EY Rewards Survey 2016
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Welcome

Employee rewards around the world, whether financial or non-financial, are under scrutiny now more than ever before. The following factors are driving employers to consider significant reform in how to reward employees for their service:

- Business models are increasingly being disrupted and reward mechanisms or elements have not kept pace
- The working population mix has changed considerably: organizations today include a diverse set of employees, and each set has its needs and preferences
- Employees today look for flexibility and simplicity in how they are rewarded, which could be contradictory as flexibility itself brings in the complex task of making a choice from many

Within this environment of change, it is important that together we learn what best practice should look like, now and in the future. In this first edition of the EY Rewards Survey 2016, we compare responses of both employers and employees to a set of 10 attitudinal questions within the scope of rewards. The primary objective of this research is to establish whether employers know and are able to understand employee preferences for various rewards elements.

The following significant themes emerged in our study:

- Employers need to recalibrate their understanding of the millennial employees’ needs and avoid stereotyping
- Women employees are more positively disposed to their employer’s reward initiatives
- Employees in the age group of 35-45 need special attention because of their desires to achieve certain life-stage milestones
- Employers with 3,000-6,000 staff strength have their work clearly cut out, with significant gaps in their expectations/understanding and employee preferences

The preparation of this report required inputs, hard work and co-operation of many individuals and business groups, including several industry leaders – all of whom we would like to thank. We hope you find this report a useful reference for deciding on action points for your organization.
Executive summary

Equitable fixed pay for work done remains the cornerstone of a successful rewards framework. From an employer’s perspective, however, increasing the wage bill is not an easy proposition. While the term “total rewards” has been around for a number of years now, it is often used synonymously with “compensation and benefits.” It is time for employers to recognize that compensation and benefits alone do not make up total rewards. Work-life effectiveness and talent development are becoming significant areas of focus for employees.

Employers must view all people initiatives in the scope of work-life effectiveness and performance and talent development as a complete, unique portfolio of rewards rather than singular programs run to engage talent.

1 in 4 employees is clearly dissatisfied with the rewards programs provided by the employer.

The base of a robust compensation package is a well-defined and executed performance management system. While 76% of the employers surveyed believe that the performance of employees impacts their compensation, only 55% employees agreed.
Dichotomy in how women and men perceive rewards programs presents an interesting trend. Men tend to pay more attention to the cash offering of their employment contract, while women tend to focus on the complete reward offering by employers.

### Women
- **65%** consistently agreed
- **21%** are unsure
- **14%** clearly disagreed with all statements of the survey

### Men
- **51%** consistently agreed
- **20%** are unsure
- **28%** clearly disagreed with all statements of the survey

The financial services (FS) industry faired best in the sense check: employer responses to all statements of the survey matched more closely to the employee responses, as compared to responses from the industrial, infrastructure and consumer (IIC) industry and the technology, media and telecommunication (TMT) industry. Given the strict regulatory environment that the FS industry operates in, it is imperative that the rewards program is well communicated. The survey findings helps to corroborate this view further.

### TMT industry
<table>
<thead>
<tr>
<th>Employer view</th>
<th>Employee view</th>
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<tbody>
<tr>
<td>A: 53%, DA: 9%, NA: 23%</td>
<td>A: 49%, DA: 30%, NA: 21%</td>
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### IIC industry
<table>
<thead>
<tr>
<th>Employer view</th>
<th>Employee view</th>
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<tr>
<td>A: 69%, DA: 10%, NA: 20%</td>
<td>A: 48%, DA: 36%, NA: 16%</td>
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### FS industry
<table>
<thead>
<tr>
<th>Employer view</th>
<th>Employee view</th>
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<tr>
<td>A: 59%, DA: 15%, NA: 14%</td>
<td>A: 61%, DA: 18%, NA: 21%</td>
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</tbody>
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**A:** agree, **DA:** disagree, **NA:** neither agree nor disagree
Total rewards

We asked employees and employers whether they were satisfied with the rewards programs (fixed pay + variable pay + benefits)
Insights:

There is distinct variation between the overall employer and employee view: 24% employees are clearly dissatisfied with the rewards program at their organizations while 20% employees are unsure, whereas 65% employers are satisfied with their total rewards program.

It is interesting to note that the level of satisfaction among millennial employees is low, but it sharply increases in the 30–35 years age group and again decreases in the 35–45 age group.

EY voice

The 35–45 years age group best represents individuals looking to break out of individual-contributor roles to take up larger professional roles with more responsibility and hence the corresponding pay grade. Employees in this segment are in the prime of their life, are looking to achieve various milestones as part of their personal goals, and possibly have an eye on retirement.

Employees in organizations with fewer than 250 people come across as the most satisfied with their rewards program. The level of satisfaction gradually decreases in larger organizations.

EY voice

This could be attributed to the fact that custodians of rewards processes and policies are probably very well connected with employees in smaller organizations and are able to customize the rewards offerings to match the employees’ needs. Such employers are also best placed to effectively communicate the rewards agenda and do so with more focus than larger organizations.

As much as 66% women cited satisfaction with their pay as compared to 50% men – this probably indicates that while men focus on the cash components of the rewards program, women tend to view it as a complete package, wherein benefits are assigned more values than any other reward components.
Employees and employers were asked to rank the top five elements that are important for an effective work environment

**Insights:**

Employee retention is the result of interplay between various avenues of talent management. Employees ranked competitive pay in terms of monthly take-home as the top factor considered while deciding to work for an organization; employers also substantiated this view and confirmed that this factor remains a key driver of the total rewards program.

Variable pay is also an important component of the total rewards equation for both employers and employees, though at different ranks. Six talent management programs stood out as they featured on either of the lists, but not on both.

Quality of managers and leadership, employer brand, flexible work arrangements, career growth opportunities and job advancement (e.g., clearly defined career paths and international mobility opportunities), learning and development opportunities and linkage of pay to performance.

<table>
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<tr>
<th>Rank</th>
<th>Employee</th>
<th>Employer</th>
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<tbody>
<tr>
<td>1</td>
<td>Competitive pay in terms of monthly take-home</td>
<td>Competitive pay in terms of monthly take-home</td>
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<tr>
<td>2</td>
<td>Quality of managers and leadership</td>
<td>Career growth opportunities and job advancement (e.g., clearly defined career paths and international mobility opportunities)</td>
</tr>
<tr>
<td>3</td>
<td>Employer brand</td>
<td>Learning and development opportunities</td>
</tr>
<tr>
<td>4</td>
<td>Flexible work arrangements</td>
<td>Variable pay – bonus/incentives</td>
</tr>
<tr>
<td>5</td>
<td>Variable pay – bonus/incentives</td>
<td>Linkage of pay to performance</td>
</tr>
</tbody>
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These divergent perspectives present an immense opportunity for employers to transform their total reward offerings without incurring significant costs. If measured on the parameters of intent and effectiveness, the design of most people processes will score well. However, what is missing is the communication of an effective employee value proposition by tying up all of the employer’s total rewards programs into a well-synchronized bundle of offerings. Therefore, employers need to leverage the USPs of their talent management programs and aggressively communicate the best features.

Employees are looking for a story – one that underpins achievements of professional growth and personal prosperity.

Employers should look to script and tell the story.
Leaders speak

Q. How important is it to offer flexibility in total rewards?

**Rajesh Padmanabhan:** There has always been a certain measure of flexibility offered to employees through total rewards. In the present day through, it is important to consider how the flexibility can be best leveraged:

In fixed pay offer flexibility in components wherever possible to make the structure tax friendly.

In variable pay offer team incentives over and above individual variable pay for stretch team objectives.

In LTIP offer flexibility of linking it to one external and one internal metric example Total Shareholder Return and Earning Per Share. Benefits may be minimal and graded.

**S Ramesh Shankar:** It is critical to offer flexibility to attract and retain the younger generations, which forms the majority of employees in most organizations today. We in Siemens offer a flexi pay and call it “MY pay – My way”, where the employee determines the structure of his/her compensation every month. So, except basic pay, the rest is determined by the employee.

**Saurabh Nigam:** People in general feel more engaged if they have choices, and the total rewards programs should follow likewise. No two individuals are the same and hence the parts of the total rewards program that they are exposed to need to be flexible (gone are the days when companies used to have homogenous population sets). A combination of growth opportunities, L&D initiatives, recognition at work and compensation and benefits can help employees attain their full potential.

A combination of growth opportunities, L&D initiatives, recognition at work and compensation and benefits can help employees attain their full potential. Take benefits for example; history tells us that different generations prefer different benefits and that the same employees prefer different benefits at different life stages.

Having said that, there are certain areas such as compensation principles and rewarding strategies that need to be standard across the company because they ensure consistent employment experience in the company and can lead to employee-relations challenges, if unaddressed.

**Dr. Ritu Anand:** More than 80% of the employees in new-age companies belong to Generation Y and they are different. Flexibility and options are the two buzzwords they live by at corporations. In total rewards, flexible benefits are the best thing that can be offered to the various generations of employees in a company to meet their dynamic needs.

**Satheesh K V:** With the changing workforce demography and the diverse needs that employees have, it becomes extremely important to offer flexibility in total rewards. It helps employees tailor the rewards to suit their individual needs, leading to higher employee value proposition.

**Rajeshwar Tripathi:** It is very important. There are strong reasons for companies to offer a flexi total rewards plan. There is a huge pull factor due to market growth, disruption and regulatory changes in the market. It is important for employees to be impressed with the value proposition that they would realize in the organization. Besides, workplaces of today have a multi-generational workforce, with varying expectations right from culture to total rewards, and so flexibility sounds inevitable today.

**Rohit Thakur:** In today’s diverse, multi-generational workforce, there is an even greater need for personalization and customization of compensation and benefits. Different strokes work for different folks. Flexibility in total rewards is critical as it helps the organization and employee optimize investments. It is truly the need of the hour as organizations across sectors, especially those in the hi-tech space, are constantly challenged with the changing talent landscape, competitiveness of the external market and shortage of key talent. This has led to them developing very defined programs targeting attraction, retention, and diversity and inclusion, with rewards being one of the most critical elements.

Microsoft’s vision is to “Empower every person and every organization on the planet to achieve more” and it starts with our employees. Providing life-stage appropriate flexible rewards to our employees is an endeavor in that direction. We believe that when people have the flexibility and convenience to select what works for them and what does not, they achieve more at work, every day.

**K Ramkumar:** The key reason why rewards should have flexibility is that the value that one derives from rewards has to be left to the recipient, which is the employee. Only in a world where paternalism rules can employees determine what value they seek to derive from the remuneration that is due to them. Now a days even when we give gifts, we give gift vouchers and not gift articles because gift vouchers give the flexibility to the recipients.
2. **Fixed pay**

We asked employees and employers whether they understood the factors that affect compensation and whether they are satisfied with the compensation offered.
Factors influencing compensation fall under three broad categories: organization, market and individual.

More than 60% employees at all management cadres stated that they understand the factors that determine compensation. This is supported by the employer's view.

Employees in the FS and TMT industries claim to understand the factors that affect their compensation more than employers in these industries consider they do. However, in comparison, their satisfaction with their compensation is very low.

In the FS industry, 72% employees confirmed that they understand the factors that affect their compensation, though only 57% are satisfied with it. A similar trend is seen in the TMT industry, where 61% employees confirmed that they understand the factors that determine compensation, but only 42% employees said they are happy with it. Over approximately 45% employees in all the industries said that they are either unsure or clearly dissatisfied with compensation.
Leaders speak

**Q.** What in your opinion is the one factor that fails total rewards programs?

**Rajesh Padmanabhan:** Experience is considered more important than relevant skills. This needs disruption.

**S Ramesh Shankar:** Our ability to communicate effectively to employees. Employees tend to perceive that employers are trying to monetize everything so as to inflate their total rewards without really increasing their monetary value. It's our ability to communicate effectively, which will add value to employees and employers.

**Saurabh Nigam:** A program designed in isolation of the talent strategy or one designed by the HR folks sitting in a cubicle, away from the ground realities, is bound to fail. Across my experience, I have heard total rewards programs fail on multiple accounts, such as failure to estimate the demand and supply for a particular population segment, incorrect targeting of the rewards program due to flawed talent segmentation and unclear, sporadic communication around the program.

**Dr. Ritu Anand:** Inflexibility and making one shoe fit all.

**Satheesh K V:** Undoubtedly, communication is the one factor that can impact the success of a rewards program. If your communication strategy is not effective, you will not be able to communicate your rewards philosophy to employees, leading to poor employee perception. Moreover, the utilization of rewards programs will be driven by the understanding each employee has about the programs, and communication plays an important role in that. It becomes extremely important to devise a holistic communication plan that effectively communicates the value proposition of the various aspects of a total rewards program.

**Rajeshwar Tripathi:** Perhaps the degree of transparency and the mode of communication of the total rewards fail sometimes. Another cause of failure is the portrayal of business requirements as benefits to employees.

**Rohit Thakur:** A successful rewards program is contemporary and applicable consistently across employees. There is no point of failure, but one factor critical to success is continuously coaching and educating managers and leaders to tell a total rewards story and tying total rewards to motivators for employees.

**K Ramkumar:** The inability of boards to strictly execute performance linkage to pay even at the CEO and EDs level is the single biggest governance failure. The performance linkage is the harshest at the coalface and weakest at the top. This gives rise to serious issues of fairness and equity.
3. Pay for performance

We asked employees and employers for their views on whether individual performance affects compensation.
Insights:

As many as 76% employers believe that performance pay closely reflect the individual's performance. General employee opinion, however, is almost equally divided in response to this statement, with senior employees disagreeing more than junior employees.

An interesting trend to note is that while an increase in the size of the organization increased favorable responses from employers, it increased unfavorable responses from employees.

EY voice

This clearly indicates that smaller organizations are better placed to share their business vision and strategy with employees, and are able to set performance measures that are clearly understood by all. As a result, the outcomes in terms of pay are governed by a transparent system. While larger organizations have more robust systems and processes that govern the performance development aspect, the business vision and strategy are lost in translation. Employees do not understand how their performance is measured and hence why they are paid as they are.

There is a clear opportunity for larger organizations to leverage their communication network and brand to channel the right messages about performance and pay.
Leaders speak

Q. How do you see future total rewards programs align to business strategy?

Rajesh Padmanabhan: Variable pay in total rewards should be linked to customer satisfaction, revenue growth, profit shaping and total shareholder return. The long-term incentive plan should be linked to total shareholder return and earnings per share.

S Ramesh Shankar: The success of the enterprise will need to be linked to the incentive and rewards mechanisms for market success. If you reward desirable behavior and competencies, you will be the winner in the market place. We have recast our sales, service, manufacturing and project incentive/reward system to support the country wide initiative of “Customer First”

Saurabh Nigam: I think any HR program not linked to business strategy is destined to fail, irrespective of whether it is a start-up or an established 100-year-old company. The business strategy leads to the people strategy for the organization, which in turn should throw light on the rewards strategy. Now, depending on where one operates in the talent market, the rewards strategy follows.

Dr. Ritu Anand: Total rewards drive behavior, but very few organizations look at them that way. We need to change that. The future is to understand the business and the strategic vision and map rewards to align with them. While the scenario will vary by industry, the underlined theme would be to drive strategy with the appropriate total rewards planning – leveraging elements like variable pay plans, mobility options, recognition, workforce pyramid go a long way in trying to achieve business vision.

Satheesh K V: It is imperative to have total reward programs address and solve business-specific needs that will help the organization grow. Traditionally, organizations may not have emphasized a lot on this; however, the organizations of today really look to align their total rewards programs to business strategy. In a competitive market like ours, employers have to think about more than pay to make rewards strategies effective and drive business results.

Rajeshwar Tripathi: We need to find the right balance between enterprise wealth creation and employee value proposition. Going after being competitive in the market in isolation makes it a win-lose proposition. We must look at sustainability as a counter balance here. We have a host of variables that impact enterprise wealth creation, especially in a stock market-driven wealth environment. We need to be conscious in terms of our ability to engage employees toward continuous productivity with the right measures in place, right first time product or service delivery, variable pay programs and their ability to influence business strategy both in the short term and the long term.

Rohit Thakur: Companies are increasingly moving toward offering the flexibility to employees to select rewards that are right for them. There is a welcome and renewed focus on supporting employees through their personal life stages and respecting their lifestyle preferences. Companies are increasingly supporting employees through life events such as surrogacy, adoption, maternity and paternity. Companies are also putting their money where their mouth is, by making total reward changes that foster a diverse and inclusive workplace.

K Ramkumar: I do not see any other method other than linkage to performance for rewards to be aligned to business strategy. But the key here is the choice of how much linkage to company performance and how much to individual performance. A lopsided linkage to individual performance often works at cross-purposes to the business strategy, especially the quality of the business booked.
This question was aimed to find out whether employees value opportunities to earn long-term rewards over just a year-on-year pay hike.
Insights:
As many as 62% junior and 60% middle-management employees reported a keenness to earn long-term rewards over just a year-on-year pay hike. This number for senior cadre employees stands at 49%.

Of employers with fewer than 250 employees, 74% agreed that employees would appreciate an opportunity to earn long-term rewards over a year-on-year pay hike. Larger organizations appear to be fairly uncertain about this. Employees, on the other hand, show a clear trend: 46% employees in organizations with more than 6,000 people are either unsure or clearly do not want to explore long-term rewards over year-on-year pay hikes, while employees in smaller organizations are open to the idea.

Employers across the TMT, FS and IIC industries are mostly either unsure or clearly disagree that employees look forward to earning long-term rewards over year-on-year pay hikes. Employee opinion across TMT and IIC is almost equally split down the middle. Employees in the FS industry clearly indicate that they are open to such a proposition.

*Note: The percentages for a question may not total to 100% because not all respondents responded to all the questions.

EY Voice
This trend could possibly indicate that employees in the FS industry are better equipped to understand various plans that constitute long-term rewards, given their skill and background, as compared to their counterparts in other industries.
Leaders speak

Q. Do you believe that tracking of ROI of total rewards programs is important? How does your organization do it?

Rajesh Padmanabhan: Welspun is in the process of defining smart ratios to be a High Performing Organization and deliver business objectives consistently.

S Ramesh Shankar: It is important and could be measures through employee surveys and business results. We could link rewards/incentives to business outcomes. Employee engagement levels and attrition levels could also be a measure of effectiveness of rewards.

Saurabh Nigam: Three kinds of metrics come to mind. The first one is the usual retention metrics around segments of population that matter to us: the top talent group, the critical skills group and the leadership. For the leadership and a couple of levels below, the achievements year-on-year also form a key indicator of return on investment. The second kind of metrics is more bottom-up metrics, which are related to the subscription of different benefits, rewards programs, monetary awards given out etc. The third and the most important metric is the engagement survey scores, which we get a couple of times a year, at least. While retention of talent is a lag indicator, it is the engagement survey that acts as the lead indicator for us to measure the effectiveness of our total rewards program, including that of our development and learning opportunities, compensation and benefits strategy, and workplace.

Dr. Ritu Anand: Personally, I do not think this is needed and important. ROI for me is the productivity and efficiency of the output: Is the organization using the latest technology, are the processes and policies contemporary and best in class and is the organization leveraging the right team size as a result of that?

In TCS, we stopped the use of paper more than 10 years ago and went completely digital, saving substantial money. Right from offer to separation, the processes are online. Total rewards is no different and that is hugely appreciated.

Satheesh K V: It is important to track ROI of total rewards program because it helps measure the effectiveness of the program and employee engagement levels. We believe that happy and engaged employees lead to a productive workplace. Thus, we measure ROI through a happiness index and employee engagement scores.

Rajeshwar Tripathi: Yes it is important, but it is easier said than done. Engagement surveys and accounting ratios help to some extent. On a different note, I guess it is high time corporates look at indices to measure gross corporate happiness.

Rohit Thakur: In our experience, it has been more meaningful to track efficacy and not necessarily ROI. At MS India, we measure the efficacy of our total rewards program through metrics on how well the rewards were differentiated based on performance and on how impactfully we are making investment in key talent and employees with critical skills, as well as attrition and retention metrics (relative to the industry and the workforce).

K Ramkumar: Wage cost to PAT is an important measure. It is the surrogate for ROI. Similarly, revenue per employee is also a surrogate for ROI.
5. Benefits and communication

We asked employees and employers for their views on the following:

a. Whether the overall benefits package provided to employees is competitive with the prevailing market trends

b. Whether employers offer accurate, helpful information about employer-provided benefits to employees

c. Whether employees in general would be willing to let go some cash in hand for improved retirement security
Employers offer accurate, helpful information about employer provided benefits to employees

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<tr>
<th>Agree</th>
<th>Neither agree nor disagree</th>
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<tbody>
<tr>
<td>53%</td>
<td>24%</td>
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*Note: The percentages for a question may not total to 100% because not all respondents responded to all the questions.*
Employees in general would be willing to let go some cash in hand while in employment for improved retirement security

Insights:

About 44% employees across all management cadres are either unsure or think the employer does not provide accurate, helpful information about employment benefits. Around 58% employees at the junior and middle cadres said that they are willing to forego some cash in hand while in employment for improved retirement security. This number stood at 49% for employees in the senior cadre. On the other hand, only 39% employers believed that employees are willing to let go some cash in hand for enhanced retirement security.

An average of 69% employees in organizations with fewer than 1,000 people are willing to forego cash in hand for improved retirement security, while this number steadily dropped for larger organizations. A clear difference of opinion emerges in organizations with 1,000–3,000 employees: 77% employers either said that they are unsure or clearly disagreed that employees would forgo cash in hand for improved retirement security, while 52% employees clearly stated that they are open to such a proposition.

EY voice

Organizations with 1,000–3,000 employees are clearly caught in the middle, with employees having the option to move to smaller organizations that represent boutique services, start-ups etc. or move up the spectrum to larger firms that promise stability in careers and more exposure. Therefore, these organizations should look to optimize their rewards offerings as per employees’ needs.
Leaders speak

Q. Do you see benefits making a come-back as a critical total rewards element?

Rajesh Padmanabhan: Benefits will remain a small element in total scheme of things. C-level benefits will increase.

S Ramesh Shankar: Yes, I see non-monetary rewards and benefits making a come-back. It's always cyclical. We had moved from benefits to all cash in the past. Now, benefits and non financial rewards are making a comeback.

Saurabh Nigam: Benefits never went out of vogue. An old school "housing loan" or an LTC (leave travel concession in PSUs) still has its charm. At Snapdeal, we believe that the best total rewards element out there is meaningful work. The work that individuals do, the possible impact they can create and the growth potential that they see are what retains top talent at Snapdeal. That is our value proposition internally and externally.

Dr. Ritu Anand: Benefits should never have gone away as a critical element. People will have basic needs and we must continue with benefits concerning family connect, vacation, time off, appreciation, wellness, life, health and child care to address those needs.

Satheesh K V: I believe that benefits have always been an important element of total rewards. It is just that organizations choose to use them as a rewards tool at the different stages of the organization lifecycle. We believe benefits are the most powerful rewards tool and have a significant influence on driving behaviors in employees. No other rewards tool can create an emotional bond with employer like benefits. A meaningful benefits program will truly reflect the organization’s values and culture. At Flipkart, we believe in taking care of the varying needs of employees by providing meaningful benefits programs, which help them unleash their full potential at work.

Rajeshwar Tripathi: Benefits have always been a critical element. However, the perceived value/monetization of benefits is an area that needs attention. In my view, the collective relational aspects are also immensely critical. Benefit no longer has a definitive meaning and is instead very perceptive. We are in situation where the speed of this change in perception is much faster than our ability to gauge the expectations. If the organization defines a benefit plan, it looks imposing and restrictive and if selected or configured by employees, there is a reasonable amount of freedom perceived. Benefits, at large, are back but not in the same form as they existed earlier.

Rohit Thakur: As key talent attraction and retention drivers, total rewards will play an increasingly important role in the future.

K Ramkumar: Benefits such as housing loans or loan subsidies, medical coverage and car lease are seen as valuable by the senior management because the disposable cash in their remuneration is very healthy and hence these perks acquire a status or brag value. But at junior levels, cash will always be king.
6. Market parity

We asked employees and employers whether their organization’s compensation is competitive compared to the outside market and helps attract and retain high-performing employees.
**Insights:**

Overall, 66% employers believed that their organization’s compensation is competitive compared to the outside market and 62% said that it helps to attract and retain high-performing employees. Almost 50% employees either said that they are unsure or disagreed that their company’s compensation policies are competitive or that they help to attract and retain high-performing employees.

A similar trend was seen across the TMT, FS and IIC industries: 58%, 67% and 68% employers across these three industries, respectively, believed that their organization’s compensation is competitive as compared to the market, while 58%, 43% and 43% employees across the industries, respectively, either said that they are unsure or clearly disagreed with this statement.

There is a clear difference in opinion between the employer and employee views in the TMT, FS and IIC industries on whether the organization’s compensation policy helps attract and retain high-performing employees: 65%, 57% and 68% employers across the industries, respectively, agreed while 58%, 44% and 48% employees across the industries, respectively, either said that they are unsure or clearly disagreed.
Way forward

Building a better working world starts by asking better questions.
Do you talk enough about your rewards program?

Effectively communicate the value proposition of your rewards program

Is your rewards program contemporary and relevant?

Explore alternative reward instruments

Is your rewards program flexible?

Customize your rewards program

Do you know what your employees need from your rewards program?

Know employee pulse

Is your rewards program effective?

Track the ROI of your rewards program
**Employer**

- Satisfaction with total rewards program: 3 in 4
- Satisfaction with compensation: 2 in 3
- Understanding of factors affecting compensation: 2 in 3
- Individual’s performance influences pay: 3 in 4
- Compensation is competitive: 2 in 3
- Compensation policy helps attract and retain high-performing staff: 3 in 5
- Employees receive accurate and useful information: 3 in 4

**Persp**
Perspective

Satisfaction with total rewards program
- Employees receive accurate and useful information

Satisfaction with compensation
- Understanding of factors affecting compensation
  - Individual's performance influences pay
  - Compensation is competitive
  - Compensation policy helps attract and retain high-performing staff
  - And useful information
  - 2 in 3
  - 1 in 2
  - 1 in 2
  - 1 in 2
  - 1 in 2

Employee
The EY Rewards Survey 2016 invited views from employers and employees across 12 industries and saw participation from 128 employers and 452 employees. The data was collected during February 2016–March 2016 through a questionnaire that was deployed online. Responses were also collected in person.

Employer and employee responses were collected from Bangalore, Chennai, Delhi/NCR, Hyderabad and Mumbai.

The responses have been clustered into the FS, TMT and IIC industries.
Employer

Industry

- Technology, telecommunication and entertainment: 20%
- Oil and gas: 5%
- Banking and financial services: 16%
- Retail and consumer goods: 4%
- Manufacturing: 22%
- Consulting: 5%
- Healthcare: 4%
- Pharmaceutical: 1%
- Metal and mining: 2%
- Logistics: 16%
- Others: 2%

Management layer I belong to

- Senior: 37%
- Middle: 55%
- Junior: 9%

Employer size

- <250 employees: 20%
- 250-1,000 employees: 18%
- 1,000-3,000 employees: 13%
- 3,000-6,000 employees: 20%
- above 6000 employees: 29%
We thank all the HR leaders for contributing to the EY Rewards Survey 2016

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