



Results: 16th Wave of Labour Market Index

Information about the Index

The 16th wave of Labour Market Index was conducted in the period of February 8th through March 11th, 2019 as an anonymous online survey.

16 companies participated in the project, including:

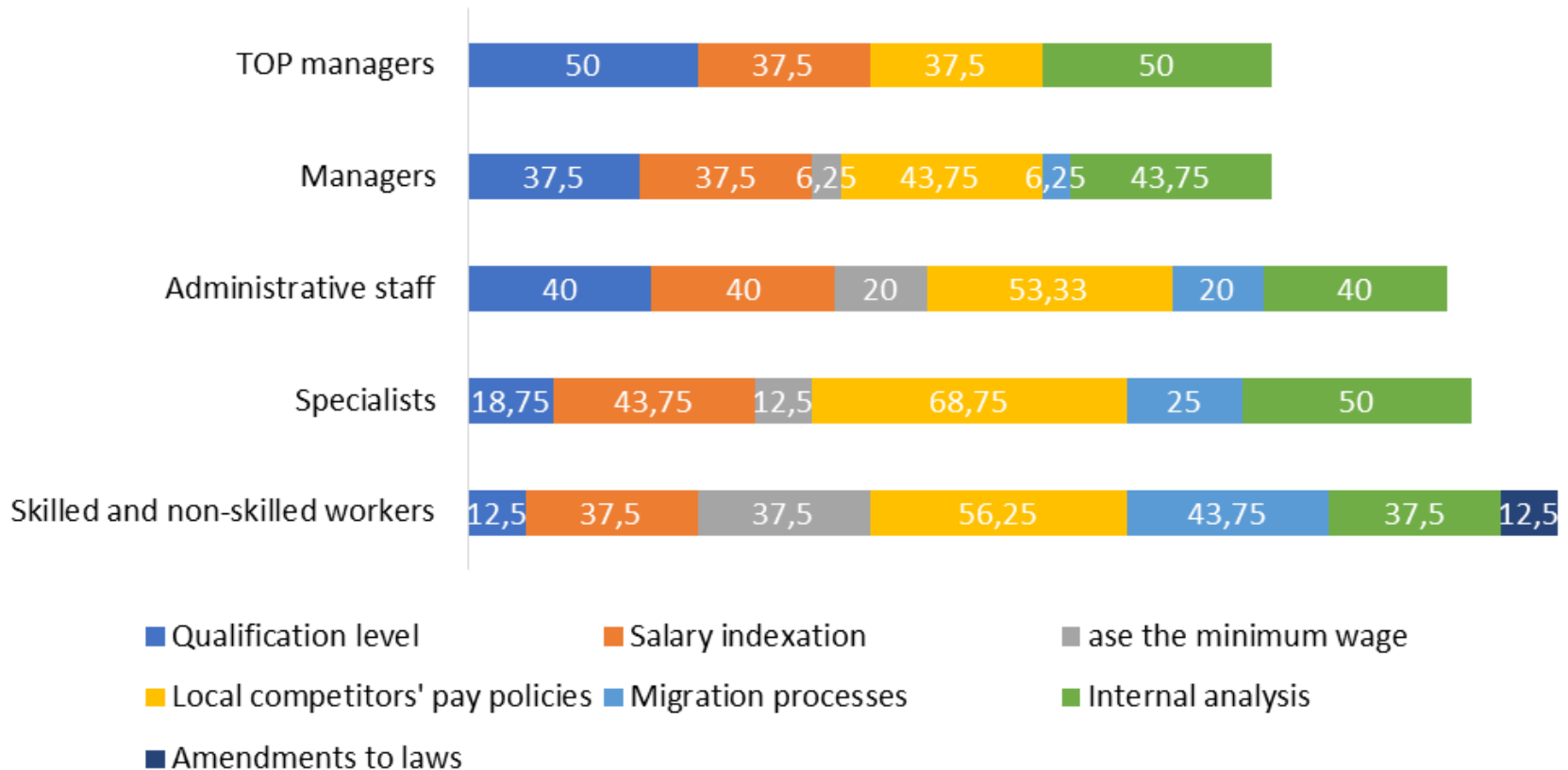
32 % of those are operating in the Manufacturing area:

- Automotive with head count above 1000 employees
- Wood Processing and Chemicals with head count up to 500 employees
- Machine Building and Metal Working with 100 employees

68 % of companies provide services:

- IT and Logistics with head count 100 employees
- Trade, Import , Retail and Logistics with head count above 100 employees

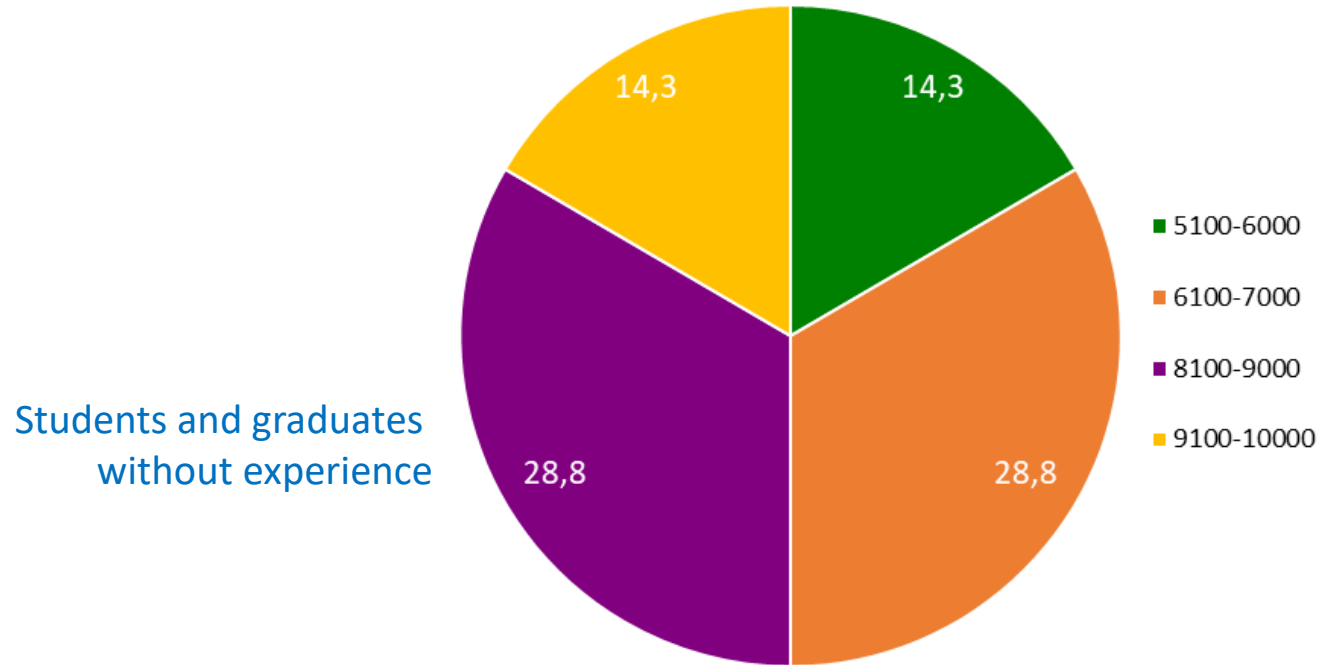
Reasons for employees` salary review:



Two trends appeared during the year:

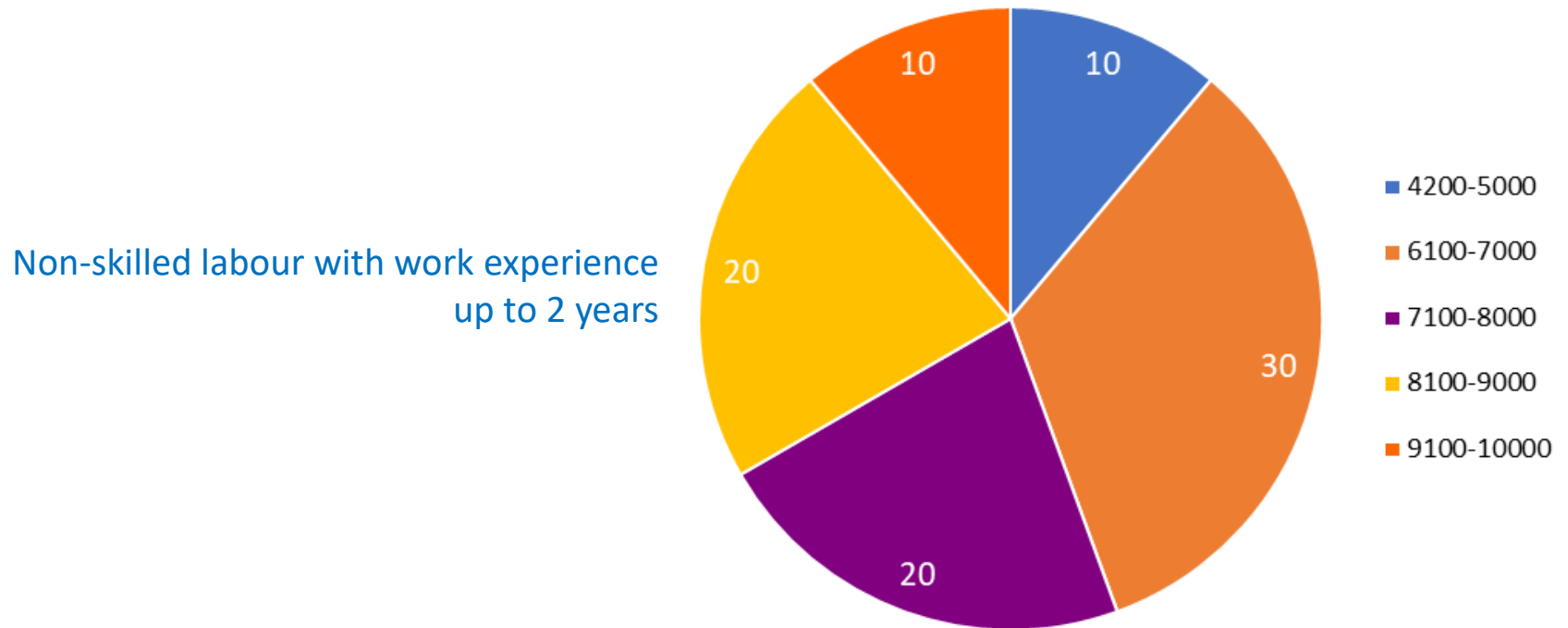
- Intense competition for people is a key factor incorporated in pay strategies for all levels of employees.
- Higher pay levels offered to non-skilled labor outside of Ukraine urge local employers to review wages several times a year.

Average salary ranges (before taxation) by level of positions and sectors, UAH



- Only 1/3 of respondents employ graduate students and fresh graduates without experience
- Majority of those respondents, namely 85%, provide professional services and are active in retail and B2B sales businesses.
- Among manufacturing companies only automotive components assembly companies are ready to cooperate with fresh graduates.

Average salary ranges (before taxation) by level of positions and sectors, UAH

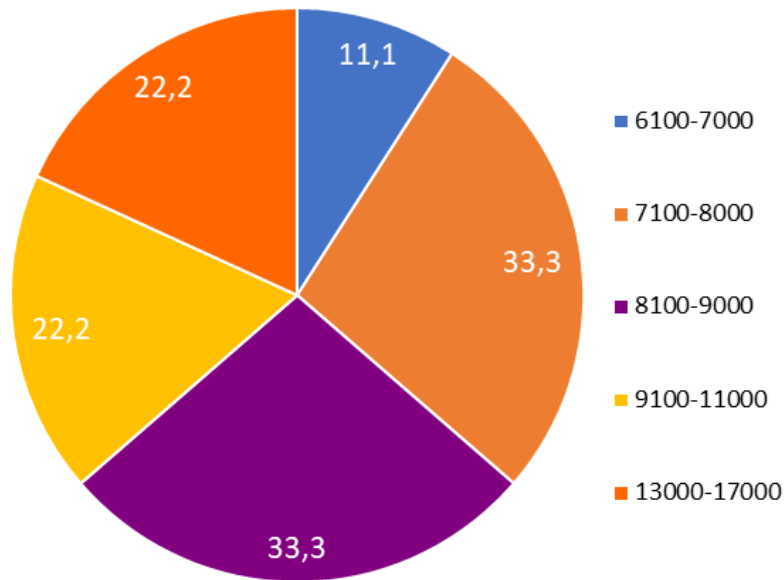


- Pay levels of non-skilled labor increased by 20% compared to the previous wave

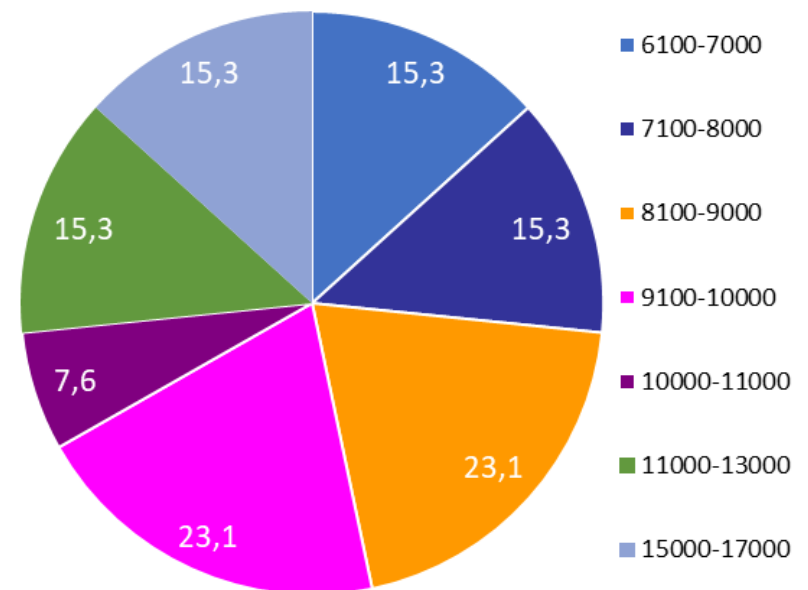
Average salary ranges (before taxation) by level of positions and sectors, UAH

Skilled labour (mechanics, electricians, operators)

Work experience up to 2 years



Work experience from 3 to 5 years

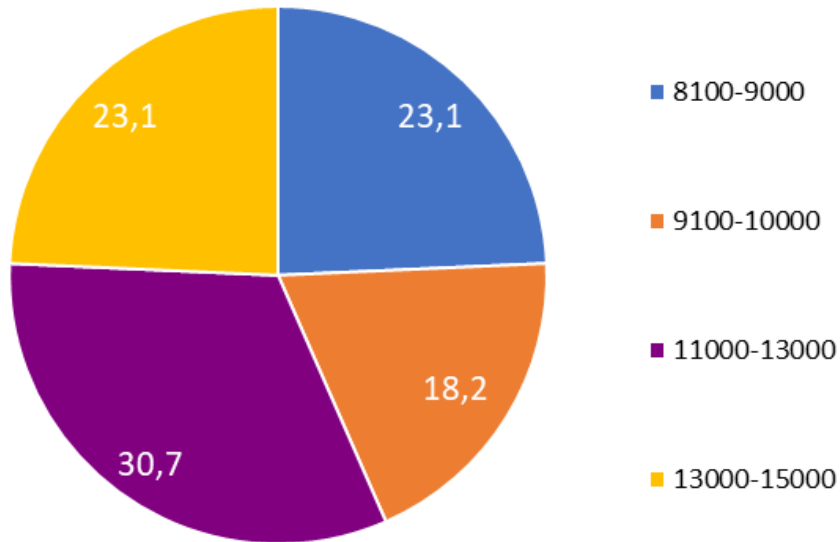


- In general pay levels of qualified labour have remained the same since September 2018.
- The number of manufacturing companies offering the official minimal wage decreased.
- The number of companies willing to pay wages above 13, 000 uah to qualified labor has increased by 25%.

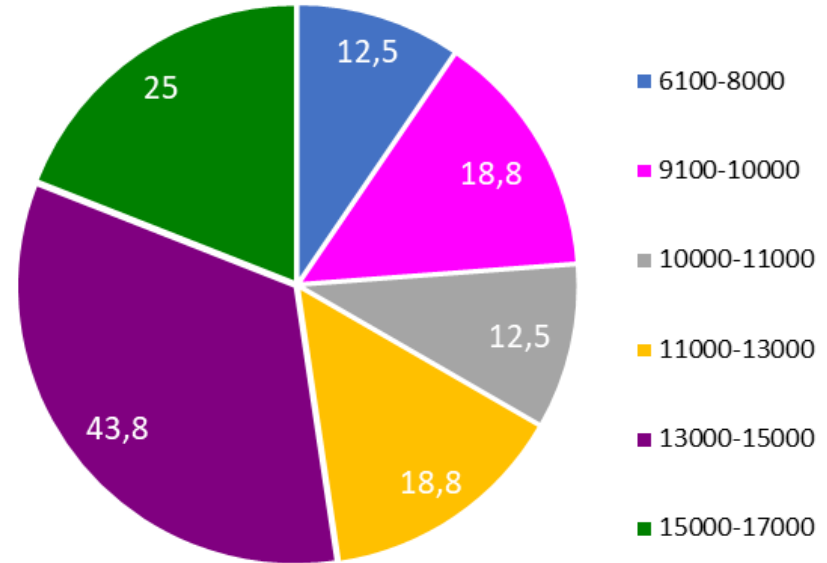
Average salary ranges (before taxation) by level of positions and sectors, UAH

Administrative staff (accountants, economists, lawyers)

Work experience up to 2 years



Work experience from 3 to 5 years

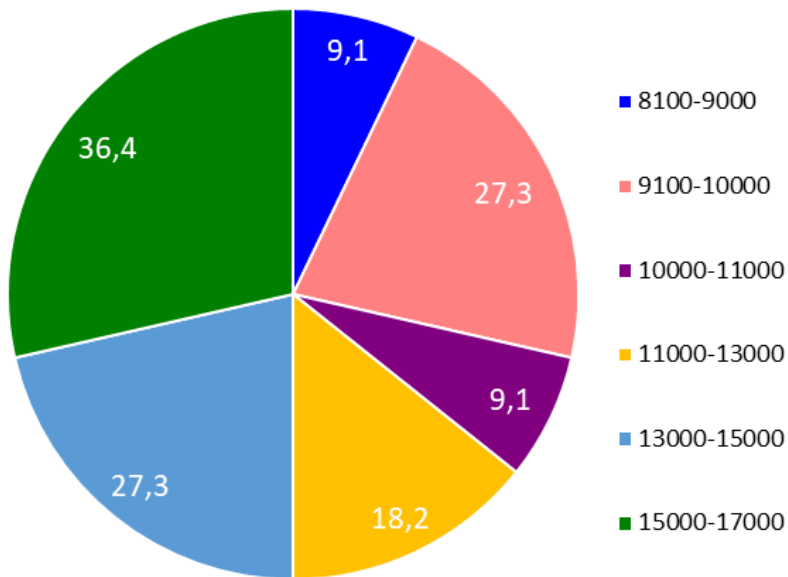


- Average pay levels of administrative personnel in both manufacturing and service companies went up by 28 % - 35 % compared to the previous wave.

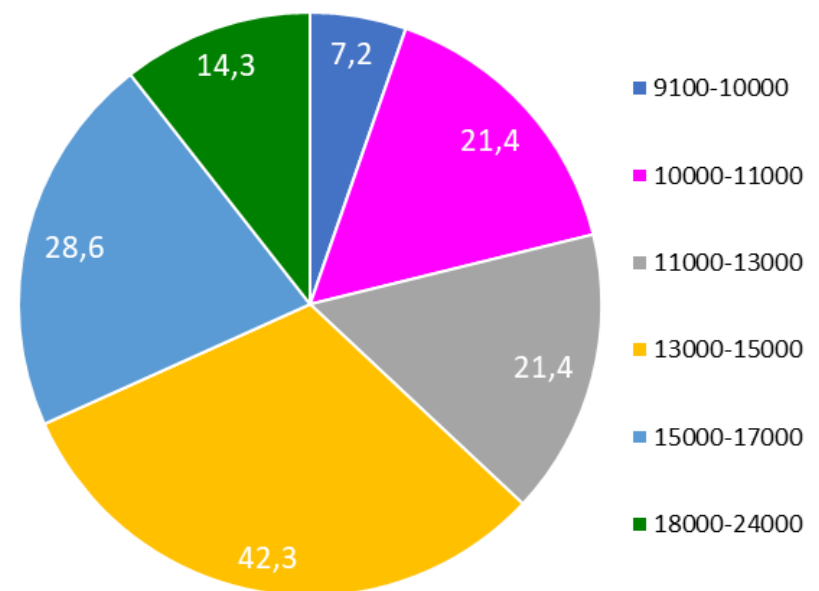
Average salary ranges (before taxation) by level of positions and sectors, UAH

Core business specialists
(engineers, IT, logistic, clerks, consultants, HR, agronomists)

Work experience up to 2 years



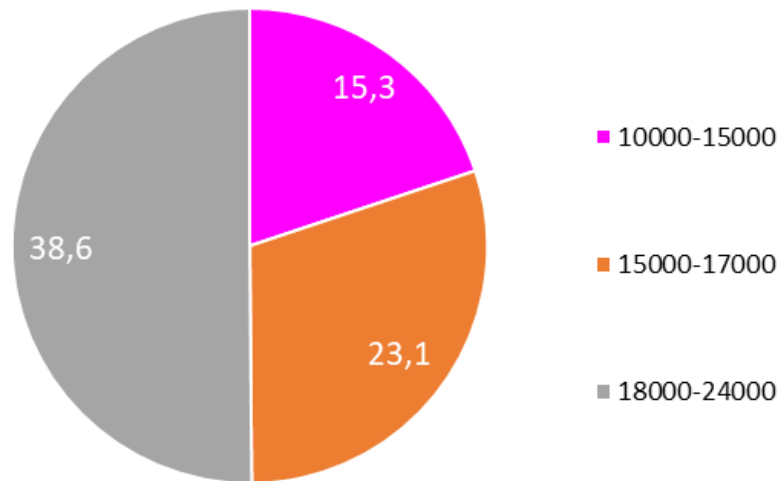
Work experience from 3 to 5 years



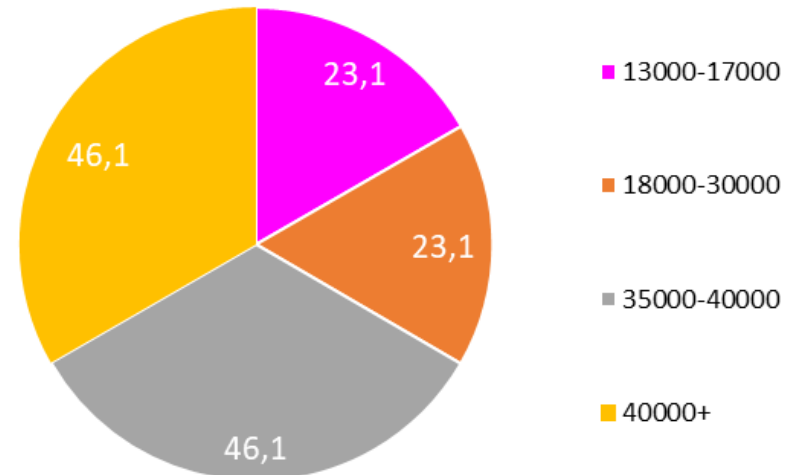
- Salaries of specialists with up to 2 years experience, mostly in the manufacturing area, increased by 17 % - 23 % compared to the previous wave.
- Pay levels of specialists with 3+ years experience went up by 15 % - 18 %.

Average salary ranges (before taxation) by level of positions and sectors, UAH

Middle or line managers
(departments managers)
with work experience from
3 to 5 years



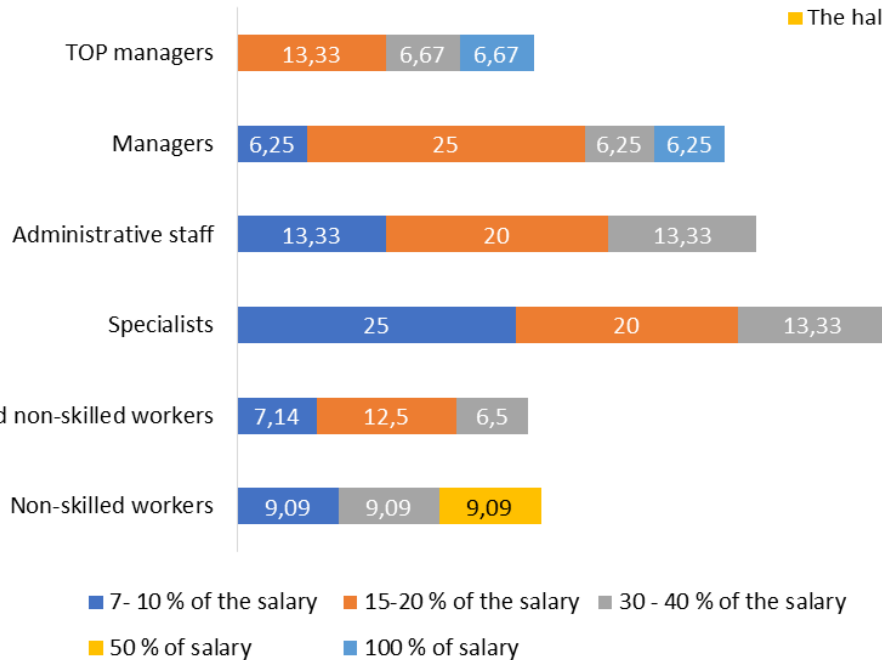
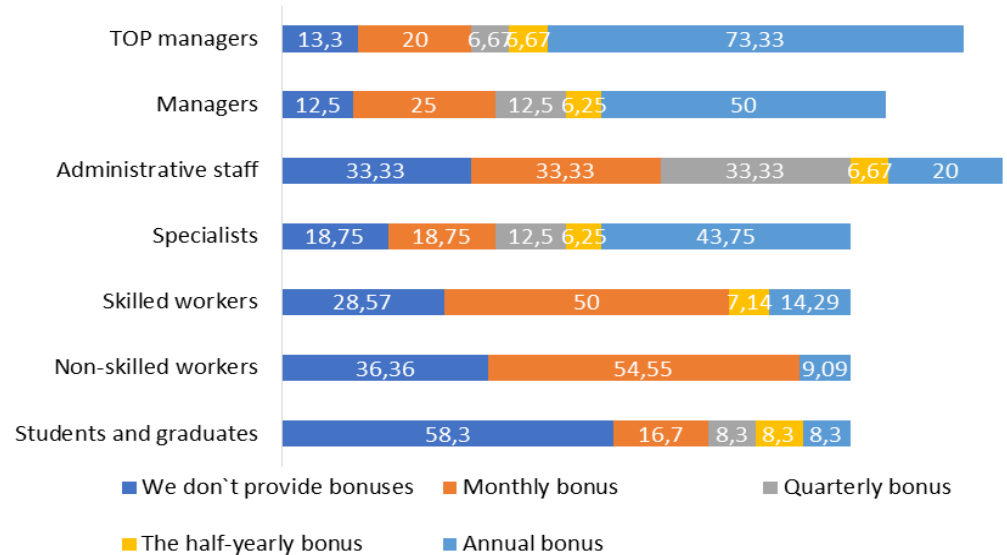
TOP managers



- Average salaries of mid level managers increased by 12% in service businesses and by 17% - in manufacturing companies.
- Compensation of top management remained the same since the last wave of Labour Index.

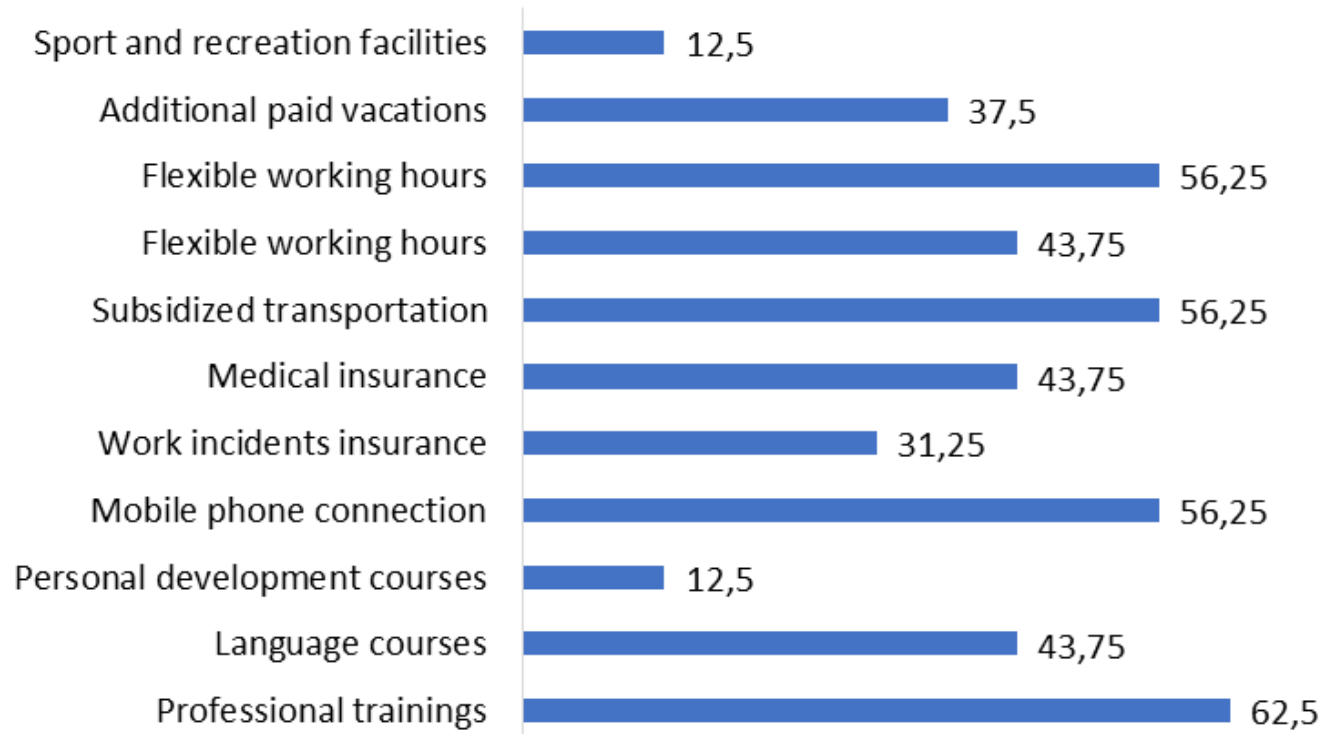
Bonus payments for different categories of employees

- The general policy of bonus payment and its frequency remained unchanged since last autumn



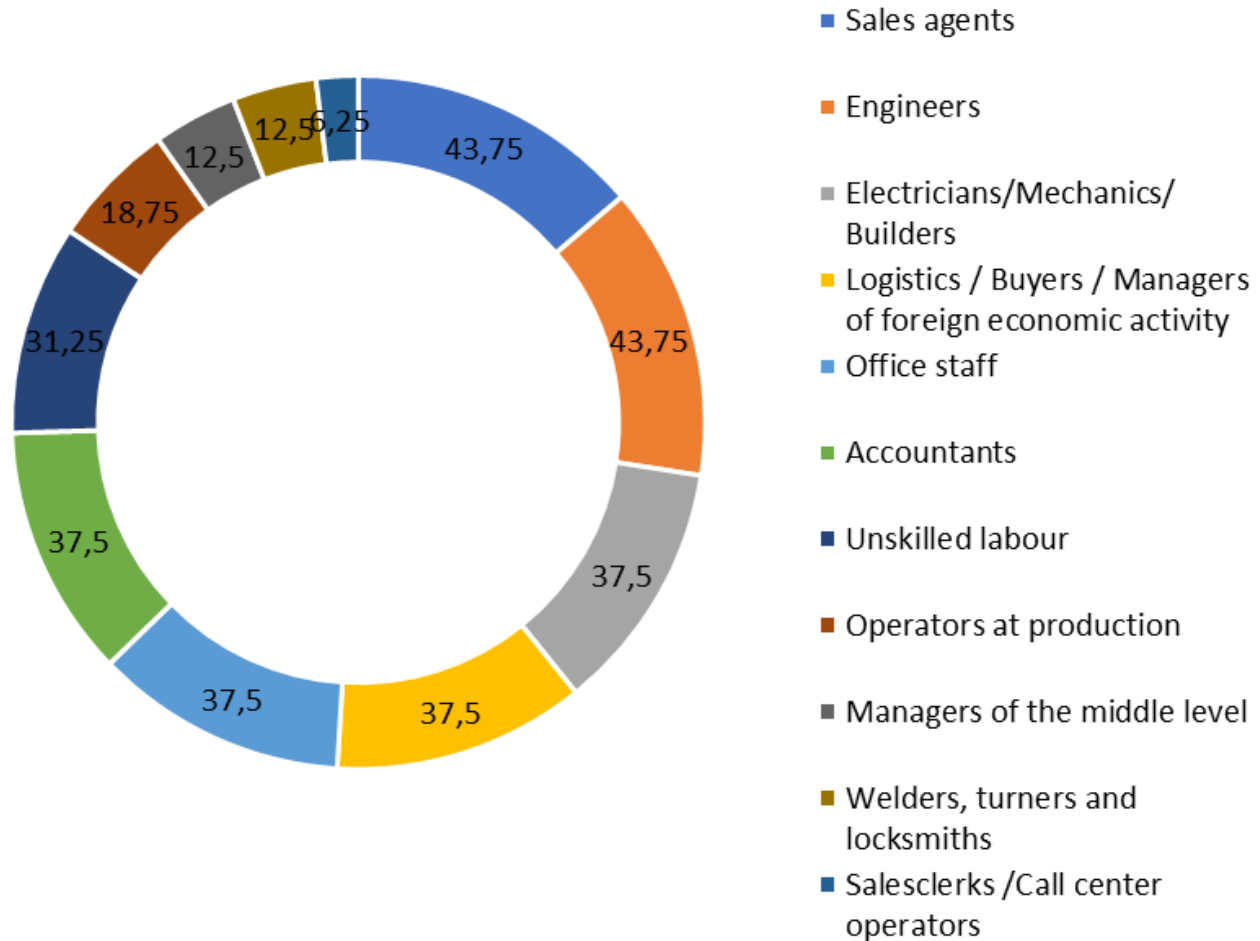
- About 50% of companies do not pay bonuses to young specialists without experience and 36% of respondents do not reward non-skilled labour by bonuses during adaptation and training periods.

Incentives/benefits that help companies to retain employees



- There are more manufacturing companies that provide medical insurance and incident insurance to their employees.
- Service companies are still in favor of flexible working hours and additional paid vacations as employees incentives.

The most in-demand jobs on the labour market



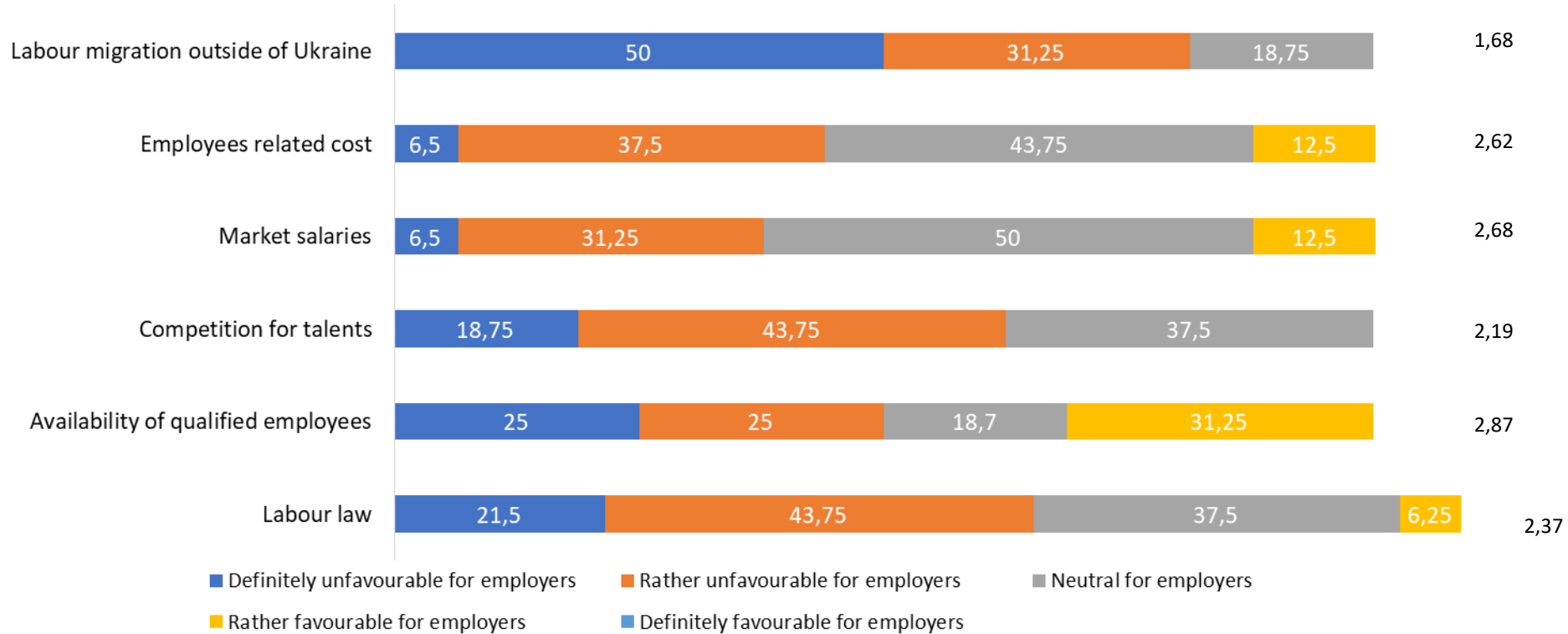
- Demand for sales agents/managers remains very high as 2 years ago.
- Engineers, logistic specialists, export specialists, office managers and accountants can easily find jobs in manufacturing and service areas.
- Electricians, mechanics, workers and assemblers are still in high demand in manufacturing companies.

Competence (soft skills), which must have a university graduate or young professional

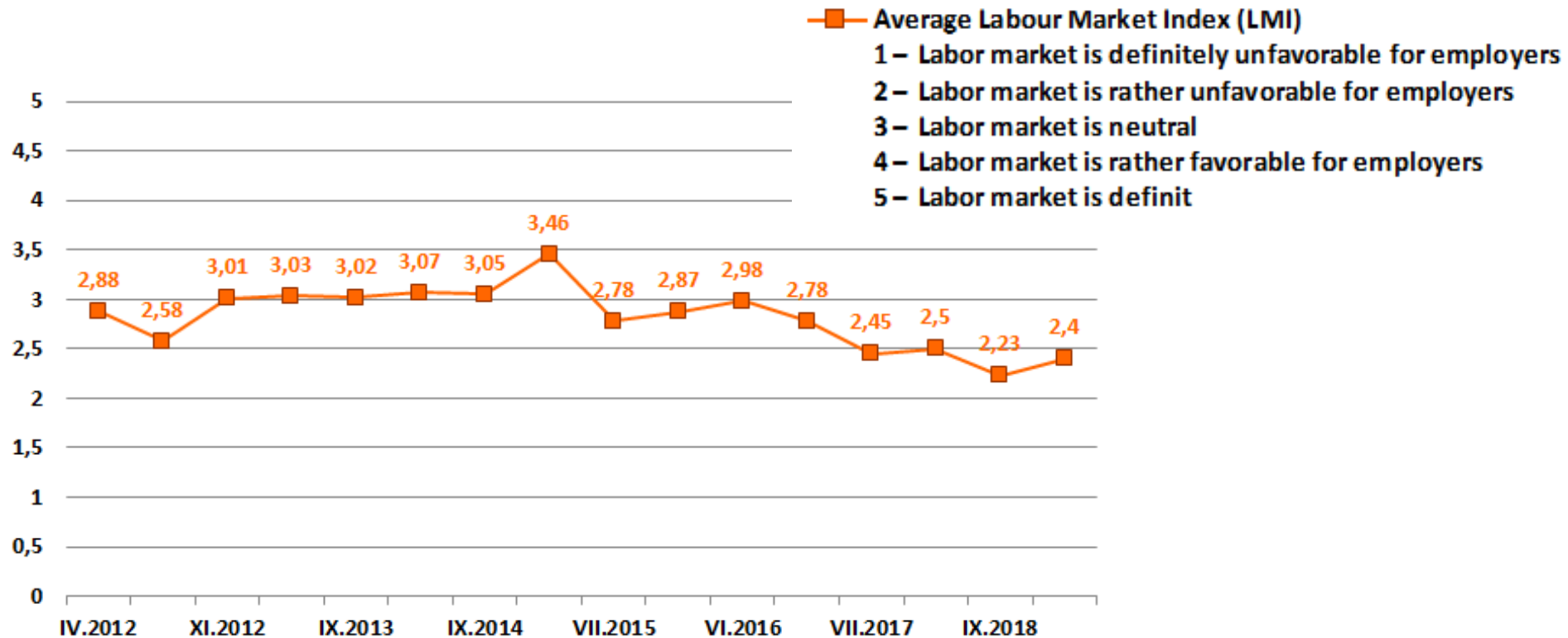


- Manufacturing companies are eager to employ young, result oriented and well-organized specialists.
- Service companies appreciate young specialists with good communication skills, team spirit, eager to learn and improve.

How would you estimate current labour market?



Dynamics of Labour Market Index



- The Labor Index slightly increased to 2,4. First of all, it is explained by the fact that majority of respondents in the 16th wave are service companies. Compared to manufacturing companies, service providers are more optimistic in their assessment of the situation with availability of qualified labour and personnel related expenses.
- However, the market remains unfavorable for employers: qualified workers prefer wages in EU countries. Thus, employees turnover and labour migration go up. On the other hand, local labour legislation are too imperative and do not meet increasing needs of labour market players.

In case you have questions or want to join the poll in future please contact:

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