

# monster<sup>®</sup> Salary Index

A joint initiative of Monster India & Paycheck.in with IIM-Ahmedabad as Research Partner

**Banking, Financial Services and Insurance Sector**

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# Monster Salary Index

Monster Salary Index is a joint initiative of Monster India and Paycheck.in with IIM-Ahmedabad as a Research Partner. The MSI (Monster Salary Index) has successfully empowered job seekers with benchmarking to compare their salaries with other anonymous profiles across a broad spectrum of industry domains, experience and functional groups, both in India and other global markets.

For Employers, MSI has an online Salary Survey which is run along with WageIndicator Foundation, Netherlands and Paycheck.in, and IIMA as Research Partner. It aims to provide employers with practical information and helps them make informed decisions by analyzing the salary market and optimizing employee remuneration.





# About the Team



# Monster India

[www.monsterindia.com](http://www.monsterindia.com)

Monster India, India's leading online career and recruitment resource with its cutting edge technology provides relevant profiles to employers and relevant jobs to jobseekers across industry verticals, experience levels and geographies. More than 200 million people have registered on the Monster Worldwide network. Today, with operations in more than 40 countries, Monster provides the widest and most sophisticated

job seeking, career management, recruitment and talent management capabilities globally. Monster India started its operations in 2001. Headquartered in Hyderabad, the company has presence in 10 other cities of India viz., Mumbai, Delhi, Bangalore, Chennai, Pune, Kolkata, Ahmedabad, Baroda, Chandigarh and Cochin.

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Monster Mobile App was voted Product of the Year under the 'Mobile App Job' category in a survey of over 18000 people by Nielsen. Monster.com was voted Product of the Year in 2015 and back in 2014, mPower Search was voted Product of the Year as well. Monster India and DishTV partnered in convergence of the Internet and TV medium to make job services accessible to TV viewers across all cities, bridging the unmet need of the audience for whom access to the internet is limited. This first ever job search initiative is called 'Monsterjobs Active'.



The Indian Air Force Placement Cell (IAFPC) selected Monster India for a collaboration to provide a robust platform to assist retired and shortly retiring Air Warriors seek suitable second career opportunities in the corporate world. Monster along with CII launched ciispecialabilityjobs.in – a platform for the specially-abled people to find relevant jobs. This

initiative aimed at empowering the differently abled and bringing newer & better opportunities at their doorsteps. Monster also initiated 'Rozgarduniya.com' – a job portal exclusively for jobseekers in rural India to enable employers in corporate India to connect with rural talent, thus removing the traditional barriers they face in this process.

## IIMA Research Partner

Indian Institute of Management, Ahmedabad (IIMA) – [www.iimahd.ernet.in](http://www.iimahd.ernet.in) IIMA is the leading school of management in India and one of the top rated management schools in Asia. It offers long duration programs in management, agri-business, executive management and faculty development programs. IIMA also conducts doctoral level research program in management and public systems. The institute

has contributed significantly to management education of working executives, government and policy makers and armed forces. Faculty members participate in governance of firms and organisations by providing advisory, capacity building support as well as taking roles in boards and trusts. IIMA hosts Paycheck India and was the first Asian B School to be part of WageIndicator.



Indian Institute of Management Ahmedabad  
[www.iimahd.ernet.in](http://www.iimahd.ernet.in)

# WageIndicator Foundation

Owner of Salary Index concept and formula

The WageIndicator Foundation started in 2001 to contribute to a more transparent labour market for workers and employers. It collects, compares and shares labour market information through (online & face-face) surveys and desk research. It serves as an online library for wage information, Labour Law and career advice.

The WageIndicator Foundation is assisted by world-renowned universities, trade unions and employers' organisations and currently operates in 80 countries. Their international staff consists of some

100 specialists spread over the whole world. The foundation has strong relationships with Monster since 2003. The WageIndicator Foundation is a global organization reaching millions on a monthly basis. For more information please visit: [WageIndicator.org](http://WageIndicator.org). WageIndicator Foundation has offices in Amsterdam (HQ), Ahmedabad, Bratislava, Buenos Aires, Cape Town, Dar es Salaam, Maputo and Minsk.



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## Paycheck India

Salary Index Interface residing on Monster India

Paycheck India a research initiative at Indian Institute of Management Ahmedabad is part of WageIndicator, an organization that collects and shares data about wages, labour law and career in more than 80 countries. Paycheck India aims to bring transparency in the labour market by

providing salary predictions for 1600 occupations in India through its Salary Checker. It also provides regular updates on state wise minimum wages in India, living wage calculation, labour laws and career advice.

**Paycheck.in**

Paycheck India  
[paycheck@iimahd.ernet.in](mailto:paycheck@iimahd.ernet.in)  
[www.paycheck.in](http://www.paycheck.in)

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# Acknowledgement

**Central European Labour  
Studies Institute (CELSI)**  
**[www.celsi.sk](http://www.celsi.sk)**

CELSI is an independent non-profit research institute based in Bratislava, Slovakia. It fosters multidisciplinary research about the functioning of labour markets and institutions, work and organizations, business and society, and ethnicity and migration in the economic, social, and political life of modern societies. Supported by its network of Research Fellows and Affiliates and a new Discussion Paper series, CELSI makes a contribution to the cutting-edge international scientific discourse. Hosting the Bratislava Office of the international WageIndicator project, CELSI provides expert data services.



# Foreword

Monster India is delighted to present to you the **Monster Salary Index Report (MSI)** for the BFSI sector. With the extensive understanding of the India job market through our monthly Employment Index and the reliable partnership with WageIndex Foundation, Netherlands and IIM, Ahmedabad, Monster India launched the MSI report in 2013. The MSI report aims at providing employers and job seekers with practical information to help make better decisions by analyzing the salary market and optimizing employee remuneration thereby fostering a stronger workforce.

When we look back, 2016 was a tumultuous year for India in many ways. With extraordinary decisions like demonetization being implemented, the Indian economy took the fight towards black money head on. However, it did not come without its share of challenges. It affected consumers and businesses alike. Such has been the impact that it has got experts across the globe commenting on the potential outcome, its impact on the Indian economy, and the distress it caused.

The Goods and Services Tax (GST) was yet another development that was in focus in 2016. Analysts are looking at both development as measures that will bring boost to the Indian economy in the long run. With digitisation taking the lead due the government's ambitious initiatives on skills training and education, the job market has seen a lot of change.

The Indian economy is on the brink of a major transformation, with several policy initiatives set to be implemented shortly. The Banking and Insurance sector is undergoing a major transformation especially because banks are now rapidly moving towards the use of technologies such as the internet and mobile devices to carry out transactions and communication with the masses. Encouraged by the Digital India vision, the sector is betting high on these technologies to provide improved services to its customers, upgrade their technology infrastructure as well as to achieve a competitive edge.

Stressing on the need for creating jobs, especially ones that pay well, the Economic Survey 2015-2016, that was tabled by Finance Minister Arun Jaitley in the Parliament, said that there is a need to exploit the demographic dividend of India and meet the growing aspiration of those entering the labor force. For this, India's economy needs to create enough good jobs - jobs that are safe and pay well, and encourage firms and workers to improve skills and productivity. Employers need candidates who are technologically aware and have skills that take account of the changing environment. Candidates, therefore, need to focus on upskilling regularly in order to take advantage of this change.

The MSI report over the years has successfully empowered jobseekers with benchmarking to compare their salaries with other anonymous profiles across a broad spectrum of industry, domains, experience, functional groups both in India and other global markets.

With our reliable partners on this journey we bring to you some insightful findings that would help you find, retain and manage talent, better.

Many Thanks



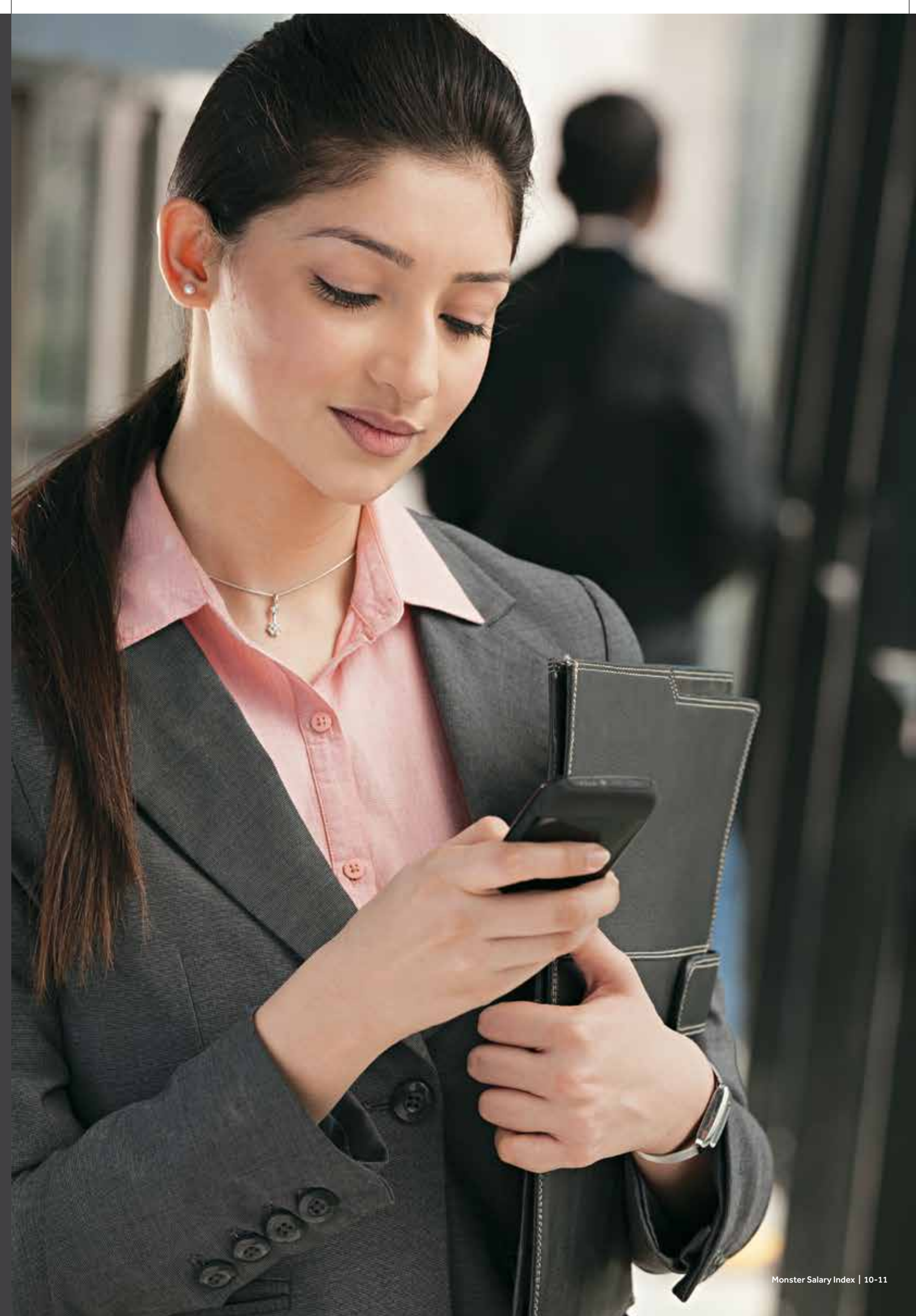
Sanjay Modi  
Managing Director  
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# Indian Financial Sector: Key Findings



India's banking industry alone is expected to create approximately two million new jobs throughout the next five to ten years.



Approximately 86% of survey respondents working in the financial sector were men.



Foreign-owned companies in the financial sector pay wages that are more than two times higher than wages in domestic owned companies, in the median.



Among 11 Indian states or union territories with the highest sample of observations, the highest median gross hourly wage was recorded in Haryana (₹466.62) and the lowest wage in West Bengal (₹228.54).



Men earn a median gross hourly wage of ₹346 per hour, while a female receives only ₹269 per hour.



In terms of company size, highest wages were recorded in medium-sized companies with 50-200 employees, with the medium gross wage being ₹404 per hour. This wage was two times higher than wages in very small companies with 1-10 employees.



The gender pay gap in the financial sector is about 22.4%.



The median gross hourly wage in the financial sector is ₹338.06.



Male supervisors earn more than female supervisors, but the gender pay gap for supervisors is 12.5%, nearly twice as low as the gender pay gap for all employees.



Annual and performance bonuses in the financial sector are more common than in other sectors of the Indian economy.



Overall, 98.5% of respondents in this sector hold at least a Bachelor's degree.



Workers are highly satisfied especially with their relationship to colleagues, relationship to supervisors and working hours. The least satisfying aspect of work reported by workers was wage, as is the case in most sectors.



Workers below 30 years of age earn a median gross wage of ₹178 per hour; workers between the ages of 30-40 earn ₹318 per hour, and workers over 40 earn ₹424 per hour.



Workers with permanent contracts earn about 26% more than workers with temporary contracts.



A group of four business professionals (three men and one woman) are standing in a futuristic office environment. They are looking at a large, glowing digital display that shows a bar chart and a world map. The scene is bathed in a blue light, and there are various digital overlays, including a globe and a grid pattern, suggesting a high-tech financial or data analysis setting.

# Financial Sector Performance Overview



# Financial Sector Performance Overview

The financial sector in India is one of the biggest in the world in terms of assets. According to figures from the Indian Brand Equity Foundation, total outstanding credit by scheduled commercial banks of India stood at ₹72.6 trillion (US\$ 1.08 trillion). The financial sector is part of the growing services industry in India, which accounts for 54% of total Gross Domestic Product<sup>4</sup> (GDP). By assets, banks represent the largest institutions in this sector, followed by other institutions such as pension funds, mutual funds, and insurance companies. The Indian banking industry alone is expected to create approximately two million jobs throughout the next five to ten years, making this one of the fastest growing sectors in the country.

Recent changes in financial regulation by India's government are expected to increase the total number of banking institutions in operation, thus creating job opportunities. Apart, growth of the Indian financial sector is closely linked to consumer spending and the retail market of India, which is expected to grow at a very high rate of 12% per annum in the next five years and is expected to rise in terms of market value from to US\$ 600 billion in 2015 to US\$ 1 trillion by 2020 (Indian Brand Equity Foundation). This growth is driven by income growth, urbanization and attitudinal shifts.

Additionally, India's technological advancements have had a beneficial impact on banking. The increase in banking activity via the internet, mobile devices, and automatic transaction machines (ATMs) has allowed expanding services to reach rural areas throughout the country, especially those in eastern and north-eastern parts of India. Still, only about 30% of the Indian population has access to banking services, indicating that the potential of inducing growth in rural areas is enormous.

India's growing economy, rising personal income, accompanied with financial product innovation should increase the demand for financial services, especially for investments and insurance. One of the fastest growing industries in the world belongs to India's asset management segment, where mutual funds accumulated a growth rate of almost 17% for the period 2007-2013 and can be expected to grow along the same line.

Significant growth is also projected for the Indian insurance industry. For 2013, total market size culminated to USD \$66 billion, with an estimate of USD \$350 billion by 2020. The general insurance business in India in 2015 represented ₹77,000 crore (US\$ 12.41 billion) premium per annum industry and is growing at a healthy rate of 17 per cent.

Some of the biggest banks<sup>5</sup> in India include SBI and Associate Banks, ICICI Bank, Punjab National Bank and HDFC Bank, Allahabad UP Gramin Bank, Deutsche Bank, Credit Suisse, and HSBC. Large financial firms include SBI Capital Markets, Bajaj Capital, DSP Merrill Lynch, and LIC Finance.



<sup>4</sup>CIA World Fact Book: <https://www.cia.gov/library/publications/the-world-factbook/geos/in.html>  
<sup>5</sup>The Reserve Bank of India



# Wages and Working Conditions in the Indian Financial Sector





# Wages and Working Conditions in the Indian Financial Sector

The median gross wage in the Indian financial sector is ₹338.06 per hour, making it the second highest paid sector in India in terms of median wage.

However, there are large regional differences in wages in different Indian states. Among 11 Indian states or union territories with the highest sample of observations, the highest wage was recorded in Haryana

(₹466.62) and the lowest wage in West Bengal (₹228.54). Haryana and Delhi (NCR), Maharashtra and Karnataka have higher wages because the financial sector is predominant in these states. Delhi NCR, Mumbai and Bangalore are the major financial hubs in India and they are located in these states. West Bengal and Uttar Pradesh are mainly traditional manufacturing industrial clusters, hence have lower

wages in the financial sector when compared to other high wage paying states.

Table 3.1 below provides a comparison of wages for 11 Indian states or union territories in the extended period of Jan 2014 – Jun 2016.

## 3.1. Earnings in the Indian Financial sector by state

State or union territory	Median gross hourly wage
Maharashtra	₹334.87
Karnataka	₹363.33
Andhra Pradesh	₹300.23
Telangana	₹337.75
Tamil Nadu	₹288.68
Delhi	₹336.80
West Bengal	₹226.14
Uttar Pradesh	₹230.95
Haryana	₹466.62
Kerala	₹288.68
<b>INDIA</b>	<b>₹338.06</b>

Source: WageIndicator Foundation





# Wages and Working Conditions in the Indian Financial Sector

## Impact of Education

The relatively high level of remuneration paid in the financial sector reflects that workers are highly educated in this field. 54% of the sample had a Bachelor's degree and 44% had a Master's degree<sup>7</sup>. Overall, 98.5% of respondents hold at least a Bachelor's degree. This also indicates that higher degree of education is preferred for securing a job in this sector. Holders of a Bachelor's degree in the Indian financial sector earned in median ₹318 per hour, while holders of a Master's degree earned in median ₹375 per hour, representing a Master's degree extra premium of ₹57 per hour.

## Impact of Age

Workers in the financial sector tend to be in the young and middle age category – nearly 50% of our respondents are in the age group of below 30 and about 44% belong to the 30-39 age group, with the remaining 6% being over 40 years of age. Table 3.2 below illustrates earnings of workers in the Indian financial sector by age group.

The table compares the two-year period of 2014-2015 with an extended 2.5-year period up to June 2016<sup>8</sup>. It clearly shows how sharply the wage increases in the financial sector with age. Young workers below 30 years

of age earn in median ₹178; workers in the 30-39 years of age group earn in median ₹318, and workers over 40 years of age earn ₹424. However, when comparing these figures with 2014-2015 only, we may notice that wages have been increasing only for the young age group (which mainly consists of starters or people with little work experience) in the last half of a year (1-6/2016). For the younger than 30 years of age group, a slight median wage increase by ₹4 was recorded, wages of the 30-39 years of age group remained practically unchanged but wages of workers older than 40 years have decreased by ₹31 in median in 1-6/2016.

## 3.2. Earnings in the Indian Financial sector by age group

■ 2014-2015 ■ 2014-2015 + 1-6/2016



<sup>7</sup>The sample also includes CS/CA/ICWA degrees

<sup>8</sup>The sample for the half-year period 1-6/2016 alone wasn't sufficient to provide reasonable estimates. Therefore, the approach to compare the 2014-2015 period with an extended period Jan 2014 – Jun 2016 was chosen.





# Wages and Working Conditions in the Indian Financial Sector

### Impact of Gender

Respondents of the survey in the financial sector were predominantly male (86%). Male workers in this sector receive higher wage compensation than their female counterparts. A male in the financial sector receives a gross hourly wage of ₹346 per hour, while a female receives only ₹269 per hour, representing a gender pay gap of 22.4%. Gender pay gap is a global problem: Although western countries have tried to reduce or eliminate the gender pay gap, no country has been

able to close down the gender pay gap completely (Tijdens & Klaveren, 2012). Therefore, further strong effort to eliminate the gap should persist.

### Impact of supervisory position

Gender inequality can be further explored by looking at the frequency of supervisory positions held by gender. 53% of all men responding to the survey reported holding a supervisory position, while only 40% of women did so. In the 2.5 year period from Jan 2014 to Jun 2016, male supervisors

earned a median gross hourly wage of ₹462 per hour, compared to an hourly wage of ₹404 for women. This represents a 12.5% gap between male and female supervisors. This gender pay gap for supervisors is significant, but still nearly 50% lower than for all workers of the financial sector (22.4%), indicating that gender pay gap decreases when men and women are promoted to higher positions.

Table 3.3 below summarizes in detail the wages of male and female supervisors and non-supervisors; both in 2014-2015 and the extended period up to June 2016. Supervisors earn in median ₹456 per hour in the extended period (Jan 2014 – Jun 2016), increasing by 11% when compared to 2014-2015. Earnings of non-supervisors are much lower, ₹236 per hour in median (2.2% increase in 1-6/2016). However, it is important to point out that while wages of both male and female supervisors have increased in 1-6/2016; in case of non-supervisors, a small wage increase (by 2.6%) was observed only in case of men and the wages of non-supervising women have even slightly decreased (by 1.6%).

As the gender pay gap for supervisors is significantly lower than for all employees in the Indian financial sector, a part of this pay gap can be explained by the fact that men get promoted to supervisory positions more often than women. There are several possible explanations for this phenomenon: (1) Socio-cultural factors: In Indian society, some male workers may become disgruntled when obligated to work with or take orders from women. And therefore, in the interest of avoiding such situations, employers may decide to segregate men and women employees on the job<sup>9</sup>, (2) Employer's perspective: Many employers have preconceived discriminatory notions about the job capabilities of women<sup>10</sup> and (3) Marital status: As women are expected to take on a disproportional share of household and family care, employers expect married women to be more constrained by such obligations, and as a result discriminate against women and prefer men for training and promotion. This often results in many women crowding at the lower end of the occupational hierarchy.

### 3.3. Earnings for men and women in the Financial sector

■ 2014-2015 ■ 2014-2015 + 1-6/2016



<sup>9</sup> crowding model (1974).  
<sup>10</sup> Becker (1957) had developed a model for race discrimination followed by employers, employees and customers. But the theory behind the model has been used by other economists and Becker himself to explain gender discrimination in employment.



# Wages and Working Conditions in the Indian Financial Sector

### Impact of Tenure

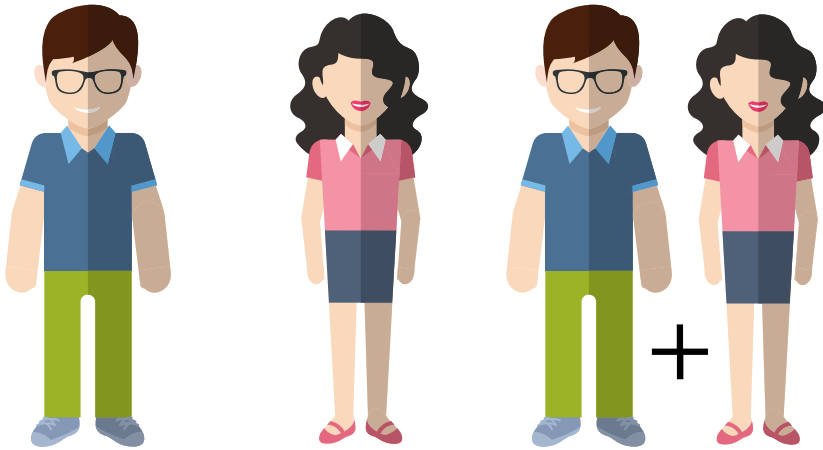
Median wages are rising very sharply with longer tenure experience. While workers with 0-2 years of tenure experience in the Indian financial sector earned in median only ₹145 per hour in 1-6/2016, their colleagues with 11 and more years of tenure experience earned in median ₹545, i.e. more than three-time the wage of starters in the Indian financial sector. This also suggests that work experience in this sector is highly valued. Table 3.4 below illustrates wages by years of work experience.

The sharp wage increase by tenure can be observed for both genders. Male workers with 0-2 years of work experience start with a median wage of ₹150 per hour. After gaining more than 10 years of tenure, their median wage increases to ₹550 per hour. For women, the trend is similar: female workers with 0-2 years of tenure earn only ₹126 per hour in median, but when having more than 10 years of work experience, the median wage increases to ₹488 per hour. The gender pay gap is evident for all tenure groups. The lowest gender pay gap was observed for workers with 6-10 years of tenure (9.5%), the highest gender pay gap was observed for 3-5 years of tenure group (16.2%).

When comparing the first six months of 2016 with the previous two calendar years (2014-2015), a slight wage increase can be noticed for nearly all the tenure and gender groups. The only wage decreases were observed for women with 3-5 years of work experience (-6.0%) and for men with 11 and more years of experience (-4.8%). In all other categories, a wage increase was recorded, the increase averaged 5.0%.

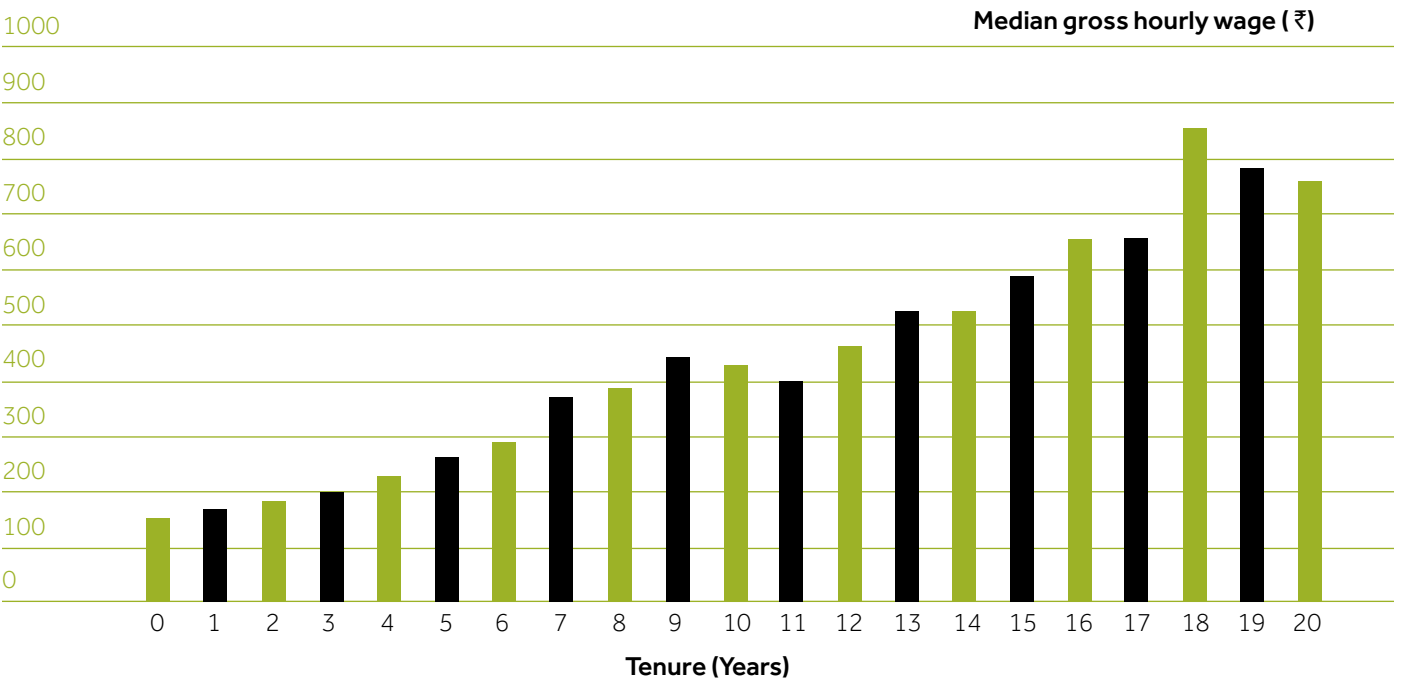
### 3.4. Earnings of men and women depending on the length of tenure

■ 2014-2015 ■ 2014-2015 + 1-6/2016



Years of Tenure	2014-2015		2014-2015 + 1-6/2016
	2014-2015	2014-2015 + 1-6/2016	
0-2 Years of Tenure	₹144.34	₹108.02	₹141.45
3-5 Years of Tenure	₹215.55	₹197.27	₹212.47
6-10 Years of Tenure	₹375.29	₹346.42	₹375.29
11+ Years of Tenure	₹577.37	₹482.42	₹547.19
0-2 Years of Tenure	₹150.12	₹126.27	₹144.95
3-5 Years of Tenure	₹221.32	₹185.47	₹211.98
6-10 Years of Tenure	₹389.10	₹352.01	₹383.03
11+ Years of Tenure	₹549.63	₹487.55	₹545.49

Tenure vs. Hourly Gross  
Figure 1: Graphical illustration of the relationship between tenure and wage



Source: WageIndicator Foundation



# Wages and Working Conditions in the Indian Financial Sector

### Impact of Contract Type

The analysis of contract type also revealed some interesting patterns. The two-year period of 2014-2015 is compared with the extended 2.5-year period up to June 2016. In the extended period, workers having a permanent contract earned in median ₹362 per hour, 11.2% more than for the same period without the first six months of 2016. Workers without a permanent contract earned in median ₹288 per hour, rising only by 4.2% when compared with 2014-2015 only. When

comparing by contract type and gender, a moderate growth of median hourly wages has been observed in 1-6/2016 in all categories. Table 3.5 illustrates wages by gender for workers having a permanent contract, and for those having a fixed-term contract.

When comparing by gender, men with a permanent contract earned in median ₹373 per hour, representing a 19.4% gender pay gap (women earned ₹300 per hour). However, the gender pay gap is even higher for employees with only a temporary contract. Men

on a temporary contract earned in median ₹300, while women only ₹207, representing a huge 31.2% gender pay gap. This reveals that women with temporary contracts stand a higher chance of exploitation in the financial sector. Further analysis also shows that women are preferred for temporary contracts.

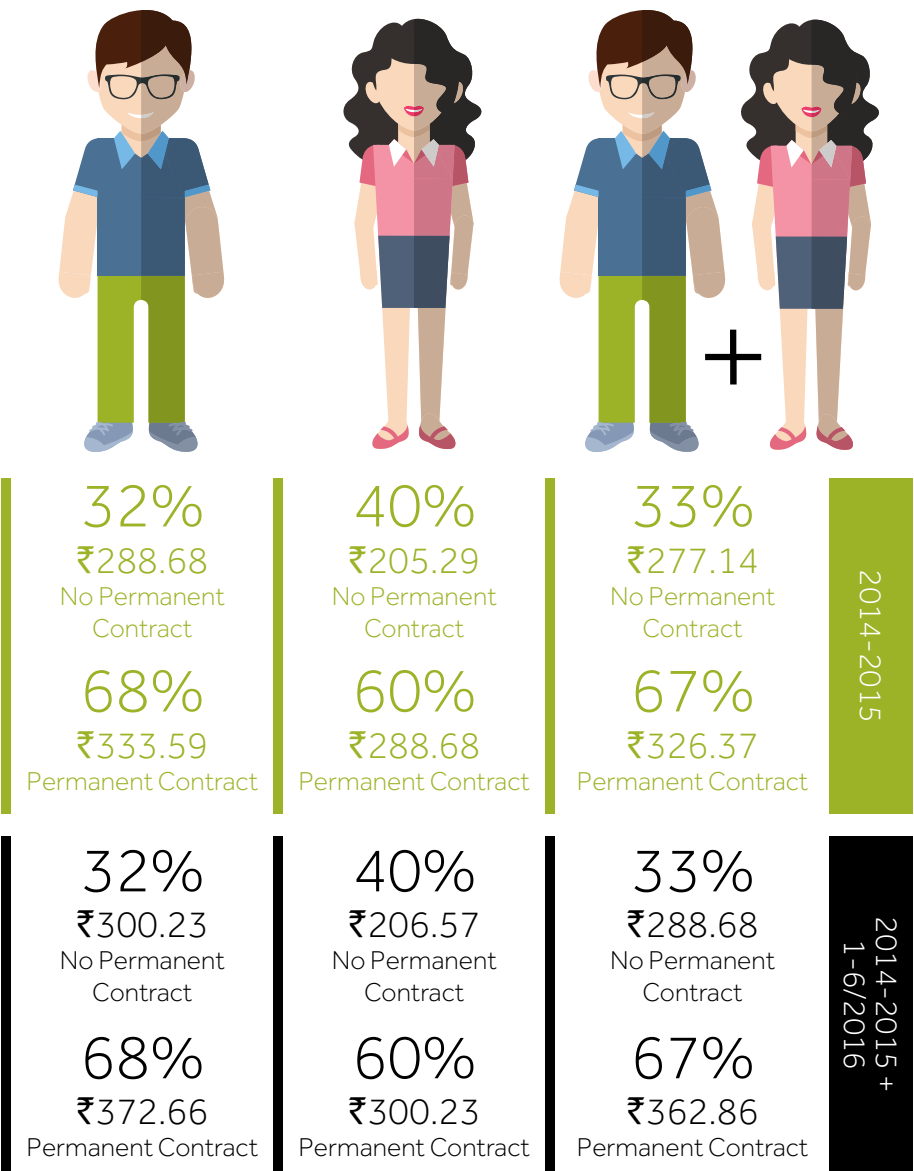
Figures in table 3.5 show that a significant part of the gender pay gap can be explained by the fact that women don't receive permanent contracts as often as men, which is confirmed by our sample of observations (60% of women did have a permanent contract, compared to 68% for men). Likewise, women are less often promoted to supervisory positions than men, as was shown above. This is caused by different cultural perception of women by employers in relation to work and regarding their expected role as mothers and wives. But, even without considering type of contract and supervisory role, the gender pay gap in the Indian financial sector remains very large, so there still remains a lot of work to be done to tackle this issue.

### Impact of ownership

The results of our analysis clearly shows that wages are much higher in foreign-owned companies (usually large multinational companies) than in domestic companies. Domestic owned companies in the Indian financial sector pay only a median wage of ₹190 per hour, whereas in partially foreign owned companies the wage reaches the median of ₹298 per hour, and in wholly foreign owned companies a much larger median wage of ₹491 is earned. Due to a very low sample of observations, the median wage hasn't changed at all or only slightly increased in the last six months. Table 3.6 compares wages by in the Indian financial sector for three categories of company ownership: foreign owned companies; partially domestic and partially foreign owned companies; and wholly foreign owned companies.

### 3.5. Type of contracts in the Financial sector

■ 2014-2015 ■ 2014-2015 + 1-6/2016



### Impact of company size

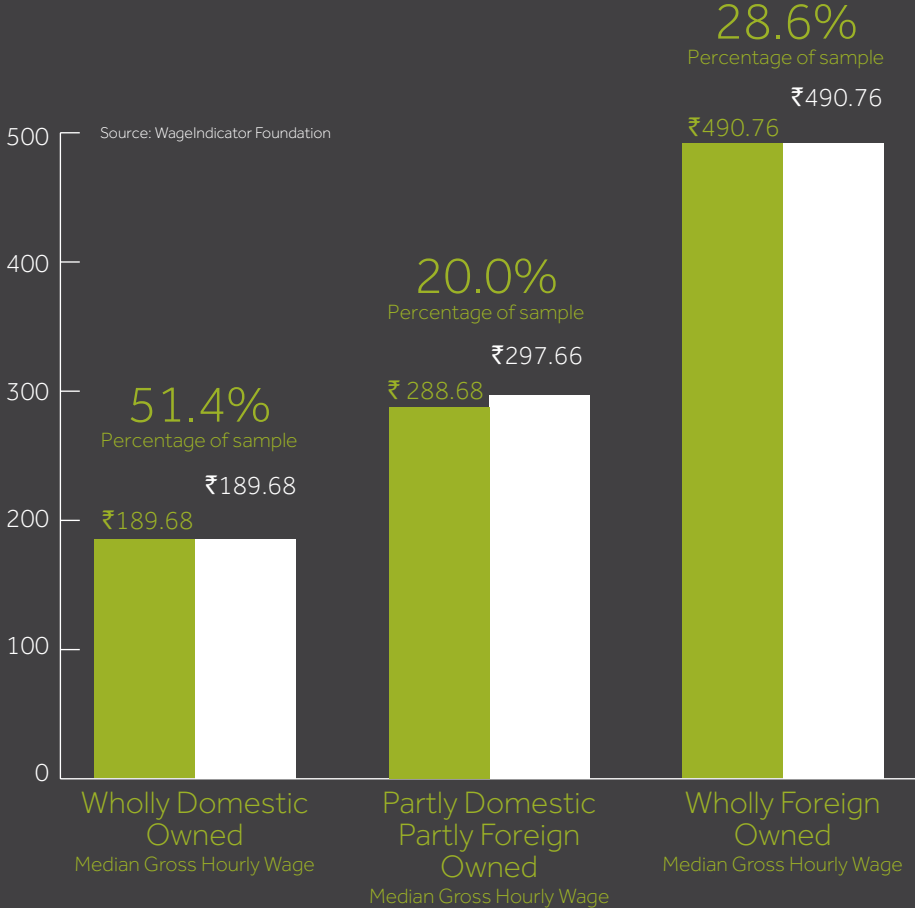
Figure 2 below illustrates the relationship between company size and median gross hourly wages. First, it's important to point out that the sample of observations from 1-6/2016 was too small to allow a reasonable comparison, and therefore the median wages for the 2014-2015 period were the same as median wages in the extended 2.5-year period of January 2014 – June 2016. Due to this, figures from the Jan 2014 – Jun 2016 period are presented in Figure 2.

A rising trend between company size and wages, but an unexpected exception occurred for medium-sized companies of 50-200 employees. Employees of this company size group reported earning ₹404 in median, which is the most among all groups. The second largest wages were earned in large companies with more than 5000 employees (₹339 per hour). Apart from the exception, wages tend to be lower with decreasing size of the company, the lowest wages were earned in companies with 1-10 employees (₹173 per hour).

There is a general perception that wages in larger companies shall be higher. However, our data has shown that wages in small companies up to 50 employees are indeed quite low, but the relationship is not that clear between medium-sized companies and large companies. The unexpected high wages for companies with 50-200 employees weren't caused by any outliers or small sample of the data (in fact, the sample for this group was higher than for the two following

### 3.6. Ownership structure of the company and wages

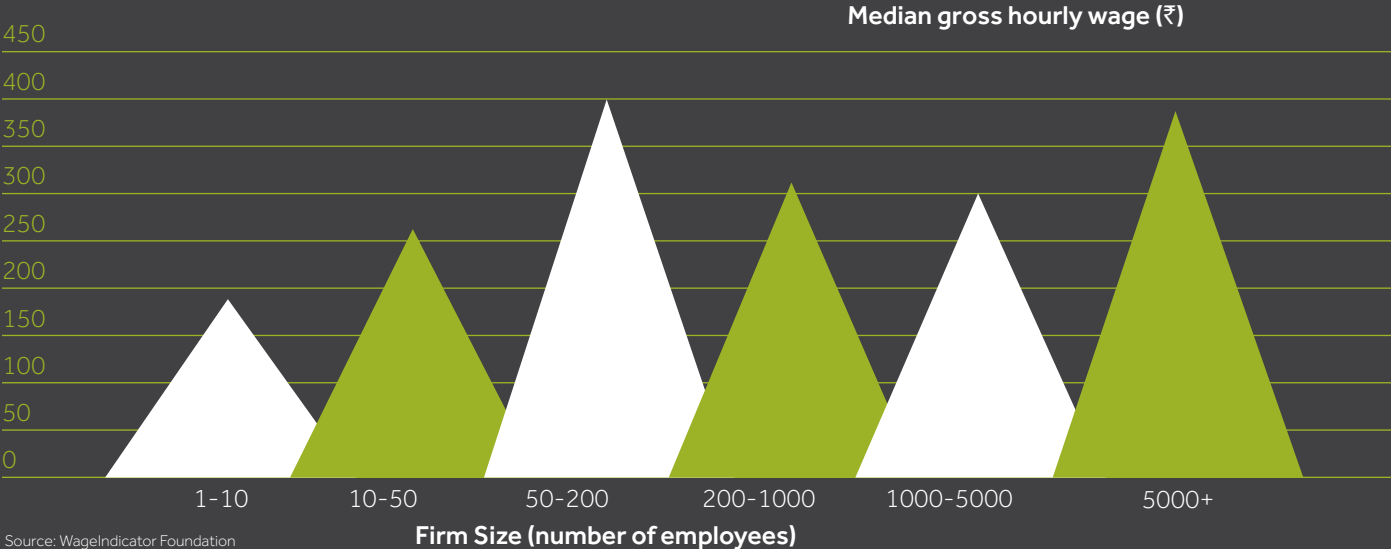
■ 2014-2015 ■ 2014-2015 + 1-6/2016



company size groups). An explanation of this phenomenon can be that high skilled workers and qualified professionals use to perform more specialized job tasks, and such a specialized division of labor is usually not possible in small companies. However, high-skilled professionals seem to be able to apply their qualified

knowledge in companies with at least a few departments and a few dozen of employees, and it doesn't seem to matter that much whether the company is medium-sized or large, but more research on this phenomenon would certainly be needed to confirm it.

### Figure 2: Graphical illustration of the relationship between size of company and wage





# Wages and Working Conditions in the Indian Financial Sector

### Overtime work

In terms of compensation for unsocial working hours in Jan 2014 – Jun 2016, 24.5% of surveyed financial sector workers reported receiving financial

compensation for work during night shifts or during weekends. This is generally done in the form of a lump sum payment/allowance, which amounted to ₹500 in median.

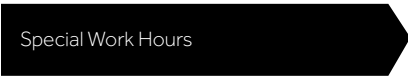
For working overtime hours, 22.5% of workers received compensation, with the median monthly payment valued at ₹2000.

### 3.7. Allowances and overtime payments

Night Shifts/ Weekend allowance



Overtime Payment



### Bonus structure

Performance bonus was the most commonly received bonus, received by 42.5% of workers. The annual bonus is also received quite often, received by about 30% of workers both in 2014-2015 and in the extended period. On the other hand, receiving a profit share is not very common in

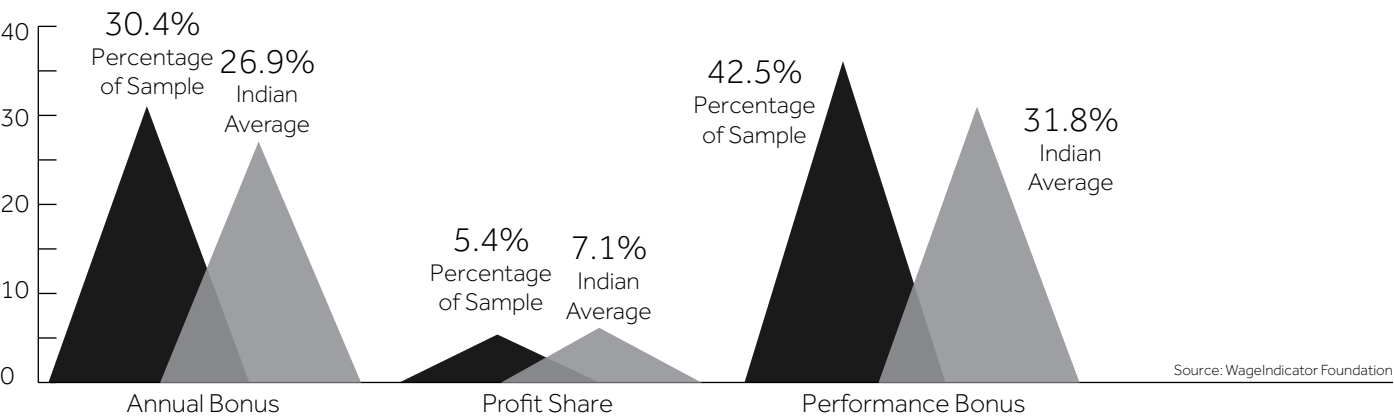
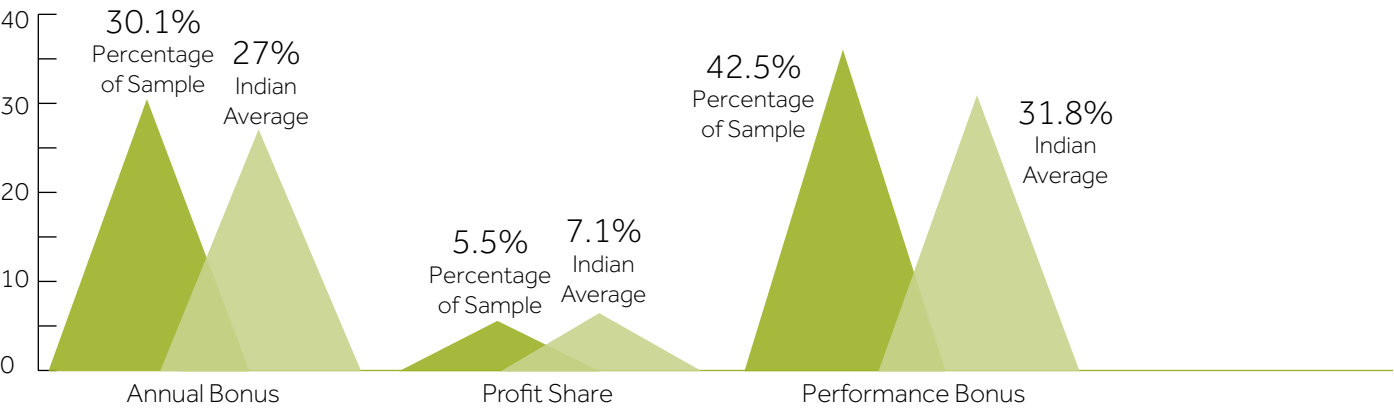
the Indian financial sector, only 5.4% of employees reported receiving it. Table 3.8 below illustrates the percentage of workers who received an annual bonus, profit share or performance bonus during the last 12 months.

When comparing the Indian financial sector with the average of the whole Indian labour market, workers

in the financial sector receive the performance bonus (42.5% vs. 31.8%) and annual bonus (30.4% vs. 26.9%) more often than the average Indian workers. However, the percentage of Indian workers receiving a profit share (7.1%) is slightly higher than the percentage of financial sector workers only (5.4%).

### 3.8. Bonus structure

■ 2014-2015 ■ 2014-2015 + 1-6/2016



Source: WageIndicator Foundation





# Wages and Working Conditions in the Indian Financial Sector

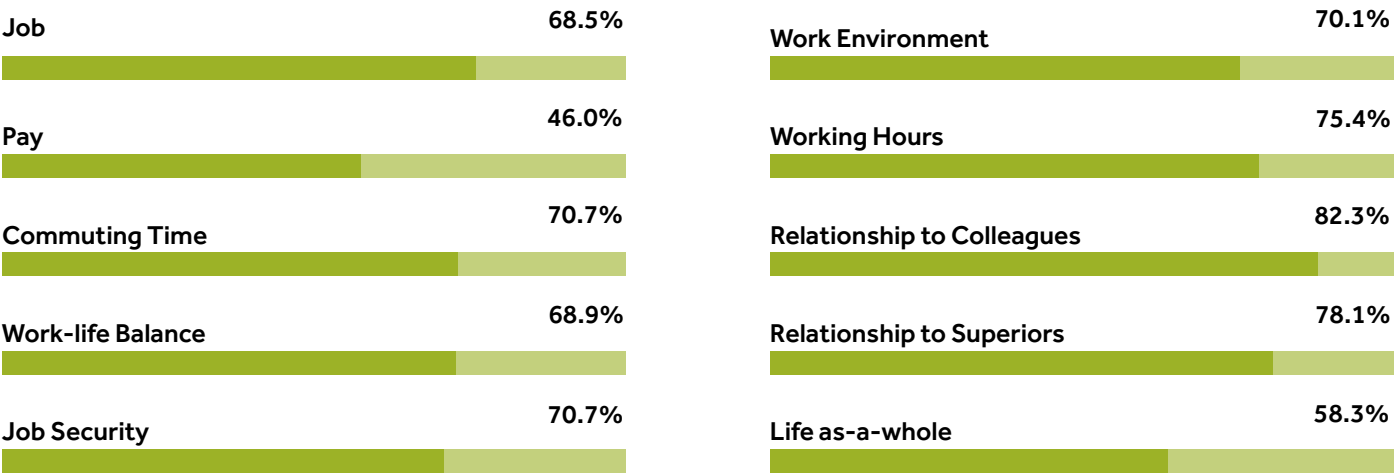
**Satisfaction**

Workers in the financial sector were mostly satisfied with the relations with their colleagues (82.3%), their relationships with their superiors (78.1%) and their working hours (75.4%). On the other hand, only around 46.0% of respondents were satisfied with their wage. Overall, 58.3% of workers reported to be satisfied with their life as a whole.<sup>11</sup>

<sup>11</sup> The figure for satisfaction with life as a whole is calculated using a different scale and methodology than the other, job-related satisfaction questions. Therefore, satisfaction with life as a whole cannot be put into context with the job-related satisfaction questions

## 3.9. Satisfaction of workers

Satisfaction Level for Sector



Source: WageIndicator Foundation





# Appendix About the Dataset and Definitions

The analysis presented in this report is based on the WageIndicator dataset covering the period of January 2014 - June 2016. The wage analysis is based on 19,466 observations from Paycheck India's (www.paycheck.in) Salary Calculator and Monster Salary Index from the aforementioned period. The sample used and analyzed in this report contains 4,538 observations from the financial sector of India

To examine the latest development in wages, wages from the two-year period of 2014-2015 are usually compared with wages from the first half of 2016 (1-6/2016). However, in cases where the sample of observations from 1-6/2016 alone

was too low to provide reasonable wage estimates, a merged 2.5-year period of Jan 2014 – Jun 2016 is used instead of 1-6/2016 only in order to provide a comparison of latest wage developments.

## Gross Hourly Wage and Bonuses

Gross hourly wage, for our purposes, is calculated on the ground of gross wage and working hours reported by respondents. We report median<sup>1</sup> of gross hourly wage. The calculations are based on dataset cleared from outliers.<sup>2</sup> All wages and bonuses figures presented are nominal figures

based on respondents' answers at the time of the survey, i.e. they are not adjusted for inflation<sup>3</sup>.

## Purchasing Power Parity (PPP)

Is based on differences in prices of goods and services in different country. Using the PPP index we can calculate an "international dollar" that has the same purchasing power as the US dollars have in the USA. The implied conversion rate used for India is 1:17.6, valid by April 2016 (WEO Database, 2016). For calculation of annual wage, we assume a total of 2000 working hours per year.

## Gender Pay Gap

Gender pay gap is computed according to the formula (Tijdens & Klaveren, 2012)

PAY GAP

=

MEDIAN WAGE MALE

—

MEDIAN WAGE FEMALE

×

100%

MEDIAN WAGE MALE

It can be interpreted as the per cent difference between female and male median wages.

<sup>1</sup>A median is the numeric value separating the upper half of a sample from its lower half. By definition of median wage, 50% of the sample earn more and 50% less than the median wage.  
<sup>2</sup>These are respondents reporting wages significantly lower or higher than usual.  
<sup>3</sup>The CPI inflation rate in India stood at 6.3% in 2015 and 5.9% in 2014: <http://www.inflation.eu/inflation-rates/india/historic-inflation/cpi-inflation-india.aspx>





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