

THE **FY22** ATTRITION BENCHMARKING STUDY



ATTRITION | DEMOGRAPHIC ANALYSIS | TRENDS AND HEADLINES | ATTRITION OUTLOOK

A STUDY OF TRENDS IN ATTRITION

The **FY22 Attrition Benchmarking Study** aims to assess trends in attrition, by function, level of management and gender across companies. The analysis is based on a survey, conducted in October 2021, of over 70 participating organisations across sectors. The report covers the following areas:

Overall Attrition Trends: Headline Results



Overall and Voluntary Attrition FY20-FY22

- Attrition: By Company Turnover and Workforce Size
- Attrition: By Ownership and Domain
- Attrition: By Sector

Attrition Trends by Function, Level, Age, Experience and Gender



- Expected attrition in FY22 by function
- By management level
- By Gender
- By level of experience
- How Much of a Challenge is Attrition at Each level?

Voluntary Attrition



- By company turnover and workforce size
- By ownership and listing status
- domain and orientation

Attrition Drivers and Counter Measures



- What is Driving Attrition?
- What are Firms Doing to Bring Down Attrition?
- How are they Coping with the New Reality?

DETAILED PEER COMPARISONS & CROSS TABULATIONS



70 listed and unlisted
companies studied



3 years of attrition
trends



5 management levels
evaluated



11 business functions
reviewed



Segmentation for 8
sectors



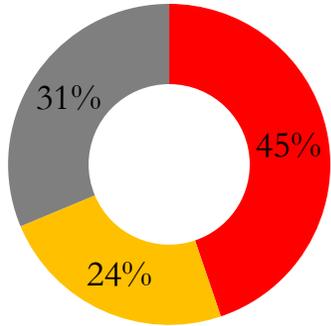
7-way
Cross tabulations

In addition to sector, revenue, and ownership splits, detailed **cross-tabulations** are made on the basis of the following parameters:

- **Domain:** Manufacturing, Services
- **Workforce size:** 4 bands (<500, 500-1,000, 1,000-5,000, >5000)
- **Orientation:** B2B and B2C
- **Listing:** Listed/Unlisted in India
- **Functions:** Operations, Sales, Strategy and planning, HR, Risk and regulatory, Procurement and supply chain, R&D, Finance, Marketing, Corporate Communication, IT
- **Management level:** C-level, Senior Management, Middle Management, Junior Management, Blue Collar Workforce
- **Age Group:** 20-25 years , 26-35 years, 36-45 years, 46-55 years, 56-60 years, 60+ years
- **Level of Experience:** <3 months, 3-6 months , 6-12 months, 1-2 years , 2-5 years, 5-10 years, >10 years

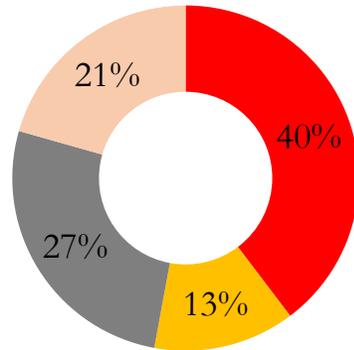
IN-DEPTH COVERAGE ACROSS SECTORS, OWNERSHIP LEVELS AND MORE

Turnover



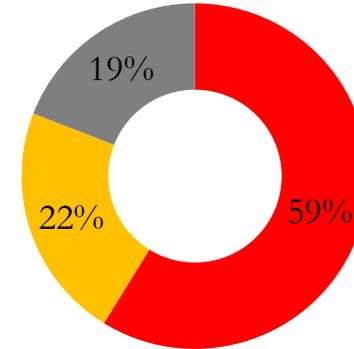
■ < Rs 500 crore ■ Rs 500-1,000 crore
 ■ > Rs 1,000 crore

Workforce



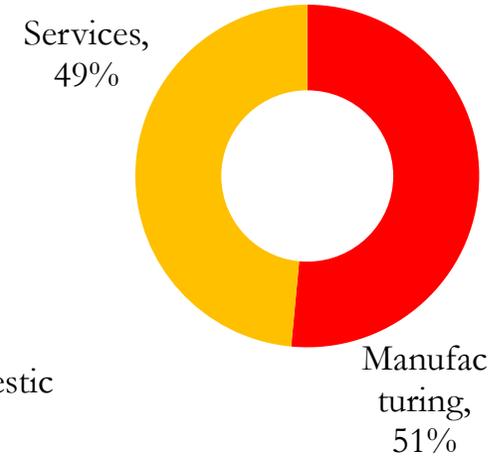
■ < 500 ■ 500-1,000
 ■ 1,000-5,000 ■ > 5,000

Ownership

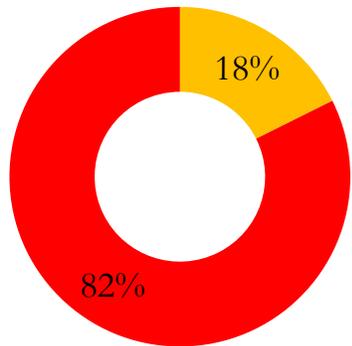


■ Foreign MNC ■ Indian domestic
 ■ Indian MNC

Domain

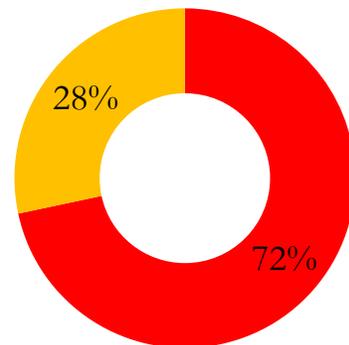


Listing Status



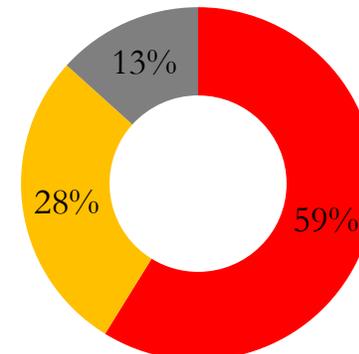
■ Listed ■ Unlisted

Orientation



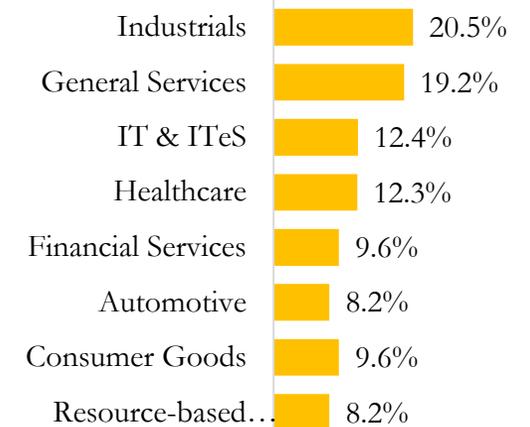
■ B2B ■ B2C

Start of FY



■ April ■ January ■ Others

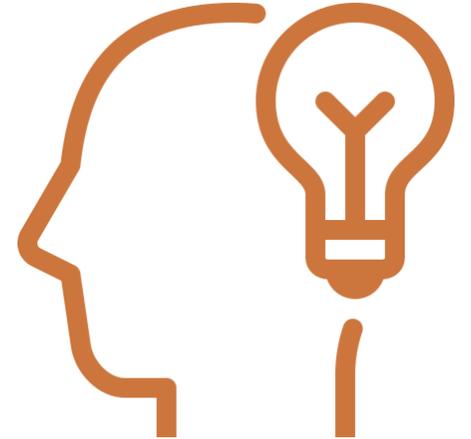
Sector



ENABLING CXOS WITH THOUGHT PROVOKING INSIGHTS

The **75+ page report** helps to:

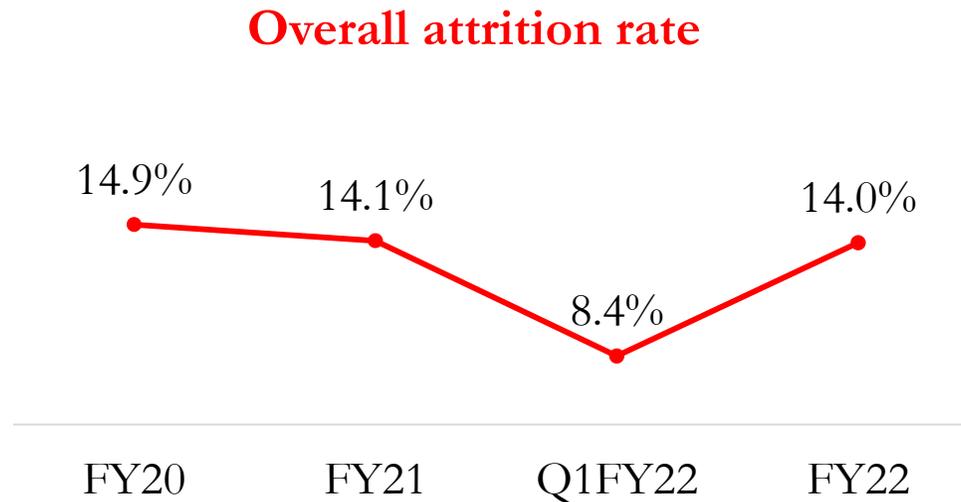
- ✓ **Identify** trends in attrition across management levels and functions
- ✓ **Understand** how attrition rates are likely to change
- ✓ **Establish** benchmarks for attrition rates based on detailed peer comparisons
- ✓ **Develop** genuine forecasts to optimise workforce planning
- ✓ **Recognise** churn rates across executive levels and functions



HIGHLIGHTS AND SAMPLE FINDINGS FROM THE REPORT

OVERALL ATTRITION: BACK TO PRE-COVID LEVELS

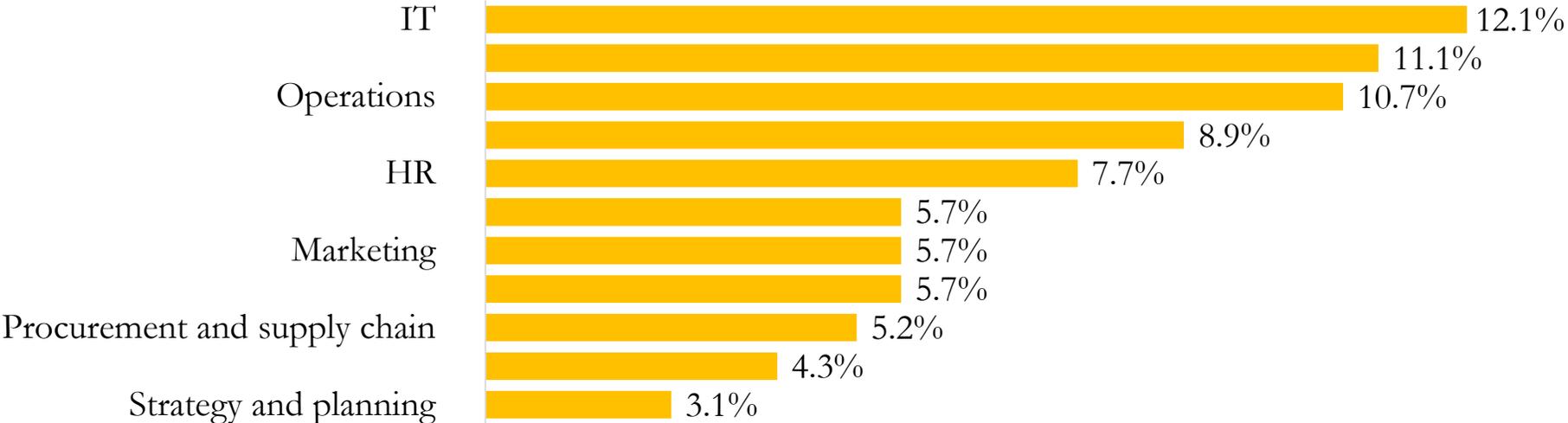
- Over the last two years, overall attrition has remained broadly stable, with a small decline in FY21 relative to FY20.
- Attrition dipped in Q1 (Apr-Jun) of FY22, owing to the uncertainties around Covid's second wave.
- The much higher figure expected for FY22 indicates that churn will accelerate sharply over the rest of the year, but will still remain below pre-COVID-19 levels.



EXPECTED ATTRITION, FY22: BY FUNCTION

- IT, Sales and Operations have the highest rates of attrition – both historically and expected in FY22. In contrast, certain support functions, such as Procurement/Supply-chain and R&D have low and stable rates of churn.
- With a few exceptions – among B2C companies, Marketing had the highest rates of attrition last year – these trends are size, sector and ownership agnostic.

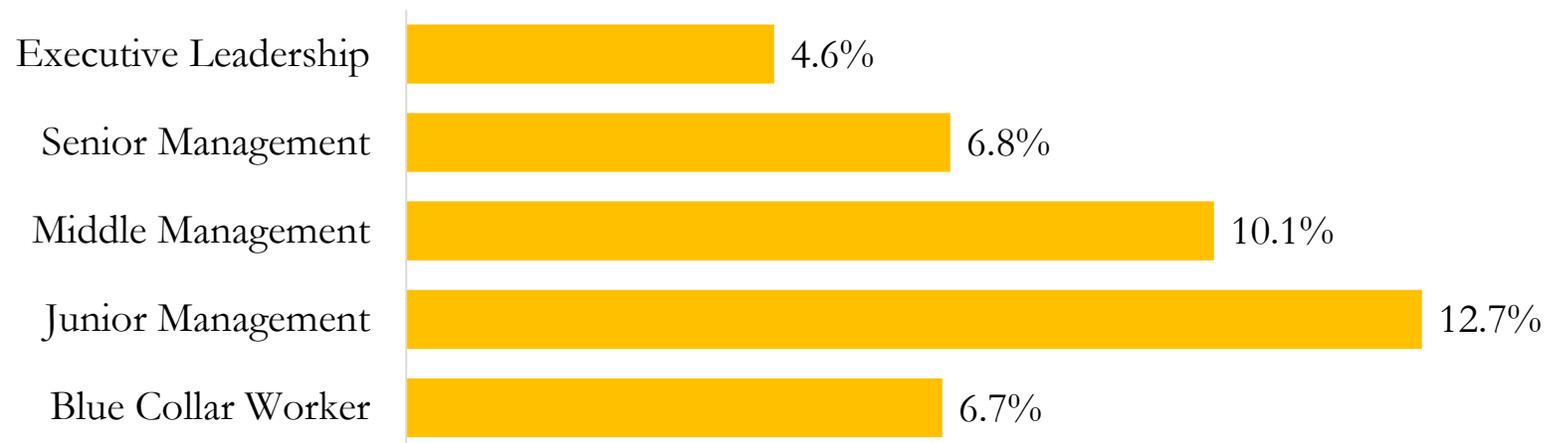
Expected Attrition FY22: By Function



TRENDS IN ATTRITION: BY LEVEL

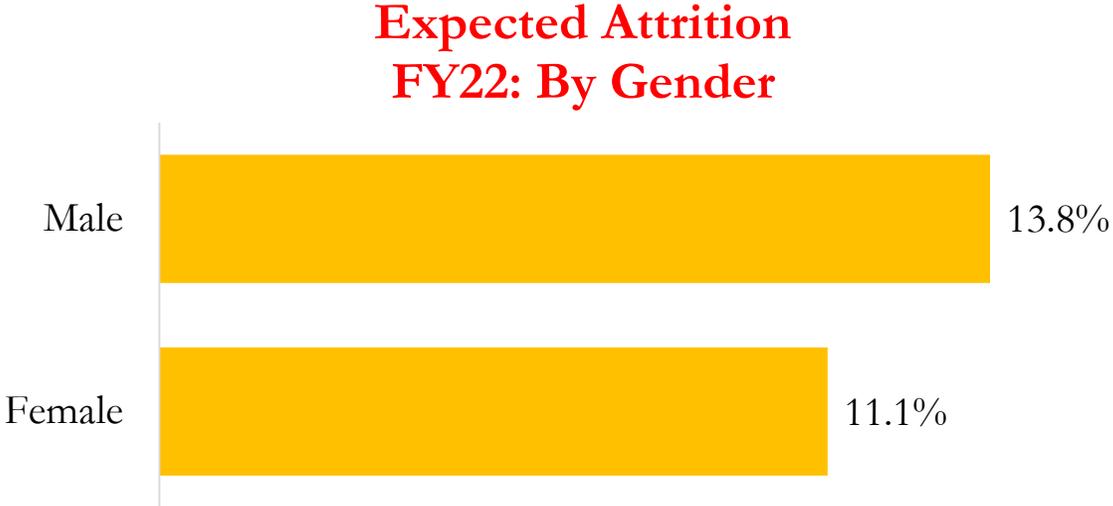
- Attrition rates in the C-suite and senior management are low – and declining.
- Junior management is the biggest problem area for the average firm, followed by middle management – where attrition is rising.
- Blue-collar attrition is generally well contained and relatively stable.

Expected Attrition FY22: By Level



FY22 ATTRITION: BY GENDER

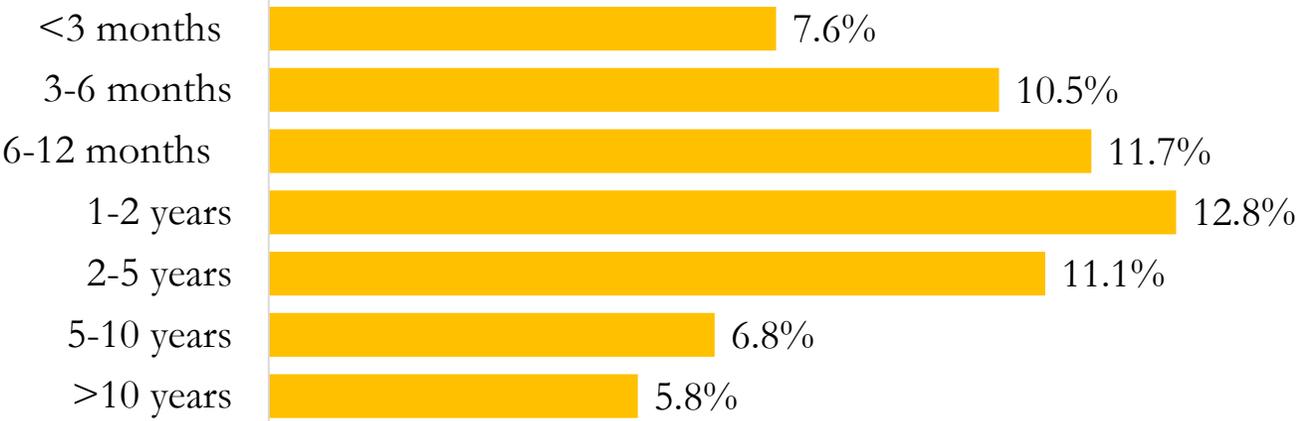
- At the average company, attrition among male employees has held largely steady, but among females, it has dropped sharply since FY20 and particularly so last year
- This could be the result of both – the greater work flexibility offered by WFH/hybrid models, and a growing focus on diversity and inclusion



FY22 ATTRITION: BY EXPERIENCE

- Employees with 6 to 24 months of experience are the likeliest to change jobs, but these groups are also expected to see the biggest y-o-y declines this year
- Possibly, the uncertainties around the pandemic are causing them to ‘stick around.’
- Notably, the least (<3 months) and the most experienced (>5 years) workers have the lowest rates of attrition, though the former group is expected to see greater churn (up 110 bps) in FY22 than last year.

Expected Attrition FY22: By Experience



FY22 ATTRITION: BY AGE GROUP

- Rates of attrition tend to peak in the 26-35 age group and then gradually decline
- This is also the group that is expected to see the biggest increase in churn in FY22. The youngest (25 years or less) lot will see rates of churn in the low double digits in FY22.
- Older workers (55+) not only have sub-5% rates of attrition but have seen these rates fall by over half since FY21. This reflects a desire to ‘stay put’ in the later years of one’s career, but also limited prospects of finding a new job in the current environment.

**Expected Attrition
FY22: By Age**

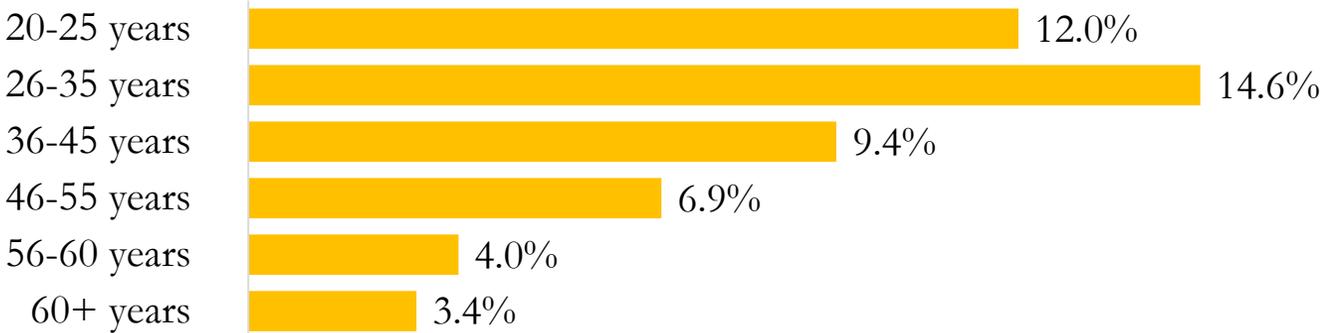


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Attrition: Headline Results



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Trends in Attrition: By Function and Level



- Expected Attrition, FY22: By Function
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- Perceived Difficulty of Managing Attrition – Next 12 months (*% of companies*)
- Gender-wise Attrition Rates: FY20, FY21, FY22
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Voluntary Attrition: Data Cuts



- Voluntary Attrition: By Company Turnover and Workforce Size: FY20, FY21, FY22
- Voluntary Attrition: By Ownership and Listing Status: FY20, FY21, FY22
- Voluntary Attrition: By Domain and Orientation: FY20, FY21, FY22
- Voluntary Attrition: By Sector: FY20, FY21, FY22

Attrition Drivers & Counter- Measures



- Key Drivers of Attrition Rates
- Steps to tackle Attrition
- Most Effective Mitigation Strategies

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Annexure



Detailed **7-way cross tabs** by revenue, ownership, sector, workforce, domain, orientation, listing for:

- Overall Attrition Rates: FY20, FY21, QFY22, FY22
- Sector-wise Attrition: FY20, FY21, QFY22, FY22
- Function-wise Attrition FY20, FY21, QFY22, FY22 :
- Level-wise Attrition: FY20, FY21, QFY22, FY22
- Experience-wise Attrition: FY20, FY21, QFY22, FY22
- Age-wise Attrition: FY20, FY21, QFY22, FY22

PRICE

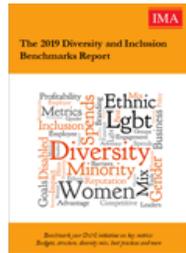
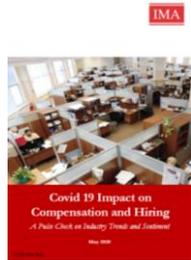
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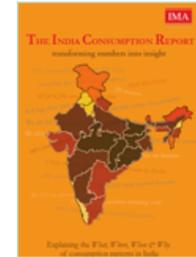
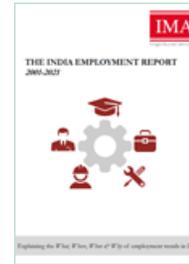
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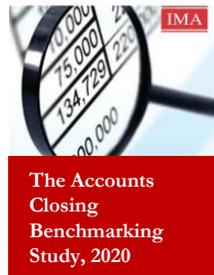
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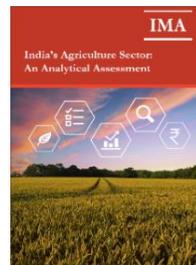
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