Deloitte.

Campus Workforce Trends
Synopsis

Human Capital | Deloitte India
May 2024

About Campus Workforce Trends.

Campus Workforce Trends is a flagship study by the **Human Capital** team of **Deloitte India**, that provides pertinent insights into entry level hiring strategy including talent trends compensation dynamics and expectations from campuses aiming to bridge the gap between prevailing industry norms and the evolving expectations of the new-age workforce. Moreover, it offers a progressive perspective on the constantly evolving recruitment landscape while empowering organizations to align their campus strategies with the market realities regarding compensation and benefits offerings in campus recruitment.

Campus Workforce Trends for placement cycle 2024 garnered participation from **190+ organizations** and reviewed data from **500+ campuses**.

Through this survey, we present to you India-specific insights into how organizations navigate Campus Placements and adapt to shifting Campus Hiring dynamics, encompassing the following aspects:

- **Next Gen Workforce Trends**

- **Emerging Talent Retention Strategies**

- **Rewards Landscape**

- **In Demand Hot Skills**

- **Strategic Management of Campus Hires post-probation**

- **Expectations from Campuses and Students**

About the Study

Campus Workforce Trends Study covers…

Through this survey, we intend to provide India-specific insights into the **Campus Placement scenario** *and* **Campus Hiring Trends***, while covering the perspectives of both employers and campuses regarding* **campus recruitment** *and* **employer hiring strategies***.*
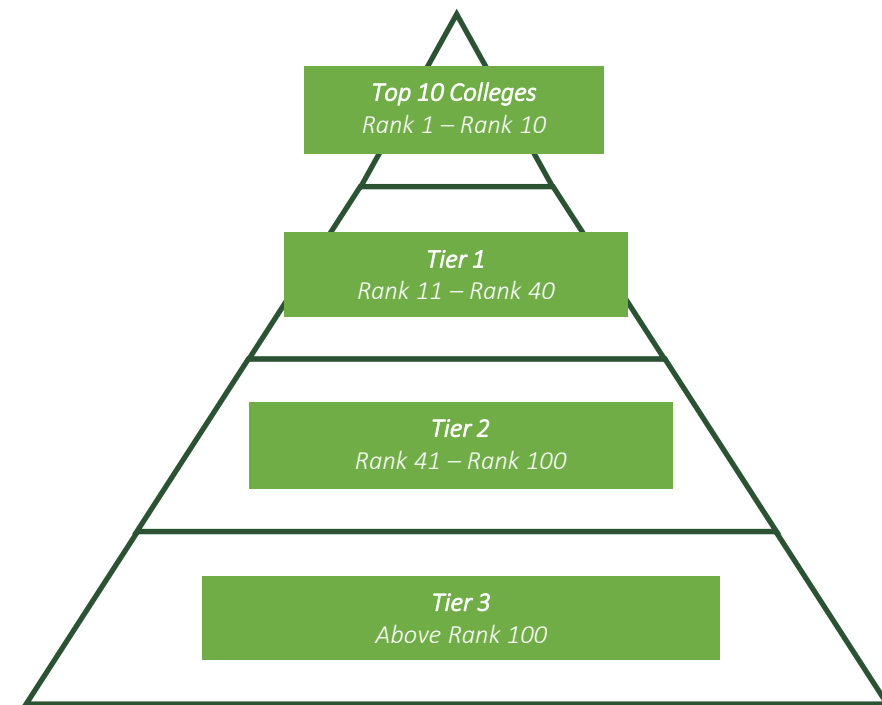
Degrees / Courses covered

1	**Management**
a.	*Master of Business Administration (MBA)*
b.	*Graduate in Management (BBA / B.Com / Others)*
2	**Engineering**
a.	*Master of Engineering / Technology (M.E. / M. Tech)*
b.	*Bachelor of Engineering / Technology (B.E. / B. Tech)*
3	**Pharmacy**
a.	*Master of Pharmacy (M. Pharma)*
b.	*Bachelor of Pharmacy (B. Pharma)*
4	**Law**
a.	*Bachelor of Law (LLB)*
5	**Hotel Management**
a.	*Hotel Management (MBA / Non-MBA)*
6	***Professional Degrees / Courses***
a.	*Chartered Accountant / Chartered Financial Analyst (CA / CFA)*
b.	*Company Secretary (CS)*

Institutes across all Tiers (Pan-India) covered

Top 10 Colleges
Rank 1 – Rank 10

Tier 1
Rank 11 – Rank 40

Tier 2
Rank 41 – Rank 100

Tier 3
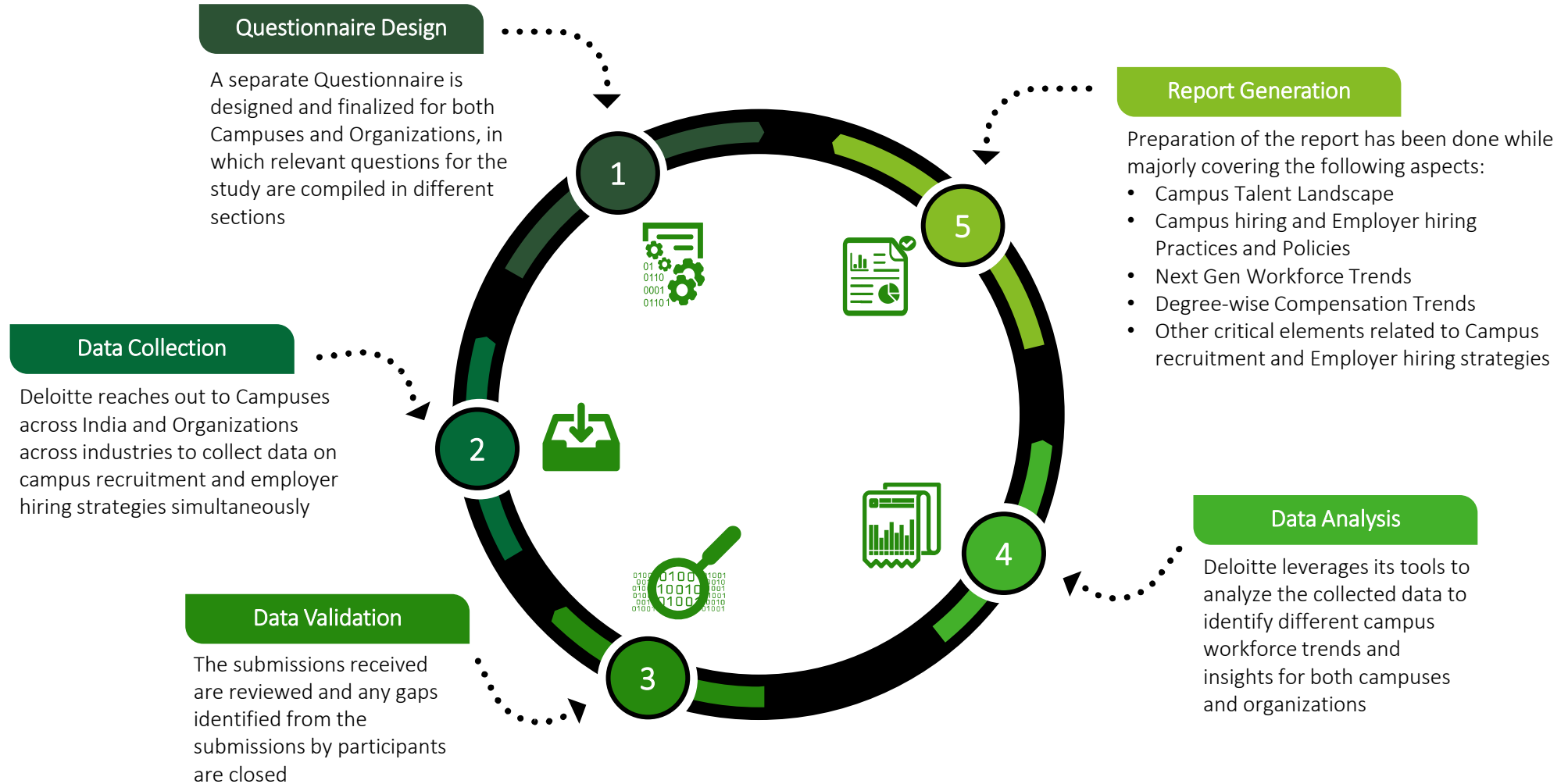*Above Rank 100*

NIRF as base for Tier Classification
*NIRF : National Institutional Ranking Framework
India Today's Ratings as base for Tier Classification exclusively for Hotel Management
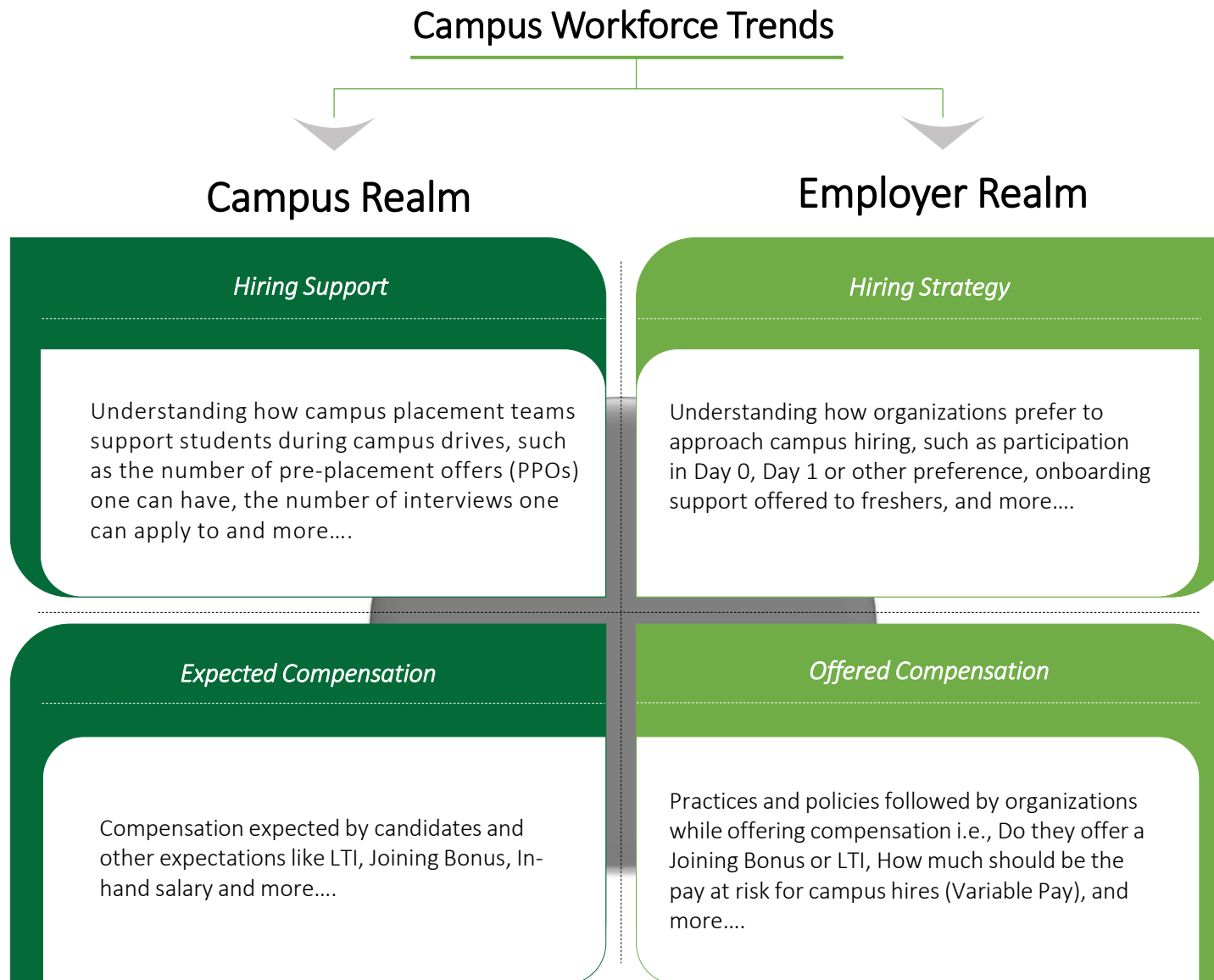
Sources: *https://www.nirfindia.org/2023/Ranking.html,
https://bestcolleges.indiatoday.in/rankings/hotel-management*

Overview of our approach

About the Survey

Questionnaire Design

A separate Questionnaire is designed and finalized for both Campuses and Organizations, in which relevant questions for the study are compiled in different sections

Data Collection

Deloitte reaches out to Campuses across India and Organizations across industries to collect data on campus recruitment and employer hiring strategies simultaneously

Data Validation

The submissions received are reviewed and any gaps identified from the submissions by participants are closed

Report Generation

Preparation of the report has been done while majorly covering the following aspects:
- Campus Talent Landscape
- Campus hiring and Employer hiring Practices and Policies
- Next Gen Workforce Trends
- Degree-wise Compensation Trends
- Other critical elements related to Campus recruitment and Employer hiring strategies

Data Analysis

Deloitte leverages its tools to analyze the collected data to identify different campus workforce trends and insights for both campuses and organizations

Bifocal perspective of this study

Campus Workforce Trends

Campus Realm

Employer Realm

Hiring Support	*Hiring Strategy*
Understanding how campus placement teams support students during campus drives, such as the number of pre-placement offers (PPOs) one can have, the number of interviews one can apply to and more….	Understanding how organizations prefer to approach campus hiring, such as participation in Day 0, Day 1 or other preference, onboarding support offered to freshers, and more….
Expected Compensation	*Offered Compensation*
Compensation expected by candidates and other expectations like LTI, Joining Bonus, In-hand salary and more….	Practices and policies followed by organizations while offering compensation i.e., Do they offer a Joining Bonus or LTI, How much should be the pay at risk for campus hires (Variable Pay), and more….

Demographics for **participating organizations**

(N=194 companies)

Sector-wise Distribution
(% of Participating Companies)

IT / ITeS	Manufacturing	Services	Financial Services	Pharma	Consumer
33%	25%	14%	13%	8%	7%

Revenue-wise Distribution (in Cr.)
(% of Participating Companies)

- Less than 1,000 — 40%
- 1,000 to 5,000 — 19%
- 5,000 to 10,000 — 20%
- 10,000 to 20,000 — 8%
- Above 20,000 — 13%

Headcount-wise Distribution
(% of Participating Companies)

- Less than 500 — 14%
- 500 to 1,000 — 12%
- 1,000 to 5,000 — 37%
- 5,000 to 10,000 — 16%
- Above 10,000 — 21%

Demographics for **participating campuses**

Degree-wise Distribution of Offerings by Campuses
(% of Participating Campuses)

B.E. / B. Tech	MBA	M.E. / M. Tech	Graduate in Management (BBA / B.Com / Others)	M. Pharma	B. Pharma	Hotel Management (MBA / Non-MBA)	Bachelor of Law
51%	44%	38%	36%	9%	7%	2%	1%

Students Strength at Campuses
(% of Participating Campuses)

- 29% Less than 500
- 24% 500 - 1,000
- 40% 1,500 - 5,000
- 7% More than 5,000
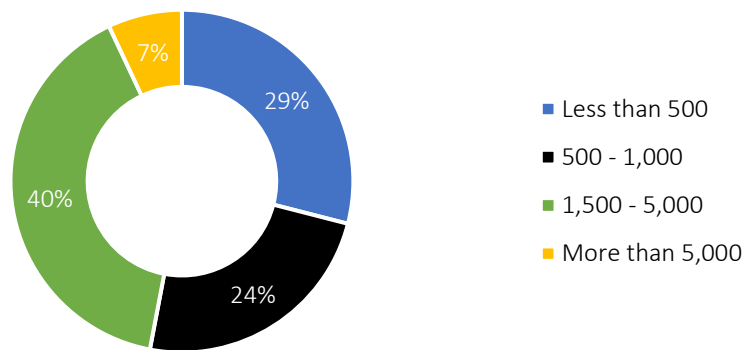
Types of Institutes
(% of Participating Campuses)

- 28% Public
- 72% Private
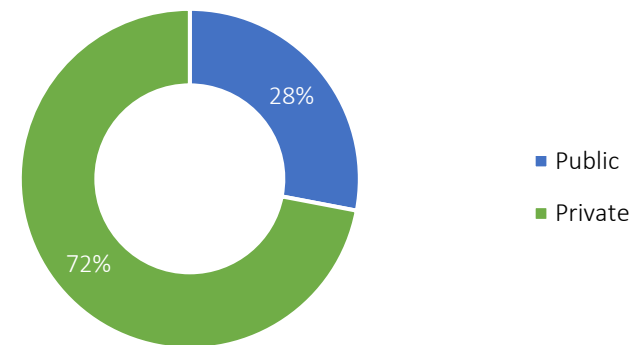
Key Highlights

Key Highlights from Campus Workforce Trends Study 2024

01 **Location preference for campus placement:** Bangalore emerges as the most preferred location among students for campus placement.

02 **Top skills in demand across degrees:** Artificial Intelligence and Machine Learning (AI & ML), Diversity, Equity and Inclusion (DE&I) and Environmental, Social and Governance (ESG)-oriented skills are in great demand and projected to be hot skills in 2024.

03 **Attrition rates across organizations by degrees in 2023:** Overall, Pan-India Infant, 1-year and 2-years attrition rates for Top 10 and Tier 1 campuses are 21%, 26% and 28%, respectively. Whereas Overall, Pan-India Infant, 1-year and 2-years attrition rates for Tier 2 and Tier 3 campuses are 19%, 21% and 25%, respectively.

04 **Prevalent Retention Practices to control attrition:** Sales Incentive and Flexible Working Hours have the highest prevalence as retention practices adopted by the organizations.

05 **Top preferred Sectors and Sub-sectors:** IT / ITeS emerges as the most preferred sector for campus placement whereas Product / E-commerce is the top choice for sub-sector preference among campuses.

06 **Employee Value Proposition (EVP) offered by the organizations:** Regular online learning and development modules (46%) are most prevalent in terms of providing distinctive elements beyond the standard reward offerings by the organizations to employees.

07 **Campus Placement budget trend in FY24:** The average Talent Acquisition budget (excluding Compensation offered) for FY24 has dropped to 1.99 Cr. out of which the Campus Placement budget stands at 17%, resulting in a 33% reduction in campus placement budget allocation from FY23 to FY24.

08 **Decline in the provision of Pre-Placement Offers (PPO):** There has been a 26% YoY drop from FY23 to FY24 across all degrees for the number of PPO conversions provided by the organizations.

09 **Compensation differentiation across MBA specializations and Engineering streams:** Consulting / Services and Financial Services industries have the highest pay differential of 1.08X for MBA specializations in both Banking & Financial Services and Finance. Whereas Manufacturing industry has the highest pay differential of 1.30X for Agricultural Engineering.

10 **Disruption in compensation trend in Management degrees:** The compensation trend for Management degrees rose with a 6% CAGR over the past four years but saw a steep drop of nearly 7% in 2023 due to financial strain on organizations.

Campus Talent Landscape

Bangalore emerges as the most preferred location among students for campus placement

TOP 5 placement location preferences across degrees

Delhi **2**

Mumbai **3**

Hyderabad **5**

Bangalore **1**
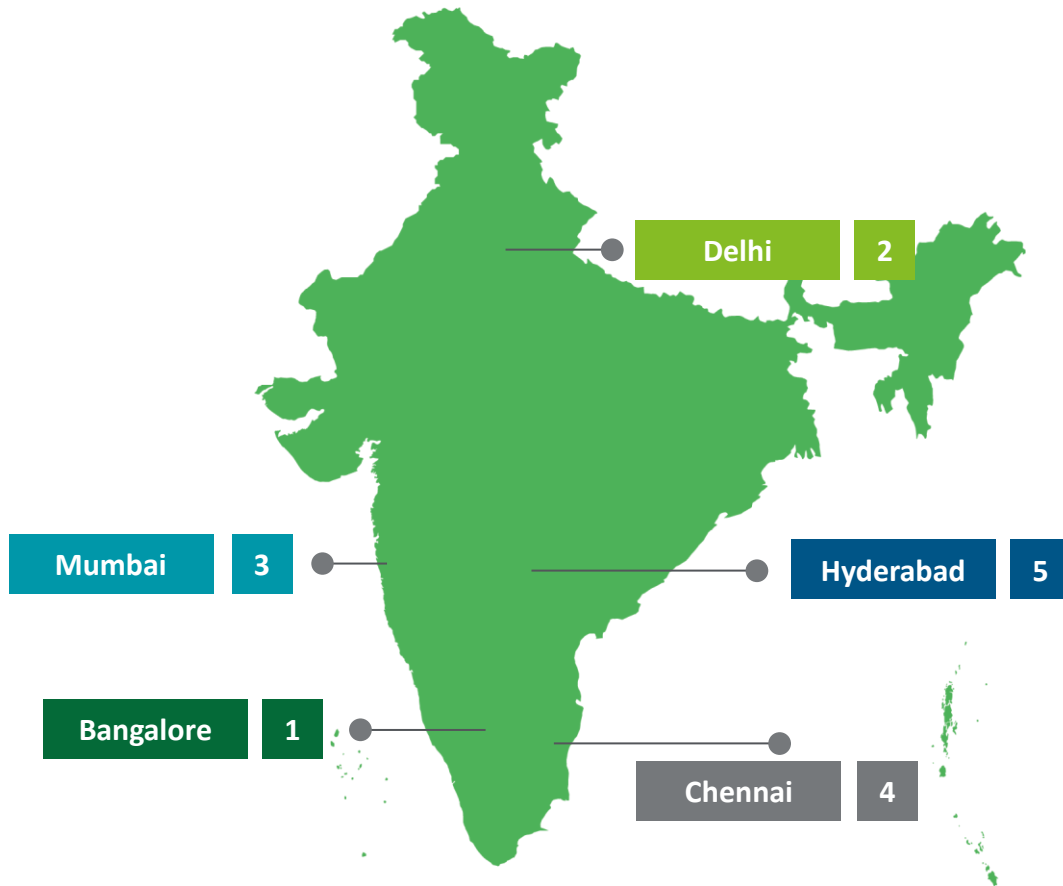
Chennai **4**

According to our survey analysis, the Top three preferred locations for students pursuing **Engineering degrees** are **Bangalore**, **Hyderabad**, and **Chennai**.
These cities likely attract engineering students due to their thriving technology sectors, renowned educational institutions, and robust job markets for engineering professionals. Bangalore, often referred to as the Silicon Valley of India, is a prominent hub for technology companies, offering a plethora of opportunities for aspiring engineers. Similarly, Hyderabad and Chennai also boast strong IT and engineering sectors, contributing to their appeal among students in this field.

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In contrast, for students pursuing **Management degrees**, the top three preferred locations are **Bangalore**, **Delhi**, and **Mumbai**.
Bangalore's reputation as an IT and startup hub likely makes it attractive for management students seeking opportunities in diverse industries. Hyderabad, with its growing business landscape, and Mumbai, as the financial capital of India, offer a broad spectrum of management roles and industries for students to explore.

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These preferences are influenced by factors such as job prospects, industry concentration, quality of education, and overall livability. The data indicates the diverse considerations that students weigh when choosing locations for their educational and professional pursuits, reflecting the dynamic nature of career preferences in engineering and management fields.

Key Takeaways on Student Employability Landscape in India

Increase in the unemployment rate in 2023 as compared to 2022:
According to CMIE, the unemployment rate in India rose to an average of **8% in 2023 from 7% in 2022**. However, it stood at **7.6%** in March 2024 and witnessed a decline from **8%** in February 2024. Additionally, January 2024 saw a decrease of **1.9%** in the unemployment rate in India in a month, as it stood at **8.7%** in December 2023.

01

Decline in the provision of Pre-Placement Offers (PPOs):
As per our analysis, there has been a **26% YoY drop from FY23 to FY24** across all degrees for the number of PPOs provided by the organizations.

02

Government institutions hold prominence in education:
73.7% of students attend government universities, constituting only **58.6%** of all universities. Despite the increasing privatization of higher education in India, students prefer government institutions due to their lower fees, better placement opportunities, strong brand value, and quality education provided by experienced faculty with well-structured curricula. These government institutions continue to be India's largest supplier of skilled talent.

03

Top location preferences by students for campus placement:
Bangalore emerges as the most preferred location amongst students for campus placement, followed by Delhi and Mumbai.

04

Brain drain and reverse brain drain:
Almost **80%** of Indian students who study overseas plan to work and settle in the country. The **US, UK, and Canada** are among the top countries chosen by Indian students for higher education abroad. However, students have begun to consider some lesser-known alternative countries like **Lithuania, Estonia, and Chile** due to factors such as affordability, favorable policies, and diverse opportunities. Recently, India has been experiencing a reverse brain drain, with skilled professionals who had previously migrated abroad for education or work opportunities returning to their homeland.

05

New World Order/ Skill Premium

The Indian Talent Outlook is impacted by multiple factors.....

India's campus hiring and education system is transforming to reflect the evolving job market and address the need for a skilled, adaptable workforce. Continued and coordinated efforts across stakeholders, including government, industry, and educators, are required to ensure these transformative trends benefit everyone within India's dynamic landscape.

Emphasis on Skill-Based Hiring

Employers are increasingly focusing on employability skills rather than solely academic credentials.
- **Technical Skills:** Programming, data science, AI/ML, cybersecurity, cloud computing, etc. are becoming important for organizations across India Inc.
- **Soft Skills:** Communication, problem-solving, critical thinking, adaptability, teamwork, etc. are now key competencies that employers seek during the hiring process to ensure they can have a better culture alignment at the time of hiring which can ease retention challenges
- **Expanding Scope of Non-Conventional Courses:** There is a rising demand for and acceptance of vocational, technical, and design-oriented courses. This caters to the dynamic job market needs and widens career choices for students, hence, the shift of focus of students to these courses has started to impact the organizations from a talent availability perspective, increasing the cost of talent due to demand and supply issues

Rise of Digital Learning

The pandemic accelerated the integration of online and blended learning models in Indian education. We see an increased use of:
- **Learning Management Systems (LMS):** Platforms to deliver course materials, conduct assessments, and facilitate learner interactions have increased as organizations look at closing the skill gap of their current employees
- **Virtual and Augmented Reality (VR/AR):** For immersive and experiential learning, particularly in skill-based training, organizations can engage employees in remaining interested and attentive during the learning process, which proves more effective than traditional classroom sessions
- **Gamification and Microlearning:** Organizations are experimenting with gamification and microlearning sessions for engaging employees through short and focused learning modules for better knowledge retention. This also helps in improving participation in these learnings as employees can spread their learning across the year rather than 2-3 full days in-classroom learning

Industry-Academia Partnerships

Industry-Academia Partnerships are poised for growth in India. As businesses become increasingly reliant on innovation and skilled talent, these collaborations are becoming a cornerstone for a competitive workforce and a thriving knowledge-based economy as more new research comes from academia.
- **Curriculum Co-Development:** Organizations are increasingly collaborating with universities to shape course structures, incorporate industry-relevant skills training, and ensure curricula reflect the demands of the job market to improve the quality of learning curriculum for its employees
- **Joint Research and Innovation:** This involves universities and organizations undertaking collaborative research projects. They might explore solving industry-specific challenges, developing new products/technologies, and driving innovation. This helps organizations meet their imperatives on R&D
- **Cost-Effective R&D:** Organizations gain access to university research facilities, talent, and expertise, enabling cost-effective development of new technologies and processes

Top skills in demand across degrees with their premium ranges

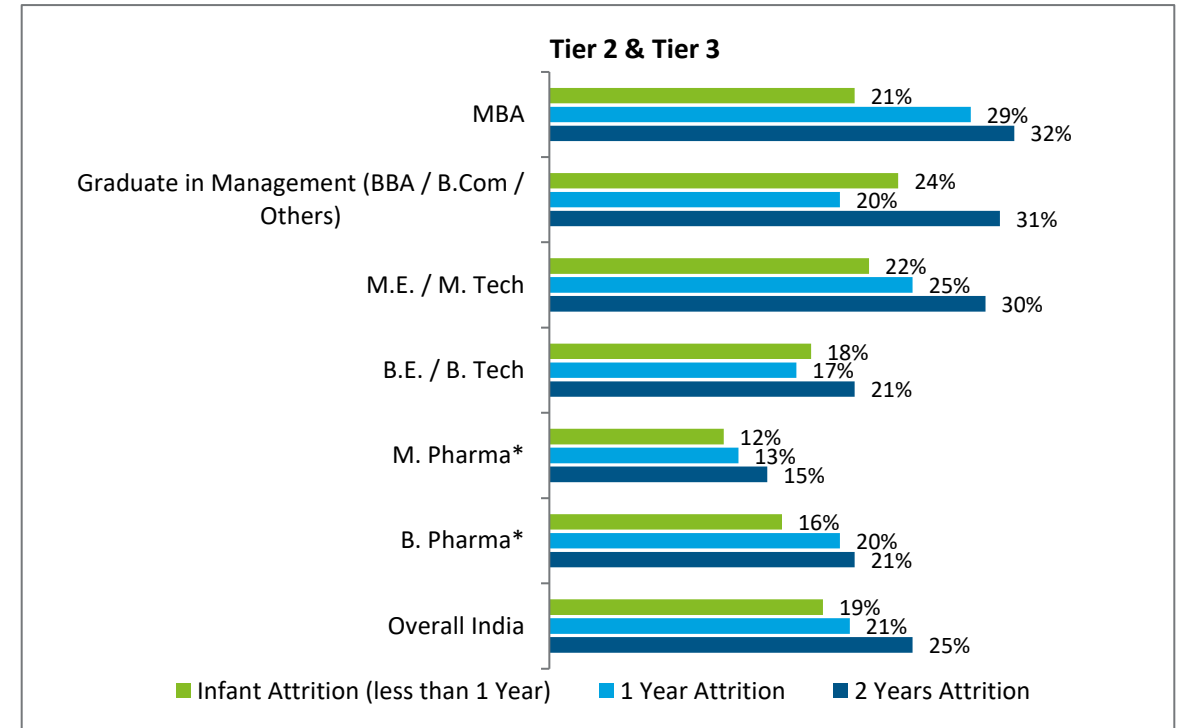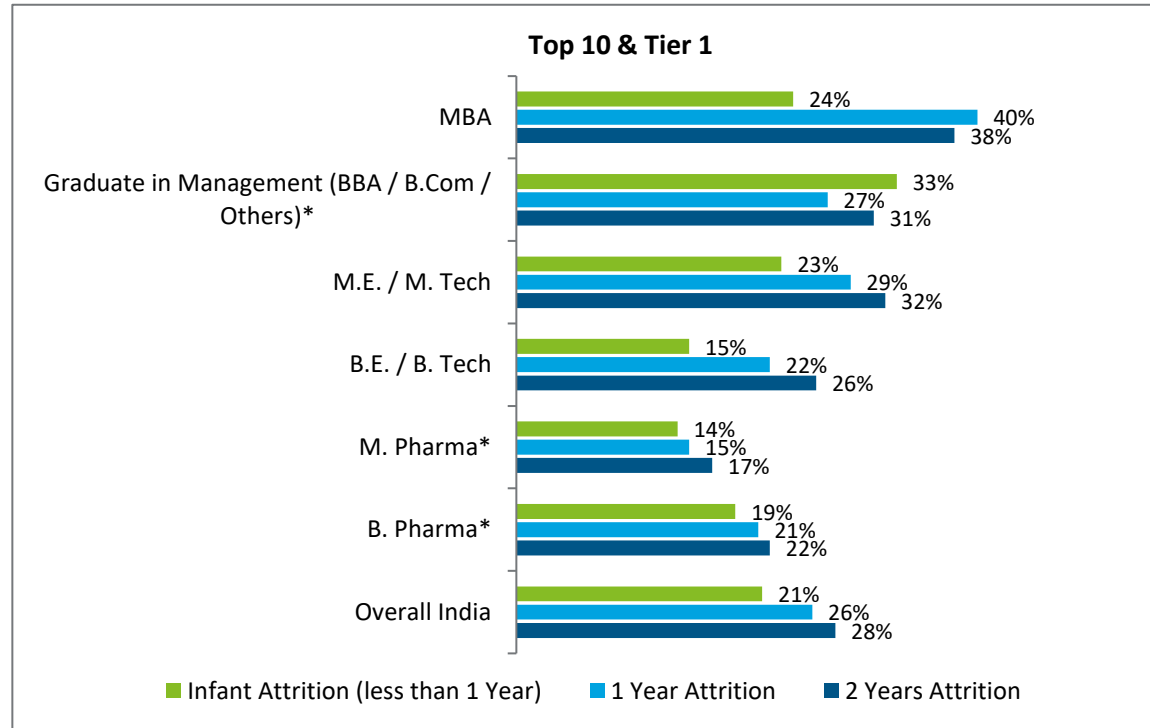| Engineering – Technology	Engineering – Other	Management	Pharmacy	Law
15-20% - Artificial Intelligence (AI) and Machine Learning (ML)	**5-10%** - Environmental regulations and sustainability	**5-10%** - Change Management	**10-15%** - Big data analytics and computational biology	**5-10%** - Alternative Dispute Resolution
10-15% - Cybersecurity	**10-15%** - Reverse Engineering	**10-15%** - Social Selling	**10-15%** - Bioinformatics and computational chemistry	**10-15%** - Mergers & Acquisitions
5-10% - Cloud Computing	**5-10%** - Lean manufacturing principles	**5-10%** - Agile Project Management	**5-10%** - Remote monitoring and virtual trials	**10-15%** - Corporate governance and ESG
10-15% - Data Science and Data Analytics	**10-15%** - Human factors engineering	**5-10%** - Project Portfolio Management	**5-10%** - Regulatory compliance	**10-15%** - E-discovery and legal technology
10-15% - Blockchain	**15-20%** - Robotics - Mechatronics and control systems	**0-5%** - Risk Management	**10-15%** - International regulatory landscape	**10-15%** - Emerging technologies and IP
15-20% - Robotics	**15-20%** - Computational fluid dynamics	**10-15%** - Data Analytics and Experimentation	**10-15%** - Value-based marketing and pricing strategies	
5-10% - Internet of Things (IoT)	**10-15%** - Electronics design and simulation tools	**10-15%** - Growth Hacking	**5-10%** - Risk Management and pharmacovigilance	
5-10% - DevOps	**5-10%** - Process simulation software	**10-15%** - Sustainability Management		
5-10% - User Experience (UX) Design	**0-5%** - Six Sigma and other quality improvement methodologies	**10-15%** - Diversity, Equity, and Inclusion (DE&I)		**Note:** These percentages mentioned are the premium ranges for the respective degrees.

Campus Talent Retention Strategies

Attrition for MBA campus talent is the highest across degrees

(% of attrition in **2023** across organizations by degrees)   (N=194)

Top 10 & Tier 1

Degree	Infant Attrition (less than 1 Year)	1 Year Attrition	2 Years Attrition
MBA	24%	40%	38%
Graduate in Management (BBA / B.Com / Others)*	33%	27%	31%
M.E. / M. Tech	23%	29%	32%
B.E. / B. Tech	15%	22%	26%
M. Pharma*	14%	15%	17%
B. Pharma*	19%	21%	22%
Overall India	21%	26%	28%

- Infant Attrition (less than 1 Year)
- 1 Year Attrition
- 2 Years Attrition

Tier 2 & Tier 3

Degree	Infant Attrition (less than 1 Year)	1 Year Attrition	2 Years Attrition
MBA	21%	29%	32%
Graduate in Management (BBA / B.Com / Others)	24%	20%	31%
M.E. / M. Tech	22%	25%	30%
B.E. / B. Tech	18%	17%	21%
M. Pharma*	12%	13%	15%
B. Pharma*	16%	20%	21%
Overall India	19%	21%	25%

- Infant Attrition (less than 1 Year)
- 1 Year Attrition
- 2 Years Attrition

*Note: Top 10 is not being reported for 3 degrees - Graduate in Management (BBA / B.Com / Others), M. Pharma and B. Pharma

*Note: Tier 3 is not being reported for 2 degrees - M. Pharma and B. Pharma

Among the Top 10 and Tier 1 campuses across India, Graduate in Management (BBA / B.Com / Others) **(33%)** has the highest Infant attrition rate surpassing MBA **(24%).** Whereas MBA **(40%)** exhibits the most notable 1-year attrition rate outpacing all other degrees, followed by M.E. / M. Tech **(29%).** Similarly, MBA **(38%)** also holds the record for the highest 2-years attrition rate, followed by M.E. / M. Tech **(32%).** Overall, Pan-India Infant, 1-year and 2-year attrition rates for Top 10 and Tier 1 campuses are **21%**, **26%** and **28%,** respectively.

Among the Tier 2 and Tier 3 campuses across India, Graduate in Management (BBA / B.Com / Others) **(24%)** has the highest Infant attrition rate, closely followed by M.E. / M Tech **(22%).** Whereas MBA **(29%)** exhibits the most notable 1-year attrition rate, followed by M.E. / M. Tech **(25%).** Finally, MBA **(32%)** holds the record for the highest 2-years attrition rate, followed by Graduate in Management (BBA / B.Com / Others) **(31%)**. Overall, Pan-India Infant, 1-year and 2-year attrition rates for Tier 2 and Tier 3 campuses are **19%**, **21%** and **25%,** respectively.

Impact of these practices on the organizations

Prevalent Retention Practices	Retention Hook (Impact)	Cost to Introduce	Ease of Administration
Committed / Guaranteed Bonus	High	Medium	Easy
Skill-Based Pay	Medium	Low	Easy
Sales Incentive	High	Medium	Medium
Earned Days off	Medium	High	Medium
Mentorship Programs	Medium	Low	Easy
Buddy Program	Low	Low	Easy
Job Rotation	Low	Low	Difficult
Social Media Recognition	High	Low	Medium
1:1 Meetings with Skip Level Manager	Medium	Low	Medium
Flexible Working Hours	High	High	Difficult
Foreign Immersion	High	High	Difficult
Higher Education (International)	High	High	Difficult
Higher Education (Domestic)	High	Medium	Difficult
Externships	High	Medium	Difficult
Academic Immersion	High	Medium	Difficult
Young Leader Programs	High	Medium	Medium
Health and Wellness Tie-ups	Medium	Medium	Easy
Stocks / Shares (ESOPS / PSU / RSU)	High	High	Difficult
Off-Site Onboarding	Low	Medium	Easy
Student Loan Repayment Assistance	High	High	Medium
Financial Planning Assistance	Medium	Low	Easy
Reverse Mentorship	Low	Low	Medium
Compensatory Time Off	Low	Low	Medium
Eco-Friendly and Ergonomic Furniture Funds	Low	Medium	Easy

Campus Hiring Practices

There has been a 33% reduction in campus placement budget allocation from FY23 to FY24

Talent Acquisition (TA) budget & campus placement budget as % of TA budget

FY23

INR 2.49 Cr.

INR 1.99 Cr.

FY24

33% ↓

FY23

18%

17%
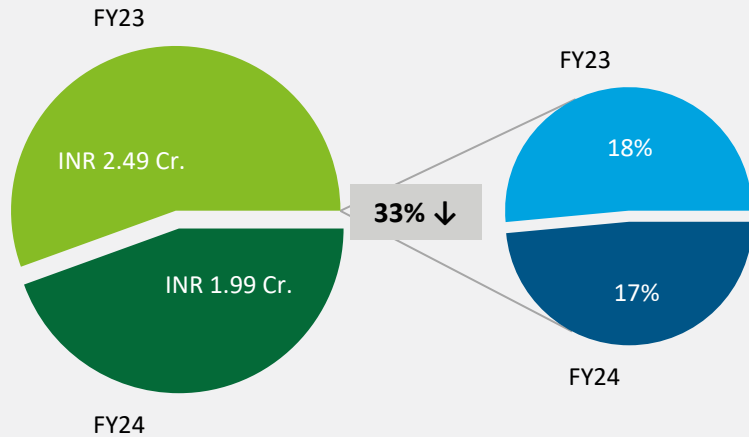
FY24

■ Avg of Talent Acquisition budget (excluding compensation offered) - FY23

■ Avg of Talent Acquisition budget (excluding compensation offered) - FY24

■ Campus placement budget as % of Talent acquisition budget - FY23

■ Campus placement budget as % of Talent acquisition budget - FY24

Overall Talent Acquisition budget (excluding compensation offered)

39%

35%

18%

8%

■ Less than INR 10 Lakh

■ INR 10 to 25 Lakh

■ INR 25 to 50 Lakh
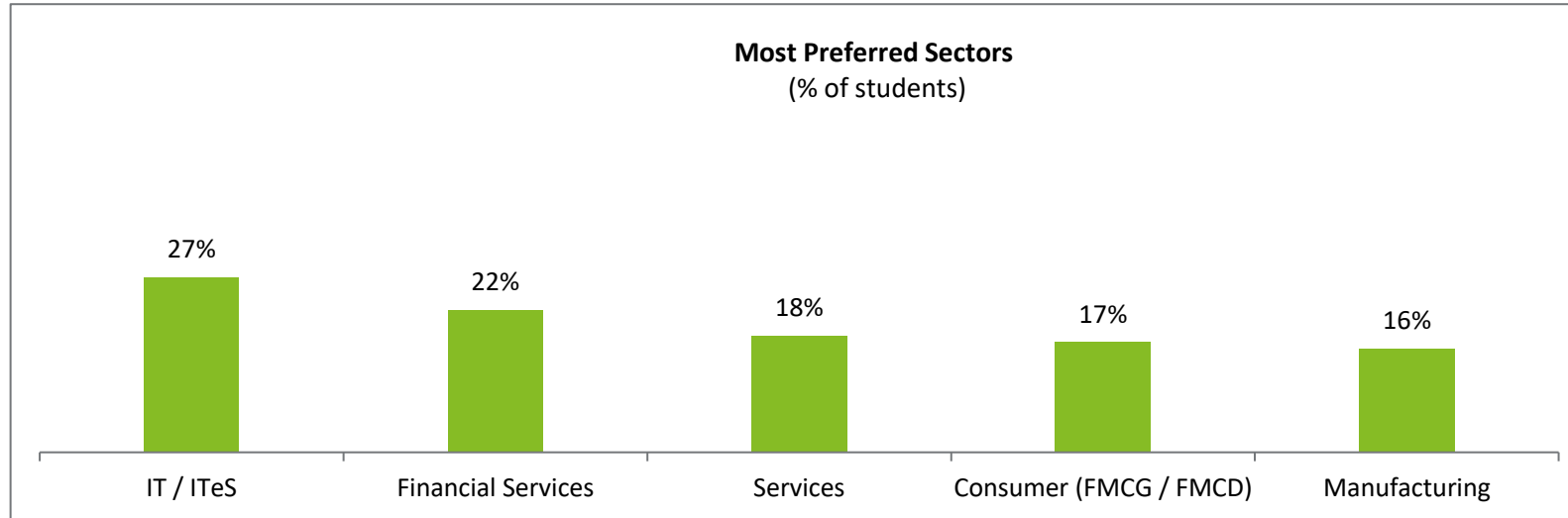
■ More than INR 50 Lakh

The average Talent Acquisition budget for **FY23** exceeded 2 crores and was INR **2.49 Cr.**, out of which **18%** was the Campus Placement budget.

On the other hand, the average Talent Acquisition budget for **FY24** has dropped to **1.99 Cr.** out of which the Campus Placement budget stands at **17%**, a variance of nearly **33% drop** in campus hiring budgets.
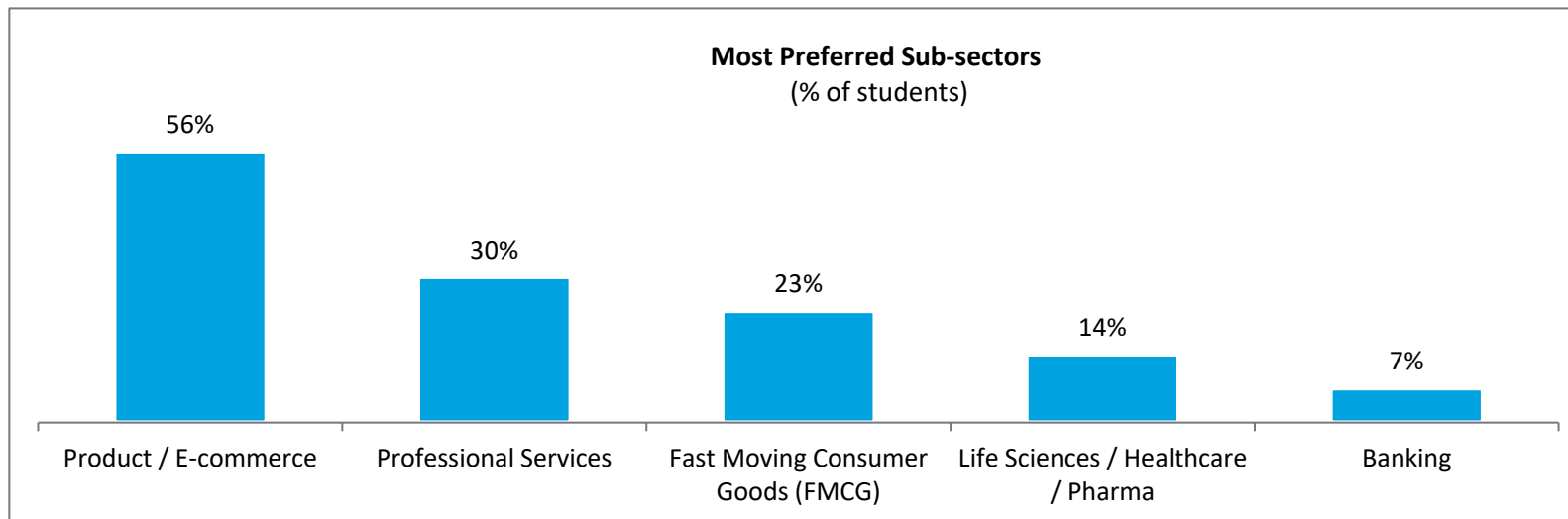
Note: The **Campus Placement budget** consists of the expenditure related to the end-to-end campus hiring activities and all the resources used in between.

Majority of the campuses consider Information Technology as the most preferred sector

Most Preferred Sectors
(% of students)

IT / ITeS	Financial Services	Services	Consumer (FMCG / FMCD)	Manufacturing
27%	22%	18%	17%	16%

Based on our survey findings, it is evident that most of the campuses exhibit a clear preference for directing student placements toward the **Information Technology (IT)** sector. Following closely in prominence are **Financial Services** and **Services**, in the hierarchy of their preferences.

This data underscores the prevailing inclination among campuses to prioritize opportunities within the dynamic IT industry, reflecting the evolving landscape of career choices for students in today's competitive job market.

Most Preferred Sub-sectors
(% of students)

Product / E-commerce	Professional Services	Fast Moving Consumer Goods (FMCG)	Life Sciences / Healthcare / Pharma	Banking
56%	30%	23%	14%	7%

In the sub-sectors, **Product / E-commerce** emerges as the top choice followed by **Professional Services**, and **Fast-Moving Consumer Goods (FMCG)** as second and third preferences respectively for campus placement.

These findings illuminate the prevailing trends in campus preferences, showcasing a strong inclination towards **Hi-Tech / Product** and associated sectors, providing valuable insights into the priorities of educational institutions in aligning students with career opportunities.

Top role preferences for the Degrees and Courses covered

Degrees / Courses	Preference 1	Preference 2
Master of Business Administration (MBA)	Management Consultant	Financial Analyst/Manager
Graduate in Management (BBA / B.Com / Others)	Data Analyst / Business Analyst	Marketing Coordinator/Associate
Master of Engineering / Technology (M.E. / M. Tech)	Research and Development Engineer/Scientist	Project Manager
Bachelor of Engineering / Technology (B.E. / B. Tech)	Software Development/Engineer	Data Scientist/Analyst
B. Pharma / M. Pharma	Clinical Research Associate (CRA)	Pharmaceutical Sales Representative
Bachelor of Law	Legal Practitioner/Attorney	Corporate Counsel
Hotel Management (MBA / Non-MBA)	Customer Experience Analyst	Hospitality Consultant
Chartered Accountant / Chartered Financial Analyst	Audit Manager / Internal Auditor	Financial Analyst
Company Secretary	Company Secretary	Legal Advisor / Corporate Legal Counsel

Technical Interview Performance is considered to be the most crucial performance evaluation criteria in the campus placement process

Performance evaluation criteria prevalent as a part of campus placement process

Criteria	Percentage
Technical Interview performance	93%
Assessment / Test	90%
HR Interview performance	88%
GD performance	88%
Pre-placement talk attendance	71%
Case Studies round	69%
Grades	69%
Gamified Assessment	57%
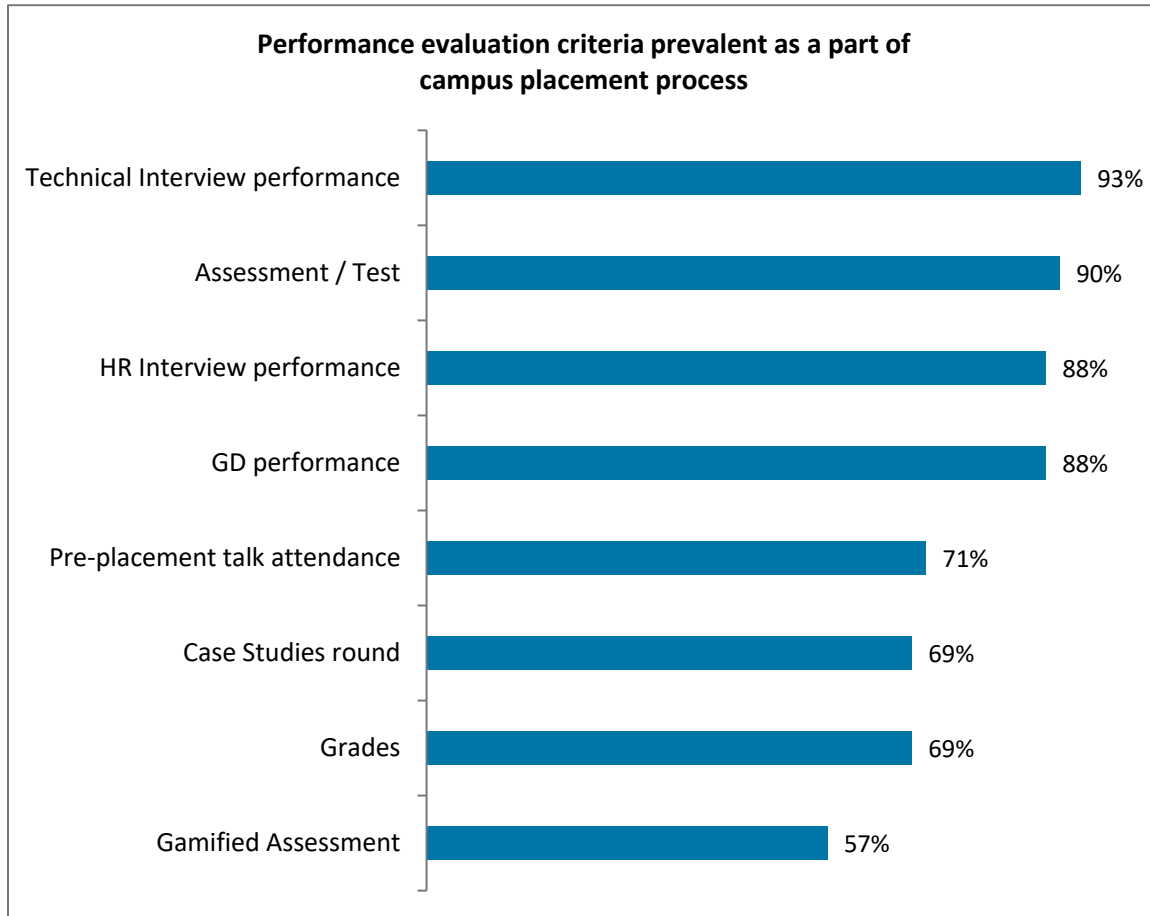
Sr. No.	Key Findings
1	The survey reveals that an overwhelming **93%** of the surveyed campuses emphasize the significance of **Technical Interview performance** as a pivotal criterion for placement, prompting active preparation of their students for such interview rounds.
2	Subsequently, **90%** of campuses consider **Assessments and Tests** to be crucial factors contributing to successful placements.

This data highlights the significance placed on evaluation methods by educational institutions in preparing students for the competitive job market and ensuring their readiness for various aspects of the placement process.

What are the distinctive offerings / Employee Value Proposition (EVP) offered by the organizations to new hires beyond standard reward offerings?

Employee Value Proposition (EVP) offered by organizations to new hires

Offering	Percentage
Regular online learning and development modules	46%
Relocation assistance to transfer employees	44%
Remote working / Hybrid working	38%
Free annual medical check up / Discounted health screenings	36%
High-potential talent management process	32%
Reimbursement of wifi / mobile / landline expenses	30%
Fast-track career development programs	29%
Transport reimbursement / Cab services	29%
Higher education assistance	25%
Sabbatical option	21%
International assignments	19%
Succession management process	19%
Employee discount program	15%
Financial planning support	13%
Ergonomic furniture for long term WFH employees	5%

This bar figure highlights the EVP as differentiated or distinctive offerings by the organizations to their new hires other than the standard market offerings, aligning with the evolving landscape of work arrangements.

The findings are highlighted below:

- **Online Learning Initiatives: 46%** of the organizations provide regular online learning and development modules to fresh hires to deliver efficient, consistent, and cost-effective training that promotes skill development and fosters a culture of continuous learning. Some also mandate the established learning hours on a year-to-year basis.
- **Relocation Assistance for Transfer of New Joiners: 44%** of the organizations extend relocation assistance to minimize the disruption to the new joiners' personal and professional lives, while allowing them to focus on their new roles.
- **Remote and Hybrid Work Trends:** Remote or Hybrid work arrangement proves to be prevalent as **38%** of the participating organizations have adopted and extended either of these two working models and many are yet to introduce these working arrangements.
- **Employee Wellness Initiatives:** Many organizations (**36%**) have started offering free annual medical health checkups and discounted health screenings to prioritize the well-being of new joiners.
- **High-Potential Talent Management:** Additionally, **32%** of the organizations have a defined high-potential talent management process where the employer identifies the top performers based on certain key metrics and provides them with a competitive edge as they are integrated into succession planning discussions for key leadership positions.
- **Employee Expense Reimbursements: 30%** of the employers reimburse their new hires for expenses related to Wi-Fi, mobile or landline.
- **Other Responses** included Retention / Joining bonus, Open leave policy / Unlimited leaves, Flexible work schedule, Professional certification reimbursement, and Job rotation.

Overall, these findings depict a comprehensive view of what distinctive offerings are prevailing in the employer market which are extensively appreciated by the new hires and hence, promote talent retention.
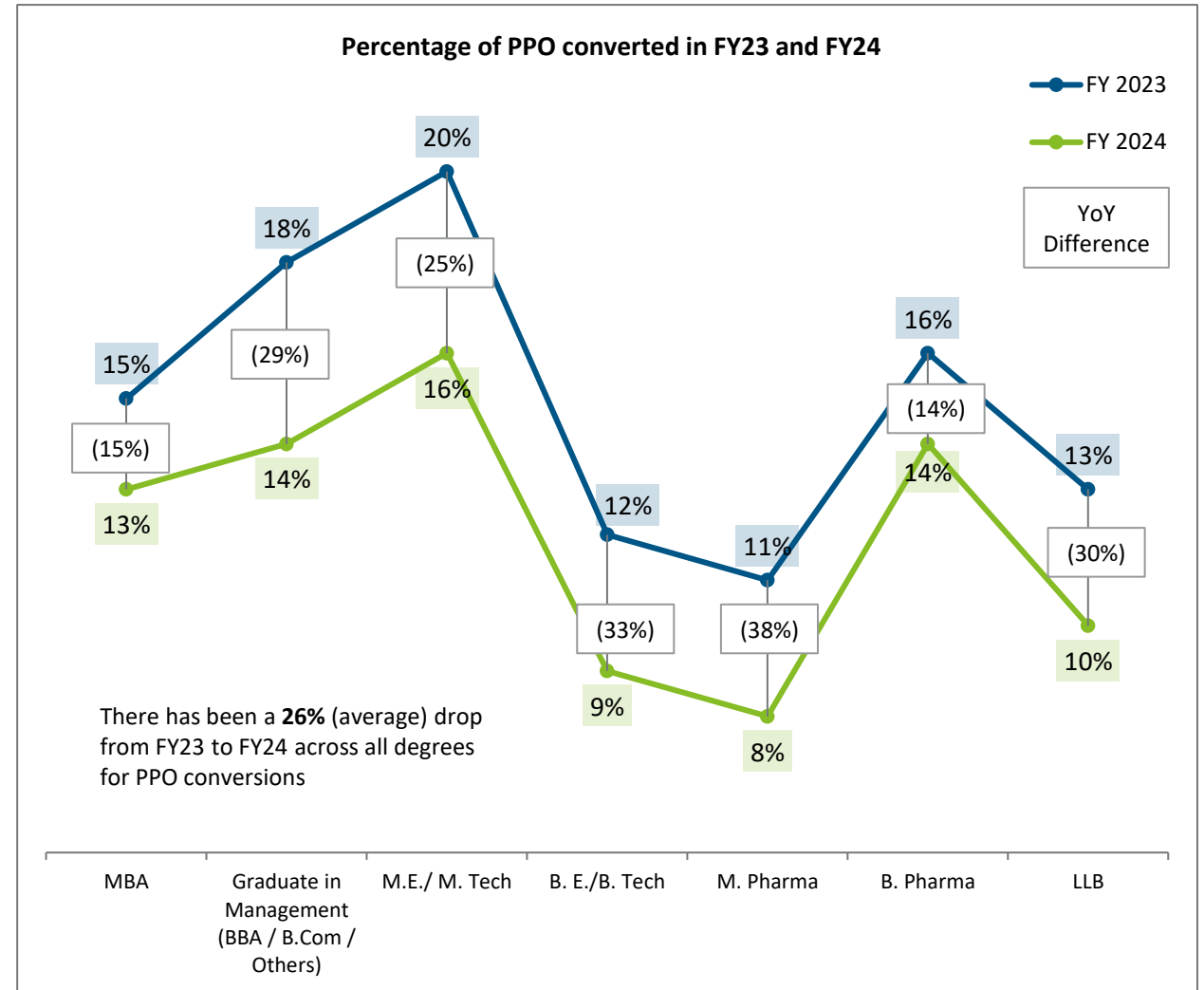
26% drop from FY23 to FY24 has been witnessed across all degrees in PPO conversions

There has been a major slowdown in campus placements across degrees. Data indicates a significant drop – nearly **26%** fewer Pre-Placement Offers (PPOs) and a **33%** reduction in budget allocation for campus placements in FY24 as compared to FY23. This trend can be attributed to several well-known factors:

- **Global Economic Uncertainty:** The fear of a recession in the US and Europe, major clients for Indian IT firms, is leading them to tighten their belts. This translates to fewer new projects and a reduced need for fresh graduates. Geopolitical tensions like the Russia-Ukraine conflict further fuel this uncertainty.

- **IT Sector Correction:** After a period of rapid pandemic-driven growth, the demand for IT services has cooled down. Companies are focusing on optimizing their existing workforce and potentially correcting for over-hiring in 2021.

- **Shifting Priorities:** Companies are prioritizing experienced professionals or upskilling their existing workforce to meet current needs, reducing the immediate need for entry-level recruits.

While this might be a temporary slowdown, it will have a significant impact on future workforce management strategies.

(N=508)

Percentage of PPO converted in FY23 and FY24

— FY 2023
— FY 2024

YoY Difference

Degree	FY 2023	FY 2024	YoY Difference
MBA	15%	13%	(15%)
Graduate in Management (BBA / B.Com / Others)	18%	14%	(29%)
M.E./ M. Tech	20%	16%	(25%)
B. E./B. Tech	12%	9%	(33%)
M. Pharma	11%	8%	(38%)
B. Pharma	16%	14%	(14%)
LLB	13%	10%	(30%)

There has been a **26%** (average) drop from FY23 to FY24 across all degrees for PPO conversions

Compensation differentiation across MBA specializations

X – Base for Top 10
Y – Base for Tier 1

| | | < 1X or 1Y | | = 1X or 1Y | | >1X or 1Y |

Industry ->	Consulting / Services		Financial Services		IT / ITeS		Manufacturing		FMCG / FMCD		Life Sciences / Pharma	
Tier Categorization ->	Top 10	Tier 1	Top 10	Tier 1	Top 10	Tier 1	Top 10	Tier 1	Top 10	Tier 1	Top 10	Tier 1
MBA Specializations / Base -> (INR 000s)	2,290	1,920	2,410	1,830	2,370	1,910	2,450	1,970	2,570	1,930	2,260	1,790
Agri Business Management	0.95X	0.85Y					1.04X	1.01Y	1.02X	1.02Y	0.85X	0.90Y
Banking & Financial Services	1.08X	1.07Y	1.08X	1.07Y	1.05X	1.04Y	1.03X	1.01Y	1.03X	1.01Y	1.03X	1.00Y
Business Analytics	1.06X	1.05Y	1.07X	1.06Y	1.04X	1.03Y	1.02X	1.01Y	1.04X	1.03Y	1.01X	1.00Y
Entrepreneurship & Family Business Management	1.00X	0.95Y	0.85X	0.85Y	0.70X	0.85Y	0.70X	0.80Y	0.80X	0.80Y	0.95X	0.85Y
Finance	1.08X	1.07Y	1.08X	1.07Y	1.05X	1.04Y	1.03X	1.01Y	1.03X	1.01Y	1.03X	1.01Y
General Management												
Healthcare Management	1.00X	1.00Y					1.04X	1.01Y			0.85X	0.85Y
Hospitality Management												
Human Resource Management	1.05X	1.02Y	1.03X	1.01Y	1.03X	1.02Y	1.06X	1.02Y	1.03X	1.02Y	1.03X	1.01Y
International Business	1.04X	1.03Y	1.04X	1.02Y	1.06X	1.04Y	1.06X	1.04Y	1.02X	1.02Y	1.01X	1.02Y
Marketing	1.06X	1.05Y	1.00X	1.00Y	0.85X	0.95Y	0.95X	0.85Y	1.07X	1.02Y	1.04X	1.01Y
Rural Management	1.00X	1.00Y	1.01X	1.02Y	1.00X	1.00Y	0.95X	0.85Y	1.04X	1.02Y	1.02X	0.95Y

For different specializations across MBA, pay differential has been observed across industries:
- **Consulting / Services** and **Financial Services** industries have the highest pay differential of **1.08X** for **Banking & Financial Services** and **Finance** specializations.
- **Entrepreneurship & Family Business Management** specialization has the lowest pay differential of **0.70X** across **IT / ITeS** and **Manufacturing** industries followed by **0.80X** across **FMCG / FMCD** and **Manufacturing** industries.
- Differentials indicated include zeros, i.e., it also includes organizations that do not differentiate between specializations during the campus process or only invite applications from certain courses.

Compensation differentiation across Engineering streams

X – Base for Top 10
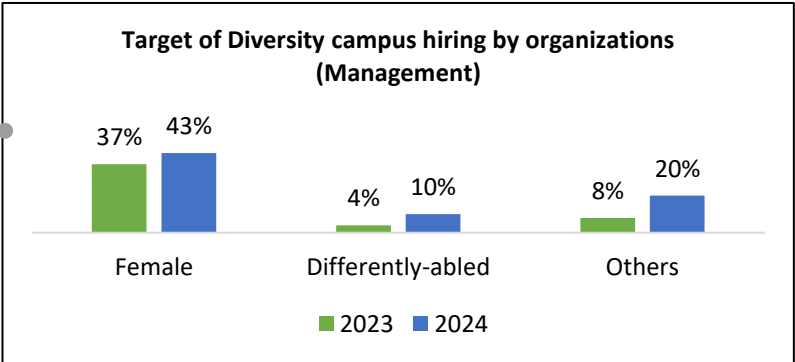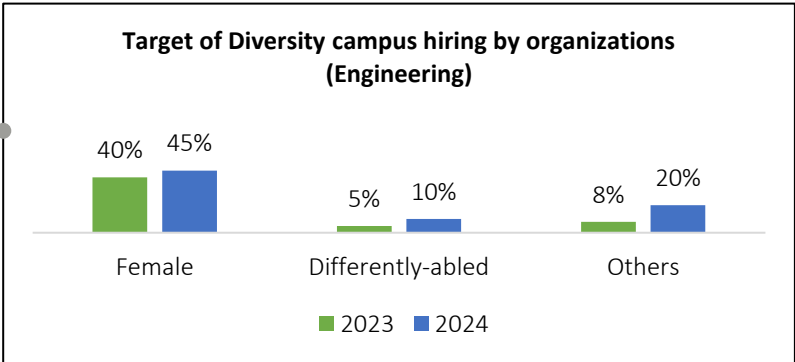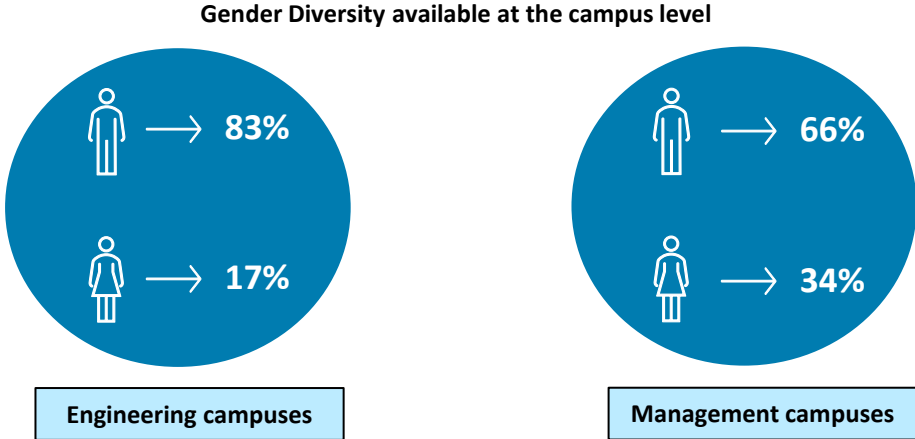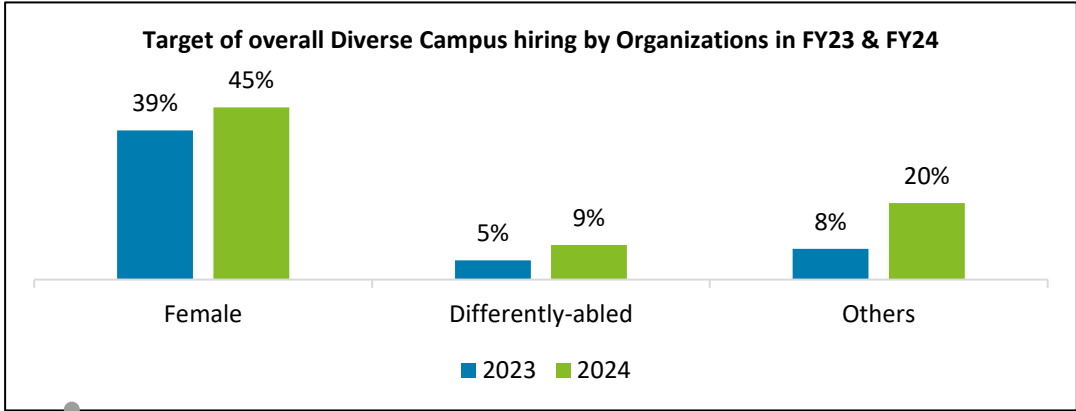Y – Base for Tier 1

< 1X or 1Y   = 1X or 1Y   >1X or 1Y

Industry ->	Consulting / Services		Financial Services		IT / ITeS		Manufacturing		FMCG / FMCD		Life Sciences / Pharma	
Tier Categorization ->	Top 10	Tier 1	Top 10	Tier 1	Top 10	Tier 1	Top 10	Tier 1	Top 10	Tier 1	Top 10	Tier 1
Engineering Streams / Base -> (INR 000s)	**1,660**	**1,290**	**1,580**	**1,240**	**1,680**	**1,310**	**1,690**	**1,320**	**1,570**	**1,230**	**1,550**	**1,200**
Aeronautical Engineering	1.00X	1.00Y					1.20X	1.01Y				
Agricultural Engineering	0.80X	0.80Y					1.30X	1.01Y	0.90X	0.85Y	1.00X	1.00Y
Bio-Chemical Engineering							1.20X	1.01Y			1.01X	0.90Y
Biotechnology Engineering	1.00X	1.00Y					1.00X	1.00Y				
Chemical Engineering							1.00X	1.00Y			1.02X	1.02Y
Civil Engineering	1.00X	1.00Y					1.04X	1.01Y				
Computer Science Engineering	1.04X	1.02Y	1.02X	1.01Y	1.05X	1.04Y	1.02X	1.02Y	1.00X	1.00Y		
Data Science and Artificial Intelligence Engineering	1.06X	1.04Y	1.02X	1.00Y	1.08X	1.06Y	1.06X	1.04Y	1.02X	1.01Y	1.00X	1.00Y
Electrical Engineering					1.00X	1.00Y	1.00X	1.00Y				
Electronics and Communication Technology Engineering			1.00X	1.00Y	1.00X	1.00Y	1.00X	1.00Y				
Food Technology					0.85X	0.85Y	1.00X	1.00Y			1.00X	1.00Y
Mechanical Engineering					0.85X	0.85Y	1.00X	1.00Y				

For streams across Engineering, there are noticeable variations in pay differentials among different industries.:
- **Manufacturing** has the highest pay differential of **1.30X** for **Agricultural Engineering**, followed by both **Aeronautical Engineering** and **Bio-Chemical Engineering** at **1.20X**.
- The **Consulting / Services** industry has the lowest pay differential of **0.80X** for **Agricultural Engineering** stream, followed by **0.85X** differential for **Food Technology** and **Mechanical Engineering** in **IT / ITeS** and **Agricultural Engineering** in **FMCG / FMCD** at **Tier 1**.
- Differentials indicated include zeros, i.e., it also includes organizations that do not differentiate between specializations during the campus process or only invite applications from certain courses.

Workplace Gender Diversity

Female campus hiring has increased in FY24 as compared to FY23, leading to a significant transition in diversity hiring

Target of overall Diverse Campus hiring by Organizations in FY23 & FY24

	Female	Differently-abled	Others
2023	39%	5%	8%
2024	45%	9%	20%

■ 2023 ■ 2024

Gender Diversity available at the campus level

Engineering campuses
- 👨 → **83%**
- 👩 → **17%**

Management campuses
- 👨 → **66%**
- 👩 → **34%**

Target of Diversity campus hiring by organizations (Engineering)

	Female	Differently-abled	Others
2023	40%	5%	8%
2024	45%	10%	20%

■ 2023 ■ 2024

Target of Diversity campus hiring by organizations (Management)

	Female	Differently-abled	Others
2023	37%	4%	8%
2024	43%	10%	20%

■ 2023 ■ 2024

Organizations are facing a significant challenge in bridging the gap between fulfilling their diversity hiring goals and the available diverse talent pool at the campuses. Despite their best efforts, the disparity between male and female representation remains pronounced. To address this issue, companies are proactively implementing strategies such as fostering Gen Z-friendly environments and incorporating environmentally conscious practices. These measures are aimed at not only attracting top talent but also creating inclusive workplaces that resonate with a diverse workforce. However, despite these initiatives, organizations are realizing that they may fall short of their diversity hiring targets to achieve **55%** male and **45%** female hiring in FY24. The discrepancy between organizational aspirations and the current landscape underscores the need for a more nuanced approach to diversity, equity, and inclusion (DEI) initiatives.

Recognizing the specific challenges faced by women in the workplace, many organizations are launching targeted campaigns to promote female hiring and advancement. These efforts reflect a broader commitment to creating a more inclusive and equitable workforce, where individuals from all backgrounds have equal opportunities to thrive.

Focus of organizations beyond Gender diversity

Organizations are expanding their diversity initiatives beyond gender to include individuals who are differently-abled and have different gender identities. Targets for hiring differently-abled employees have risen from **5%** in FY23 to **9%** in FY24, while targets for LGBTQIA+ hiring have surged from **8%** in FY23 to a direct increase of **20%** in FY24. These efforts reflect a commitment to fostering inclusivity and providing equal opportunities for individuals from diverse backgrounds. The focus of organizations has shifted towards increased hiring targets for the LGBTQIA+ community, as visible through our study.

Some practices by organizations to achieve diverse hiring targets

Sr. No.	Practices	Details
1	**Accessibility**	For differently-abled candidates, companies are ensuring their job application process and workplace are accessible, with features like screen readers, ramps, ergonomic setups, assistive tech, and interpreters.
2	**Employee Resource Groups (ERGs)**	Creating or supporting ERGs for LGBTQIA+ employees and those with disabilities can foster a sense of belonging and provide a platform for employees to connect and advocate for their needs.
3	**Unconscious Bias Training**	Training for hiring managers and recruiters on unconscious bias helps them identify and mitigate their own biases throughout the interview process
4	**Inclusive Job Descriptions**	Job descriptions are being rewritten to avoid biased language and focus on the required skills and experience for the role.
5	**Dress Codes**	Relaxed or gender-neutral dress codes are becoming more common. This allows employees to express themselves comfortably and professionally without limitations based on gender.
6	**Inclusive Leaves**	Organizations offer generous parental leave policies that are inclusive of all types of families, including adoptive parents, LGBTQ+ couples, and single parents.
7	**Healthcare Coverage and Insurance**	Provide inclusive healthcare coverage including mental health services, transgender-inclusive care, fertility treatments, and diverse family support. Many organizations are providing insurance to the children of same-sex couples. This ensures equitable access to healthcare needs.
8	**Employee Assistance Programs (EAP)**	Provide EAP services that offer confidential counseling, financial assistance, legal advice, and resources for employees facing personal or professional challenges. EAPs can support employees from diverse backgrounds who may encounter unique stressors or barriers to success.
9	**Inclusive Language and Communication**	Foster an inclusive environment by using gender-neutral language, respecting individuals' preferred pronouns, and avoiding stereotypes in communication materials, policies, and interactions. Encourage open dialogue and feedback channels where employees can voice concerns and suggestions for creating a more inclusive workplace culture.

Rewards Analysis

Rewards Analysis – Key Findings

Overall Compensation Trends
01

- **Consistent Compensation Growth:** Across degrees, we have witnessed an average 5.2% Compound Annual Growth Rate (CAGR) over the past 5 years in campus compensation with a maximum increase in M. Tech and CA / CFA.
  Disruption in Compensation Trend in Management Degrees: The compensation trend for management degrees has been on the rise, with a CAGR of 6% over the past four years. However, 2023 marks an exception to this trend due to heightened financial strain on organizations, resulting in a steep drop of nearly 7% across various campus tiers.

Pay-Mix Trends
02

- **Increase in Variability of Pay:** It has been seen that the organizations have gradually adjusted their Pay-Mix to place more significance on Variable Pay components in recent years while raising those by 2.5% compared to FY23 across different degrees.

- **Progressive LTI Prevalence:** There has been a progressive increase in the provision of Long-Term Incentive (LTI) instruments across organizations, with 38% prevalence among management degrees and 57% among engineering graduate hires.

- **Attracting Talent through Joining Bonus:** Joining bonuses are becoming increasingly prevalent, with 48% of organizations offering them in FY24 as compared to 33% in FY23, accompanied by a 2-year clawback policy to encourage retention and mitigate infant attrition.

Internship Trends
03

- **Internship Stipend Trends in Tier 1 vs Tier 2 Campuses:** There have been significant changes in the internship stipends offered by organizations across degrees and campus tiers in FY23. Tier 1 campuses saw an average increase of 10%, while Tier 2 campuses experienced an average decrease of 14% in internship stipends from FY23 to FY24, further widening the gap in premium between Tier 1 and Tier 2 campuses.

- **Decline in Prevalence of Internships Across Degrees:** The prevalence of internships across various degrees and campus tiers experienced a notable decline of 7% in FY24 as compared to FY23.
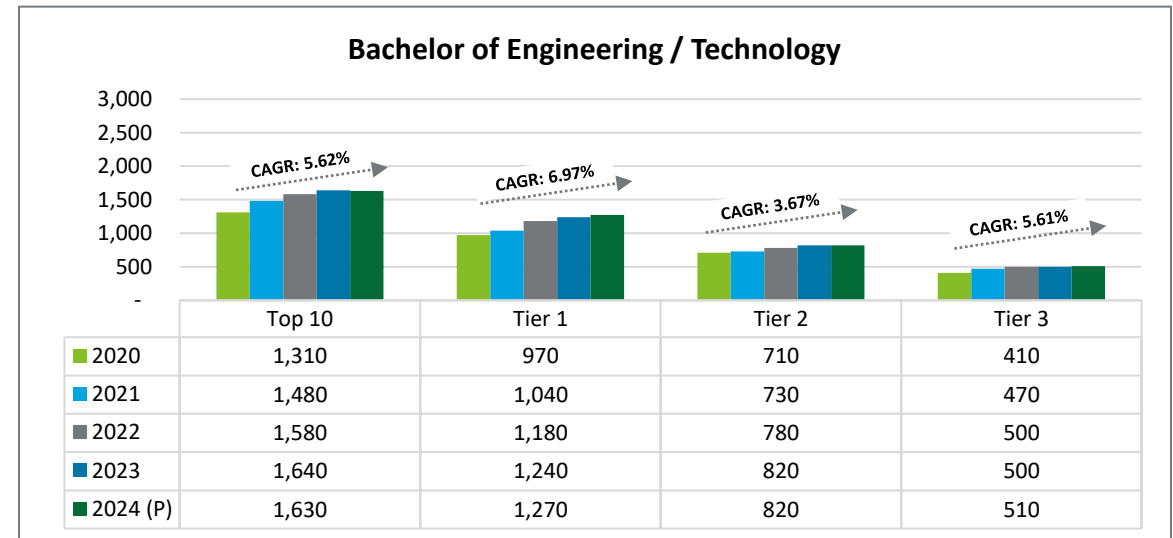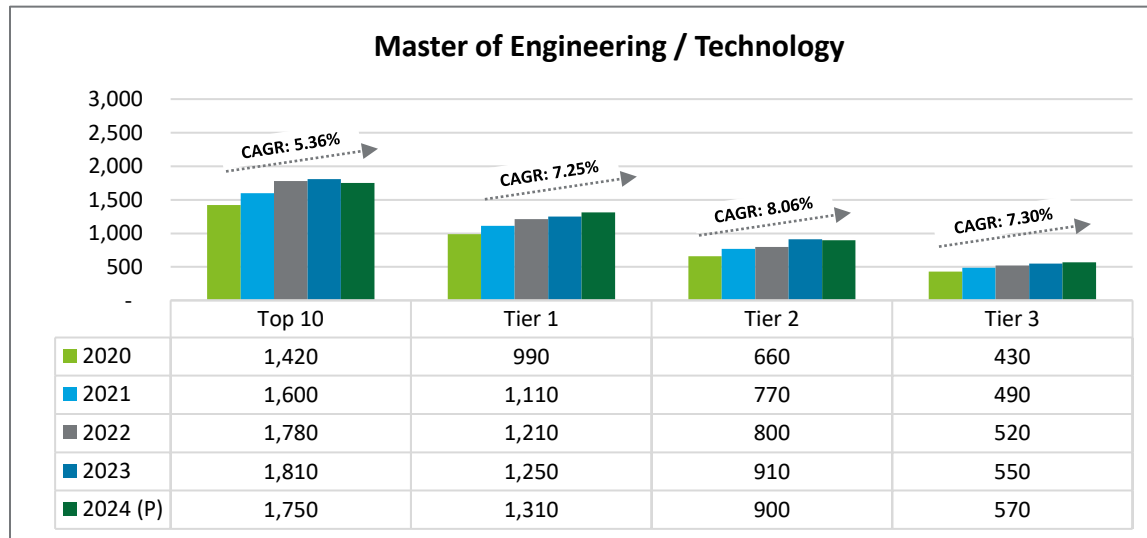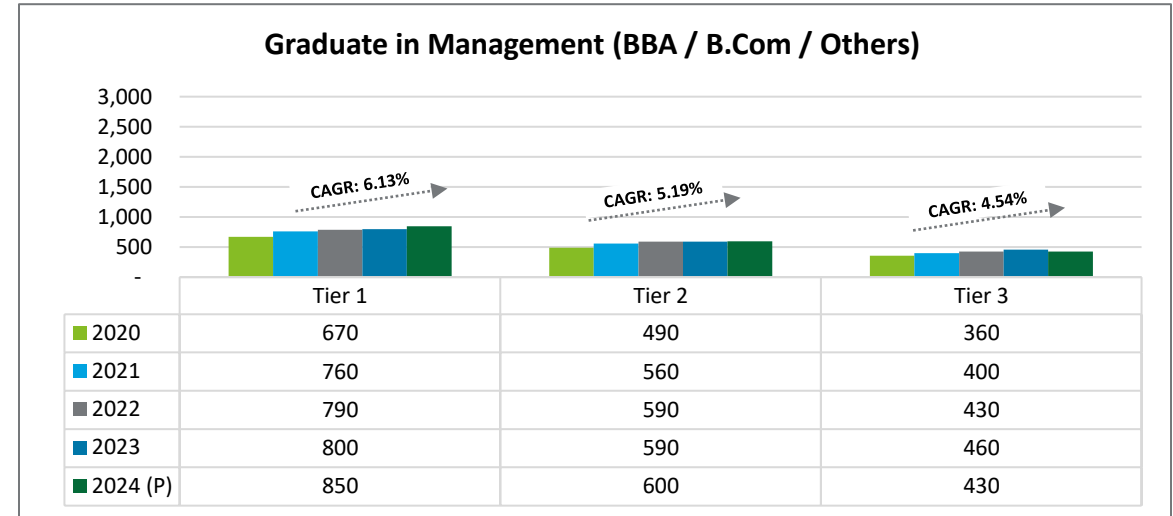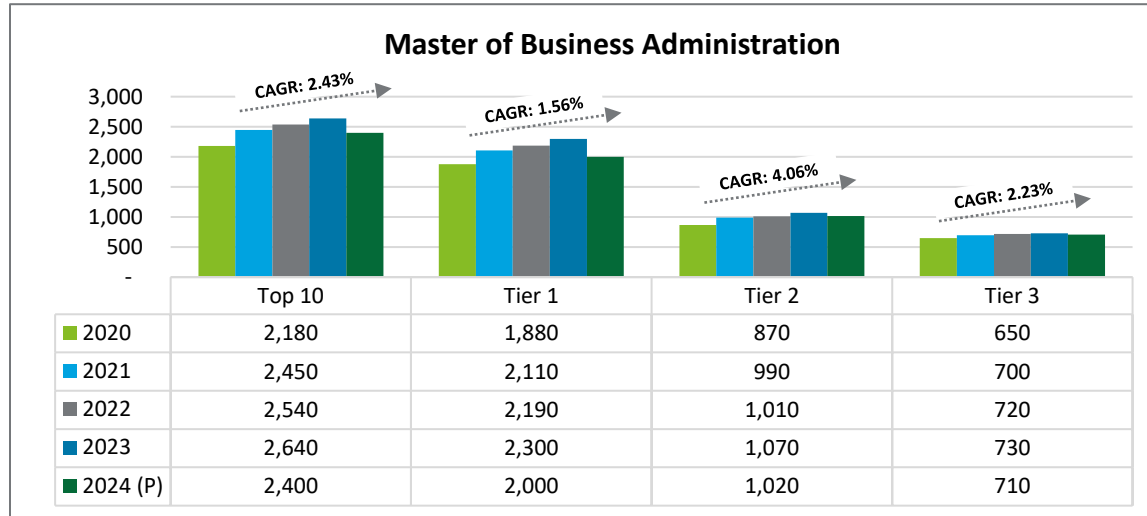
Campus Students' Expectations
04

- **Slowdown in Campus Hiring leading to a decline in Students' Compensation Expectations:** Students compensation expectations have decreased by an average of 7% in FY24 as compared to FY23. Traditionally, campus students expect high compensation as compared to market norms, but recent years have seen a decline due to rising fears of unemployment amid cost-cutting measures by organizations and a slowdown in the closure of the campus hiring process. Typically, the campus hiring process takes 2-3 months on average, however, campuses reported that in 2023, the process took 5-6 months to close due to a low number of vacancies being offered by organizations.
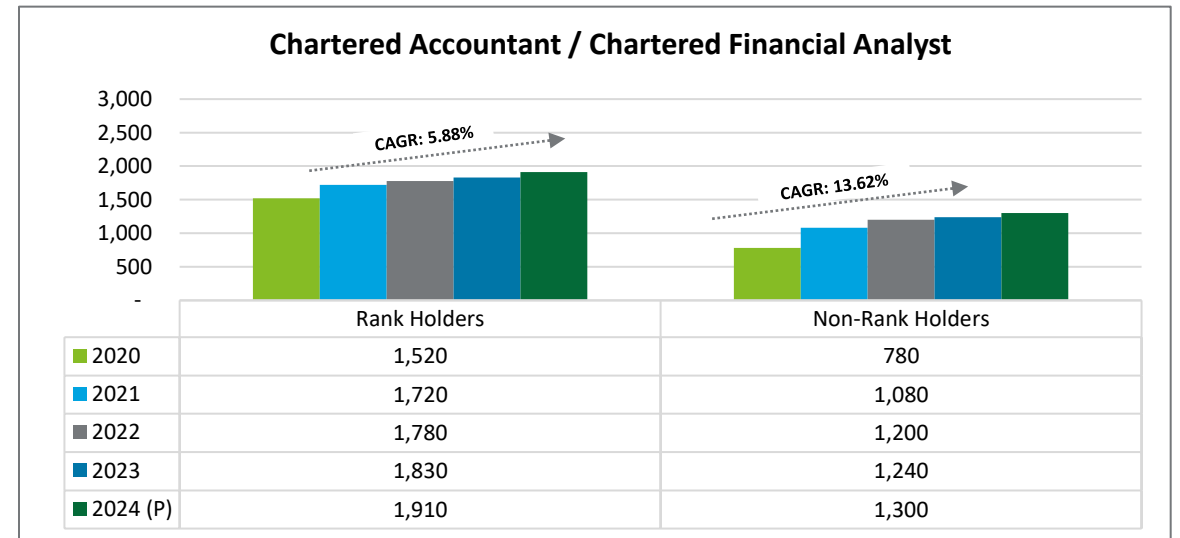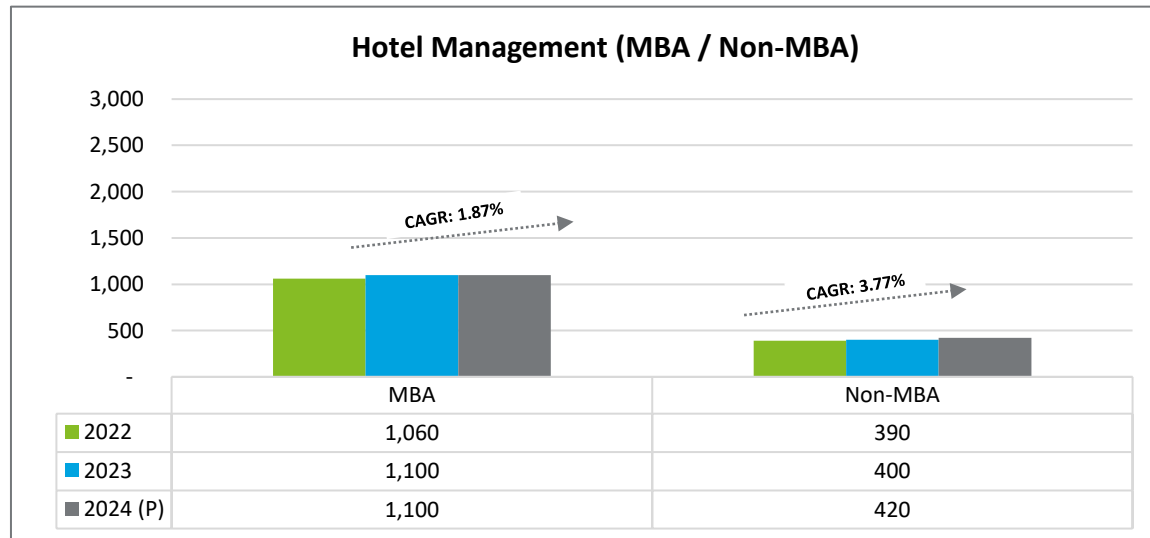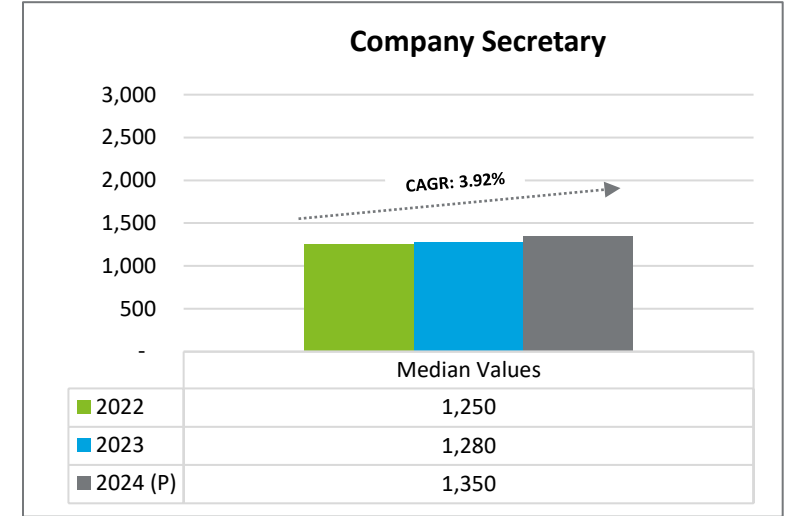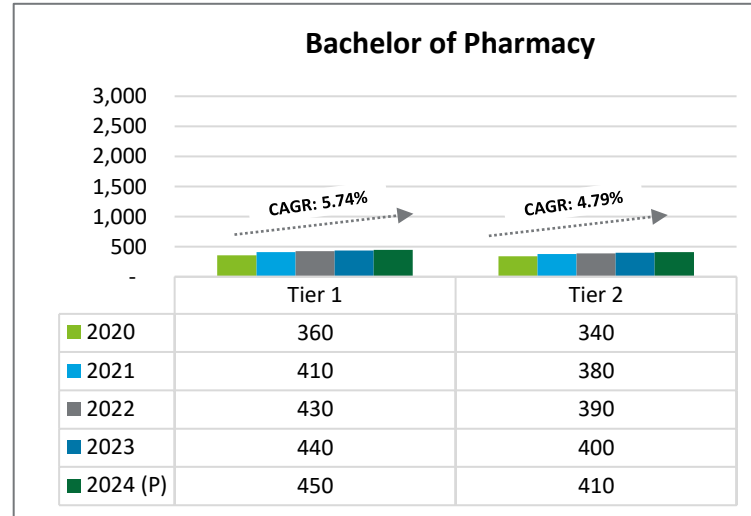
Rewards Analysis Summary across degrees / courses (1/2)

Master of Business Administration

CAGR: 2.43% · CAGR: 1.56% · CAGR: 4.06% · CAGR: 2.23%

	Top 10	Tier 1	Tier 2	Tier 3
2020	2,180	1,880	870	650
2021	2,450	2,110	990	700
2022	2,540	2,190	1,010	720
2023	2,640	2,300	1,070	730
2024 (P)	2,400	2,000	1,020	710

Graduate in Management (BBA / B.Com / Others)

CAGR: 6.13% · CAGR: 5.19% · CAGR: 4.54%

	Tier 1	Tier 2	Tier 3
2020	670	490	360
2021	760	560	400
2022	790	590	430
2023	800	590	460
2024 (P)	850	600	430

Master of Engineering / Technology

CAGR: 5.36% · CAGR: 7.25% · CAGR: 8.06% · CAGR: 7.30%

	Top 10	Tier 1	Tier 2	Tier 3
2020	1,420	990	660	430
2021	1,600	1,110	770	490
2022	1,780	1,210	800	520
2023	1,810	1,250	910	550
2024 (P)	1,750	1,310	900	570

Bachelor of Engineering / Technology

CAGR: 5.62% · CAGR: 6.97% · CAGR: 3.67% · CAGR: 5.61%

	Top 10	Tier 1	Tier 2	Tier 3
2020	1,310	970	710	410
2021	1,480	1,040	730	470
2022	1,580	1,180	780	500
2023	1,640	1,240	820	500
2024 (P)	1,630	1,270	820	510

Rewards Analysis Summary across degrees / courses (2/2)

Master of Pharmacy

CAGR: 5.14%
CAGR: 4.78%

	Tier 1	Tier 2
2020	450	390
2021	500	440
2022	520	460
2023	540	470
2024 (P)	550	470

Bachelor of Pharmacy

CAGR: 5.74%
CAGR: 4.79%

	Tier 1	Tier 2
2020	360	340
2021	410	380
2022	430	390
2023	440	400
2024 (P)	450	410

Company Secretary

CAGR: 3.92%

	Median Values
2022	1,250
2023	1,280
2024 (P)	1,350

Hotel Management (MBA / Non-MBA)

CAGR: 1.87%
CAGR: 3.77%

	MBA	Non-MBA
2022	1,060	390
2023	1,100	400
2024 (P)	1,100	420

Chartered Accountant / Chartered Financial Analyst

CAGR: 5.88%
CAGR: 13.62%

	Rank Holders	Non-Rank Holders
2020	1,520	780
2021	1,720	1,080
2022	1,780	1,200
2023	1,830	1,240
2024 (P)	1,910	1,300

Deloitte.