

EMPLOYEE BENEFIT ANALYSIS REPORT 2022

OCTOBER 2022



Contents

Foreward	5
Message by Chairman	6
Introduction	7
• P@SHA	7
P@SHA Employee Benefits Survey Report 2022	8
Participating Companies	9
• Company Overview by Location	9
• Company Overview by Size	9
Company Headquarters	10
• Company Overview by Company HQ Type	10
Company Offering	10
• Company Offering by Type	10
Company Revenue	11
• Company Overview by Local Revenue	11
• Company Overview by IT Exports	11
Company Business Area	12
Company Overview by Job Roles	13
• Technical Programming Roles VS. No of Employees	13
• Non-Technical Roles Vs. No of Employees	13
Technical Vs. Non-technical Roles Ratio	14
Recruitment & Hiring	15
Job Openings across various job roles	17
Job Hirings across various job roles	17
• Technical Roles Hiring – year wise	17
• Non-Technical Roles Hiring – year wise	18
• Senior Management Roles Hiring – year wise	18
In-demand job roles with the highest number of job openings	19
• In-demand Technical Job Roles	19
• In-demand Non-Technical Job Roles	20
Inflationary Measures Practices	21
• Inflationary Measures vs. Employee Types	22

• Inflationary Measuring Methods	22
• Percentage Inflation Increase	23
• Flat Inflation Increase	23
• Fuel Compensation vs. Amount	24
• Fuel Compensation vs. Mechanism	24
• COLA (cost of living allowance)	25
• COLA (cost of living allowance): Perks & Benefits	25
Perks and Benefits	26
• General Employee Benefit	27
• Additional Benefits Provided to Senior Management	29
• Leave Policy	31
• Incremental Cycles	33
• Increment Frequency	33
• Average Increment Trend Yearly	33
• Average increment percentage Across Teams	34
• Employees Included Vs Incremental Cycle	34
Bonuses	35
• Bonus Mechanism	36
• Bonus frequency Across Teams - Last 2 years	36
• Bonus Criteria – Performance based	37
Employee Retention	38
• Attrition Rate % - year wise	39
• Challenges in Employee Retention	39
• Perks for attracting good talent	40
• Job Leaving Notice Period	41
Post COVID-19 HR Practices	42
• Working Model – WFO & WFH	43
• Working Model – Frequency	43
• Percentage of employees WFH	44
• Anticipated Time - 100% employees WFO	44
Employee Enablement	45
• Learning & Development Department	46
Participating Companies	47

Foreword



I am pleased to present the [P@SHA Salary Benchmarking Quick Guide 2022](#) and [P@SHA Employee Benefit Analysis Survey Analysis 2022](#), efforts of P@SHA to allow IT and ITes industry companies to make informed decisions about pay scales and HR policies. I am hopeful that these reports will serve as the cornerstone for the relevant stakeholders to initiate programs and discussions focused on attracting, retaining, and engaging resources and new talent - which is a major contributor to any organization.

IT and ITes industry is the fastest growing industry in Pakistan. This growth represents significant opportunities but also comes with challenges. The biggest challenge is emerging to be a lack of human resources to catch up with the industry demand. We at P@SHA believe in the growth of the IT & ITes industry which is only possible by broadening, aligning, and integrating the employee benefits strategy and execution with organizational goals and values. It will not only accommodate a changing workforce but will also aid in delivering high-performing and sustainable businesses. This would also contribute meaningfully to employee security, well-being, engagement, and productivity – thus facilitating the growth and success of an organization.

We at P@SHA are working tirelessly in providing IT & ITes companies with data to make informed decisions regarding recruiting, employee benefits, and HR policies. Apart from active members' communities where HR managers from various organizations can discuss and share their concerns, P@SHA has also a community for job openings. It provides companies with a platform to share about their job openings and access to resumes of credible and potential resources.

Last year's [P@SHA Salary Survey 2021](#) was a successful example of addressing various aspects of 'employee benefits strategy' by providing meaningful data on employee benefit policies and practices, enablement programs, and costs associated with these initiatives. P@SHA Salary Benchmarking 2022 is an extension of the report from last year, which provides an overview of current salary ranges based on data collected from 175 companies in 2021.

In 2022, companies have faced changing global conditions due to inflation, which also needed companies to redesign perks policies. The dynamics of the industry require companies to continuously evolve and change compensation and benefits to face the fierce competition in recruiting and retaining the best talent. This led us to obtain data for P@SHA Employee Benefit Analysis Survey 2022. A total of 73 unique IT and ITes companies with 14,677 employees participated in the survey. I am grateful to each one of them for their trust and input that led us to create a comprehensive report.

With the increase in demand for resources, the industry has also reported that there are 42 job openings per company on an average (27 technical, 20 non-technical, 15 management). This further emphasizes on the need of skill development programs, which are already a core focus of P@SHA activities.

We hope you find these reports useful. If you have any queries, comments, or suggestions, please feel free to reach out to me at sg@pasha.org.pk or write to the P@SHA research team at services@pasha.org.pk.

Hira Zainab

Secretary-General, P@SHA

Message by Chairman



Congratulations to the P@SHA Secretariat team for publishing this report that provides valuable insights for HR professionals in the IT and ITeS industry! Our team has done excellent work and I am happy to see that they also ensured the confidentiality of data on all levels. I am thankful for the trust of P@SHA member companies for sharing their data and participating in the surveys. I am pleased to see how P@SHA Research Team has strengthened and allowed data-driven decision-making for launching different programs for the enablement of the IT and ITeS industry in Pakistan.

According to Globalization Partners, the minimum wage in Pakistan varies by region. As of 2022, Pakistan raised its monthly minimum wage for unskilled workers to PKR 25,000. These numbers could continue to rise in the years to come, so it's important to keep an eye on any changes in Pakistan's compensation law and employee benefit packages. However, we do not have a minimum wage for skilled labor.

To succeed in any marketplace a company needs to be able to attract, retain and grow its employees. Human resources are one of the few potential sources of competitive advantage in a modern organization. Therefore, it is of utmost importance to create an environment that people love to work in. This, in turn, will create a company that thrives. While there are many important ingredients to this successful recipe, one key element is having an excellent employee benefits strategy in place.

After establishing any company, one needs to create a benefits program that stands out, especially if one wants to compete with regional and international players. A competitive benefits plan will make your job openings more appealing to job seekers. It will also boost the morale of your current employees, leading to better retention rates and less turnover. Beyond complying with legal responsibilities, one needs to demonstrate that your company is genuinely invested in your employees.

With changing international economic dynamics, employment trends and employee expectations are also changing. Thus, the need for an effective employee benefits strategy has become critical. Today's worker's demands are different than the previous generations. With more job options and opportunities providing flexibility, one feels compelled to switch to a job suiting to one needs. Thus, by providing appealing benefits, a company can increase the job satisfaction and engagement of its employees. It will not only result in making them work harder but will aid in better customer experience and satisfaction.

I sincerely hope that you will find P@SHA Salary Survey Report 2022 and P@SHA Employee Benefit Survey 2022 useful.

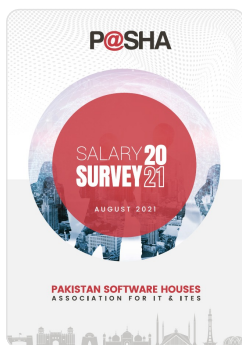
Muhammad Zohaib Khan

Chairman, P@SHA

About P@SHA

Pakistan Software Houses Association for IT and ITes (P@SHA) is one of the oldest ICT associations of the region and the sole trade association in Pakistan representing the industry since 1992. P@SHA is the only Pakistani entity globally registered with and recognized by institutions such as WISTA (World Information Technology and Services Alliance), ASOCIO (Asian Oceanic Computing Industry Organization) and APICTA (Asia Pacific ICT Alliance). Over the years, P@SHA has registered more than 1,000 companies across Pakistan and has been the voice of the industry, advocating policy initiatives and working towards creating a high growth sustainable business environment in the country.

P@SHA has been constantly making efforts toward developing a strong insightful database and research repository. In order to make informed decisions, the availability of updated information and data insights plays a key role. In the past P@SHA has worked on various research reports highlighting the key concerns and issues of the IT & ITes Industry.



P@SHA Salary Surveys
& Benchmarking

[View Report](#)



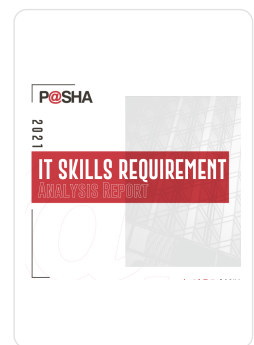
Salary Benchmarking
Guide 2022

[View Report](#)



Industry-Academia Skill
Gap Analysis 2022

[View Report](#)



IT Skills Requirements
Report 2021

[View Report](#)



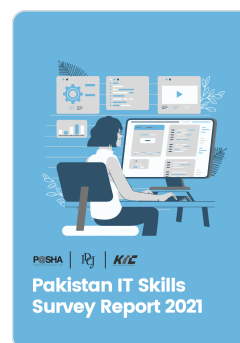
Comparative Analysis of
IT Support Policies

[View Report](#)



Diversity & Inclusion
Framework

[View Report](#)



Pakistan IT Skills Report
2021

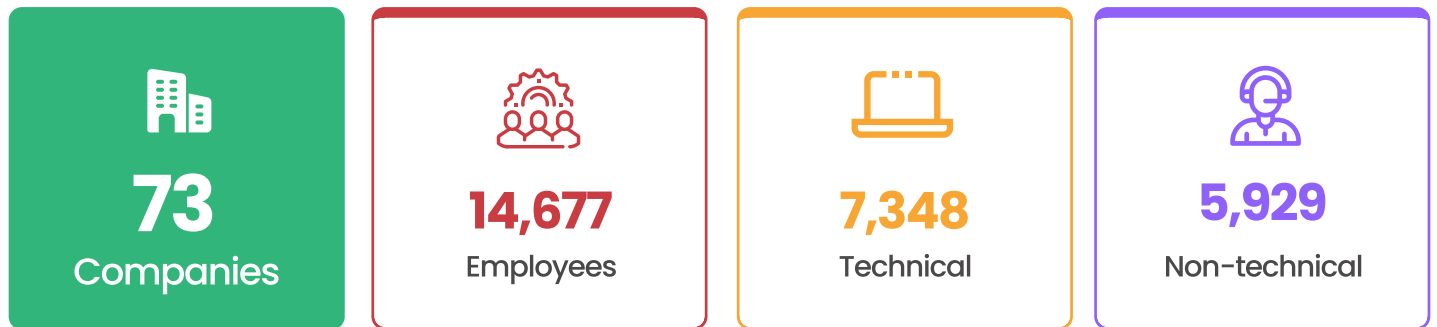
[View Report](#)



Budget Recommendations
for IT Industry 2022

[View Report](#)

P@SHA Employee Benefits Survey Report 2022



P@SHA has been publishing its flagship initiative, P@SHA Salary Survey. The latest **P@SHA Salary Survey 2021** was a comprehensive report, which covered salary benchmarking along with detailed sections on perks and benefits, overall increment trend, employee turnover, employee enablement, industry-academia linkage: university rankings, women in technology and salary benchmarking. Lately, with rise in inflation a lot of companies were struggling in finding the data to design and plan their HR practices and policies.

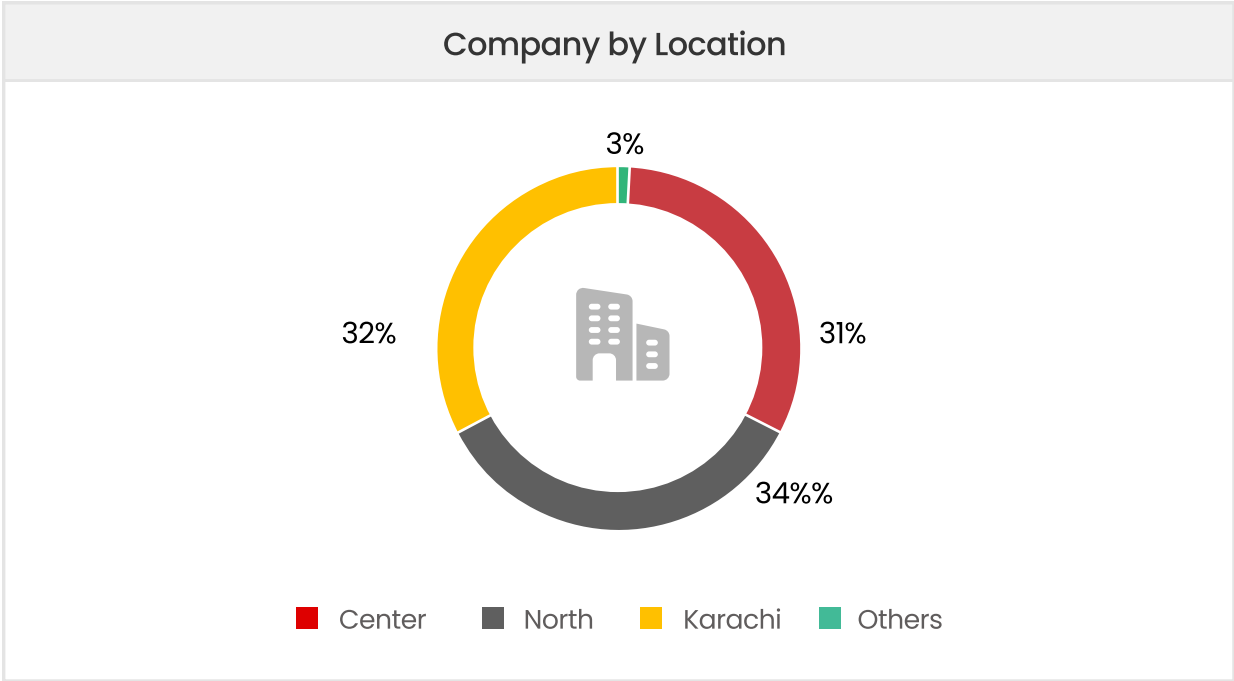
P@SHA Employee Benefits Survey Report 2022 aims to assist companies with the quick and reliable data to facilitate their planning and decision making. This report has covered in detail: participating companies' overview, overall increment and bonus trends, attrition rate, yearly hiring trends, overview of technical and non-technical job roles, in-demands technical skills, inflationary measures, employees' perks and benefits, and HR practices and policies. It is extremely important to have access to reliable data to make informed decision making while understanding the ongoing trends across industry.

A total of 73 unique IT and ITeS companies participated in the survey, who helped in keeping up with this comprehensive report. We would like to thank all participating companies for their generous participation in 'P@SHA Employee Benefits Survey Report 2022'. We are very appreciative of their valuable time and honest information that has assisted us in coming up with the report.

Participating Companies

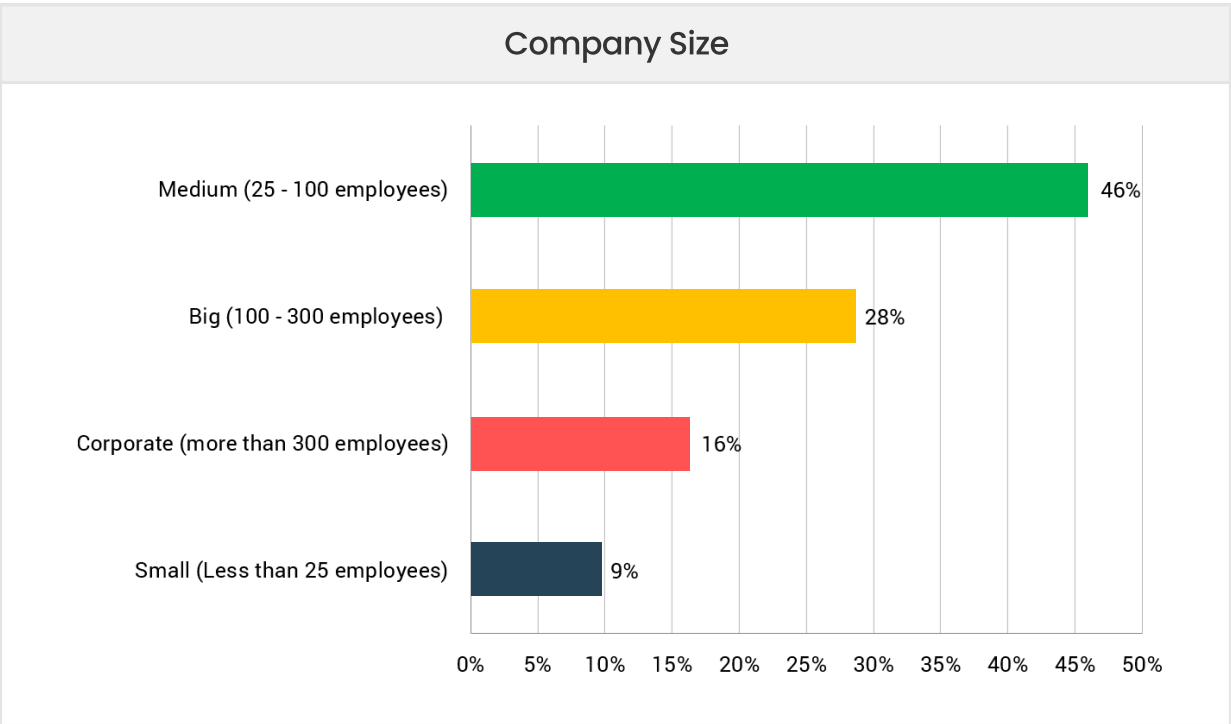
Company Overview by Location

73 companies participated in the survey



Company Overview by Size

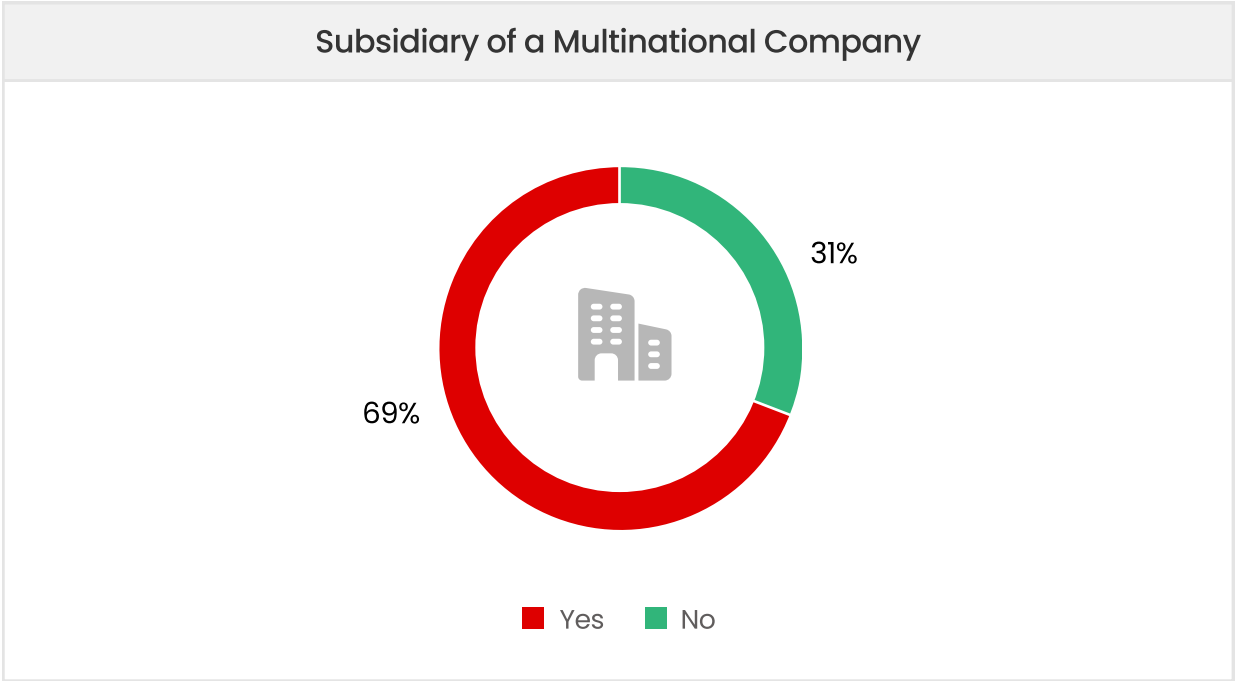
46% of companies were medium sized companies with employees ranges from 25-10



Company Headquarters

■ Company Overview by Company HQ Type

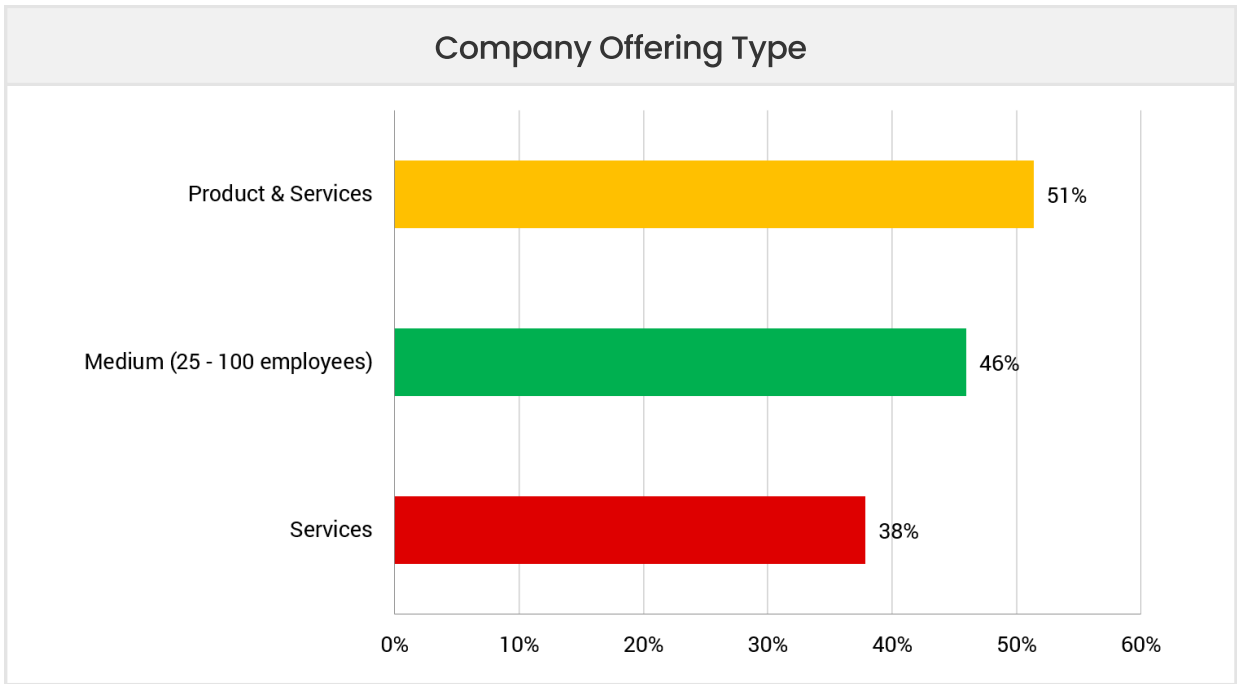
Only 31% of companies are subsidiaries of a multinational company.



Company Offering

■ Company Offering by Type

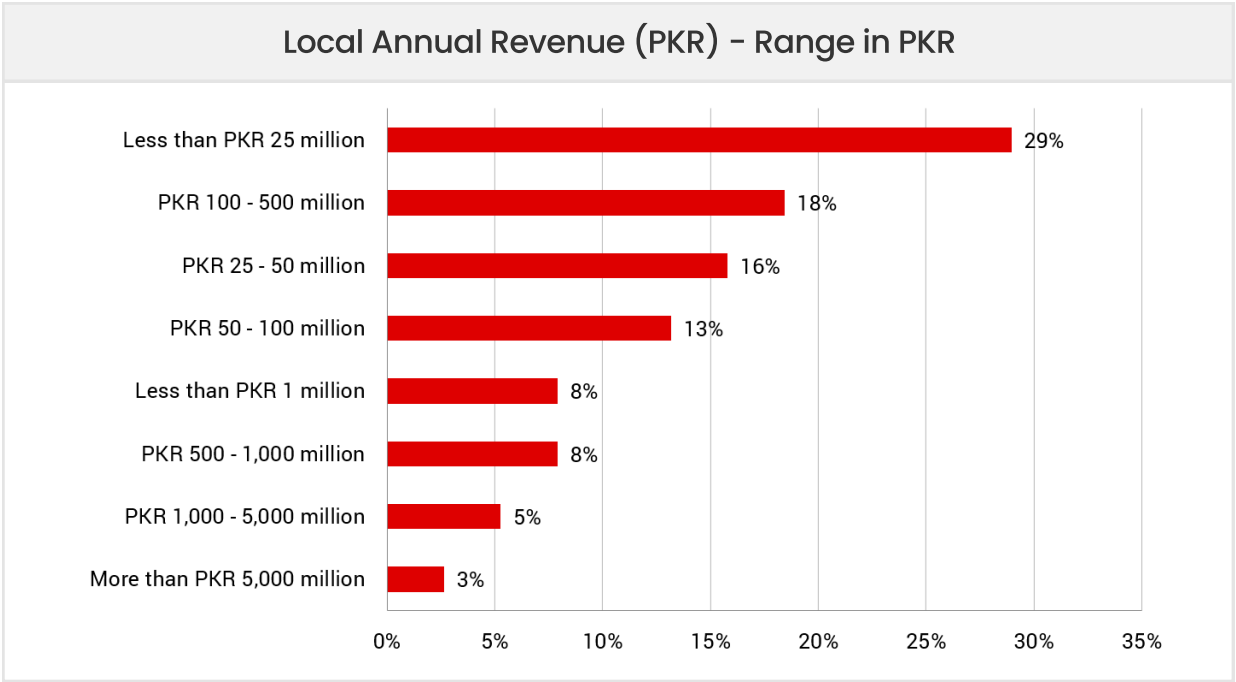
51% of companies are offering both product and services



Company Revenue

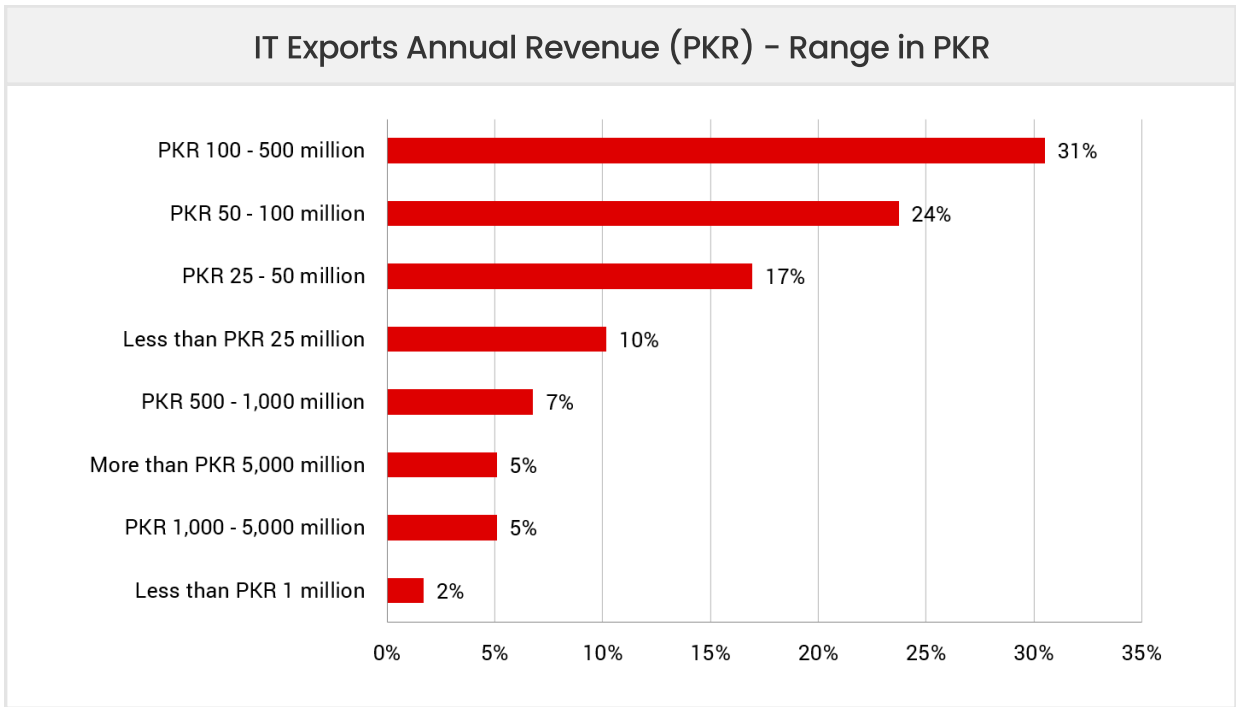
■ Company Overview by Local Revenue

29% of companies have local Annual Revenue (PKR) companies with revenue less than PKR 25 million



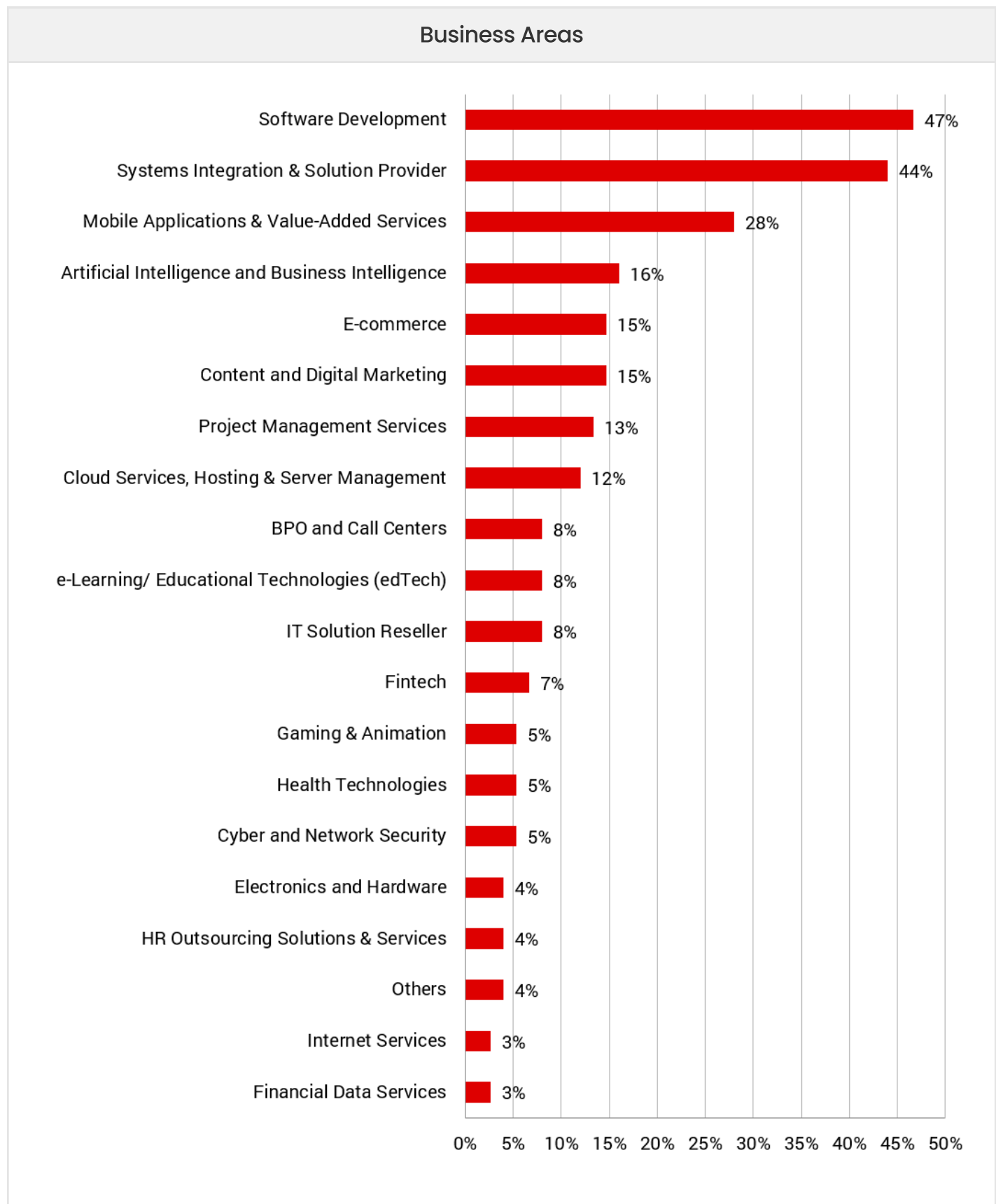
■ Company overview by IT Exports

31% of companies had IT Exports Annual Revenue (PKR) ranging from PKR 100–500 million.



Company Business Area

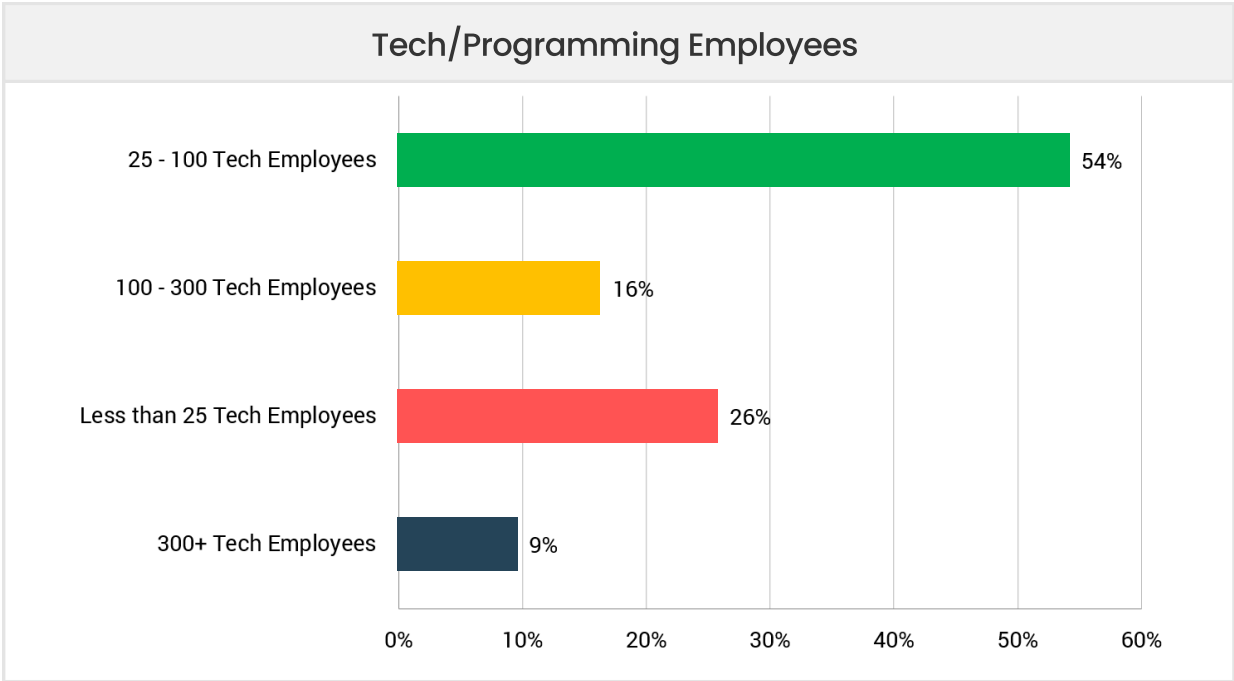
47% of the participating companies indicated software development as their main business area. The other top sectors of the participating companies included Systems Integration (44%), and Mobile Applications development (28%).



Company Overview by Job Roles

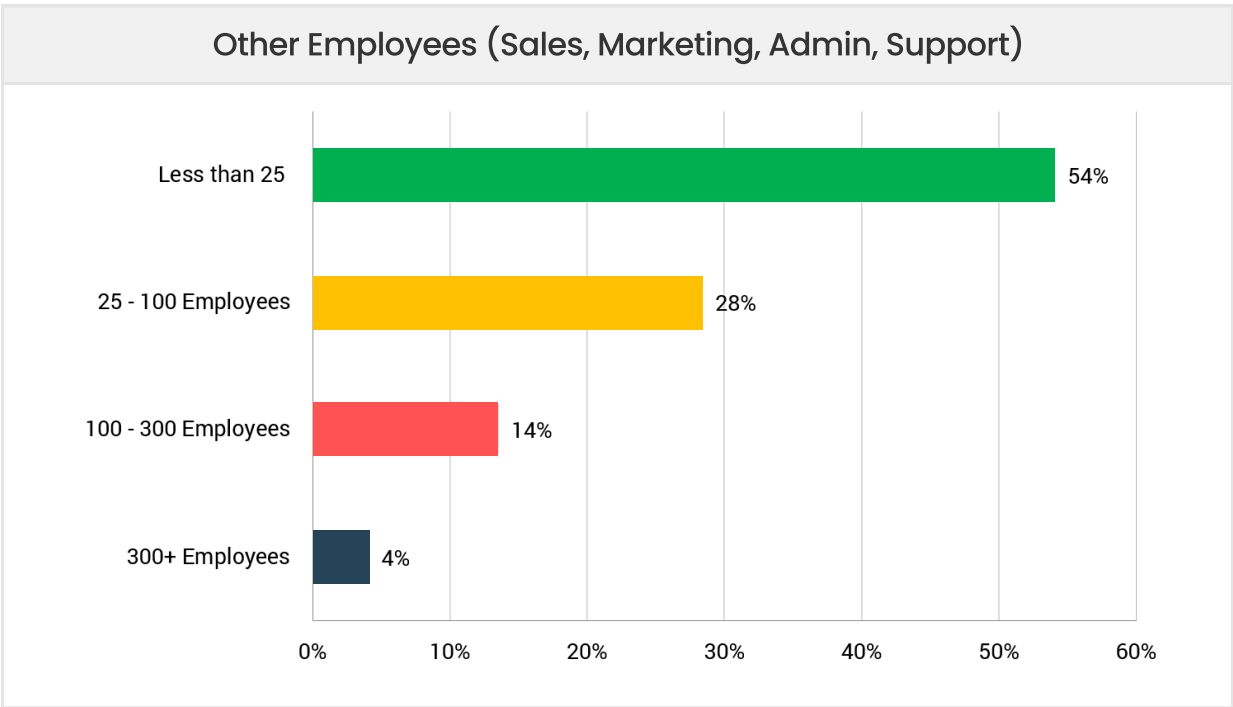
■ Technical Programming Roles vs. No of Employees

54% of companies have tech/programming employees ranging 25-100



■ Non-Technical Roles vs. No of Employees

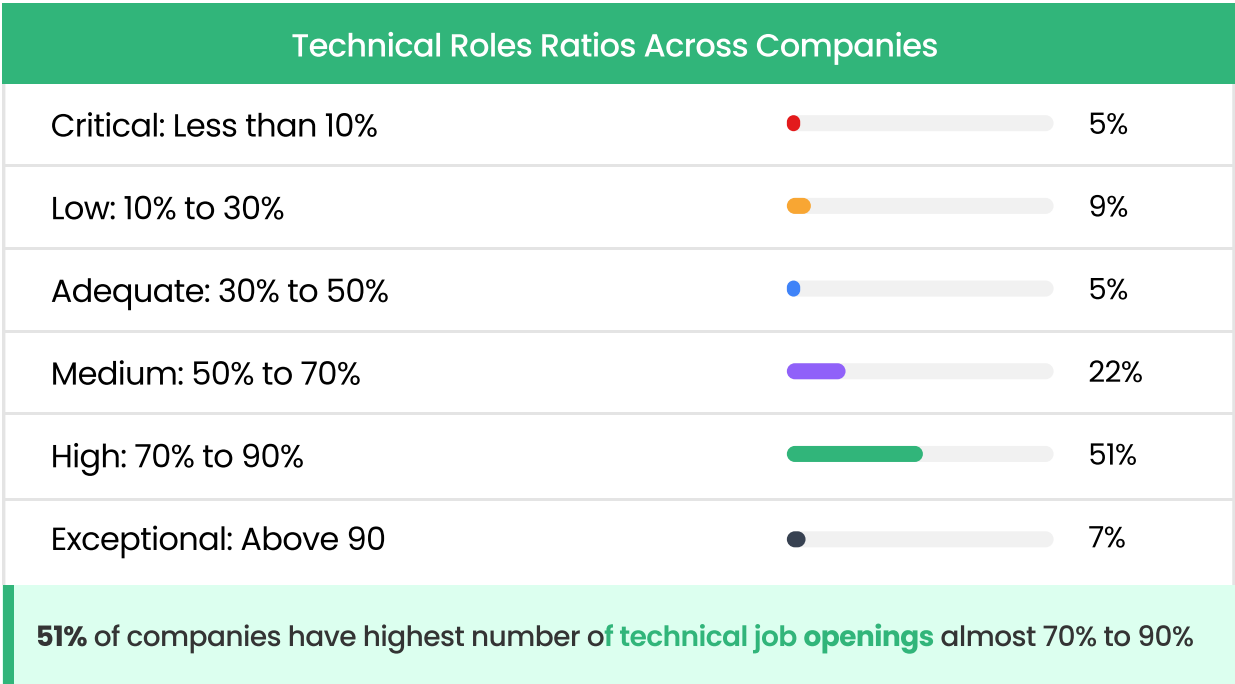
54% of companies have less than 25 other employees (Sales, Marketing, Admin, Support).



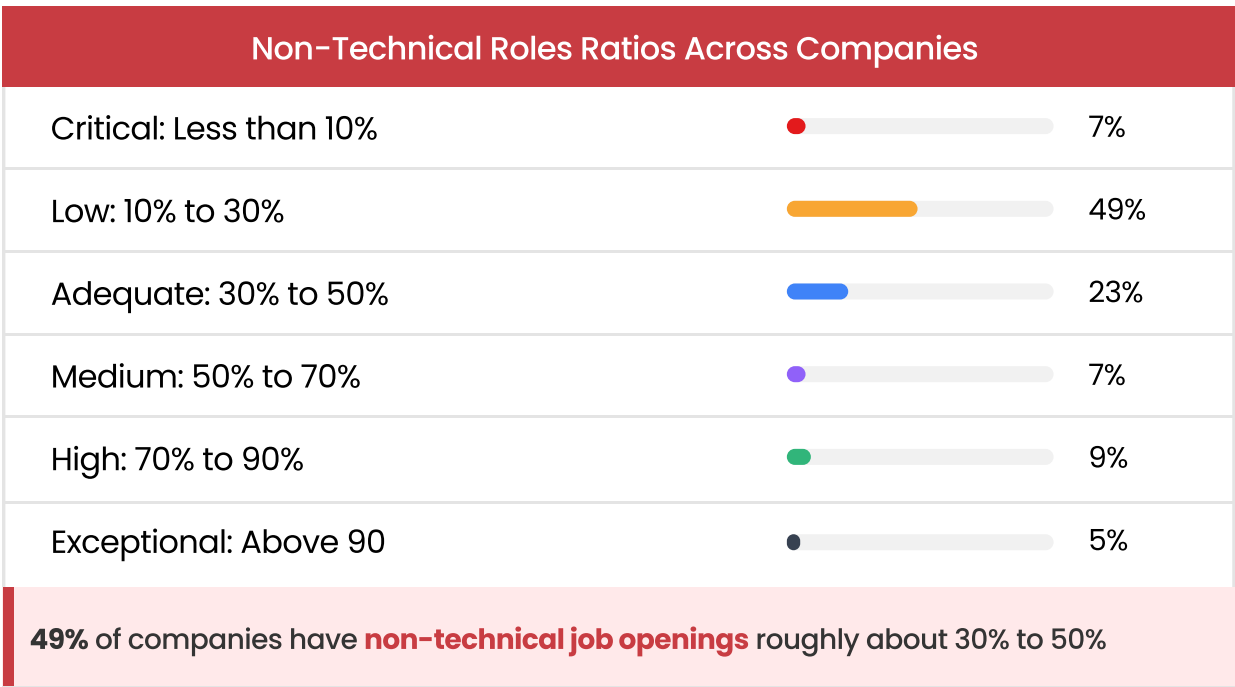
Technical vs. Non-technical Roles Ratio

Majority of companies have less than 20 job openings for technical (88%) and non-technical (91%). Only 36% of companies have less than 20 job openings for senior management roles

■ Technical Roles



■ Non-Technical Roles



Recurritment & Hiring

Recruitment & Hiring

3000+ total job openings in **73** participating companies



1,805

Technical



880

Non-technical



405

Senior management

42 average job openings per company

27

Technical

20

Non-technical

15

Management

(average job openings as per job role)



Hirings for
Technical Job Roles

2,440

Hirings | Year 2020

3,800

Hirings | Year 2021

3,355

Hirings | Year 2022
till June



Hirings for Non-
Technical Job Roles

2,090

Hirings | Year 2020

2,270

Hirings | Year 2021

1,480

Hirings | Year 2022
till June



Hirings for Senior
Management Job Role

780

Hirings | Year 2020

865

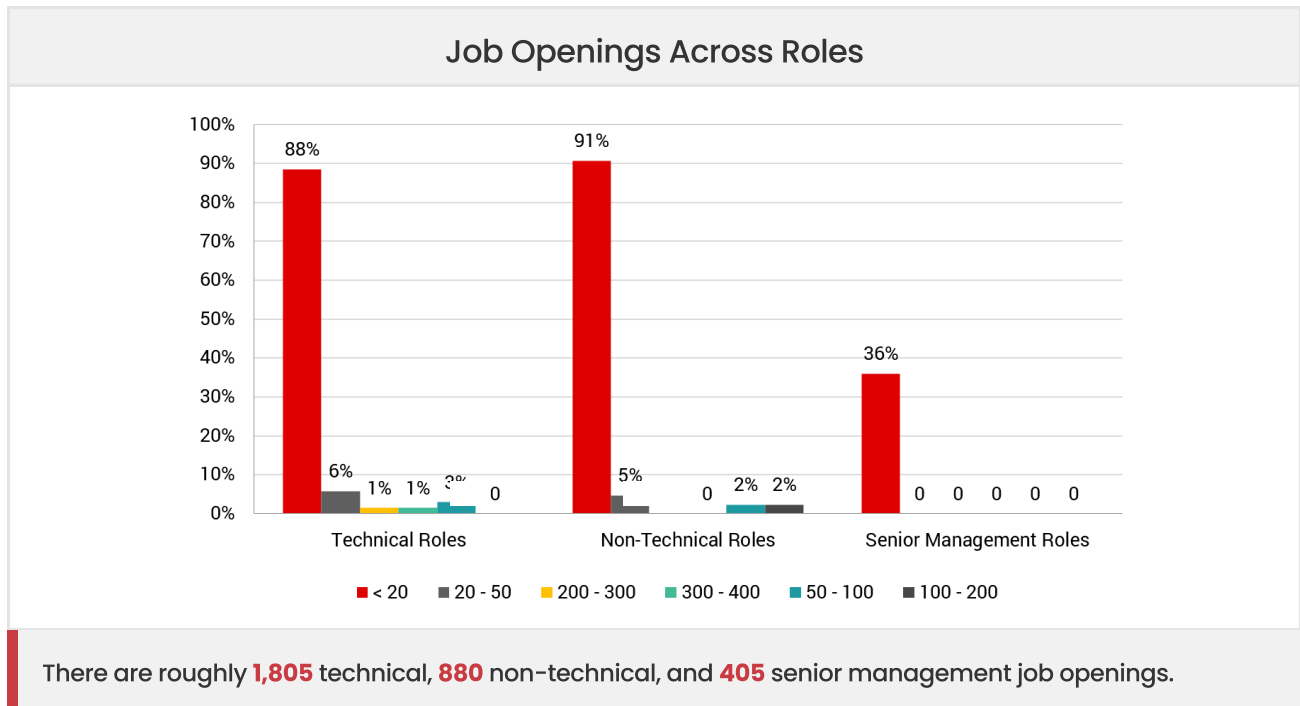
Hirings | Year 2021

775

Hirings | Year 2022
till June

Job Openings across various job roles

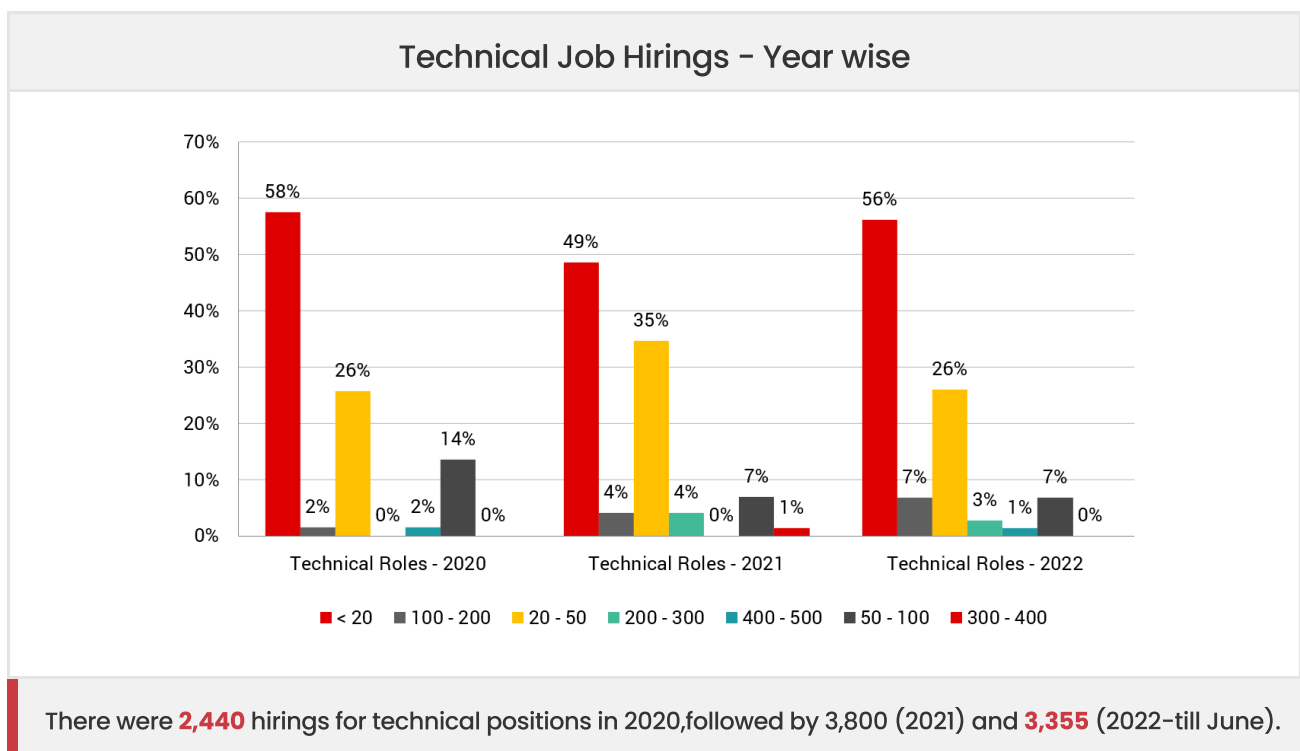
Majority of companies have less than 20 job openings for technical (88%) and non-technical (91%). Only 36% of companies have less than 20 job openings for senior management roles.



Job Hirings across various job roles

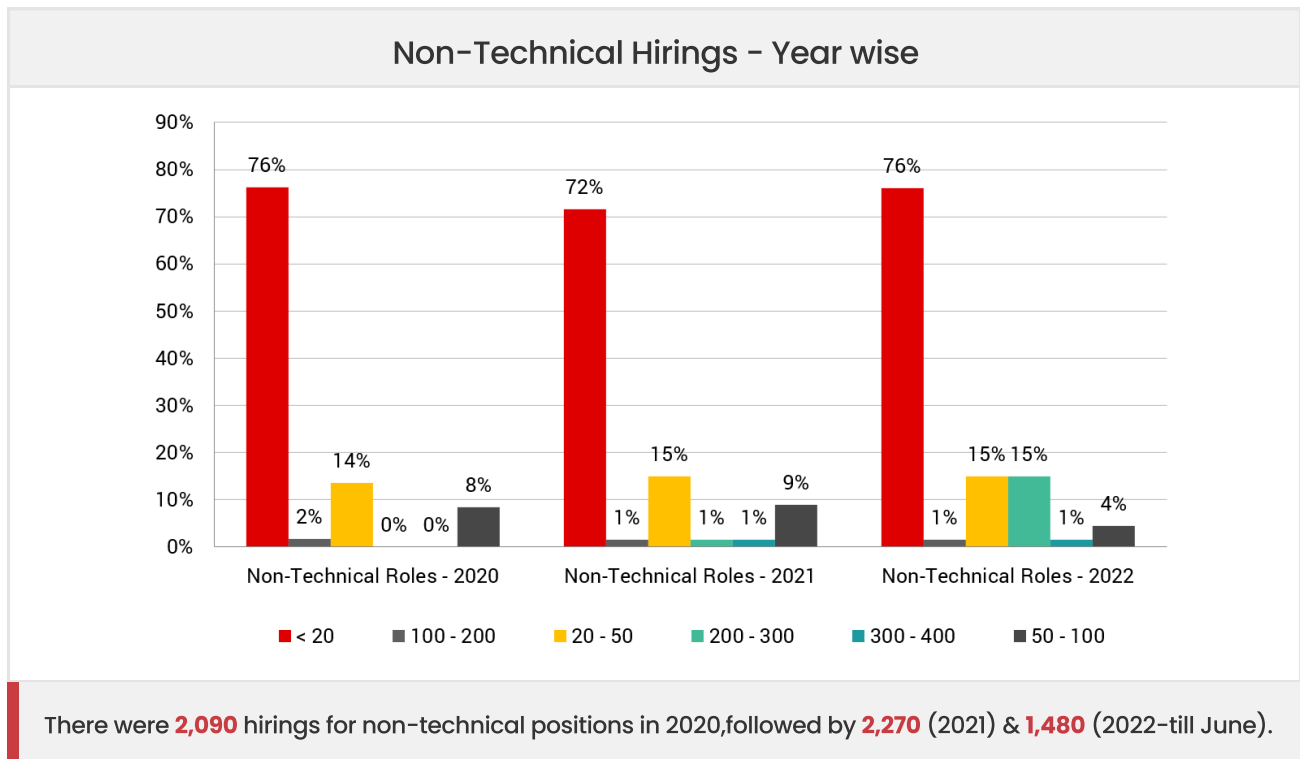
■ Technical Roles Hiring – year wise

58% of companies hired less than 20 employees in technical roles in 2020, followed by **49%** in 2021 and **56%** in 2022 respectively. An increase in job openings can be witnessed over years, with 2022 having a high number in only six months.



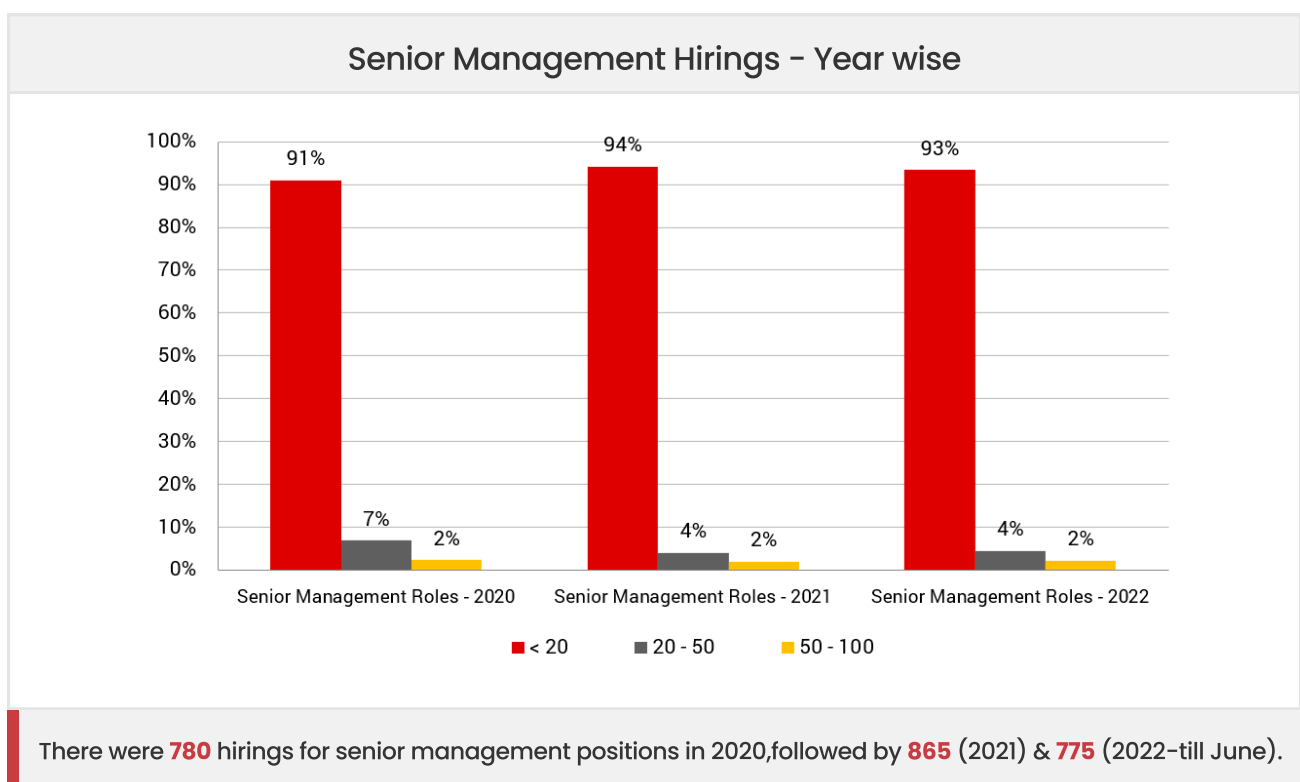
■ Non-Technical Roles Hiring – year wise

15% of companies had hired 200-300 non-technical resources in 2022 till June, with six more months to go.



■ Senior Management Roles Hiring – year wise

91% of companies hired less than 20 employees in senior management roles in 2020, followed by 94% in 2021 and 93% in 2022 respectively.



In-demand job roles with the highest number of job openings

Majority of companies have less than 20 job openings for technical (88%) and non-technical (91%). Only 36% of companies have less than 20 job openings for senior management roles.

■ In-demand Technical Job Roles

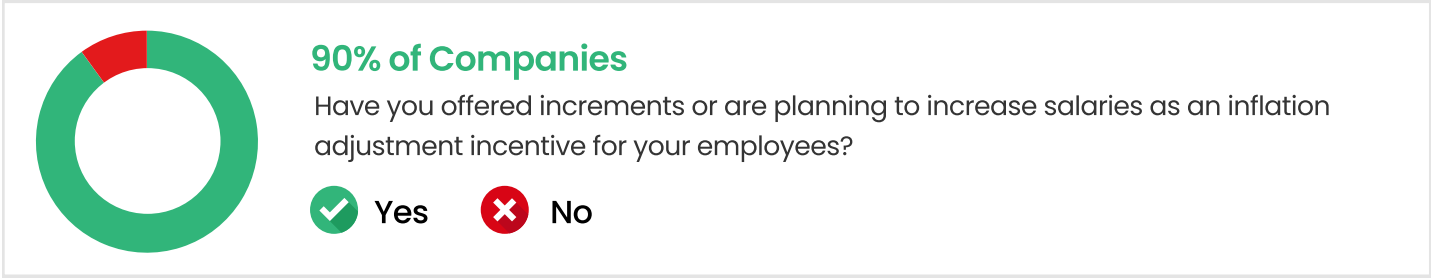
S.no	Technical Job Roles	Ranking based upon votes
1	Software Engineer	1
2	React Native/JS/Vue JS/Angular	1
3	Full Stack MEAN/MERN	3
4	SQA Engineer	4
5	.Net Programmer	5
6	PHP/Laravel/CodeIgnitor/Yii	5
7	Java Programmer	7
8	DevOps Engineer	7
9	Android Developer	7
10	QA Engineer	10
11	iOS Programmer	10
12	Frontend Developer	12
13	NodeJS Developer	12
14	Ruby on Rails Programmer	14
15	Python Programmer	15
16	Data Engineer/ Data Scientist	15
17	BI Developer	15

■ In-demand Non-Technical Job Roles

S.no	Technical Job Roles	Ranking based upon votes
1	Business Development /Business Analyst	1
2	Digital Media Marketing/ SEO and SEM	2
3	Project Manager/Project Coordinator	2
4	Customer Support	4
5	Sales Representative	5
6	Accounts & Audit Manager	5
7	Technical writer	7
8	Concept Artist	7
9	Team Lead	9
10	Product Manager	10
11	Legal Expert & Manager	10
12	Research Associate	10
13	HR Manager	10

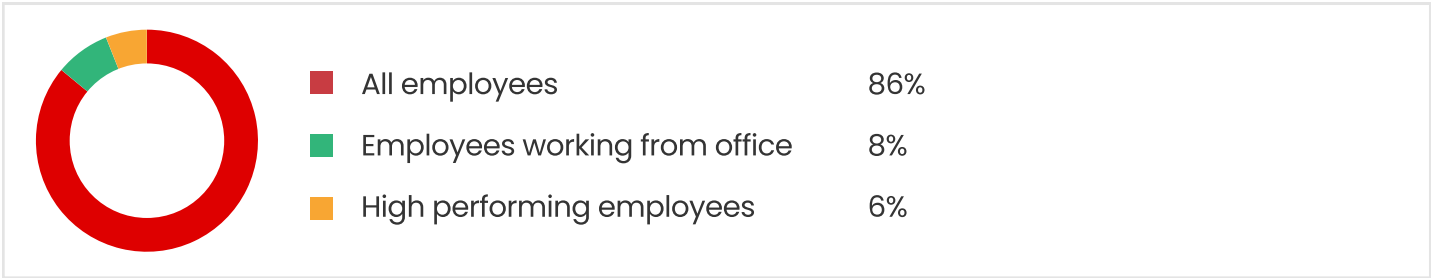
Inflationary Measures Practices

Inflationary Measures Practices



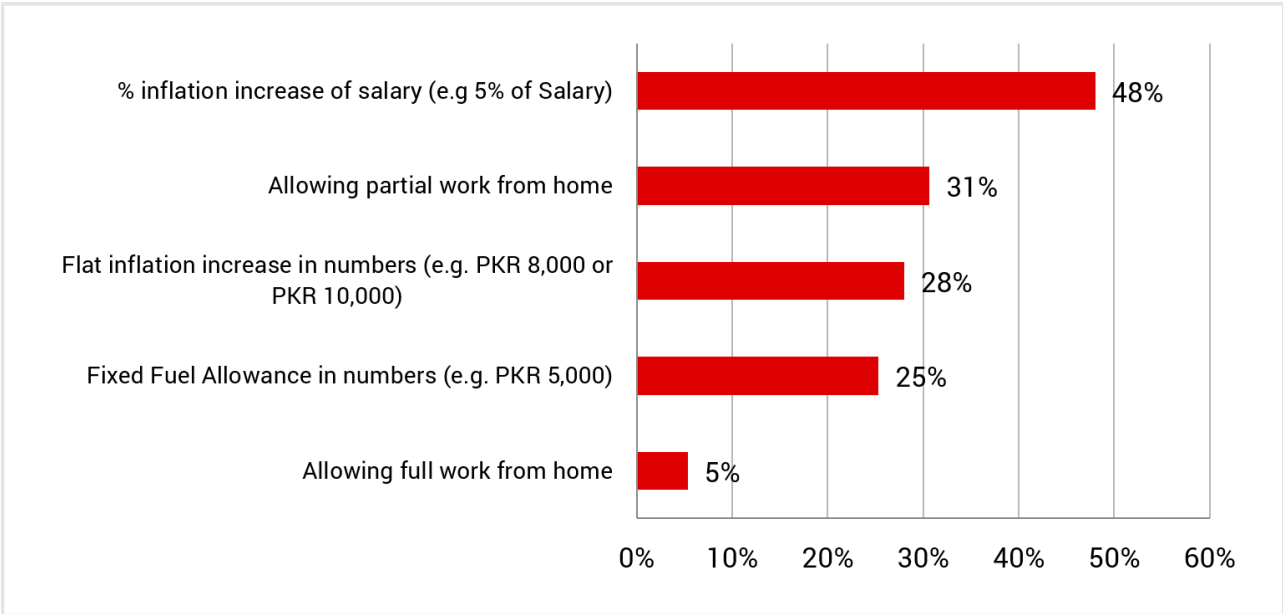
Inflationary Measures vs. Employee Types

86% of companies are offering inflationary measures for all employees.



Inflationary Measuring Methods

48% of companies are offering % inflation increase of salary (e.g., 5% of Salary), followed by 31% allowing WFH saving employees commute cost.

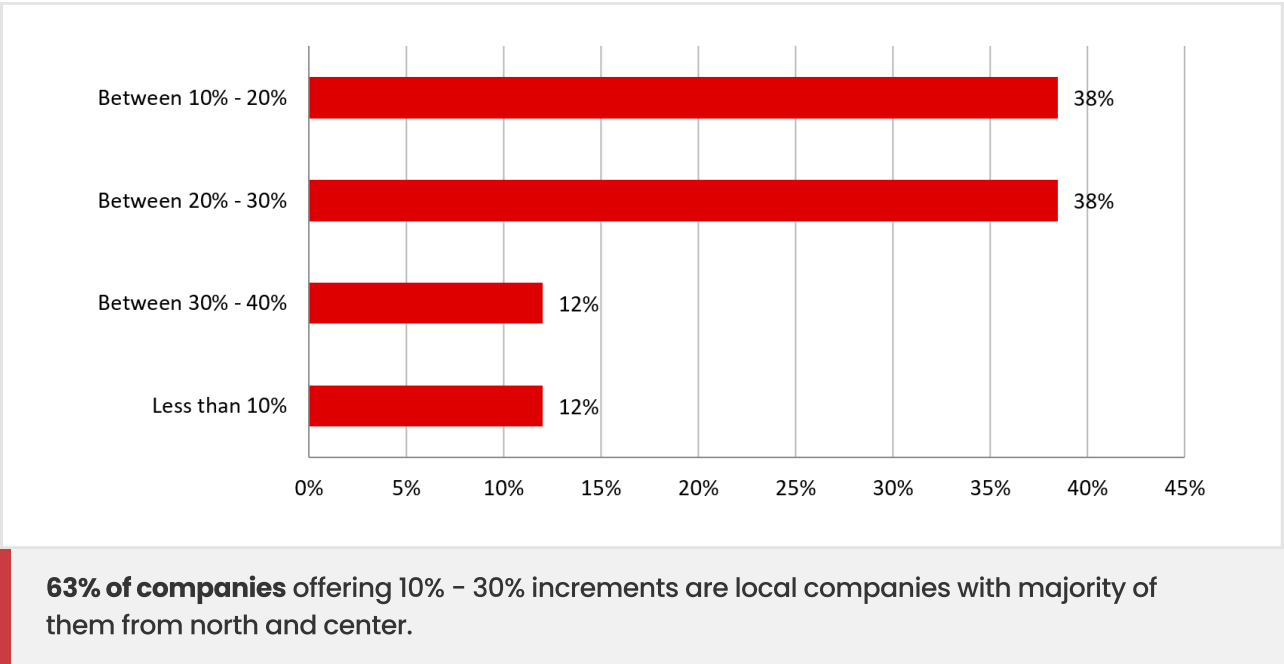


Other Inflationary Practices – giving COLA (cost of living allowance) to employees of different cadres, Fuel cards, salary increment, hardship allowance of 5K for administrative staff, % increase in salary based upon employee performance, pegged salaries with euros.

Conditional Inflationary Measures – Fuel allowance/card to cover 50% of the commuting expense (4%), Inflation increase will be adjusted in the annual increase (8%), Fixed Fuel Amount as per conveyance type, and COLA or Fuel card etc.

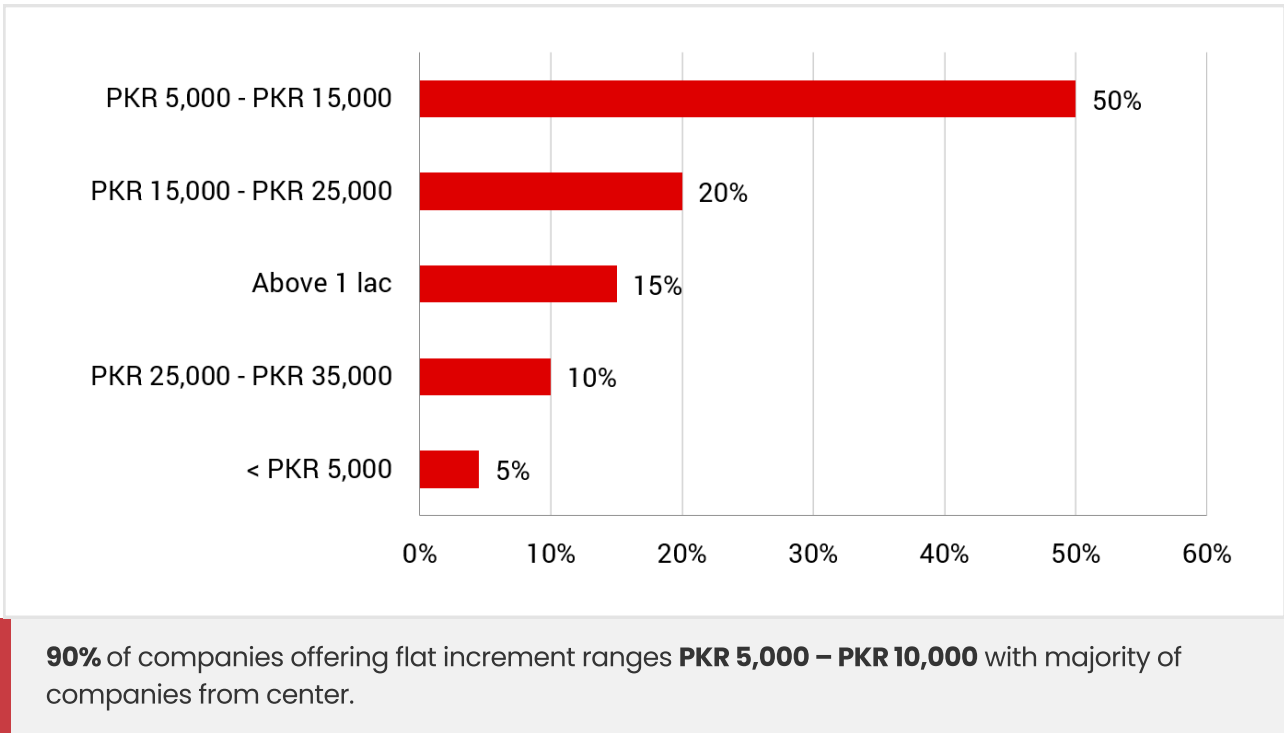
■ Percentage Inflation Increase

76% of companies are offering 10%-30% percentage inflation increases to their employees.



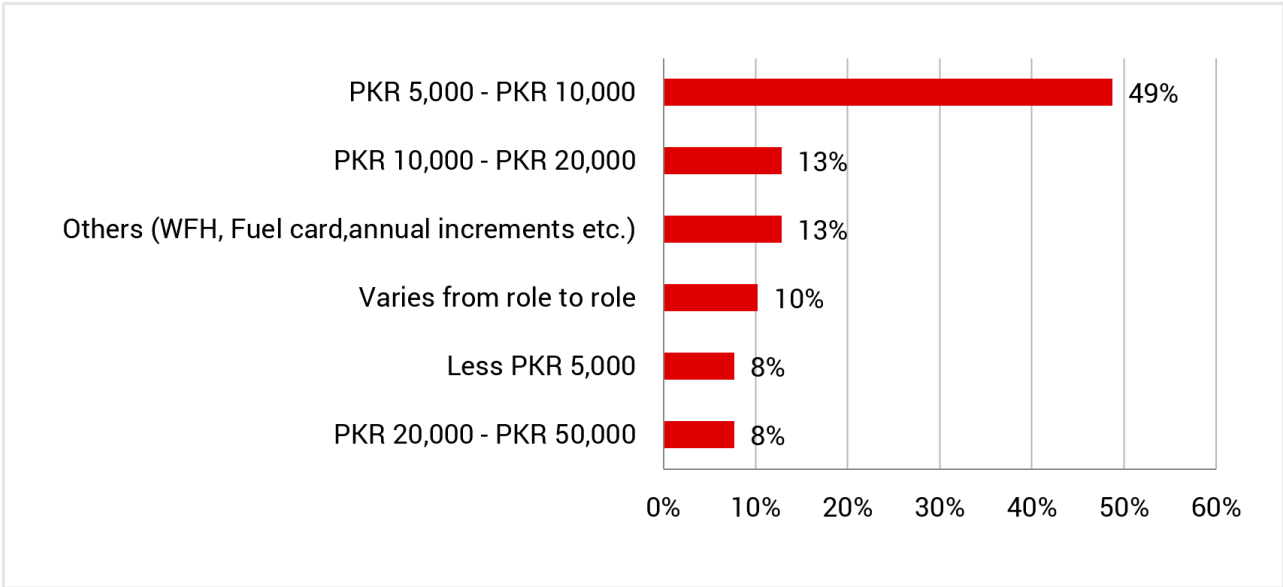
■ Flat Inflation Increase

50% of companies are offering flat inflation increase ranges between PKR 5,000 – PKR 15,000.



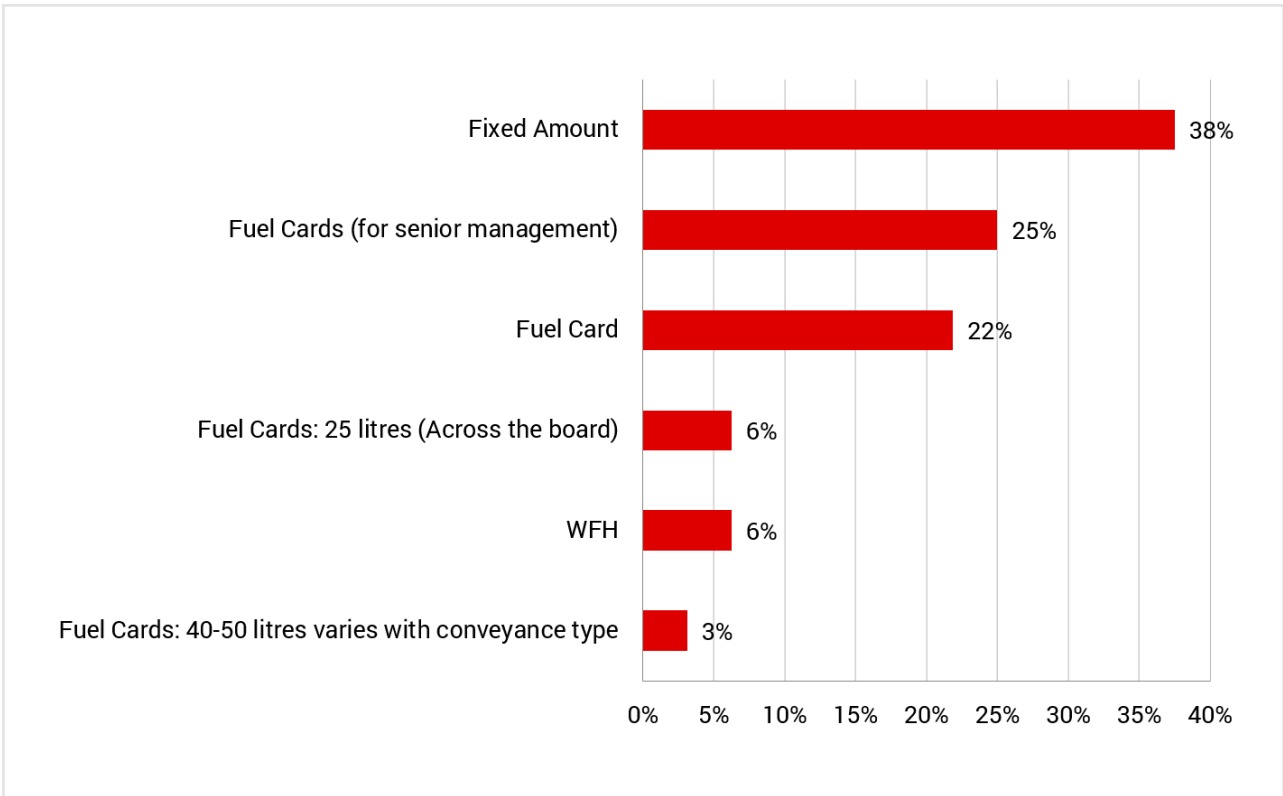
Fuel Compensation vs. Amount

49% of companies are paying PKR 10,000 – PKR 10,000 per employee per month (PKR) for fuel to handle the current inflation



Fuel Compensation vs. Mechanism

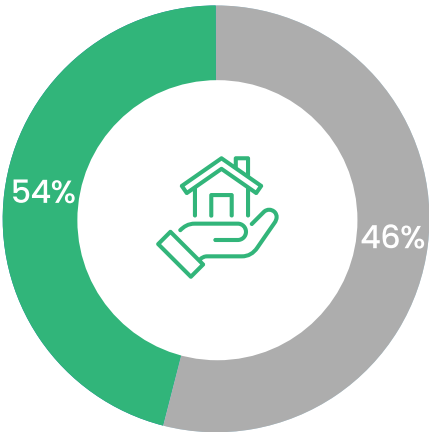
38% of companies are paying a fixed amount followed by providing fuel cards to senior management and all.



COLA (cost of living allowance)

Q.

Do you offer COLA (cost of living allowance)?

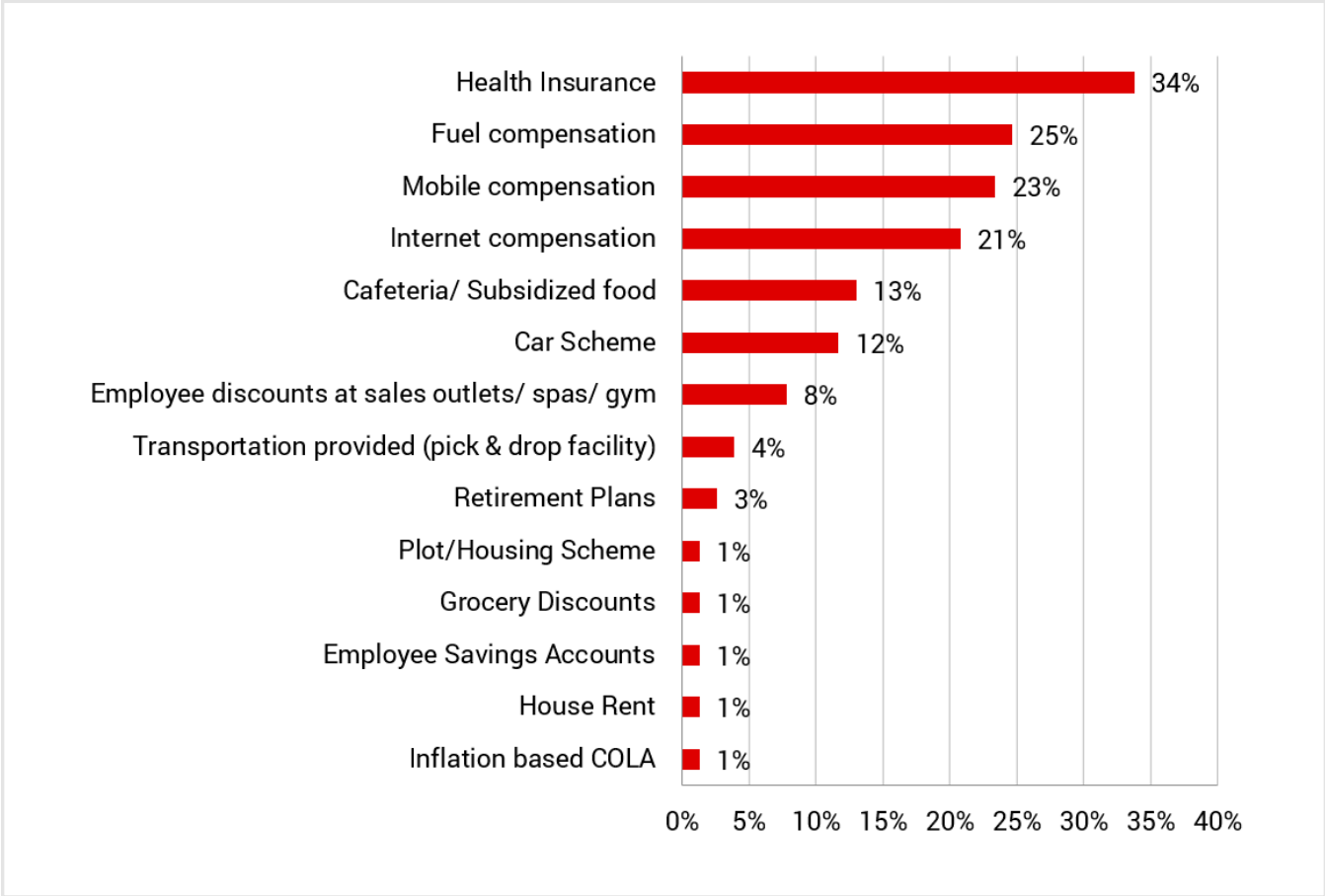


54% of Companies
are offering COLA (cost of living allowance)

☒ Yes ☐ Not Applicable

COLA (cost of living allowance): Perks & Benefits

34% of the participating companies are offering health insurance as COLA’s perks and benefits. The other top COLA’s perks and benefits of the participating companies included Fuel compensation (25%), Mobile compensation (23%), and internet compensation (21%).



Perks and Benefits

Perks and Benefits

■ General Employee Benefit

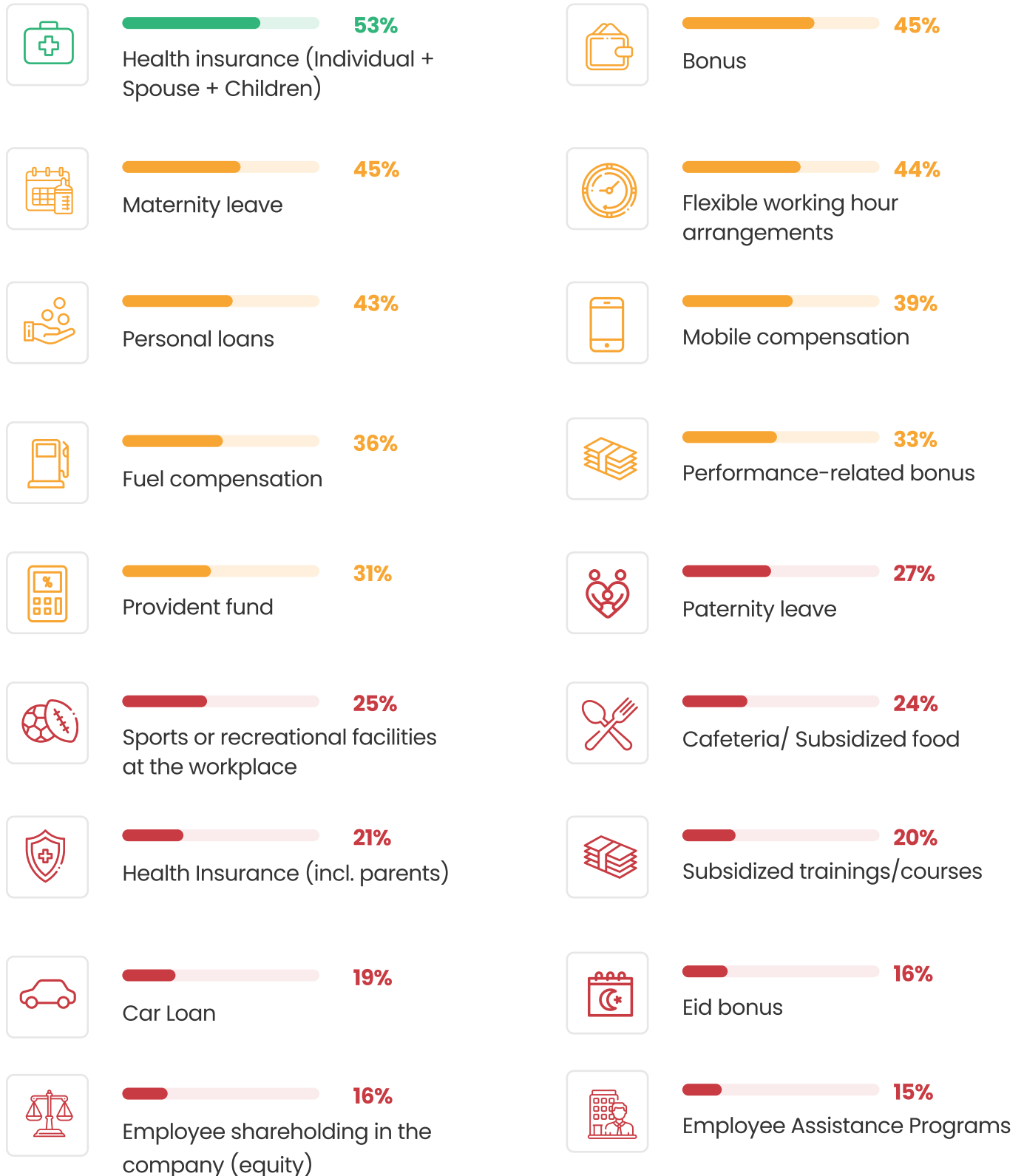
79% of the participating companies are offering health insurance for individuals along with their immediate families. The other top perks and benefits of the participating companies included Maternity leaves (67%), Personal loans and bonuses (60%), flexible working hours and performance-related bonus (56%).





■ Additional Benefits Provided to Senior Management

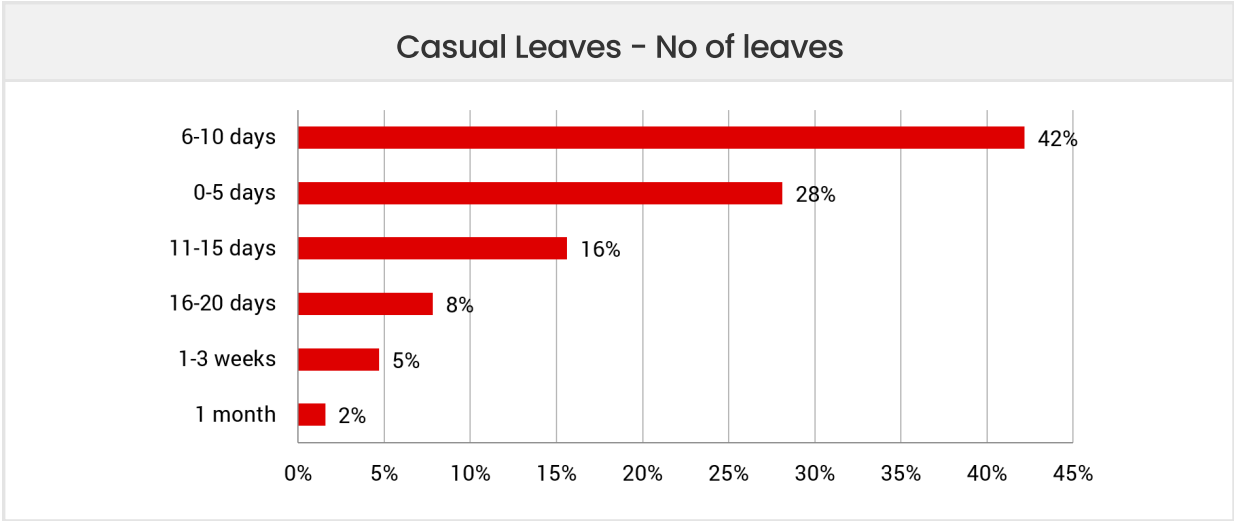
53% of the participating companies are offering health insurance for individuals along with their immediate families. The other top perks and benefits for senior management included Maternity leaves and bonuses (45%), flexible working hours (44%), and personal loans (43%).



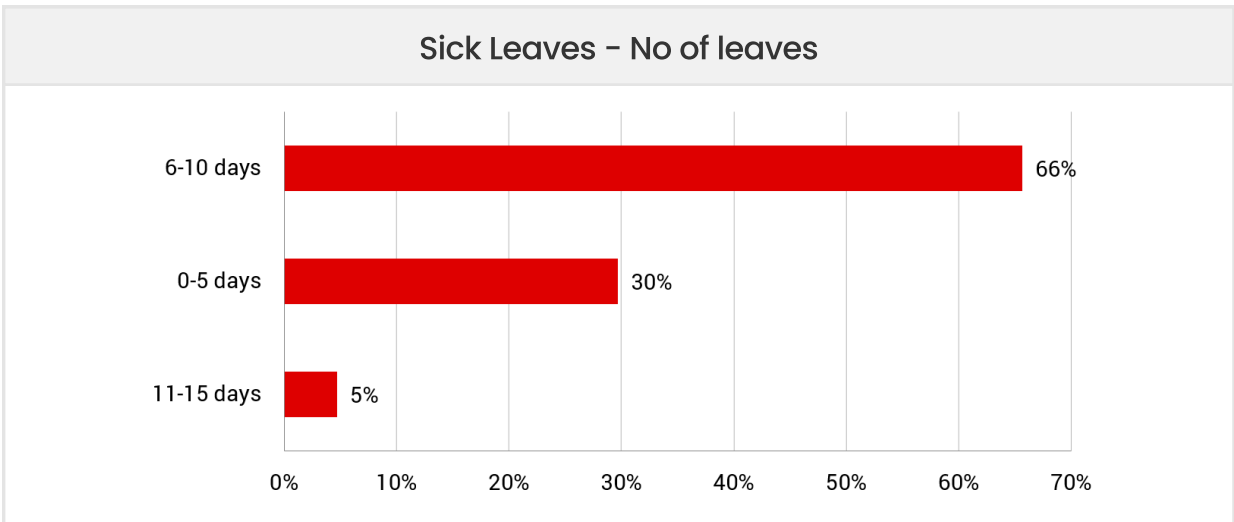


■ Leave Policy

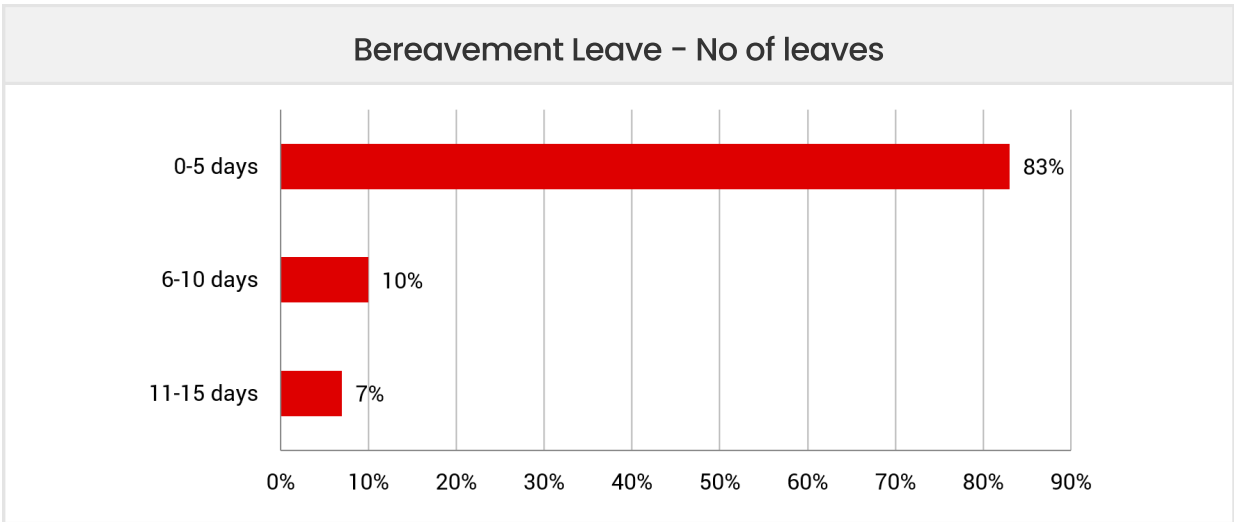
42% of companies are offering 6-10 days of casual leaves on average.



66% of companies are offering 6-10 days of sick leaves on average.



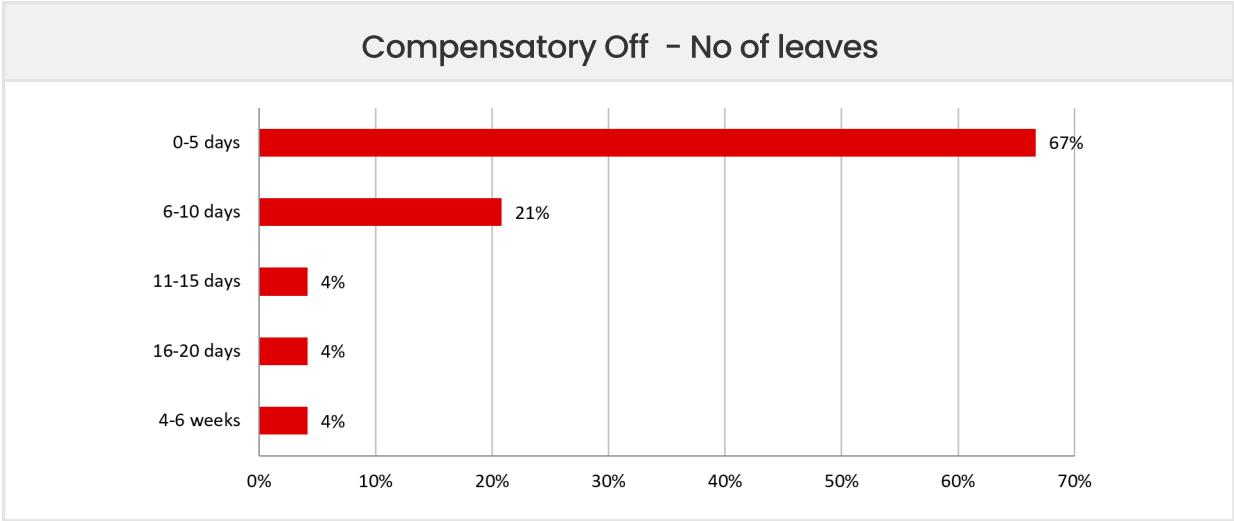
83% of companies are offering 0-5 days of bereavement leaves on average.



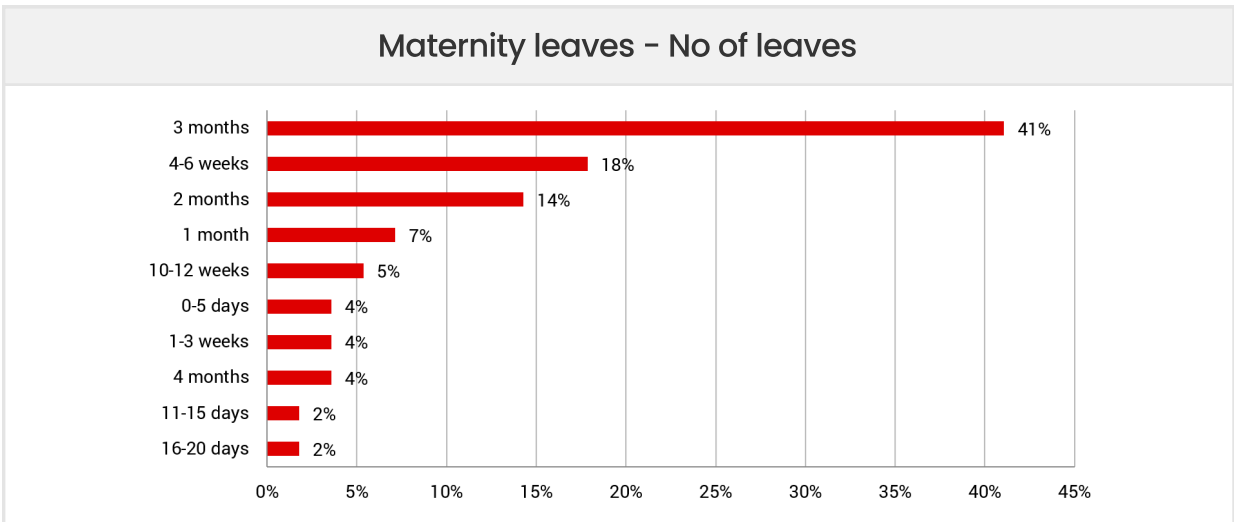
67% of companies are offering 0-5 days of compensatory leaves on average.

■ Leave Policy

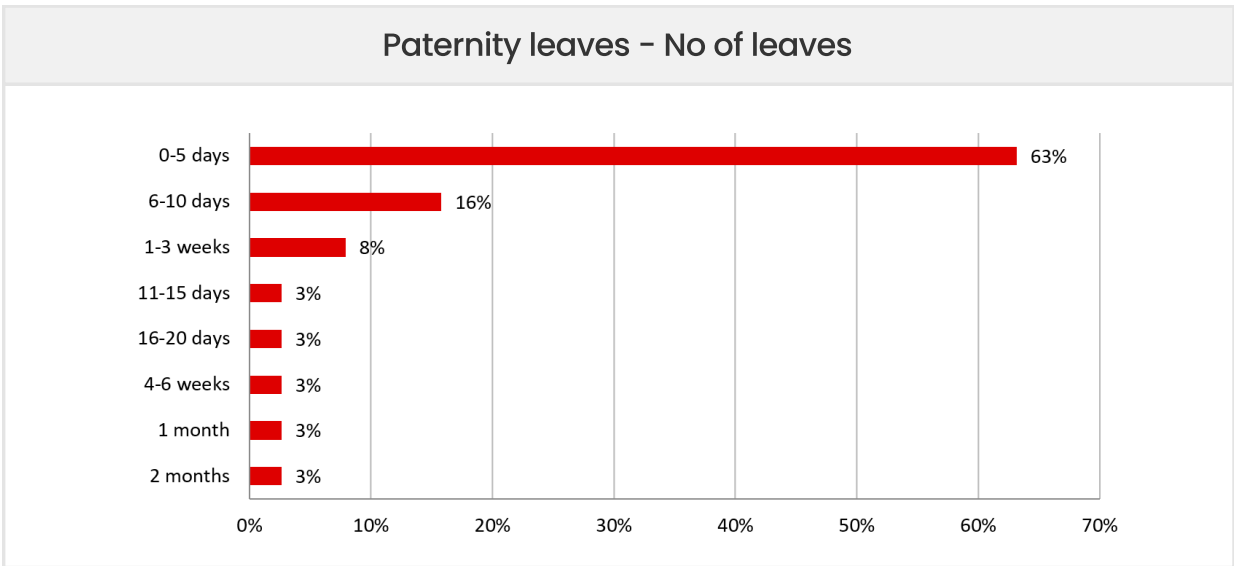
42% of companies are offering 6-10 days of casual leaves on average.



41% of companies are offering 3 months of maternity leaves on average.



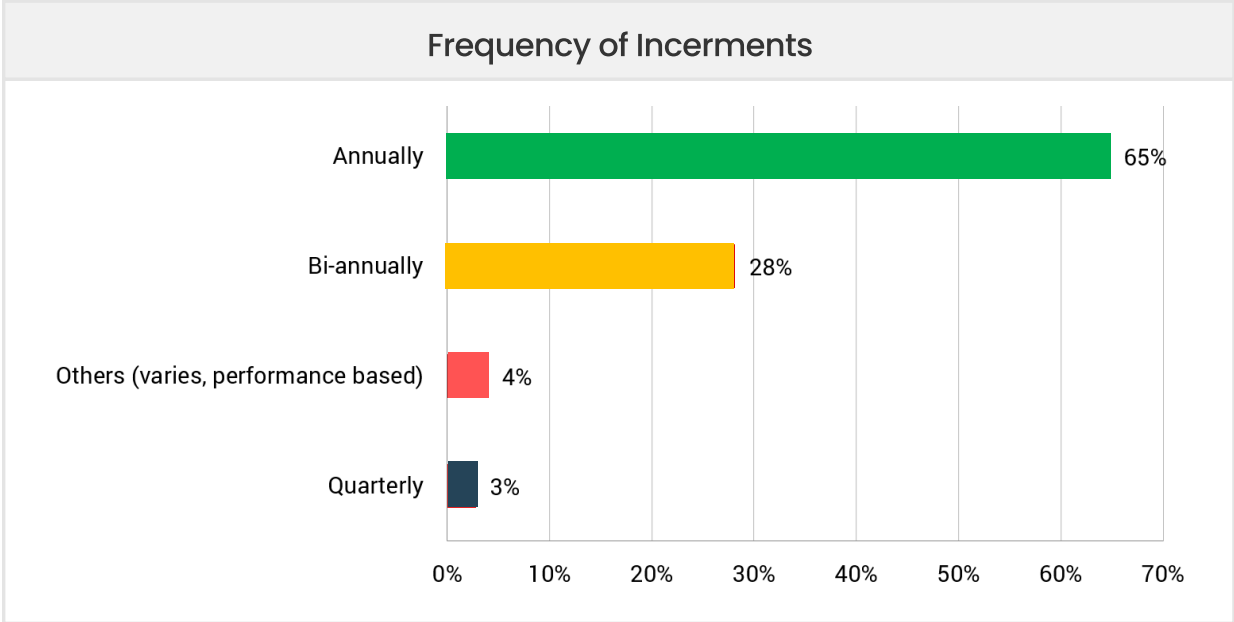
63% of companies are offering 0-5 days of paternity leaves on average.



Incremental Cycles

Increment Frequency

65% of companies are offering increments on annual basis.



Average Increment Trend Yearly

In 2021: 76% of companies had average increment % between 10% - 30%

In 2022: 65% of companies had average increment % between 10% - 30%

Overall average increment percentage % (YOY) was given in the last 2 increments cycle

2021 - Average Increment Percentage

No Increment	< 10	10% - 20%	20% - 30%	30% - 40%	40% - 50%	50% - 60%	Above 60%
4%	4%	47%	29%	9%	3%	1%	1%

2022 - Average Increment Percentage

No Increment	< 10	10% - 20%	20% - 30%	30% - 40%	40% - 50%	50% - 60%	Above 60%
5%	3%	35%	30%	15%	5%	8%	-

Average increment percentage Across Teams

For Tech/Programming Teams - 32% of companies had average increment between 20% - 30%

For Other Teams - 42% of companies had average increment % between 10% - 20%

Overall average increment percentage % (YOY) was given in the last 2 increments cycle

Tech/Programming Teams

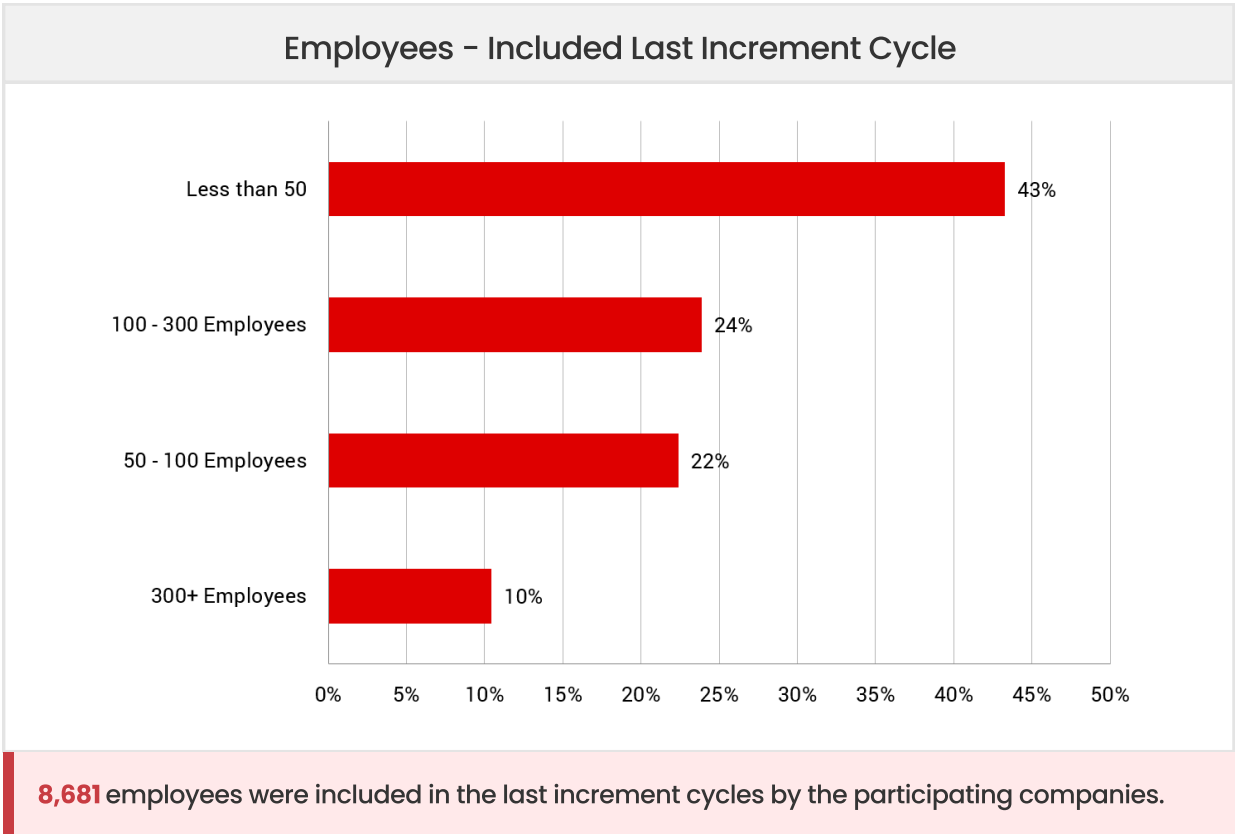
No Increment	< 10	10% - 20%	20% - 30%	30% - 40%	40% - 50%	50% - 60%	Above 60%
6%	3%	21%	32%	18%	9%	7%	4%

Other Teams (Sales, Marketing, Admin, Support etc.)

No Increment	< 10	10% - 20%	20% - 30%	30% - 40%	40% - 50%	50% - 60%	Above 60%
6%	7%	42%	30%	6%	7%	1%	-

Employees Included vs. Incremental Cycle

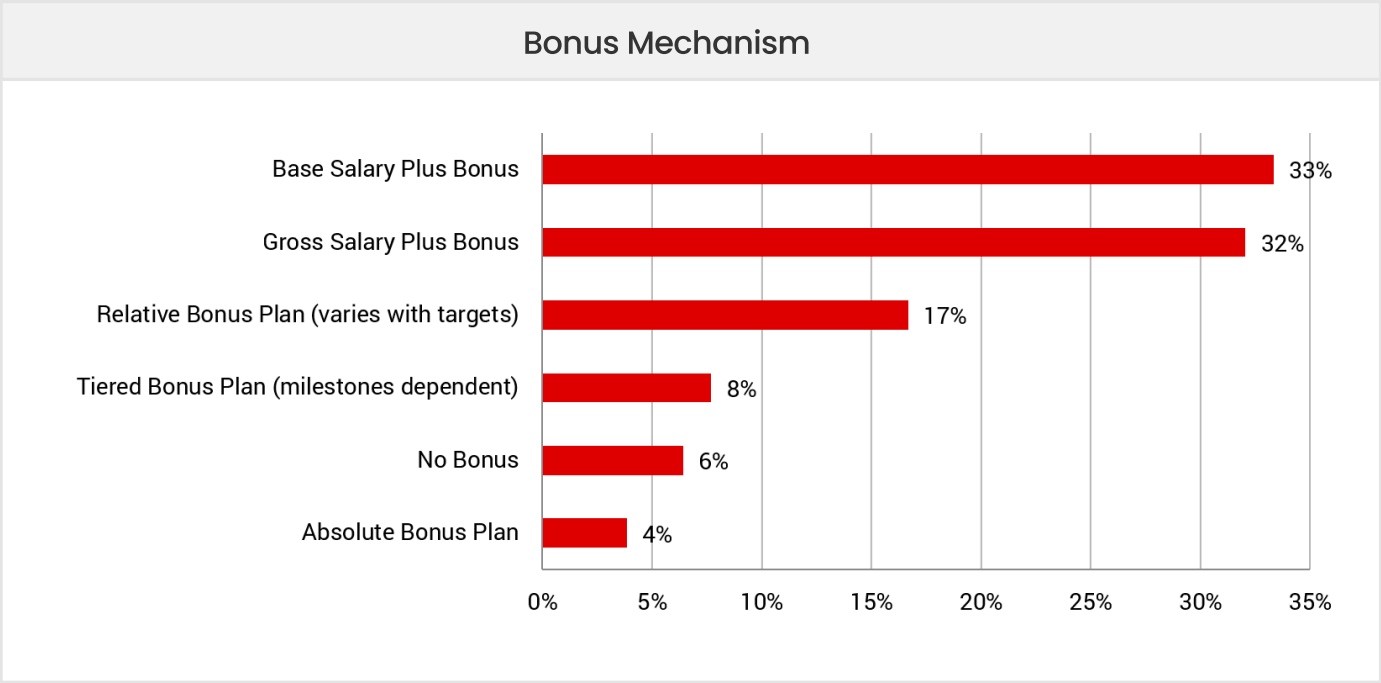
43% of companies had less than 50 employees in last incremental cycle.



Bonuses

Bonus Mechanism

33% of companies are using base salary + bonus mechanism followed by 32% with Gross Salary + Bonus



Bonus frequency Across Teams – Last 2 years

Tech/Programming roles – 58% of companies had bonus frequency annually.

Non-Technical roles – 59% of companies had bonus frequency annually.

Senior-Management roles – 61% of companies had bonus frequency annually.

Bonus Frequency in Participating Companies across job roles			
	Technical Roles – Bonus Frequency	Non-Technical Roles – Bonus Frequency	Sr. Management Roles – Bonus Frequency
No Bonus	8%	12%	10%
Annual	58%	59%	61%
Bi-Annual	19%	17%	17%
Quarterly	10%	9%	7%
Monthly	5%	3%	5%

■ Bonus Criteria – Performance based



For Exceptional/Outstanding performers–

37% of companies are offering bonuses between 1 x – 1.5 x salary.



For Employees exceeding job requirements –

35% of companies are offering bonuses between 1 x – 1.5 x salary.



For Employees meeting job requirements –

34% of companies are offering bonuses between 0.25 x – 0.5 x salary.



For Employees who needs improvements –

66% of companies offered no bonuses.

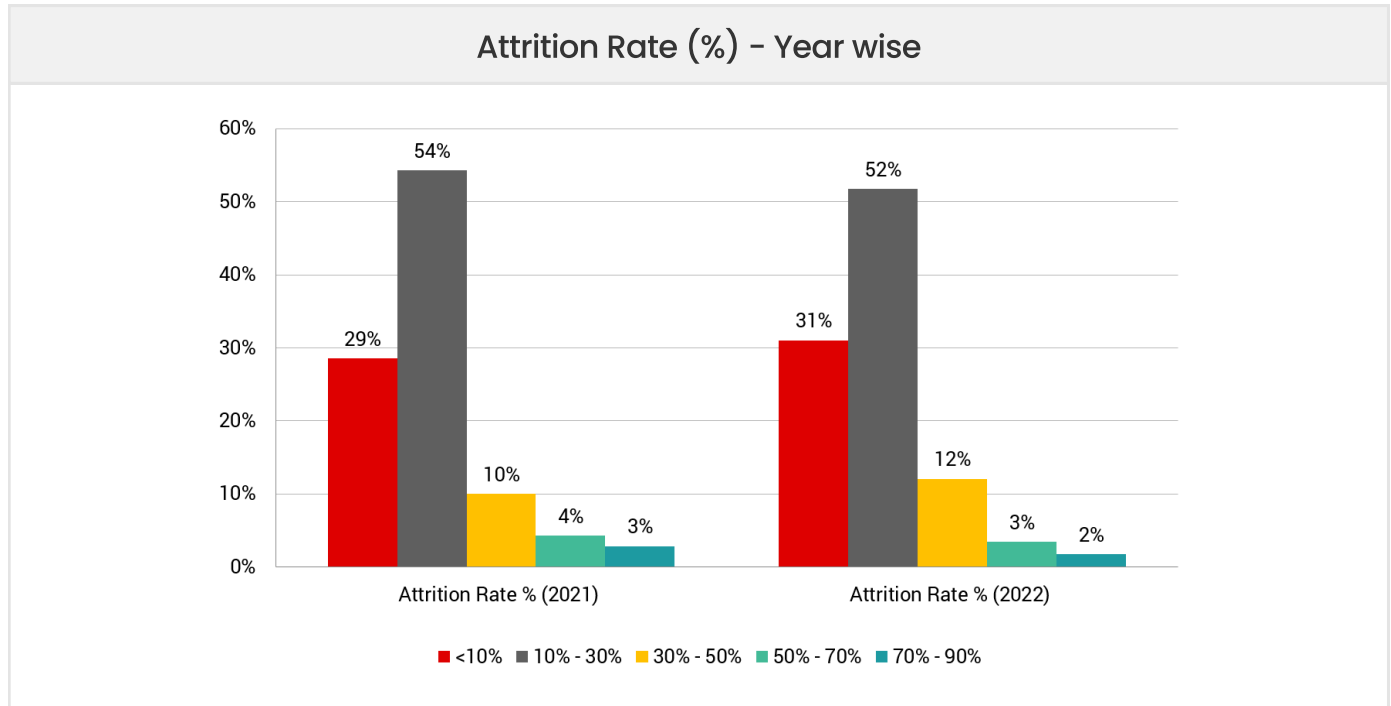
Bonuses Criteria

	Exceptional/Outstanding – Bonus (X times of Salary)	Exceeds Job Requirements – Bonus (X times of Salary)	Meet Job Requirements– Bonus Frequency	Needs Improvement– Bonus Frequency
No Bonus	21%	26%	40%	66%
0.25 x – 0.5 salary	29%	32%	34%	26%
1 x – 1.5 salary	37%	35%	22%	6%
2 x – 2.5 salary	7%	5%	1%	2%
3 x – 3.5 salary	–	2%	–	–
4 x – 4.5 salary	3%	–	–	–
7 x – 7.5 salary	1%	–	1%	–
8 x – 8.5 salary	–	2%	–	–
More than 10 x salary	1%	–	–	–

Employee Retention

■ Attrition Rate % – year wise

54% had an attrition rate between 10% – 30% in 2021, which has slightly reduced to 52% in 2022. However, it is still a high rate, generally businesses need to aim for a lower attrition rate i.e., less than 10%



■ Challenges in Employee Retention

The biggest challenges companies have been facing are; hiring of skilled resources (56%), followed by managing inflation (47%), employee poaching (36%), employee retention (40%), and hiring for remote jobs (35%).

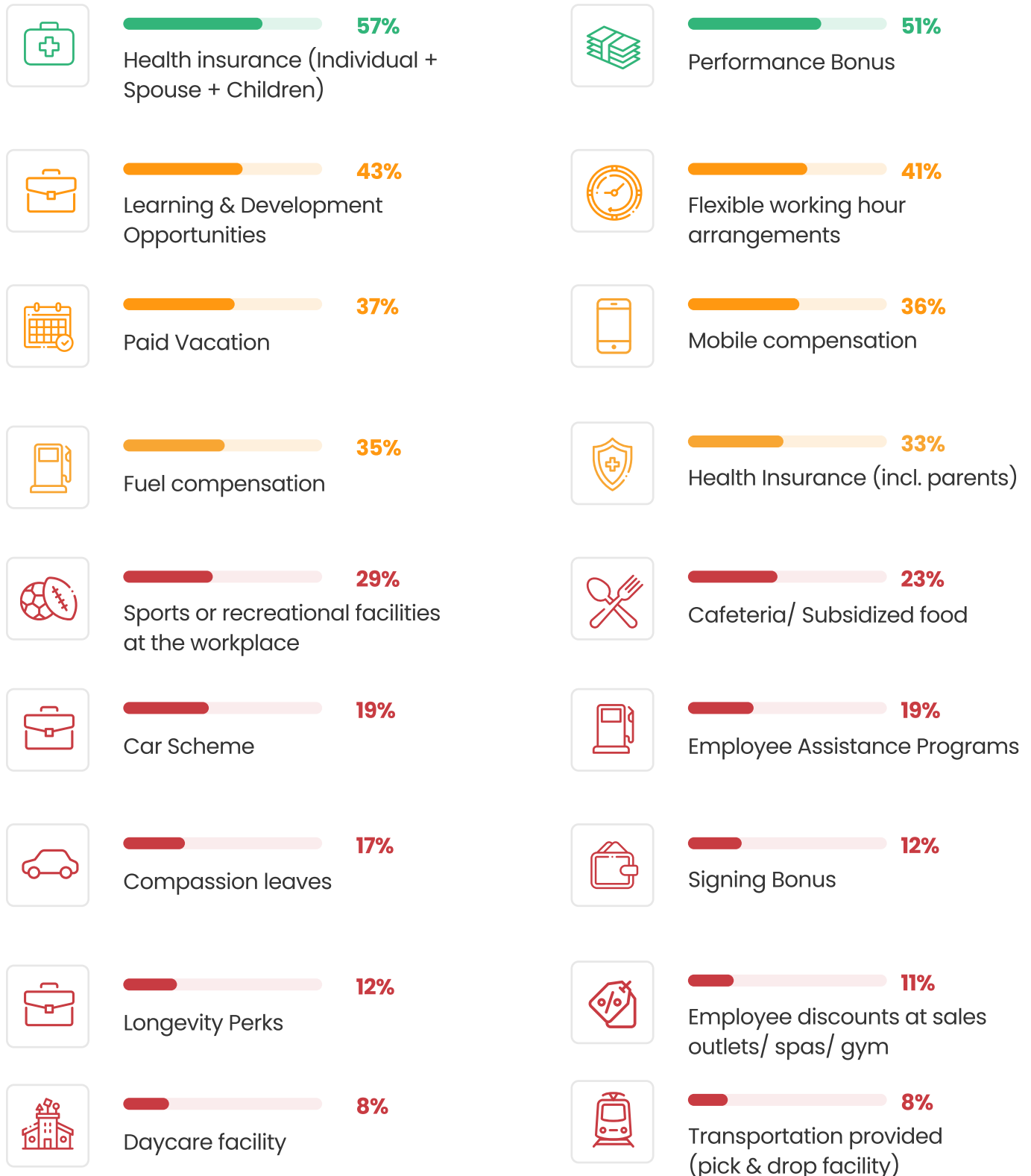
Biggest threat or challenge you are facing in terms of retaining people

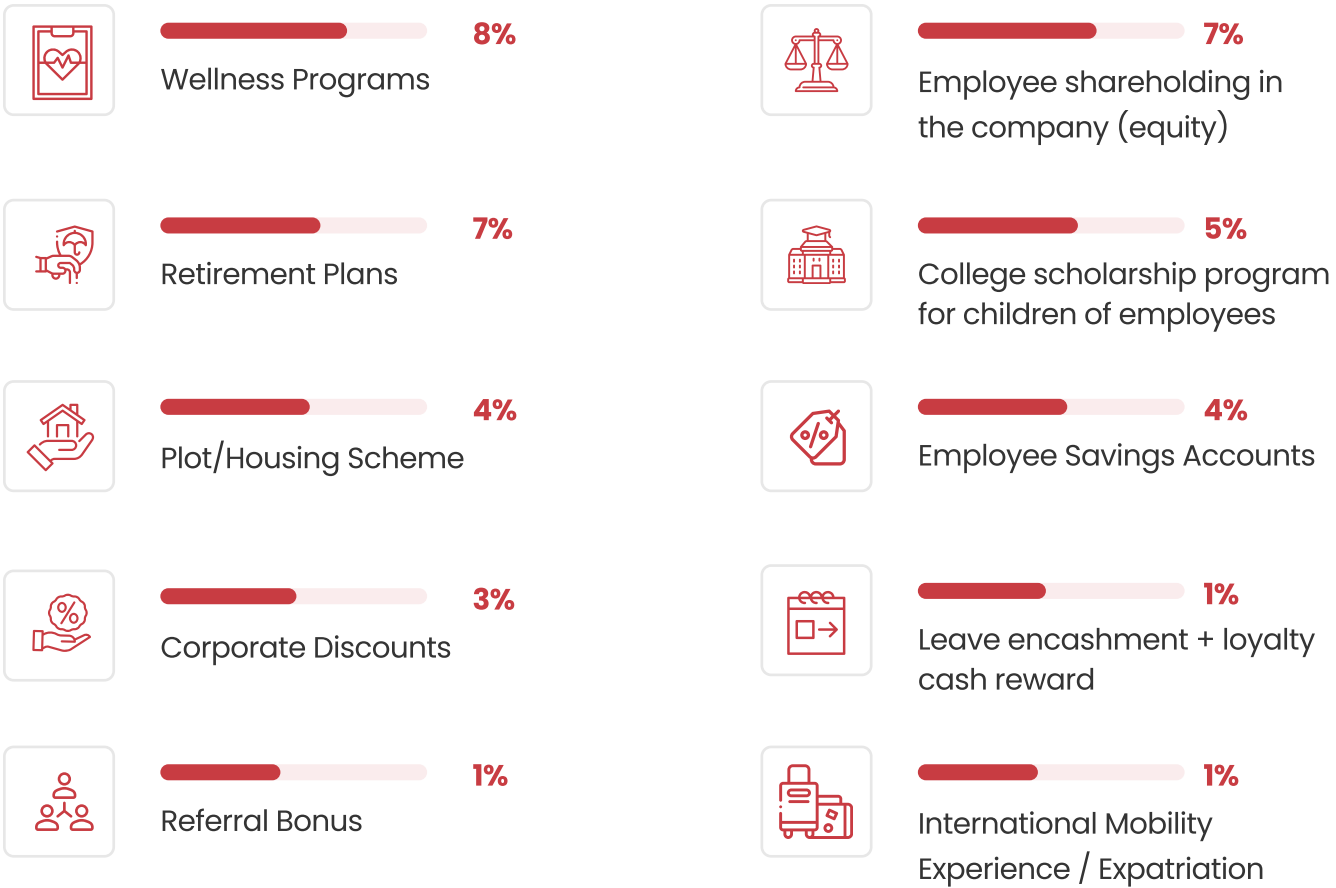
	1	2	3	4	5	6
	Most Important			Least Important		
Recruiting & Appealing Skilled resources	56%		34%		10%	
Hiring for remote jobs	33%		35%		33%	
Employee Retention	40%		35%		25%	
Rising Inflation	47%		47%		5%	
Other local companies poaching employees	36%		36%		27%	
Employee Professional Development Program	15%		25%		60%	

Interestingly, the 'professional development programs' for employees isn't a challenge for majority of the companies.

■ Perks for attracting good talent

57% of the participating companies are offering health insurance for individuals along with their immediate families. The other top perks and benefits for attracting good talent included performance bonus (51%), and learning & development opportunities (43%).

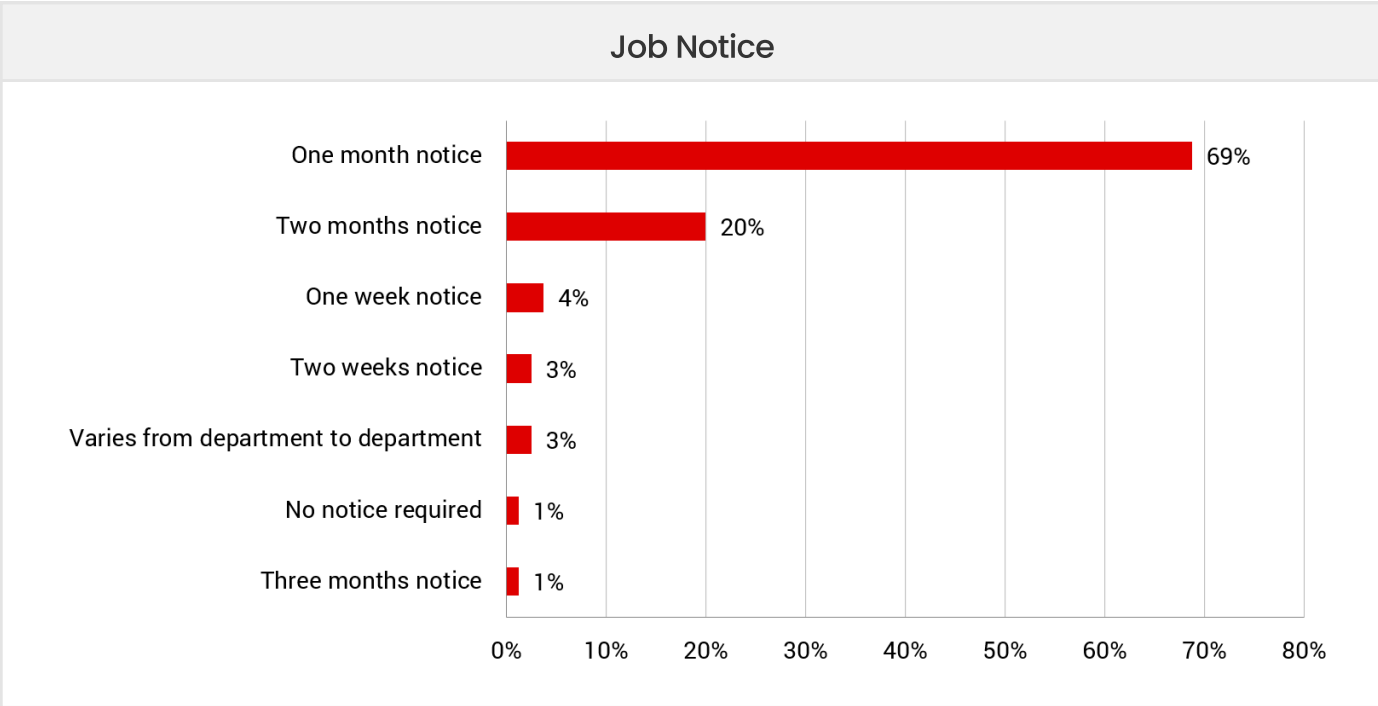




Job Leaving Notice Period

Q.

What is your notice period for employees leaving a job?

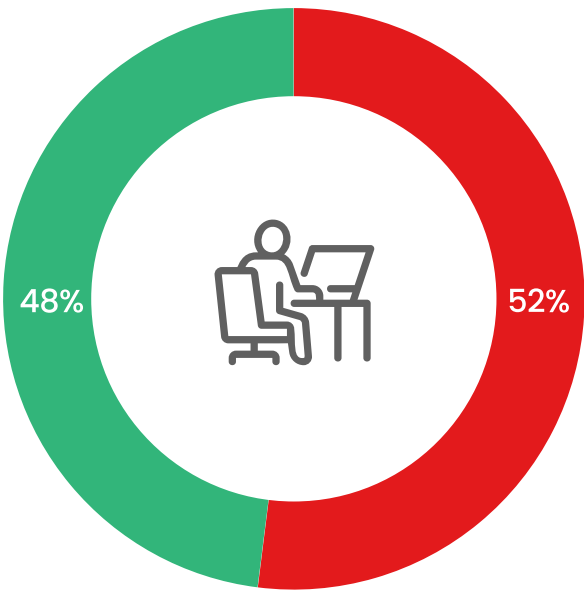


69% of companies have 1 month notice period for employees leaving job.



Post COVID-19 HR Practices

Working Model – WFO & WFH

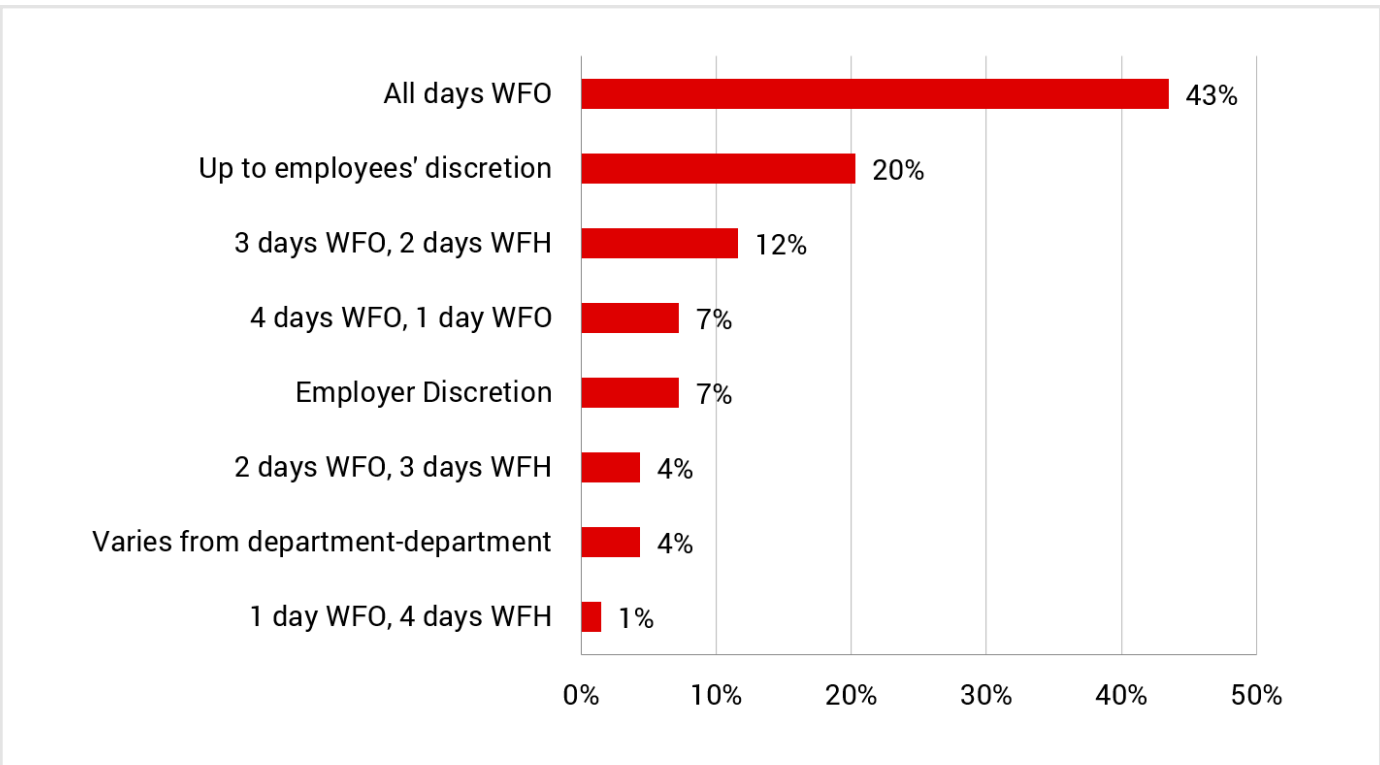


52% of companies are working on a hybrid model

■ Work from office (WFO) ■ Hybrid

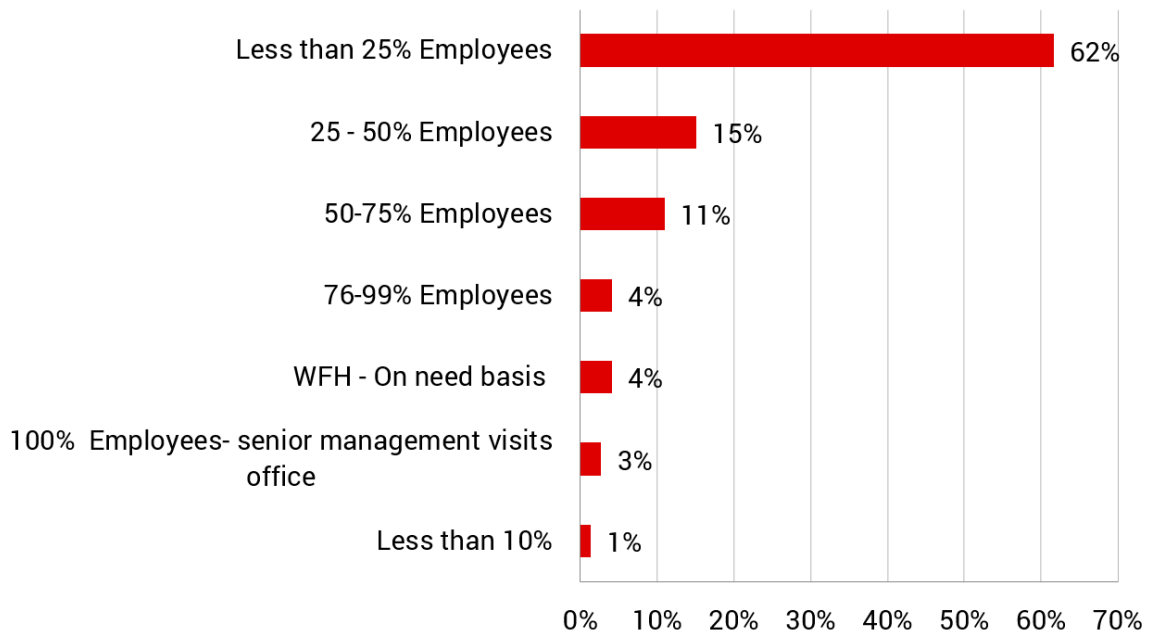
■ Working Model – Frequency

43% of companies are working from office (WFO).



■ Percentage of employees WFH

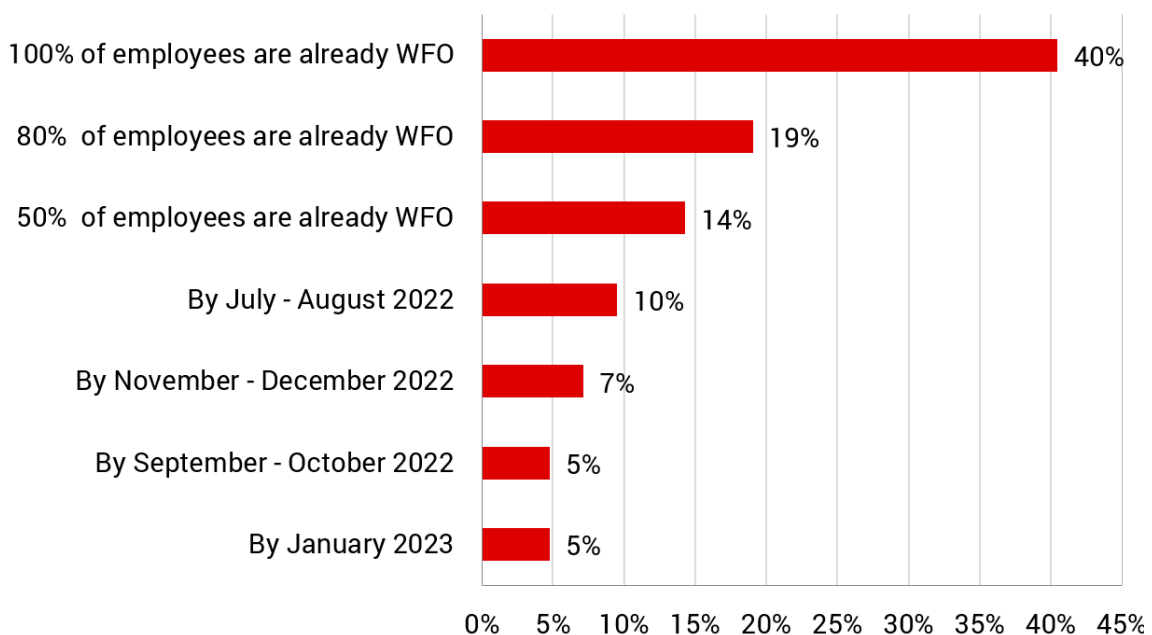
60% of companies have less than 25% employees working from home.



40% of companies with less than 25 employees working from home are from north region.

■ Anticipated Time - 100% employees WFO

40% of companies have already ALL employees working from Office (WFO)



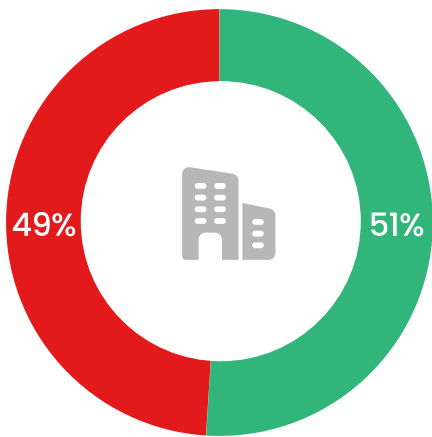
71% of companies with 100 employees working from the office are local companies with the majority from the center, followed by north.

Employee Enablement

■ Learning & Development Department

Q.

Do you have an employee learning & development department?

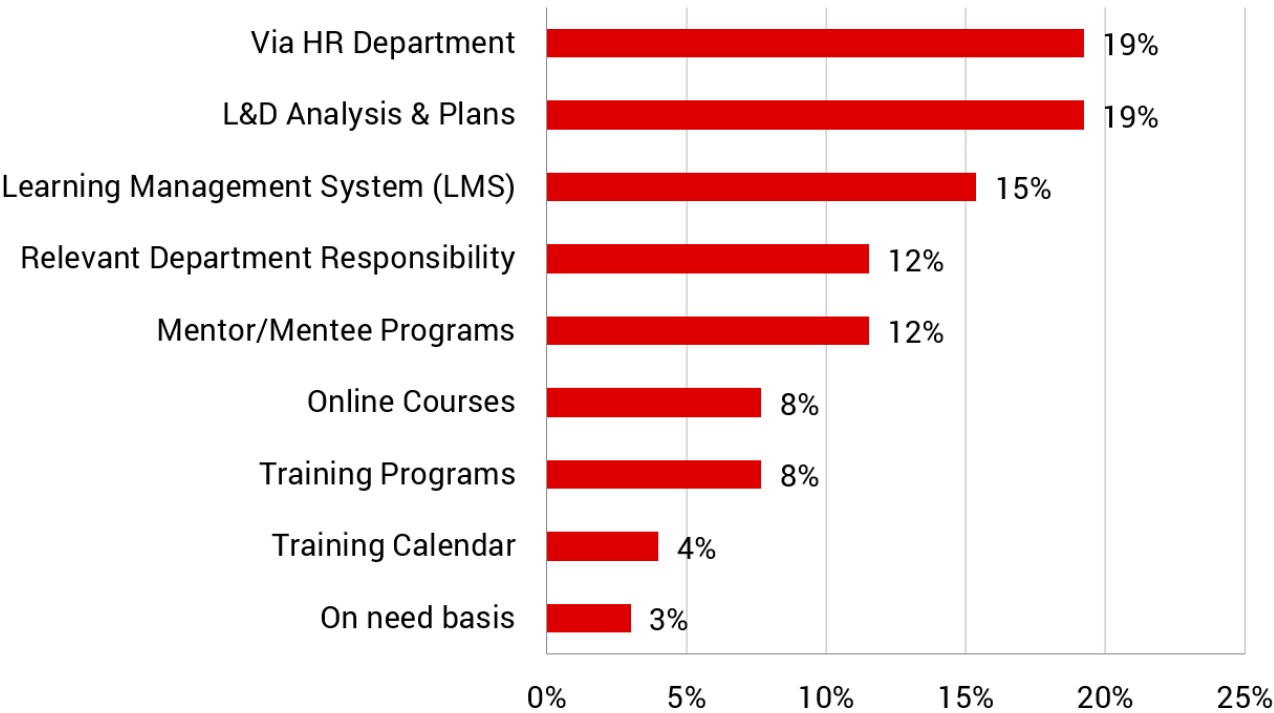


51% of Companies
have L&D department for employees

✓ Yes ✗ No

Q.









































How do you manage your 'L&D' department?



38% of companies are managing it via HR departments, LD& analysis and planning.

Participating Companies

Participating Companies



BreakThru



SYNERGY-IT



Jin Technologies
Private Limited

