

THE 2023 CXO INCREMENTS SURVEY REPORT



**FY23 and FY24 Increments | Organisation-wide People Costs
Factors Determining Increments | Delta-over-Market**

A STUDY OF TRENDS IN COMPENSATION STRUCTURE AND SALARY INCREMENTS

The **2023 CXO Increments Survey Report** presents an analysis of trends in increments and people costs in FY23 (actual) and FY24 (projected). About 200 organisations across sectors and of varying sizes and ownership participated in the survey, which was conducted in February 2023. The report covers the following areas:

Total People Cost (CTC)



Average CTC trend in FY23 and FY24 • Change in people costs by sector, ownership, orientation, industry, revenue/PAT growth and company size

Factors Determining Increments



Key determinants of increments by sector, ownership, orientation, industry, revenue/PAT growth and company size

Delta over Market



Average CXO pay compared to industry/peer-set and splits by sector, ownership, orientation, industry, revenue/PAT growth and company size

Pay Increments



Average increments planned for FY23 and FY24 for 14 top and senior management positions • Increments trend by fixed pay and CTC for FY23 and FY24 • Increments to CTC ratio for each management level and splits by sector, ownership, etc

DETAILED PEER COMPARISONS & CROSS TABULATIONS



~200 listed and unlisted
companies studied



2 years of
compensation trends



14 management levels
evaluated



Data segmented
across 10 sectors



7-way
Cross tabulation

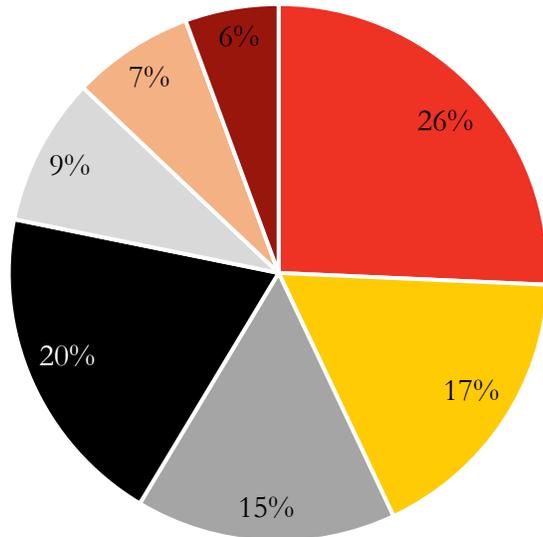
In addition to sector, revenue, and ownership splits, detailed **cross-tabulations** are made on the basis of the following parameters:

- **Domain:** Manufacturing, Services and Both
- **Orientation:** B2B, B2C and Both
- **Revenue Growth:** <5%, 5-10%, 10-15%, 15-20%, 20-25%, >25%
- **PAT Growth:** <5%, 5-10%, 10-15%, 15-20%, 20-25%, >25%

IN-DEPTH COVERAGE ACROSS SECTORS, OWNERSHIP LEVELS AND MORE

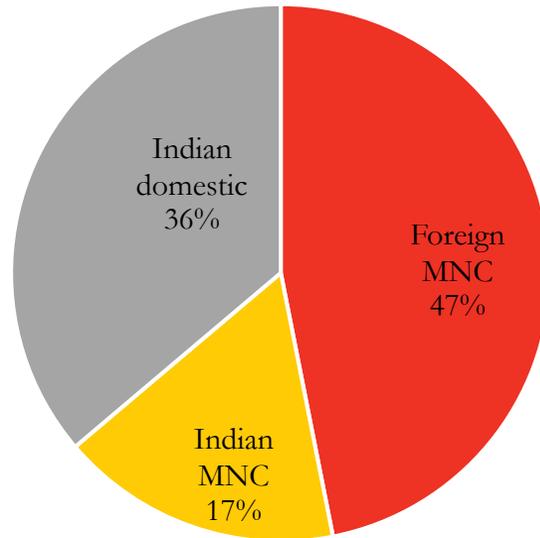


Revenue - FY22

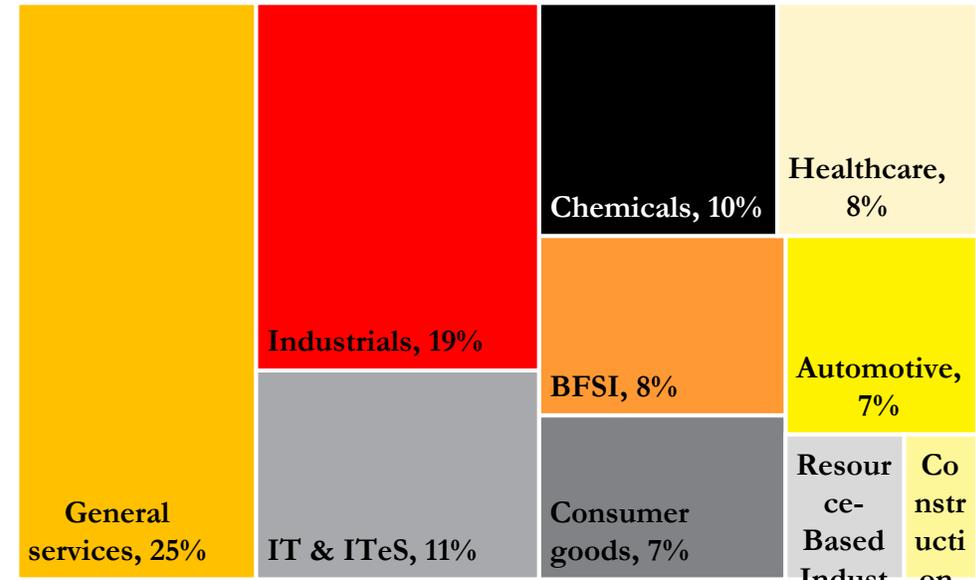


- Less than Rs 250 crore
- Rs 250-500 crore
- Rs 500-1,000 crore
- Rs 1,000-2,500 crore
- Rs 2,500-5,000 crore
- Rs 5,000-10,000 crore
- More than Rs 10,000 crore

Ownership type



Sector of operations

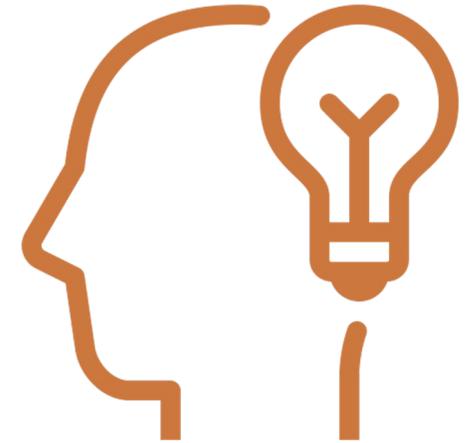


Other segmentation parameters include: by domain, company orientation, revenue/PAT growth

ENABLING CXOs WITH THOUGHT PROVOKING INSIGHTS

The **report** helps to:

- ✓ **Identify** trends in salary increments across management levels
- ✓ **Understand** how compensation budgets are likely to change
- ✓ **Establish** benchmarks for compensation to executives based on leading industry practices and detailed peer comparisons
- ✓ **Develop** genuine forecasts to optimise costs and budgets
- ✓ **Recognise** salary increment differentials across executive levels



HIGHLIGHTS AND KEY FINDINGS FROM THE REPORT

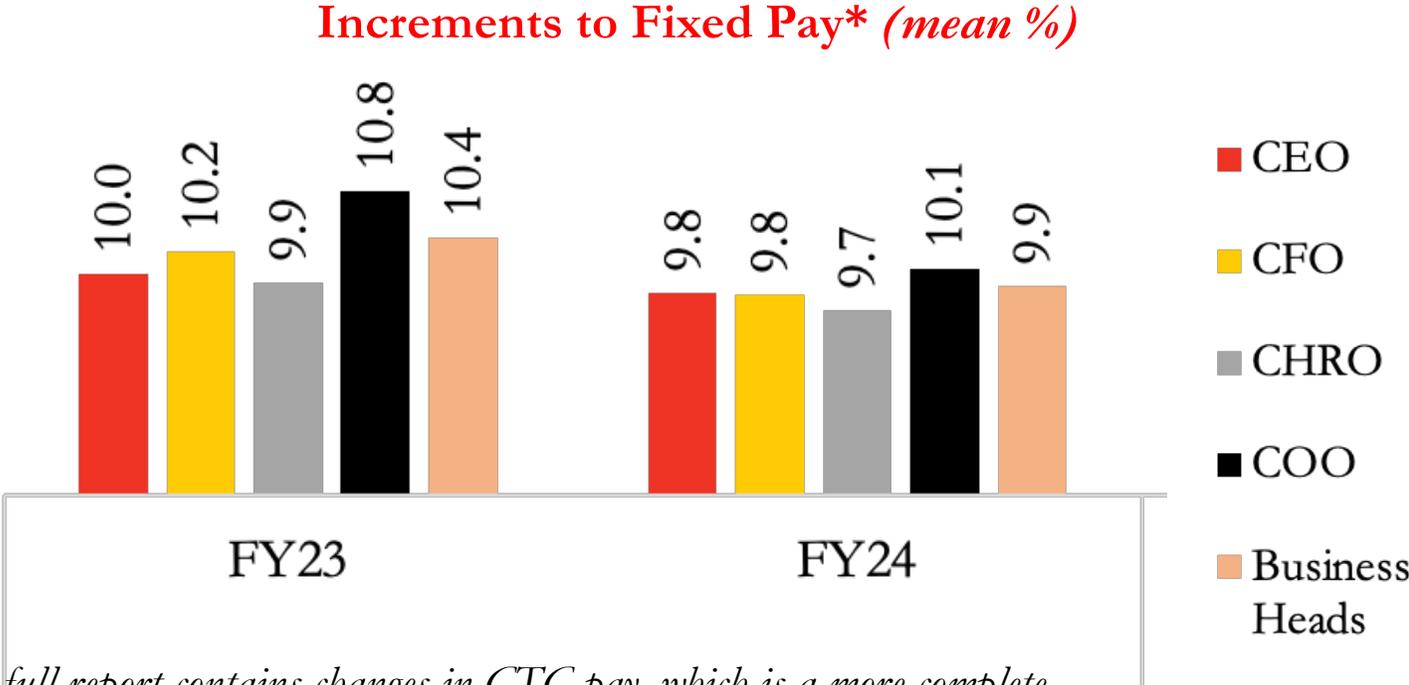
PEOPLE COSTS: SLOWING

- After recording a steep ~15% increase in 2022-23, overall people costs are projected to rise, on average, by a more modest ~12% this year
- Indian companies report faster-rising people costs than their MNC peers in both years, but they are also seeing sharper year-on-year drops



TRENDS IN INCREMENTS: BY LEVEL

- Across most industries and levels, businesses expect to offer smaller increases in fixed pay in FY24. For instance, among CEOs, it is projected to rise by an average of 9.8%, down from 10% in FY23.

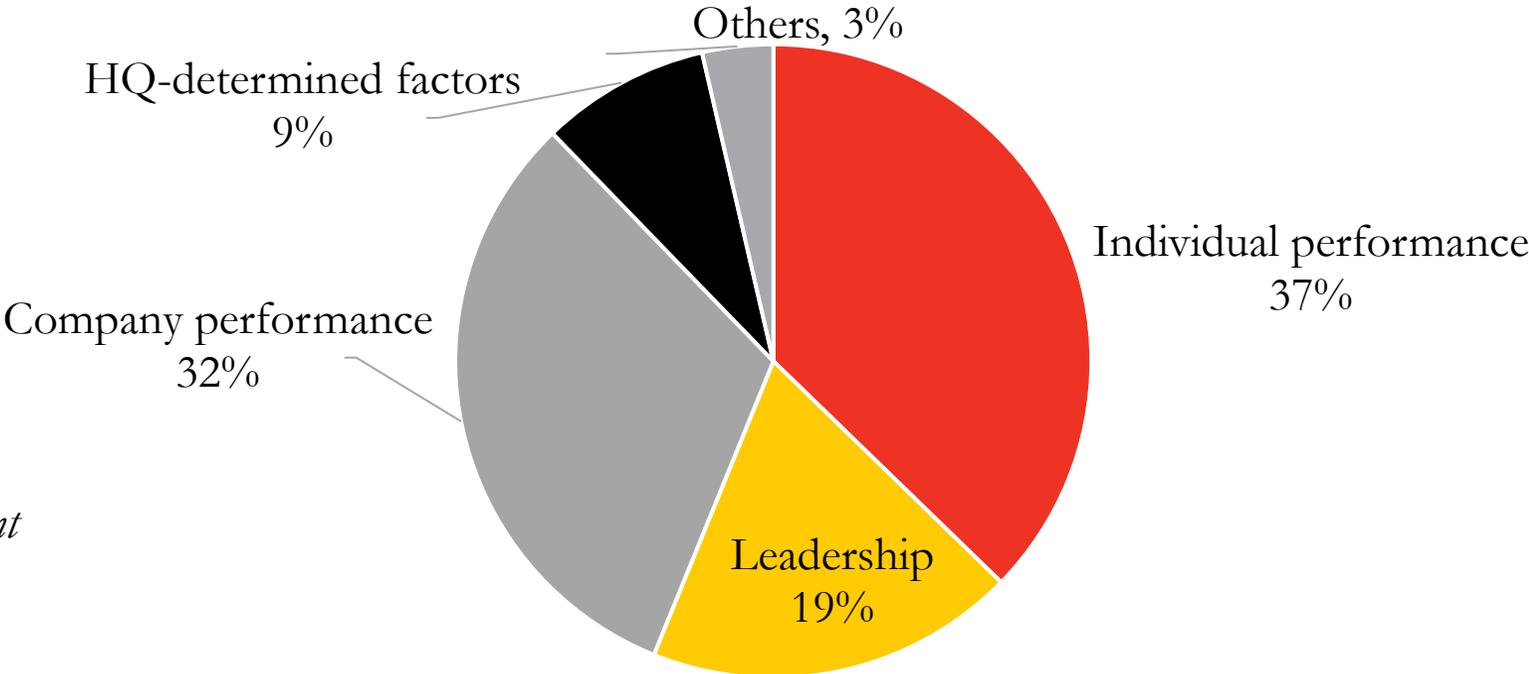


**The numbers are indicative. The full report contains changes in CTC pay, which is a more complete measure of how the pay is evolving.*

WHAT DETERMINES INCREMENTS?

- Individual performance is the biggest driver of increments followed by company performance and leadership capability.
- A relatively low weightage is attributed to HQ-determined factors – though expectedly, foreign MNCs tend to give this greater importance.

Determinants of increments (mean weightage)



There are significant variations across sectors, and companies belonging to different revenue/PAT-growth bands in terms of the determinants of increments.

PRICE

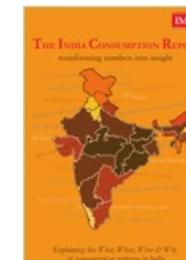
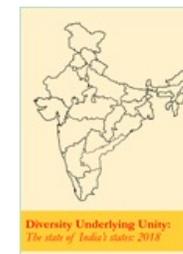
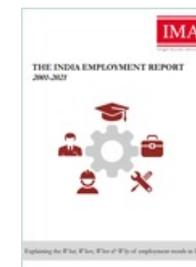
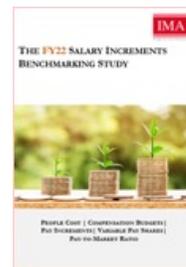
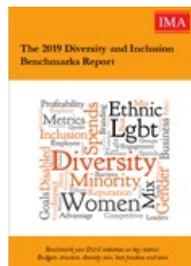
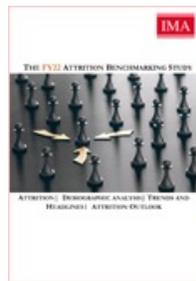
- The full report is priced at **Rs 15,000 + GST**
- Special fees for:
 - **Members** of IMA Forums: **Rs 10,000 + GST**



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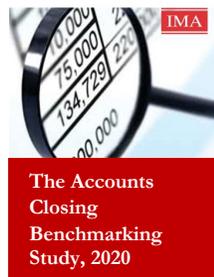
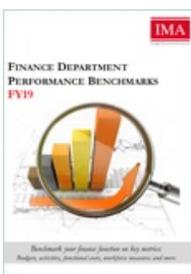
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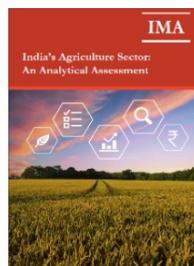
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▶ Indian Agriculture: An Analytical Assessment

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28+

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6

Cities of operations across India