-
	1	86	23	22	13	11	6	11	-
Ahmedabad	5	40	-	-	12	-	-	28	-
	4	80	-	-	15	-	-	65	-
	3	93	17	17	16	13	17	13	-
	2	93	17	17	13	13	16	17	-
	1	91	5	12	4	10	3	57	-

In the Quarter – 5, Manufacturing & Engineering is the major contributor for sector growth in three cities. Those are: Pune, Ahmedabad and Kolkata. IT is the major contributor of growth in Delhi and Chennai; whereas Financial Services for Mumbai and ITES for Hyderabad.

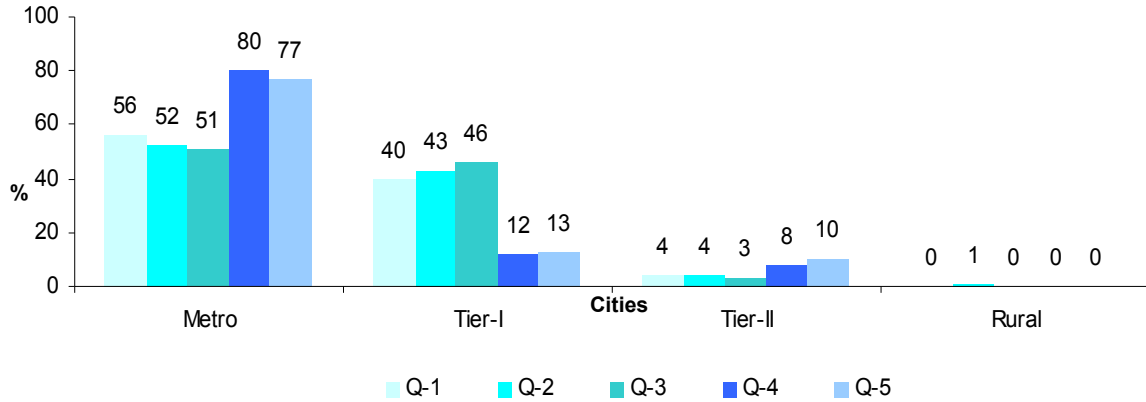
Comparing to the previous quarter, Kolkata is growing in the sectors of Financial Services, Retail, Media & FMCG and Infrastructure. Manufacturing & Engineering sector is growing in Mumbai; whereas ITES is growing in Delhi; Retail, Media & FMCG is growing in Bangalore; and Infrastructure is growing in Hyderabad.

While comparing the last four quarters, there was no gradual growth reported in any of these sectors in any of these cities. But there was a gradual decrease in IT Sector in Hyderabad and Pune.

VII. EMPLOYMENT SCENARIO

Nearly 4 out of 5 persons are hired in Metro cities.

Hiring across Geographical Spread



[Metro cities - having population of 40 lakhs & above: Mumbai, Delhi, Kolkata, Chennai & Bangalore

Tier-I cities - having population of 20- 40 lakhs: Hyderabad, Ahmedabad & Pune

Tier-II cities - having population of 10- 20 lakhs

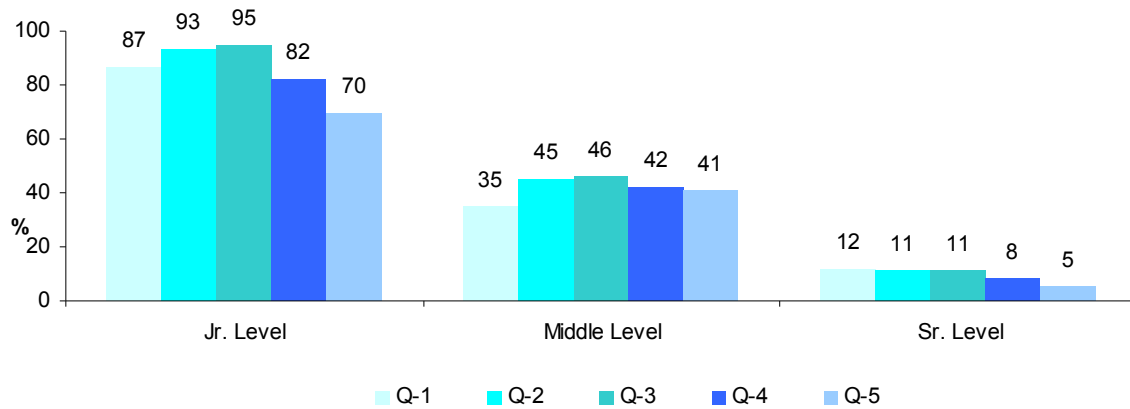
Rural: Towns with population less than 0.5 lakhs]

Respondents were asked to evaluate their intention to hire from Metro, Tier -I, Tier II cities and Rural areas.

Comparing to the previous quarter, the hiring trend in Metro Cities is decreasing; whereas in Tier -I & II cities, there is a slight increase.

Hiring across Managerial Level

Intention to hire across all the three levels are decreasing



[Jr. Level: 0-3 years experience

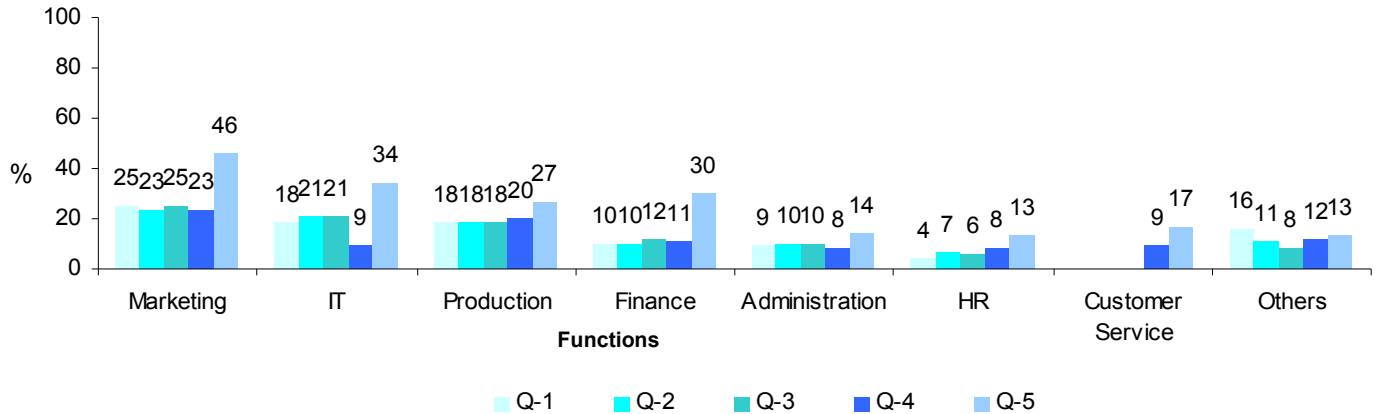
Levels

Middle Level: 3-7 years experience

Sr. Level: More than 7 years experience]

In Quarter – 5, it has been observed that there was a decline in recruitment across all the Managerial levels; especially a major decline in Junior Management Level.

Hiring across functions



* Others include Quality Assurance and Maintenance, etc.

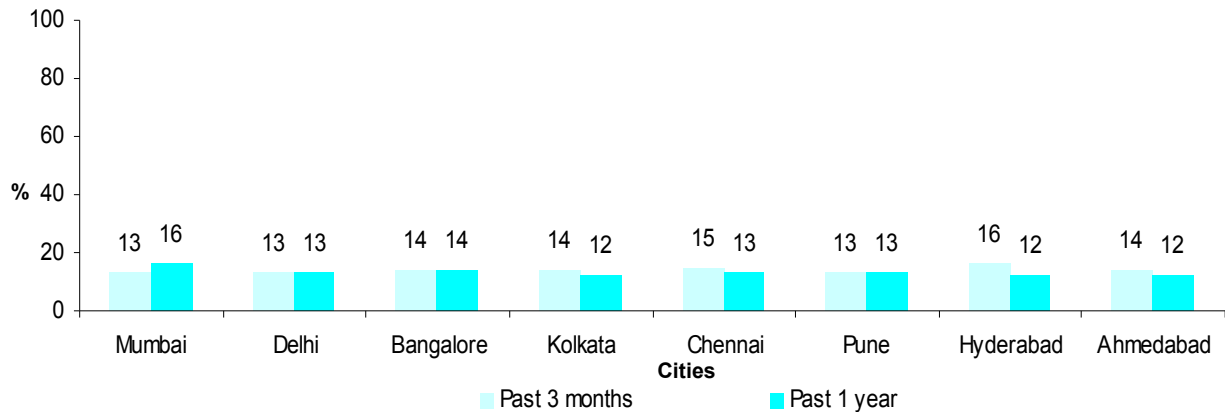
In Quarter – 5, the recruitment for Marketing, IT, Production and Finance functions are the highest ones (20% & above). The lowest ones are HR, Customer Service and Others (having less than 10%). Comparing to the previous Quarter, there was an increase across all the Functions.

Particulars	Mum	Del	Kol	Blore	Chn	Hyd	Pun	Ahd	Responses	
Samples Targeted	100	115	40	60	55	45	50	25	No.s	%
Marketing	46	35	17	32	16	25	25	22	218	28
Production	21	11	5	16	9	20	20	24	126	16
Finance	37	11	6	21	3	4	15	8	105	13
Customer Service	23	12	3	9	6	15	12	4	84	11
IT	16	19	2	19	15	34	18	4	127	16
Administration	18	7	1	6	7	1	6	5	51	6
HR	16	9	2	8	3	0	3	4	45	6
Others	3	20	3	12	8	0	0	5	51	6
Total	180	124	39	124	67	80	99	76	789	100

At the time of study the survey instrument was administered to target respondents and there were multiple responses in terms of hiring across various functions

Note: Against a sample of 490 the number of responses was 789 for Quarter-5

Attrition rate city-wise

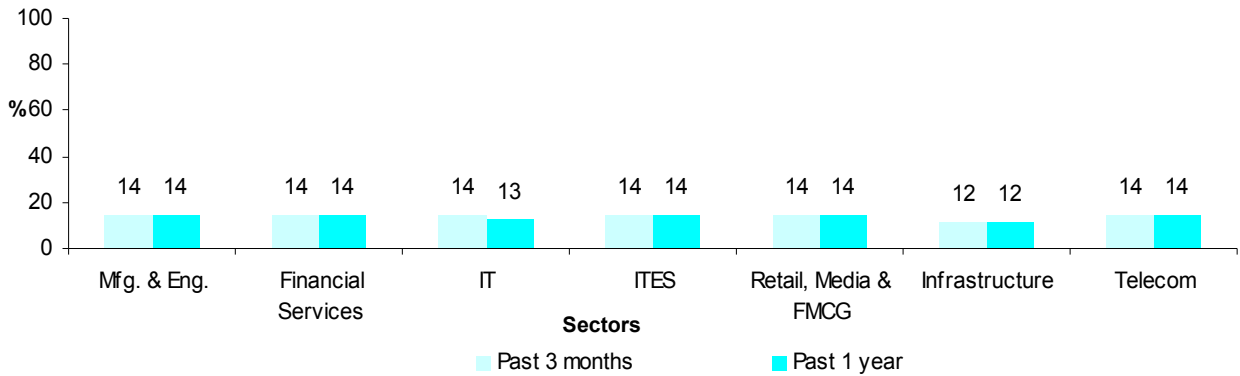


During the past three months, Hyderabad and Chennai cities were having the highest attrition rates with 16% and 15% respectively; whereas Mumbai, Delhi and Pune were having the lowest attrition rates (13%).

During the past one year period, the attrition rates in Mumbai was the highest (16%); whereas, Hyderabad, Ahmedabad and Kolkata were having the lowest attrition rates (12%).

While comparing with the past three months and one year period, the average attrition rate across all these cities was about 13%.

Attrition rate by sector-wise



The attrition rate is above 10% in all these cities during the past three months and one year period. Among these, the attrition rates of Manufacturing & Engineering, Financial Services, ITES, Retail, Media & FMCG and Telecom Sectors attrition rate was 14% during both the periods of past three months and one year.

Cross Industry Movements

Inbound Movement

Sector		Sector moving in (<i>in percentage</i>)						
		Manfg & Engg	Financial Services	IT	ITES	Retail, Media & FMCG	Infra-structure	Telecom
Sector originating from	Manfg & Engg	48.2	0	0	0	0	15.5	0
	Financial Services	0	46.1	0	0	0	0	12.3
	IT	0	0	43.3	22.1	0	0	22.1
	ITES	0	8.8	16.1	55.4	0	0	0
	Retail Media & FMCG	14.8	18.4	0	0	86.7	0	0
	Infrastructure	0	0	0	0	0	66.1	0
	Telecom	0	0	0	0	0	0	31.4
	Others	3.5	0	0	0	0	0	0
	Can not say	33.5	26.7	40.6	22.5	13.3	18.4	33.2

Nearly 25% of the respondents could not say that to which sectors the employees are moving. Only in ITES Sector, more than 50% of the employees are moving within the sector. In Retail, Media & FMCG, Infrastructure and ITES sectors more than 50% of the employees are moving with in the same sector. In the sectors like Manufacturing & Engineering, Financial Services and IT, more than 33% of the employees are moving within the same sectors.

Outbound Movement

Sector		Sector originating from (<i>in percentage</i>)						
		Manfg & Engg	Financial Services	IT	ITES	Retail, Media & FMCG	Infra-structure	Telecom
Sector moving to	Manfg & Engg	61.2	0	0	0	0	0	0
	Financial Services	0	38.4	0	0	0	0	0
	IT	0	0	42.1	21.1	0	20.8	21.8
	ITES	0	15.6	24.5	62.3	0	0	20.1
	Retail Media & FMCG	14.5	11.4	0	0	62.3	0	0
	Infrastructure	0	0	0	0	0	45.4	0
	Telecom	0	0	0	0	11.8	0	34.8
	Others	0	0	0	4.5	5.6	11.1	5.5
	Can not say	24.3	34.6	35.4	15.6	31.4	40.4	43.4

33% of the employees across all the sectors were not sure from which sectors they come from. Among those sectors identified, more than 60% of the employees pertaining to Manufacturing & Engineering, ITES, Retail, Media & FMCG sectors are moving within the same sectors. More than 33% of the employees in Financial Services and Infrastructure are moving within the same sectors.

IX. APPENDIX

The table below gives the sample profile vis-à-vis

- Employee base (No. of Employees)
- Turnover base (Rs in Cr.)

Sample Profile

Employee Base (No. of Employees)

City	<250	250 - 500	501 - 1000	>1000	Sample Targeted
Mumbai	41	24	25	10	100
Delhi	55	18	21	21	115
Bangalore	35	11	8	6	60
Kolkata	22	10	5	3	40
Chennai	18	10	10	17	55
Pune	20	15	10	5	50
Hyderabad	33	7	3	2	45
Ahmedabad	16	8	1	0	25
Total	240	103	83	64	490
% on total	49	21	17	13	100

Turnover Base (Rs. in Cr.)

City	<250	250 - 1000	>1000	Not Disclosed*	Sample Targeted
Mumbai	65	23	7	5	100
Delhi	51	12	0	52	115
Bangalore	43	10	1	6	60
Kolkata	27	3	0	10	40
Chennai	24	10	13	8	55
Pune	38	7	0	5	50
Hyderabad	38	2	0	5	45
Ahmedabad	19	3	1	2	25
Total	305	70	22	93	490
% on total	62.2	14.3	4.5	19	100

* Not disclosed – the turn over of the company; however they shared the rest of the information as desired in the questionnaire

Industry Sub – Classification

The Survey captures specific Industry sub classification across Manufacturing and Financial sector on account of its diversity as against other sectors like IT, ITES, Retail, Media & FMCG and Infrastructure.

Industry Sub – Classification (Manufacturing)

City	Engineering	Industrial	Food Processing	Others	Sample Targeted
Mumbai	4	6	3	2	15
Delhi	2	6	4	3	15
Kolkata	8	30	5	2	45
Bangalore	3	5	2	-	10
Chennai	5	15	10	-	30
Hyderabad	-	-	-	-	0
Pune	13	20	10	2	45
Ahmedabad	3	15	10	2	30
Total	38	97	44	11	190

Industry Sub – Classification (Financial Services)

City	Finance	Banks	Insurance	Securities	Others	Sample Targeted
Mumbai	5	8	12	5	-	30
Delhi	1	4	3	2	-	10
Kolkata	1	1	1	2	-	5
Bangalore	-	-	-	-	-	0
Chennai	-	2	3	-	-	5
Hyderabad	-	2	1	2	-	5
Pune	-	-	-	-	-	0
Ahmedabad	2	1	1	1	-	5
Total	9	18	21	12	-	60

Hiring Across Functions:

The tables below indicate the percentage of the responses taken against specific functions for Hiring Intentions.

Quarter - 1

Hiring across various functions/ city	Sample Targeted	<i>% of responses against specific function</i>							Total
		Mktg	IT	Prdn	Fin	Admn	HR	Others	
Mumbai	85	5	3	4	2	3	2	4	23
Delhi	80	4	3	2	1	1	1	2	14
Bangalore	85	3	4	2	1	1	0	3	14
Kolkata	45	2	1	2	1	0	0	1	7
Chennai	55	2	2	1	1	0	0	1	7
Pune	50	3	1	3	1	1	0	0	9
Hyderabad	60	3	3	3	2	1	1	2	15
Ahmedabad	30	3	1	1	1	2	0	3	11
Total	490	25	18	18	10	9	4	16	100

Quarter - 2

Hiring across various functions/ city	Sample Targeted	<i>% of responses against specific function</i>							Total
		Mktg	IT	Prdn	Fin	Admn	HR	Others	
Mumbai	85	7	4	3	5	4	3	1	27
Delhi	80	4	3	2	1	1	0	3	14
Bangalore	85	1	3	2	1	0	0	3	10
Kolkata	45	2	1	3	0	0	0	0	6
Chennai	55	1	2	2	1	1	1	2	10
Pune	50	4	3	2	1	2	1	0	13
Hyderabad	60	2	3	2	1	1	1	2	12
Ahmedabad	30	2	2	2	0	1	1	0	8
Total	490	23	21	18	10	10	7	11	100

Quarter - 3

Hiring across various functions/ city	Sample Targeted	<i>% of responses against specific function</i>							Total
		Mktg	IT	Prdn	Fin	Admn	Others	HR	
Mumbai	85	8	4	3	4	4	1	2	26
Delhi	80	4	3	2	1	1	1	0	12
Bangalore	85	1	1	0	1	0	0	1	4
Kolkata	45	1	4	2	2	0	2	0	11
Chennai	55	1	2	3	1	1	2	1	11
Pune	50	4	3	3	1	2	0	0	13
Hyderabad	60	4	2	3	1	1	1	1	13
Ahmedabad	30	2	2	2	1	1	1	1	10
Total	490	25	21	18	12	10	8	6	100

Quarter - 4

Hiring across various functions/ city	Sample Targeted	<i>% of responses against specific function</i>								Total
		Mktg	Prdn	Others	Fin	IT	Custmr Serv	HR	Admn	
Mumbai	100	4	3	1	3	1	1	1	1	15
Delhi	100	6	3	2	2	2	3	1	1	20
Bangalore	45	3	4	1	1	1	1	1	1	13
Kolkata	70	1	1	2	1	2	1	1	1	10
Chennai	55	2	2	2	1	1	0	1	2	11
Pune	55	1	1	1	1	1	1	1	1	8
Hyderabad	30	4	3	2	1	1	1	1	0	13
Ahmedabad	35	2	2	1	1	1	1	1	1	10
Total	490	23	19	12	11	10	9	8	8	100

Quarter - 5

Hiring across various functions/ city	Sample Targeted	<i>% of responses against specific function</i>								Total
		Mktg	Prdn	Others	Fin	IT	Custmr Serv	HR	Admn	
Mumbai	100	7	3	1	6	2	3	2	3	27
Delhi	115	5	2	3	2	3	2	1	1	19
Bangalore	60	1	1	0	0	1	1	0	0	4
Kolkata	40	1	0	0	1	0	0	0	0	2
Chennai	55	2	1	1	2	2	1	0	1	10
Pune	50	3	4	0	3	3	3	0	0	16
Hyderabad	45	1	3	0	1	5	2	0	0	12
Ahmedabad	25	3	3	0	1	1	1	0	1	10
Total	490	23	17	5	16	17	13	3	6	100