

JOBMASTER INSIGHT SURVEY RESULTS CURRENCY DEVALUATION

DECEMBER 2022

INTRODUCTION

- JOBMASTER conducted this insights survey to provide a snapshot of the impact of the October 2022 currency devaluation and its impact on inflation and how that affected organizations' decisions specially in regard with human resources practices.
- The survey provides insights for what actions organizations has taken to stay afloat during this economic relapse.
- Participants of this survey lie across different sectors.
- Aiming to give insights on what is happening now, however the economic changes occur often and its impact differ from industry to another and the geography.

PARTICIPANTS LIST

Acquire Hotels
Ahmed El-Sallab
Al-Ahram Plastic Group
Alamia Group
AlGhanim
Aller Aqua Egypt
Almonairy Group
Aman Financial Services
Americana Food
Arabyads
Areeb Technology
BariQ
Beyti
Beyti JV of PepsiCo & Almarai
Capital Group Properties

Capricorn Energy
CMA CGM
Consukorra
CPC Holding Egypt
Dar Al Handasah
Decathlon
Dedalus
Dr. Greiche
EGXPRESS
Egypt Bakery Stores
Egypt Foods Group
Egyptian Fibers Company - EFCO
Egyptian German Automotive Co. (EGA)
Ekaterra (the Lipton company)
Ekuity Holding

El Abd Foods
El Hazek construction
El Nasr Housing and
Development
El soadaa group
Elaraby Group
Elghandour Hospital
ELOLA for Steel
ElSewedy industries
Enoc Misr
Excis Compliance
EY
Ezz Steel
FieldCore
Finest Hospitality Integrated
Solutions
Future Pipe

PARTICIPANTS LIST

Gandour for food industries
General Electric
GSF
Guardian Egypt
Hassan Allam
HCPC Clorox JV
IGI Holding
I-Mitigate For Security Services
Instabug
Juhayna
Kimal Medical Technologies
Lafarge Egypt
Linah Farms
MADKOUR Group
Marakez

Mashreq for Business Development
Mavens Consulting
Mediterraneo Group
Merck KGaA
Mondelez International
My group
Namaa for Development & Real-estate
National Automotive Co. - NATCO
National Bank Of Egypt
National Technology
Nile Misr Healthcare
Nissan Motor Egypt
NOOR Data Network
Optasia
Ora Developers Egypt

Orascom Development
Organi Group
Organon Egypt
Pepsico
Pixelogic Media
RE/MAX Egypt
Sawiris Foundation for Social
Development
Shahry
Siemens
Sky AD. Developments
Sky Logistics - Sky Ports
SODIC
Staff Arabia
Suez international

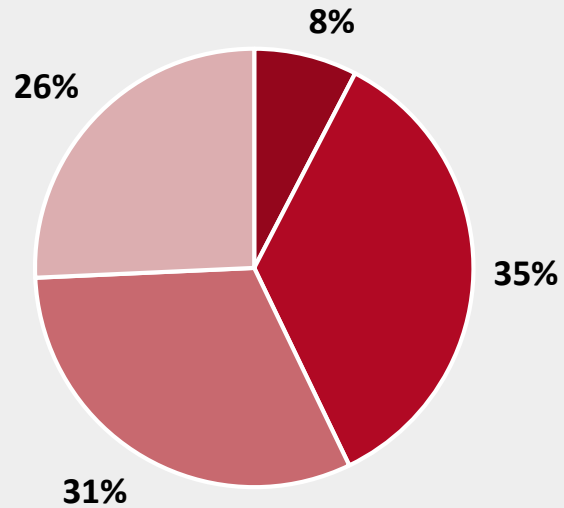
PARTICIPANTS LIST

Suez steel co.
Summit Technology Solutions
Sylndr
Symrise S.A.E
Tag El Melouk food industries subsidiary of Dr.Oetker
Germany
Tameer
The Address Investments
The Coca-Cola Company, Atlantic Industries
The Sovereign Fund of Egypt
TKE
Tribal
wadi degla
Wilo
Youssef Allam Group

OUR PARTICIPANTS PROFILE



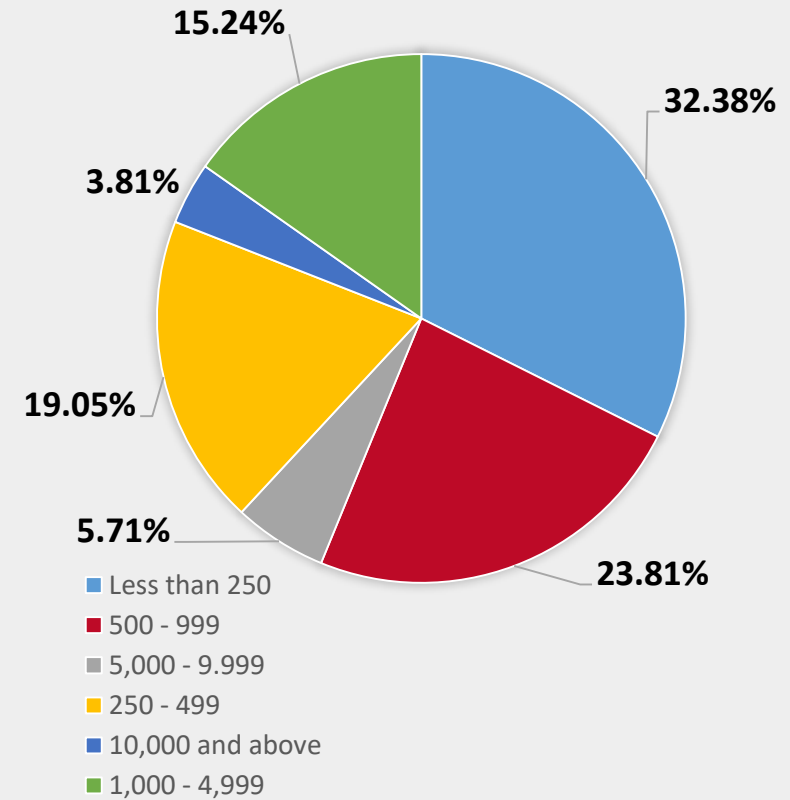
ANNUAL SALES



- Above 10 Billion
- From 1 -to 10 Billion EGP
- From 200 Million EGP to 1 Billion EGP
- Up to 200 Million EGP



HEADCOUNT

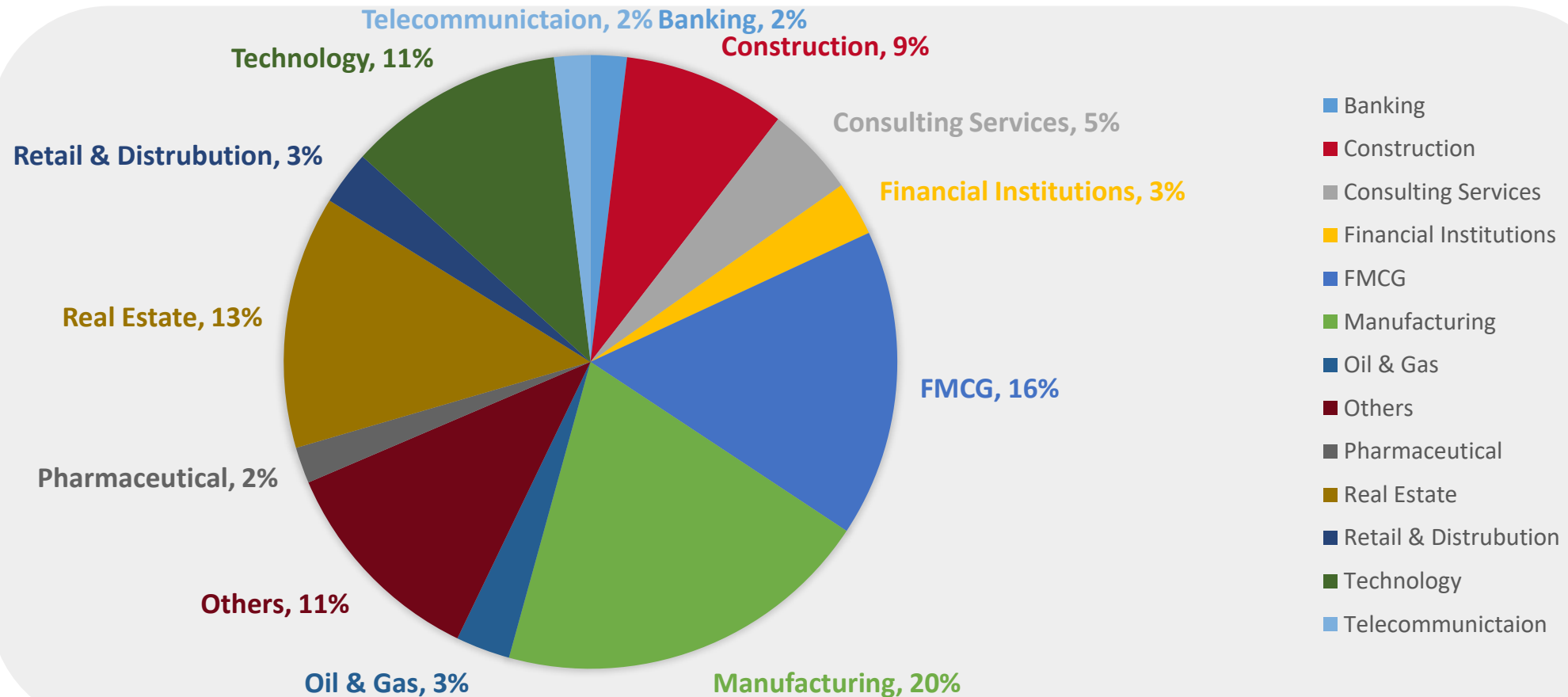


- Less than 250
- 500 - 999
- 5,000 - 9,999
- 250 - 499
- 10,000 and above
- 1,000 - 4,999

OUR PARTICIPANTS PROFILE



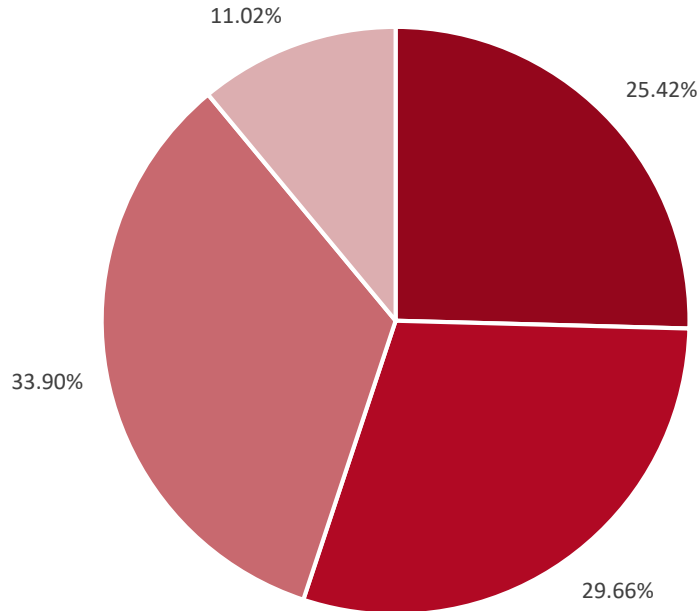
SECTORS





IMPACT ON BUSINESS

Impact of Inflation/Currency devaluation on your company's revenues



25.4% Do not know yet

29.6% Negative impact (business revenue declined)

33.9% No impact (business revenues is in-line with forecasted budget)

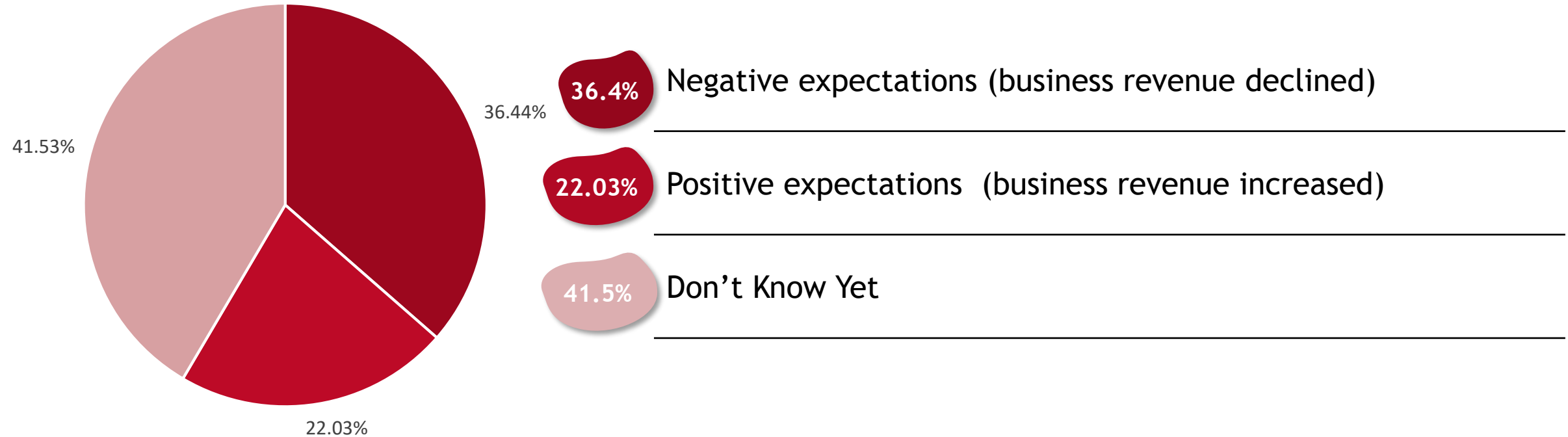
11.02% Positive impact (business revenue increased)



Key Insights

- 11% of the market indicated that the dollar increase has a positive impact on the overall revenues.

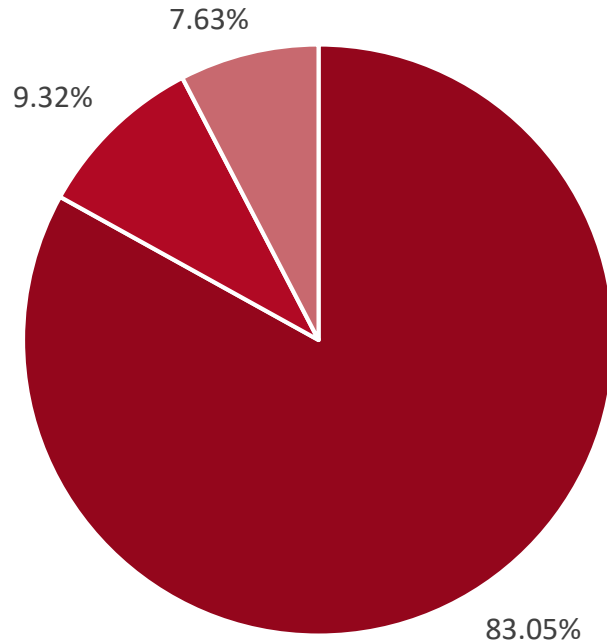
Expected impact of currency devaluation on revenues



Key Insights

- 22% of the market indicated that the dollar increase has positive expectations on the overall revenues.

Impact of dollar increase on company Expenses



83%

Expenses are expected to increase

9.3%

Expenses are expected to decrease

7.6%

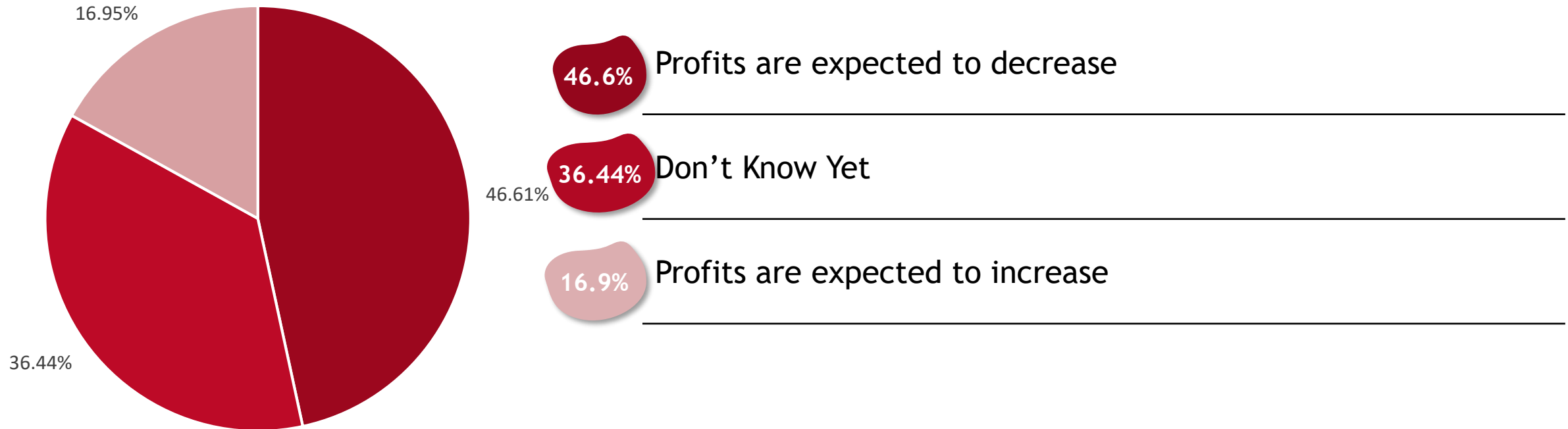
Don't Know Yet



Key Insights

- 83% of the market indicated that the dollar increase has a negative impact on the overall company expenses and are expected to face increase in overheads.

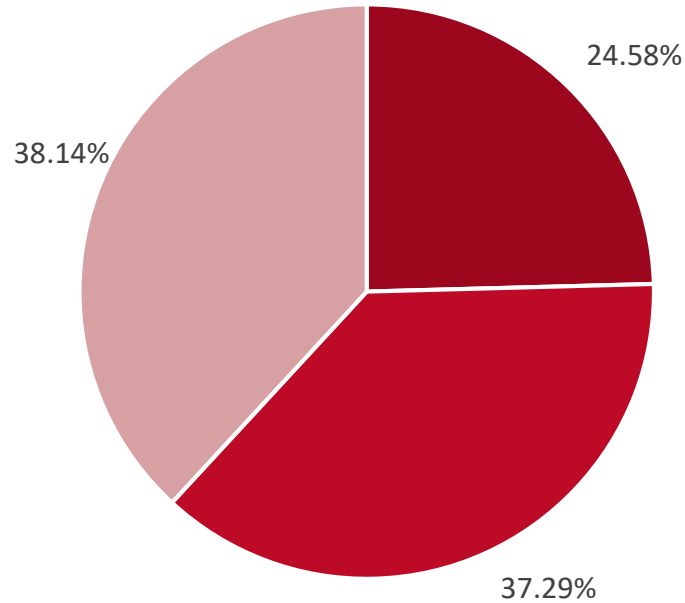
Impact of dollar increase on your company's Profit



Key Insights

- 46.6% of the market agreed that company profits are expected to decrease due to the dollar increase. While 16.9% agreed that company profits are expected to increase and almost 36% are still unaware of how the dollar increase is expected to impact company profits.

Your company's sales performance expectations for 2023



- 24.5% Sales are expected to decrease
- 37.2% Don't Know Yet
- 38.1% Sales are expected to increase



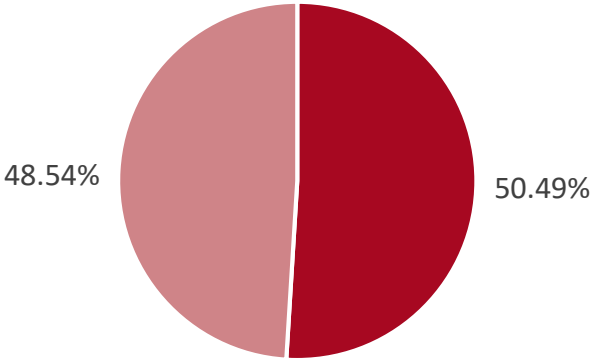
Key Insights

- 37% of the market is unable to predict the impact on sales performance, while 38% of the market indicated that their sales performance is expected to increase.

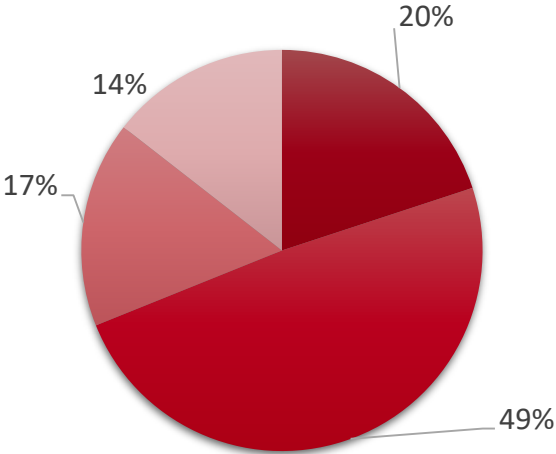


ADJUSTMENTS IN MARCH 2022

Adjustments applied within 2022 after the inflation/ currency devaluation in March 2022



50.4%	No Adjustment Applied
48.5%	Adjustment Applied



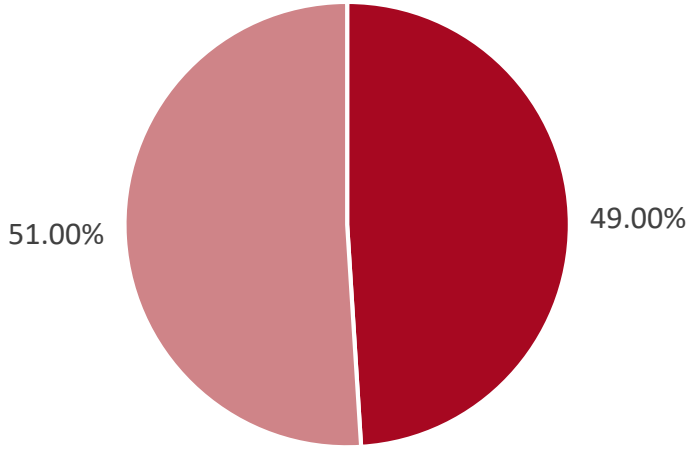
20%	Lump Sum	17%	Allowance
49%	Salary Increase	14%	Others



Key Insights

- In light of the currency devaluation and the accompanying inflation, 48.5% of the market has applied varying types of adjustment.

Adjustment applied in form of Salary Increase

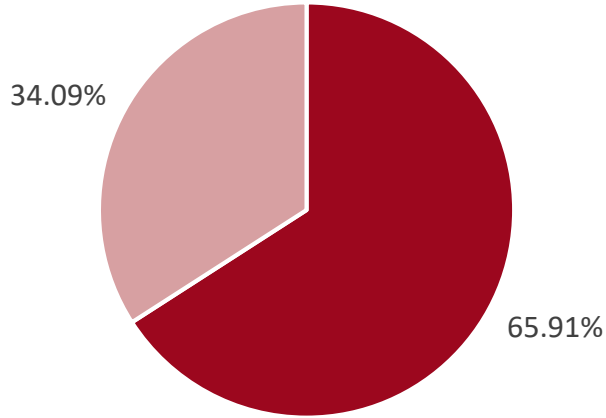


49%

Salary Increase

51%

No Salary Increase

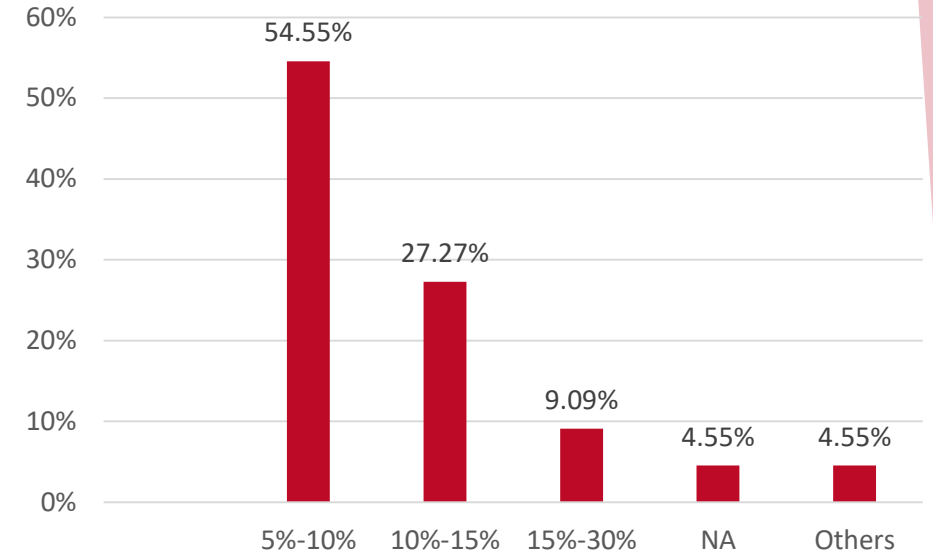


65.9%

Applied across all levels

34%

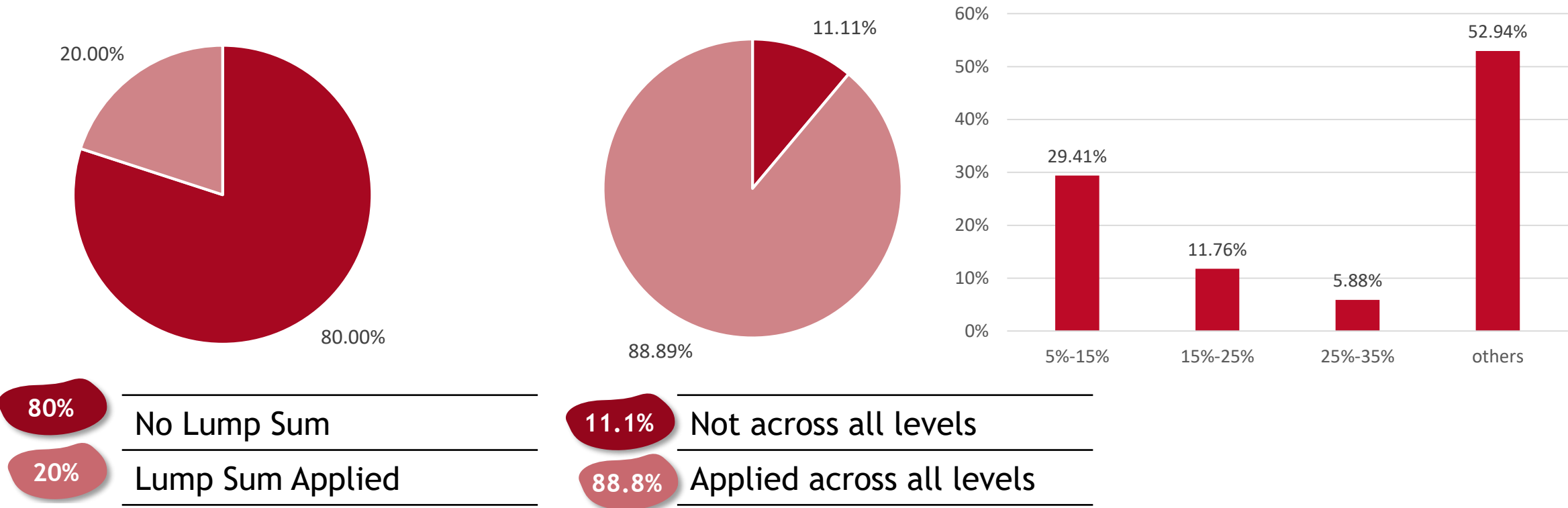
Not across all levels



Key Insights

- 49% of the participants applied increases across all levels.

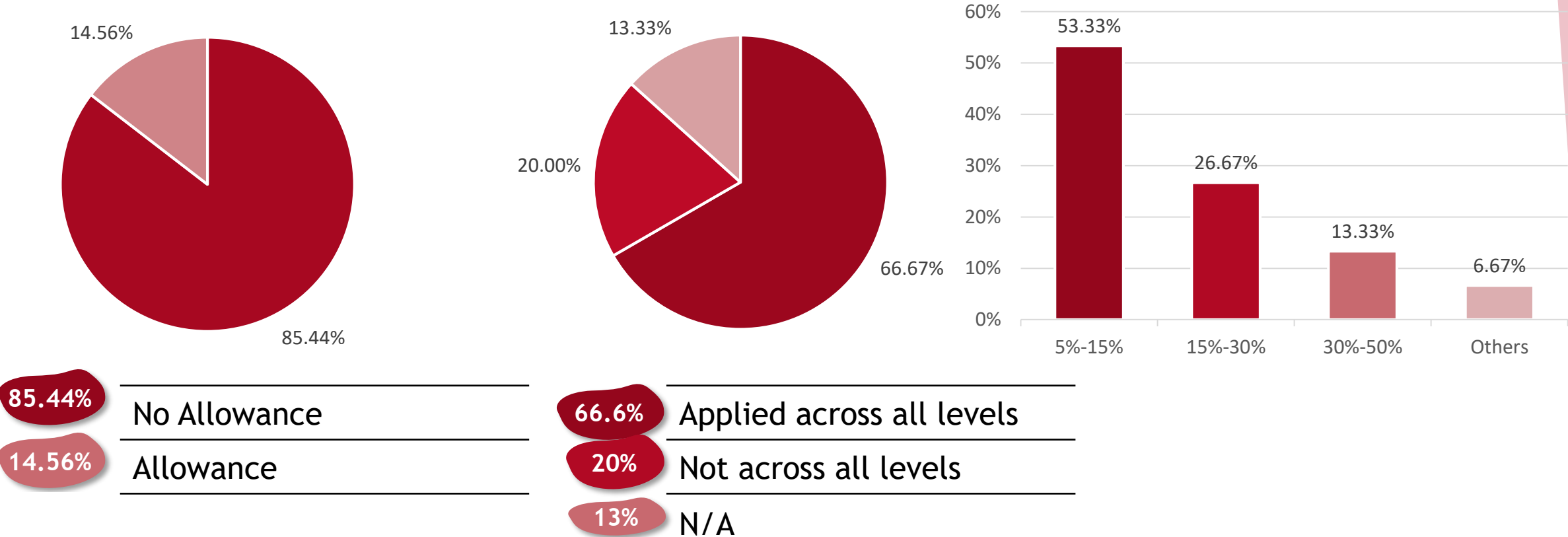
Adjustment applied as a Lump Sum



Key Insights

- 88.89% of the participants were applied across all levels, out of which 20% applied a lump sum range of 5% to 15% from basic salary, while 52% set a certain amount per level.

Adjustment applied in a form of an Allowance



Key Insights

- 66.6% of the participants applied allowances across all levels, 53.3% of the market applied allowance range of 5% to 15%.

Applied Percentage Salary Increases

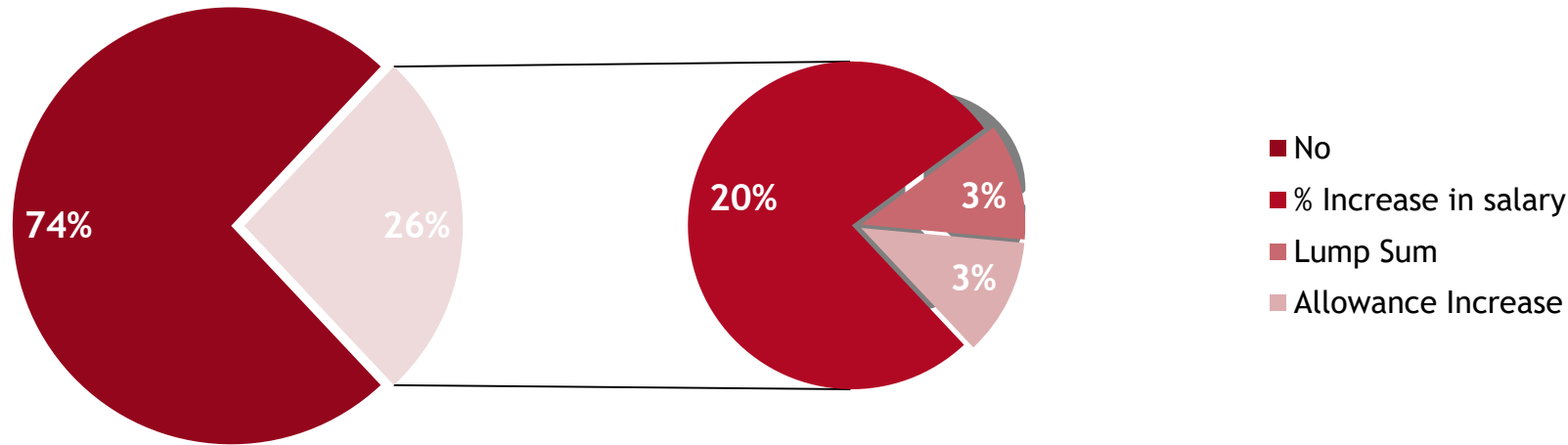
Sectors Applied % Increase on Salaries	Percentage of Presentability In Data
Manufacturing	25%
Technology	15%
FMCG	13%
Real Estate	10%
Construction	8%
Consulting Services	6%
Financial Institutions	6%
Oil & Gas	4%
Retail & Distribution	4%
Pharmaceutical	2%
Telecommunication	2%
Others	6%
Grand Total	100%

P10	Q1	MEDIAN	AVG	Q3	P90
5.0%	5.8%	7.9%	8.3%	10.3%	11.3%



ADJUSTMENTS IN OCTOBER 2022

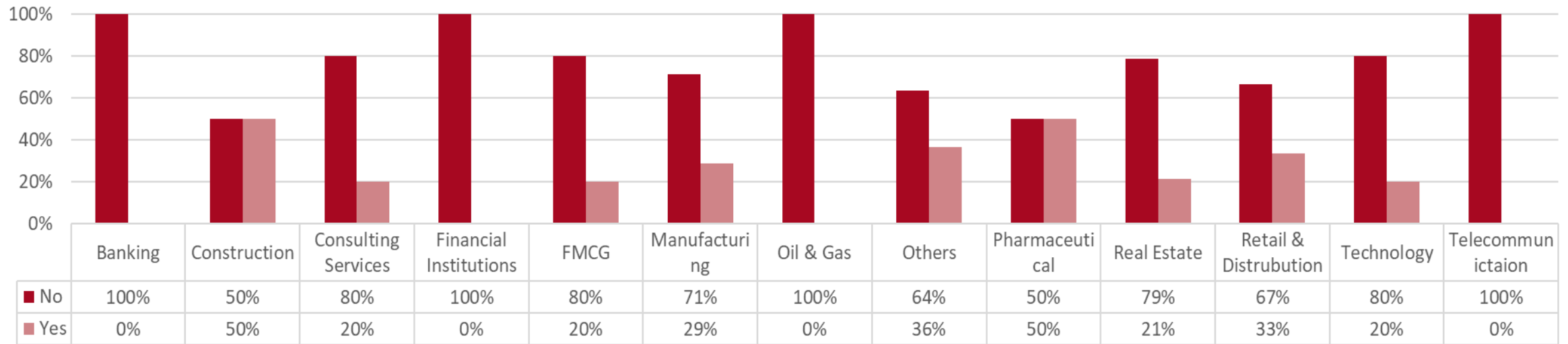
Adjustments applied within 2022 after the inflation/ currency devaluation in October 2022



Key Insights

- In light of the dollar increase and the accompanying inflation, 26% of the market has applied adjustment after the October devaluation, 20% increased salaries, 3% applied lump sum while 3% applied allowance increase,

Applied Adjustment after October Devaluation Per sector



Key Insights

- Organizations decided to take action after October devaluation due to the urgency of the situation adding to this the rapid changes in inflation rates.

Applied Percentage Salary Increases

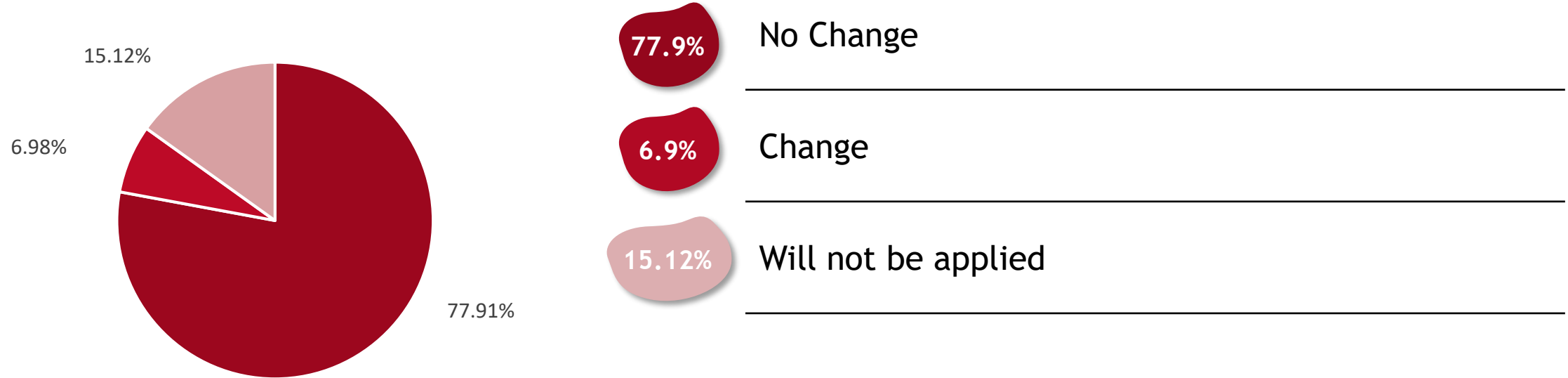
Sectors Applied % Increase on Salaries	Percentage of Presentability In Data
Construction	22%
Real Estate	22%
Manufacturing	17%
Others	11%
Consulting Services	6%
FMCG	6%
Pharmaceutical	6%
Retail & Distribution	6%
Technology	6%

P10	Q1	MEDIAN	AVG	Q3	P90
6%	7%	11%	12%	15%	19%



IMPACT ON TOTAL REWARDS

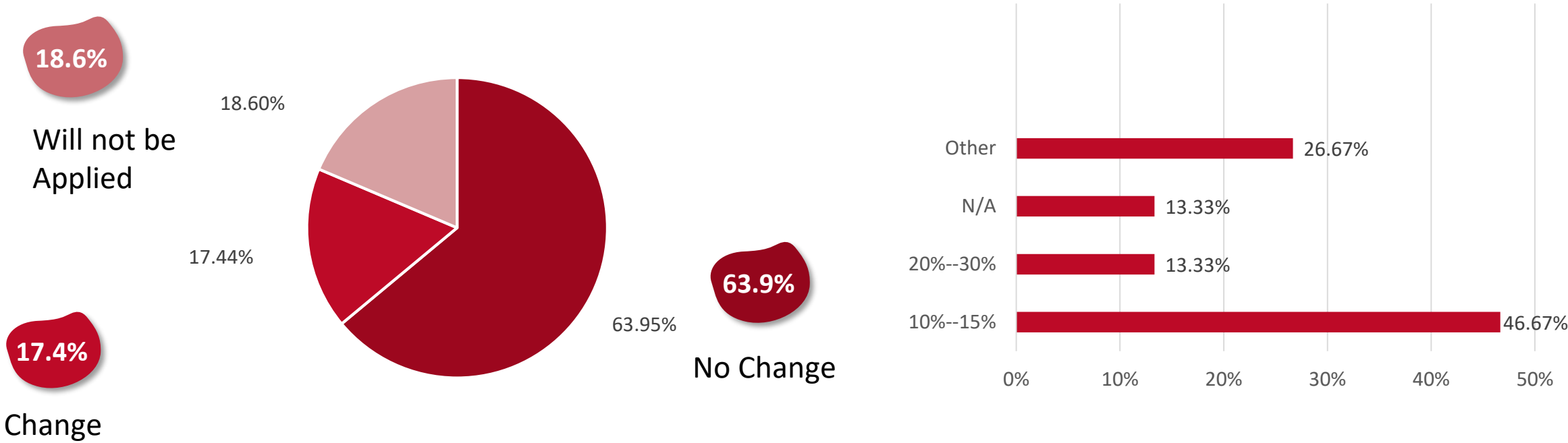
Organization's decision regarding the Ramadan/Eid Grants policies due to the inflation



Key Insights

- 77.9% have decided not apply any changes to Ramadan/ Eid Grants.

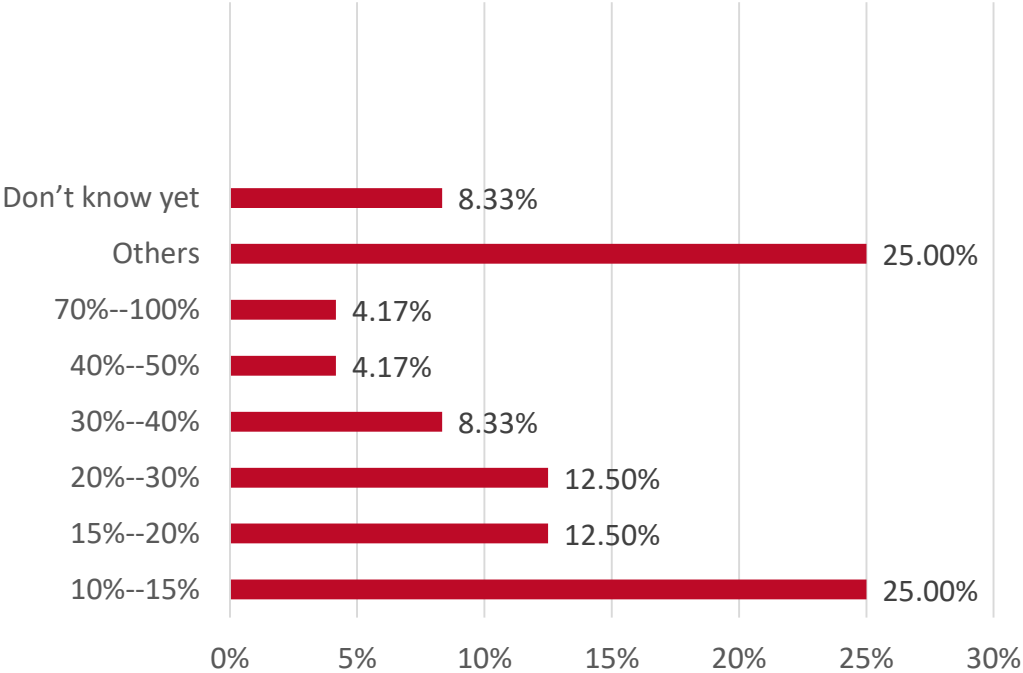
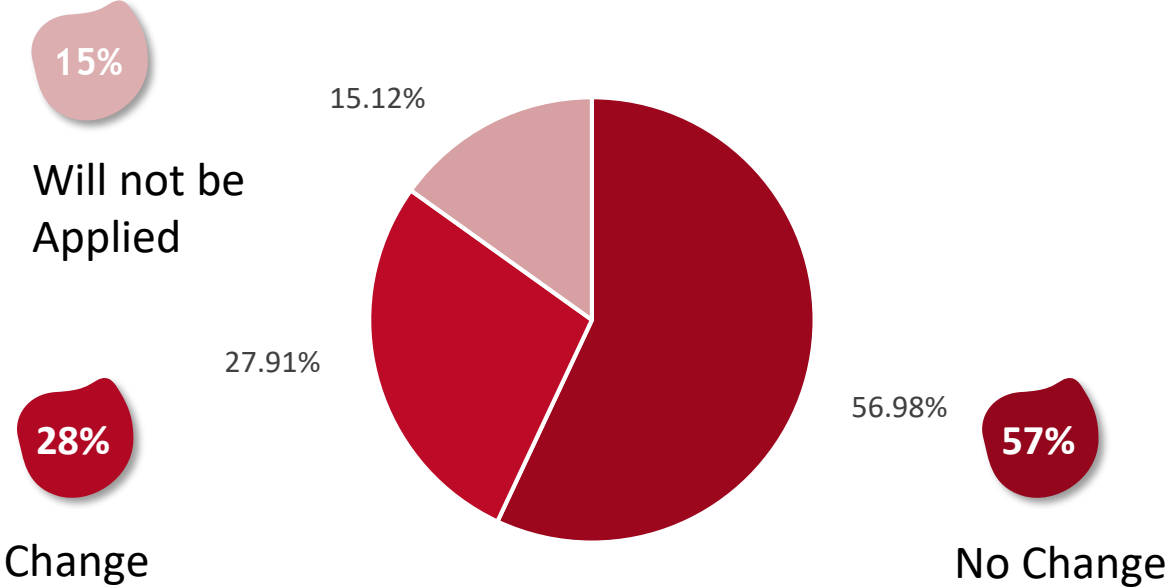
Organization's decision regarding the Cost of Living Allowance policy due to the inflation



 Key Insights

- 63.9% of the market will not apply any changes.

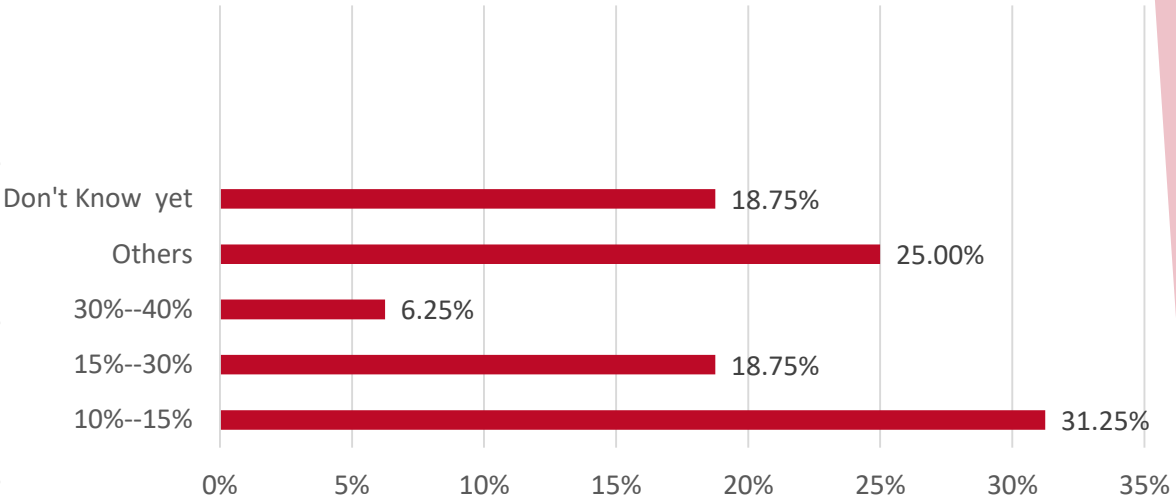
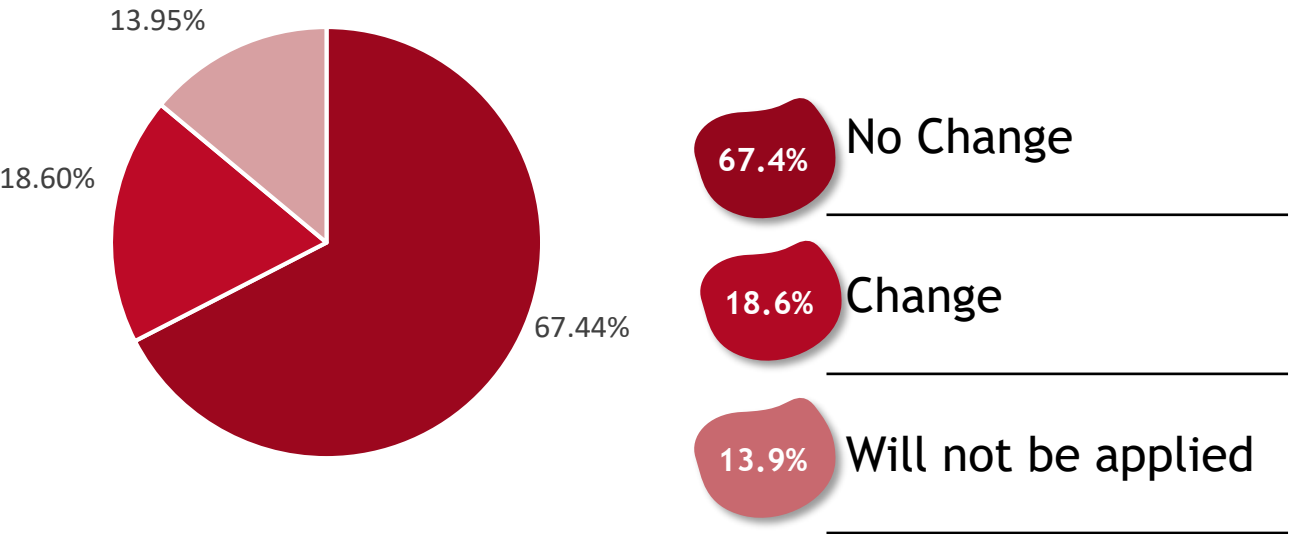
Organization's decision regarding the Transportation Allowance policy due to the inflation



Key Insights

- 28% of the organizations will apply an adjustment to the transportation allowance.
- 25% of the participants apply increases in allowance from a range 10% to 15%.

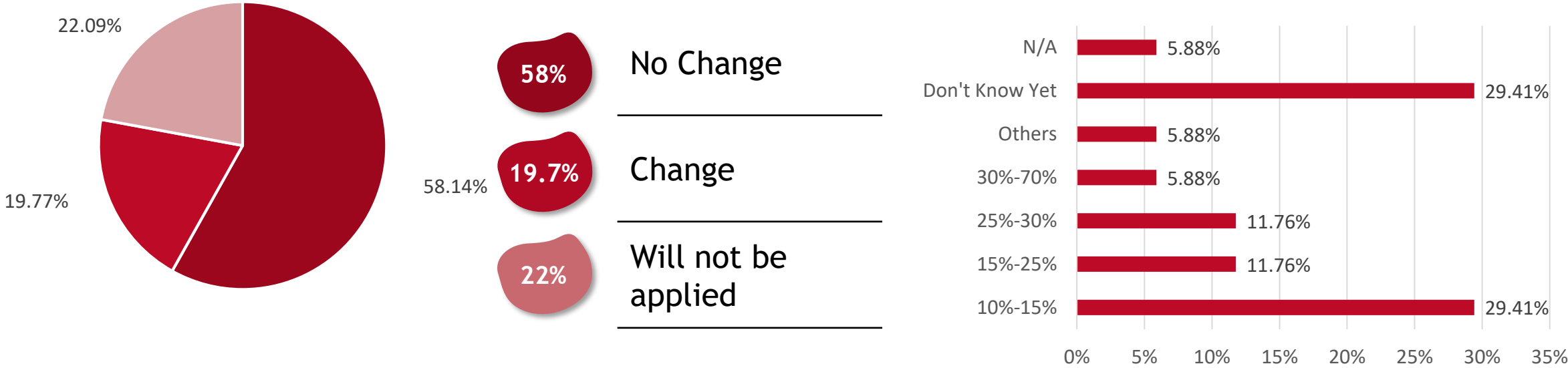
Organization's decision regarding the per diem allowances policy



Key Insights

- 13.9% of the organizations will not apply an adjustment to the per diem policy.

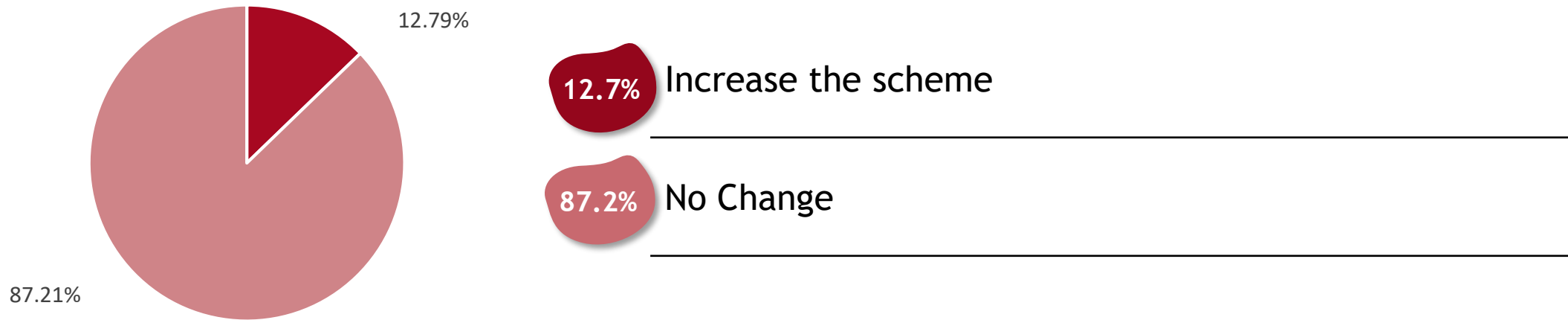
Organization's decision regarding the Car Allowance policy due to the inflation



Key Insights

- 19.7% of the organizations will apply adjustments in the car allowance policy
- Most participant will apply the car allowance policy range of 10%-15%

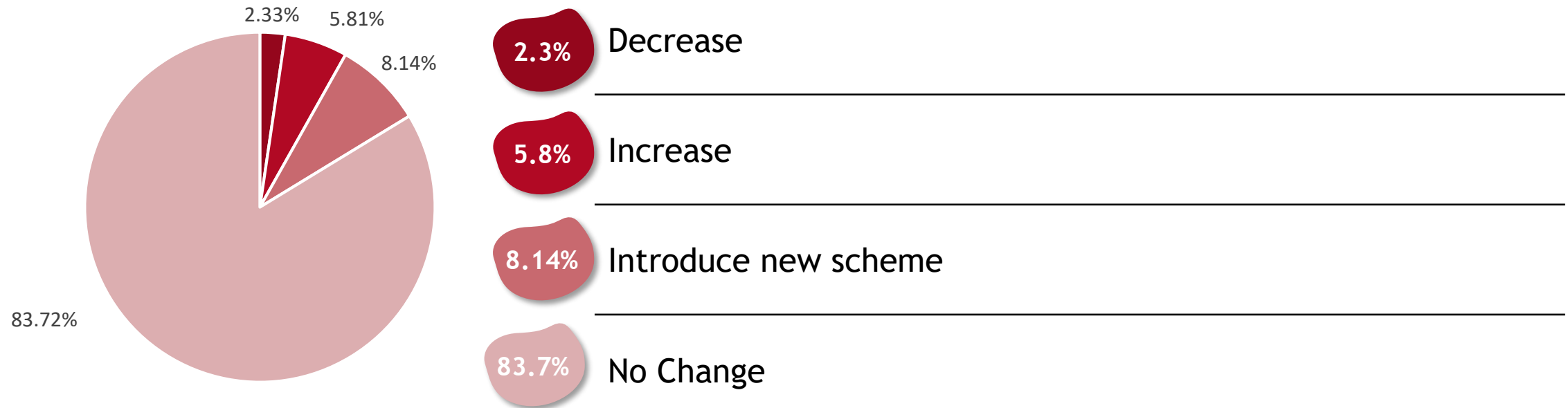
Company's action regarding the Sales Incentive Scheme



Key Insights

- More than 87% of the organizations will not apply any changes to the sales incentive schemes, while 12.7% will increase their sales incentive schemes. The majority of the organizations applying changes to the scheme will maintain the same payment schedule.

Company's action regarding the Performance Bonus scheme



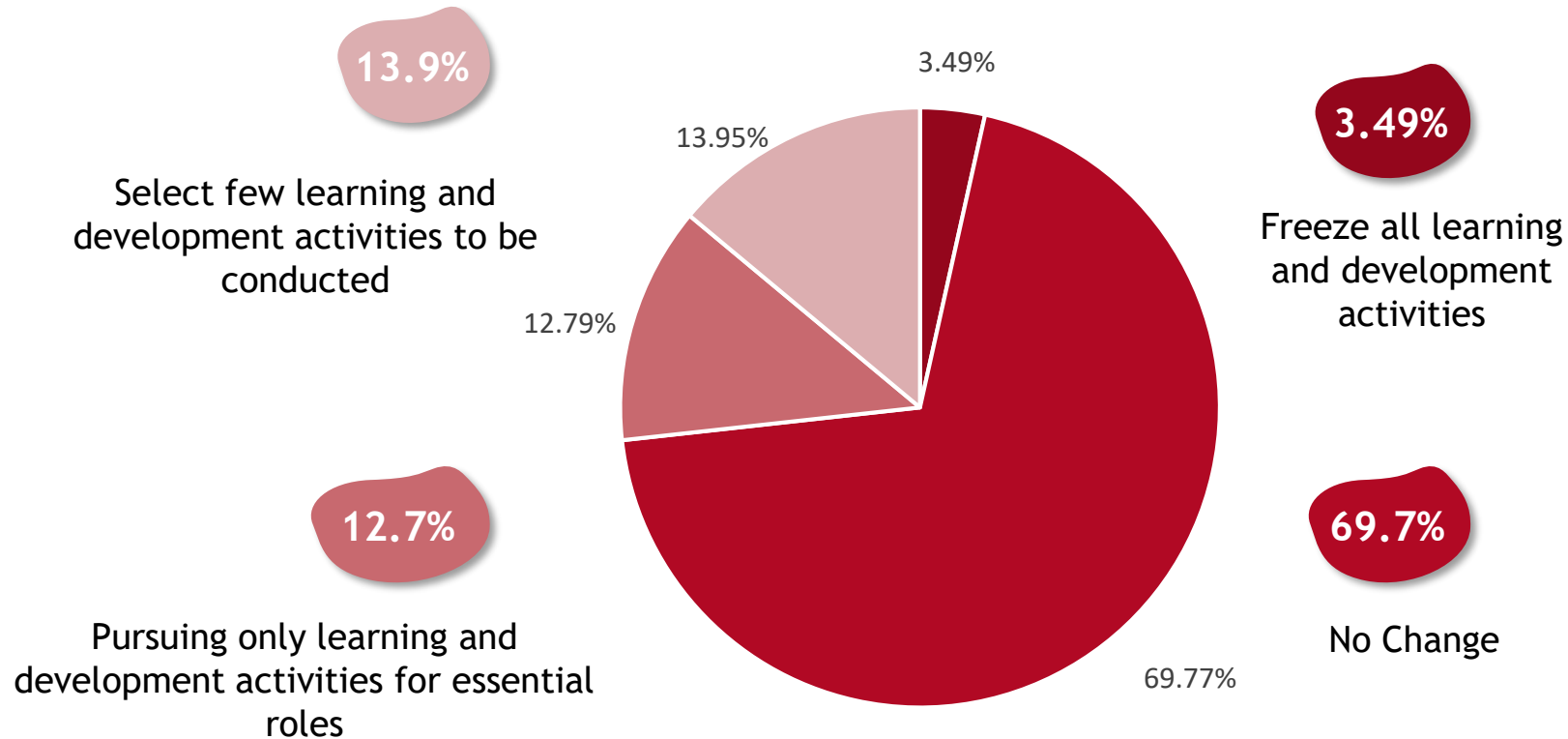
Key Insights

- More than 83.7% of the organizations will not apply any changes to the performance bonus schemes, while 5.8% will increase their performance bonus schemes .



IMPACT ON TALENT MANAGEMENT & AQUISITION

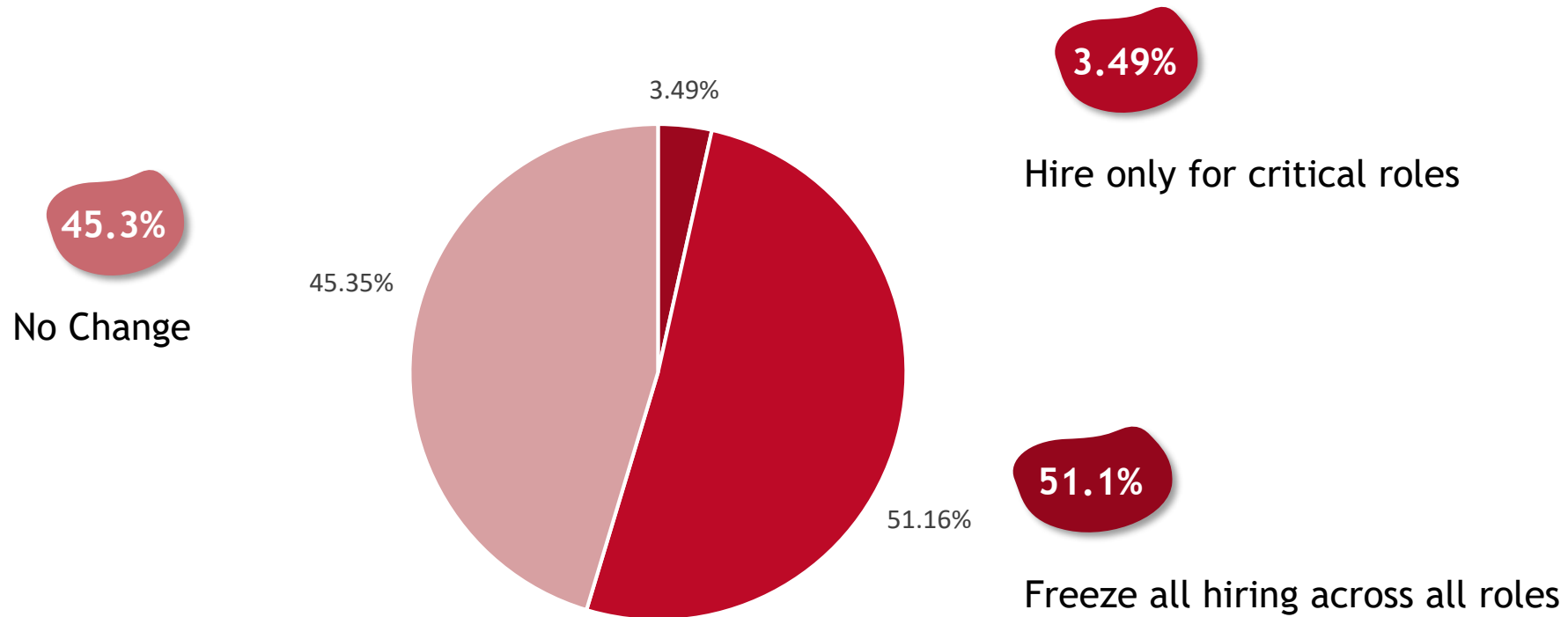
Actions your company take regarding learning and development activities and pursuing the development of your staff



Key Insights

- 69.7% of the organizations will not apply any changes regarding learning and development activities, while 12.7% will only focus learning and development activities on essential roles. While 13.9% will select few learning and development activities to be conducted and 3.4% will freeze learning and development activities.

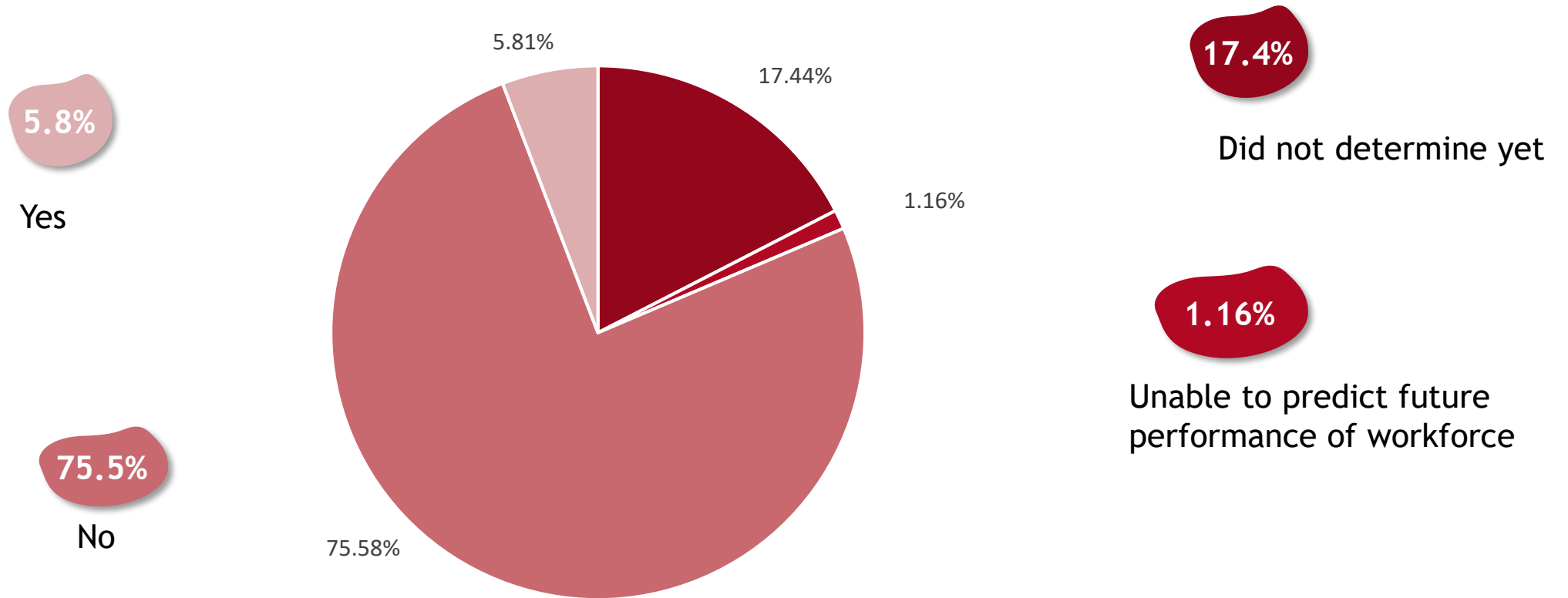
Actions you take regarding your recruitment activities as a result of the inflation/currency devaluation



Key Insights

- More than 3% of the organizations will hire for only critical vacant roles, while 51% freeze all hiring across all roles. 45.3% will take no action regarding recruitment activities.

Layoffs as part of its cost reduction plan



Key Insights

- 5.8% of organizations have considered layoffs as a cost reduction plan.

MAJOR SURVEY FINDINGS

Due to the Economic unrest and rapid changes that are taking place in the Egyptian Economy, this survey is intended to provide you with how organizations are responding to the current economic status.

Organizations accordingly are monitoring inflation rate closely to be considered in applying annual increases and be able to take the appropriate corrective actions accordingly.

While the survey includes an array of participants across a wide range of Sectors, it was still challenging for organizations to identify the expected increase to be applied in 2023 due to the very rapid changes taking place.

To bring you more insightful information, a new survey questioning the expected increase to be applied in 2023 will be launched.

FUTURE COLLABORATION

We wanted to take this opportunity to thank you for being an active member of our community. We hope our service and work in 2022 helped you in taking informed decisions, and we look forward to working with you again in 2023.

We would like to announce that a 30% discount will be extended for early bird registration within December 2022, January or February 2023 for JOBMASTER Annual General Market Survey.

For more details and if interested to be part of the survey please contact us on the below email:

businessdevelopment@jobmastergroup.com

You can also register directly through this link:

<https://event.jobmastergroup.com/index.php/AnnualSalarySurvey>



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