Office 2021
Where and how India works

An Indeed study on reverse migration and the attitude of the employee and employer towards it.

Foreword

COVID-19 has spared none. The massive blow dealt by the pandemic threw life out of gear, especially for migrants, triggering reverse migration. Reverse migration refers to movement of people from their place of employment to their native places.

The pandemic and the lockdown witnessed daily wage earners walking home, leaving big cities due to loss of jobs, loss of shelter, and the fear of Covid. These very same reasons drove white collar workers and urban professional to go back to their hometowns, mostly Tier 2/3 cities. Many also moved back home to save on living costs.

In the midst of this pandemic, Indeed commissioned this study to show worker and employer sentiment towards this pandemic-induced trend of reverse migration, from metro cities of employment to native Tier 2/3 cities, including their views on talent mobility and productivity, and the availability of employment opportunities. It also seeks to understand the potential of reverse migration on the development of these native Tier 2/3 cities. The study shows the impact of reverse migration on the outlook towards this new world of work, across demographics.

The survey investigates if the reverse migration that India has witnessed is here to stay. It explores the willingness of companies (Indian or global) in supporting remote working post the pandemic. The findings throw light on women workers and maps their anxieties and resilience. There is also a comparison of Boomers and Millennials.
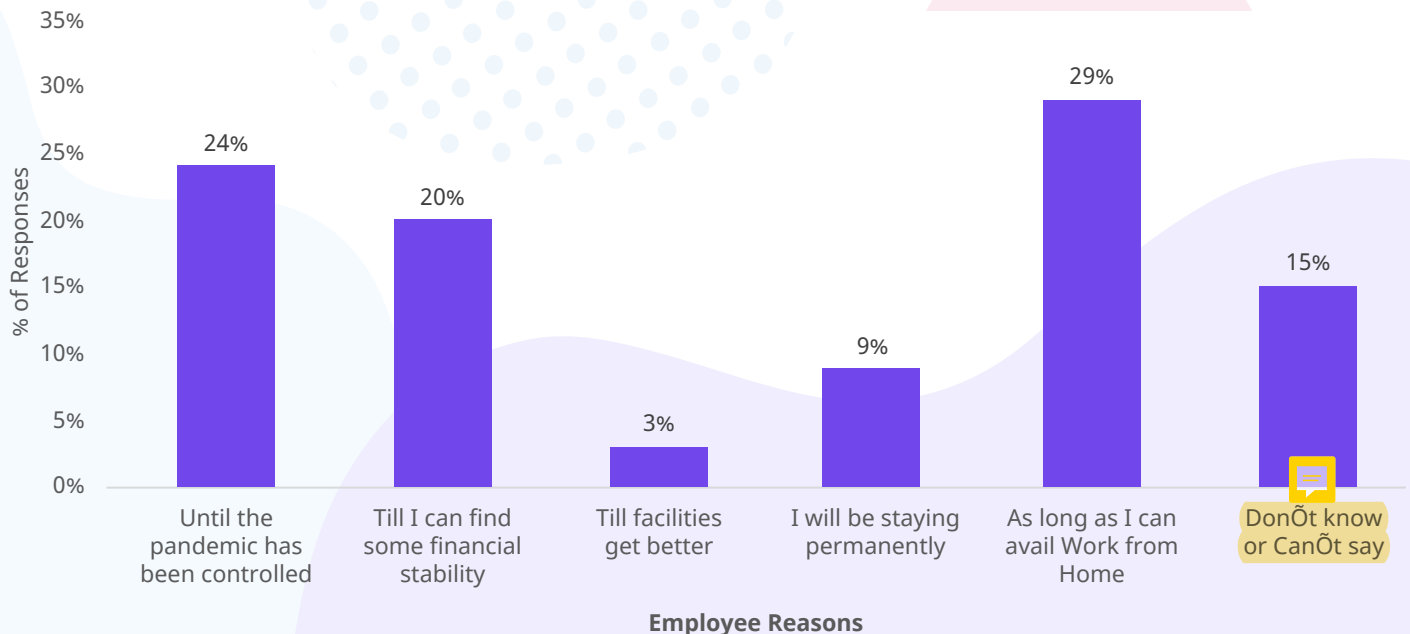
Sashi Kumar
Managing Director, Indeed.com

The Trend Of Reverse Migration

Close to half **(46%)** of the 1200 employees surveyed believe that this trend of reverse migration is temporary. Most attributed their return to temporary factors such as the duration for which they can avail WFH **(29%)** or until the pandemic has been controlled **(24%)** with only **9%** saying they will stay on in their native places permanently.
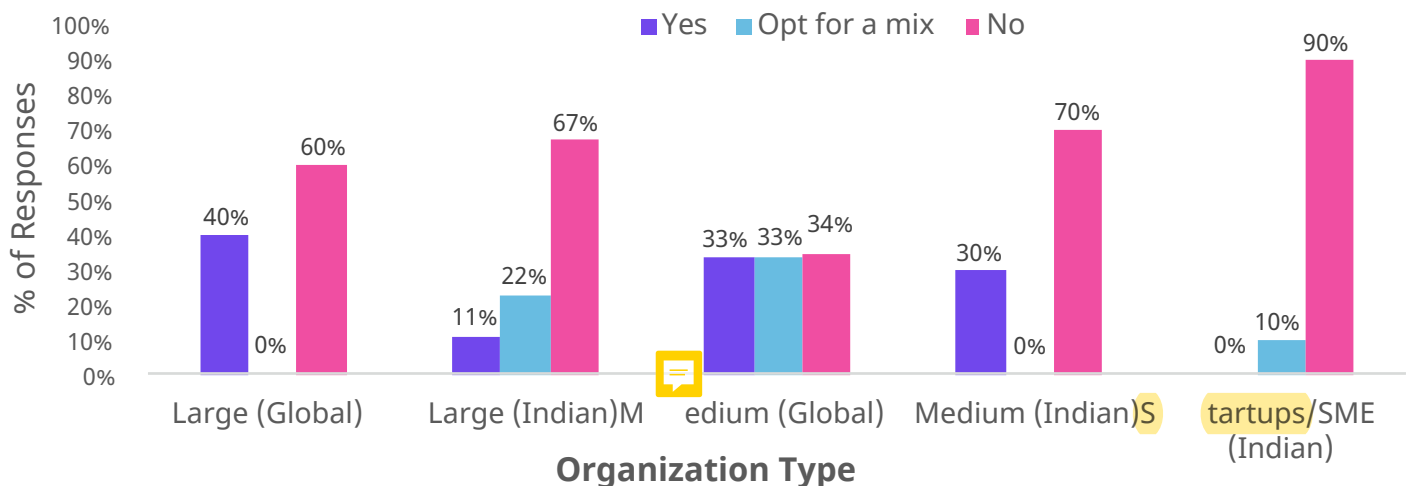
How long are employees willing to stay back in their hometowns?

One in two employees said they would be willing to shift back to a metro if their job demanded it and only **32%** were willing to take any form of pay cut even if it meant finding a job in their native place.

Indian employers are reluctant to offer remote working post pandemic; **59%** employers are not in favour of remote working in the new normal, and nearly **3 in 4** say they will not continue it once a solution to the pandemic is in place. A third of the employers surveyed said they were unwilling to set up operations in Tier 2/3 cities with more than half believing there is talent shortage in upcoming metros.

Would employers continue remote working post pandemic?

In fact, the willingness to take a pay cut in order to work from their hometowns decreases with increasing hierarchy – **88%** senior-level employees said they were unwilling to take a pay cut and **50%** said they would shift back to a metro.
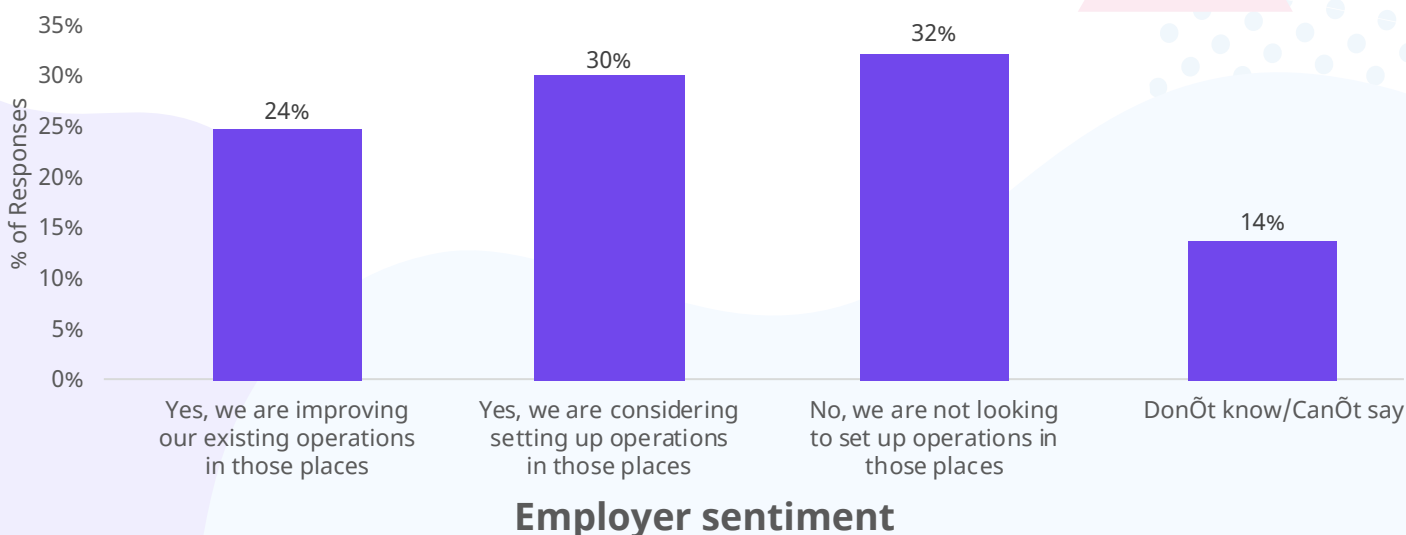
Employees do not want to stay in their native place because they do not foresee these places developing into metros. The majority cite the following infrastructure and service-related problems as deterrents:

- Lack of quality services like schools/colleges and hospitals **(42%)**
- Interruption of services like electricity, water and internet **(35%)**
- Lack of hyper-local services like Amazon, Ola & Zomato **(29%)**

While this could present an opportunity for educational institutes, essential services, and delivery partners to scale up, it indicates that reverse migration could be a temporary phenomenon.

Will reverse migration spell a new lease of life for upcoming metros?

With reverse migration gaining traction would you consider setting up operations in such towns

The study finds out that **30%** employers might consider setting up operations in small towns to take advantage of the reverse migration trend. Large and medium businesses – both global and Indian – are willing to setup new operations or enhance existing operations in Tier 2/3 cities in significant numbers varying from **50%** to **88%**.

In addition, **50%** of employees are optimistic that reverse migration can cause their hometowns to develop into metros either in the near future **(21%)** or in the long term **(29%)**.

However, one must look at this in perspective. Even though low infrastructure costs **(33%)**, low attrition rates **(29%)** and low salaries **(25%)** might seem attractive/advantageous to employers for setting up operations in smaller towns, 1 in 3 employers are not looking to set up operations in these cities. This is possibly because more than half employers (55%) said there are talent shortages in upcoming metros – which needs a lot more investment and commitment to develop and, therefore, a more long-term outcome of the pandemic.

Currently, employers list internet services **(30%)**, app-based businesses **(30%)** and retail/ healthcare/ entertainment centres **(27%)** as key areas for business development in metros of the future. Long-term investments like expansion of schools and colleges received a poor show of hands at **14%.**

Women show resilience

Women workers show greater ambition and resilience in the pandemic. As workplaces plunged into WFH overnight, women workers had to balance both work and home. Unsurprising then that **60%** female employees, more than men **(29%)**, said they were willing to relocate to their hometowns owing to the lack of a family support system in a current environment marked by quarantine living conditions or employers aiming to reduce the cost of employees by increasing working hours.

Interestingly, however, women **(60%)** would be more unwilling than men **(42%)** to take a pay cut to continue working from their hometowns. In the same vein, **60%** female employees also said they were willing to move back to a metro from their native place, if the job demanded it.

More women **(59%)** believe it would be difficult to find a job in their native place. Interestingly, male employees were more confident of organizational support **(46% male vs 20% female)** in relocating to their hometowns.

Digitally agile start-ups want their offices back

Ironic, but digitally agile startups prefer an in-office model post the pandemic. **90%** start-ups said they would not continue remote working once a solution for the pandemic was in place. **66%** start-ups said that they do not have any employees working from their hometowns, while majority **(90%)** have revised/altered pay in varying degrees for employees who continue to work from their native cities.

Majority **(60%)** said they were not looking to set up operations in Tier 2/3 cities. Even as nearly 1 in 3 employers believe that the development of app-based businesses, generally the forte of this cohort, will be the immediate outcome of reverse migration to Tier 2/3 cities. Perhaps because one in two start-up employers feel it would be difficult to scale junior level talent, the lifeblood of this revolution, in these cities.

Pandemic impacts Boomers more than Millennials

Boomers **(56%)** are less willing than Millennials **(38%)** to relocate to their hometowns as per the survey. The pandemic has hit Boomers harder than Millennials in terms of job prospects and nearly twice as many Boomers **(44%)** than Millennials **(25%)** said it would be difficult to find a job in their native place.

Corresponding hierarchy data showed that 3 in 4 senior level professionals (mostly boomers) were opposed to relocating from metro cities to their hometowns. Twice the number of Millennials **(44%)** than Boomers **(22%)** said they would be unwilling to move back to metro cities even if their jobs demand it. Consistently, **61%** Boomers and **31%** Millennials said they were unwilling to take a pay cut to work from their hometowns.

Methodology

This survey was conducted through a rigorous method of targeting a specific set of respondents. They constituted employers and jobseekers. Employees and businesses were called by interviewers on a random basis from a nationwide data base. Data was obtained from a sample of 1200 employees, 600 start-ups or businesses between the month of September 2020 and October 2020. The survey was administered to the target respondents using the Valuvox® mobile survey application. Results were based on the responses obtained by analyzing and categorizing them into different segments within all probable situations.
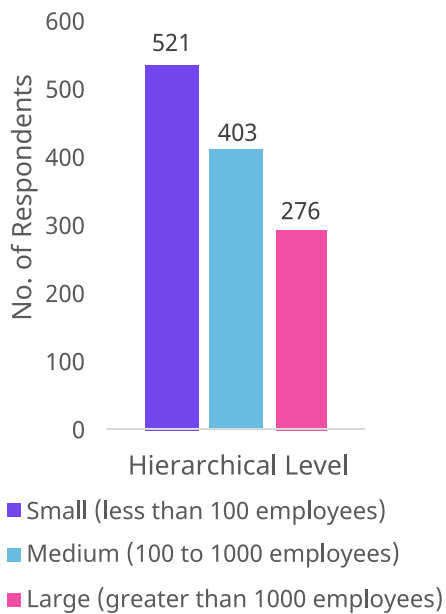
Sample Design

A total of 600 employers were considered in this survey and segregated into different divisions, the first being organizational type: either Indian or Global. Indian organizations were further divided into large, medium, SMEs, or startups. Global organizations were bifurcated into large or medium. Employers either belonged to 12 base cities or 24 migrated cities. The list below depicts the number of employer respondents in base cities and migrated cities:

Base Cities	
1. Ahmedabad	20
2. Bangalore	96
3. Chandigarh	32
4. Chennai	74
5. Coimbatore	34
6. Delhi	82
7. Hyderabad	43
8. Indore	32
9. Kolkata	42
10. Mumbai	89
11. Nagpur	22
12. Pune	34

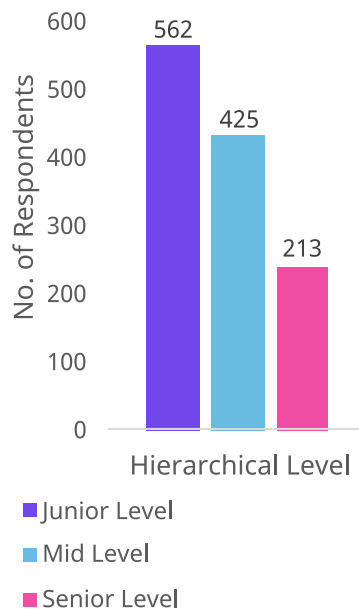| Migrated Cities			
1. Hubli - Dharwad	19	13. Lucknow	61
2. Agra	53	14. Gorakhpur	14
3. Kanpur	21	15. Vijayawada	23
4. Mangalore	14	16. Guwahati	32
5. Bhubaneshwar	19	17. Mysore	21
6. Vishakhapatnam	21	18. Sangli	30
7. Belgaum	10	19. Gwalior	19
8. Bhopal	13	20. Kochi	28
9. Goa	12	21. Jabalpur	19
10. Jodhpur	11	22. Raipur	12
11. Amritsar	43	23. Noida	39
12. Nagpur	33	24. Gurgaon	33

A total of 1,200 employee respondents were considered for this survey under six categories: organization size, hierarchical level, education, gender, and Millennials and Boomers.
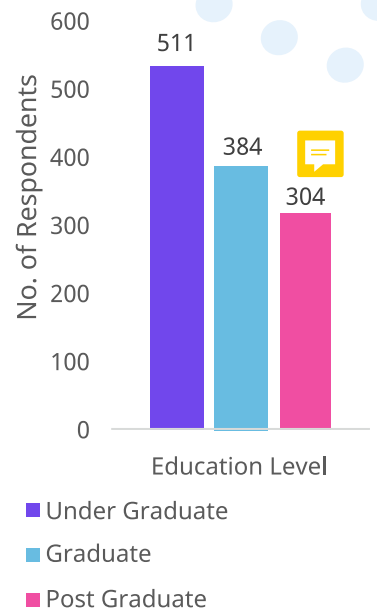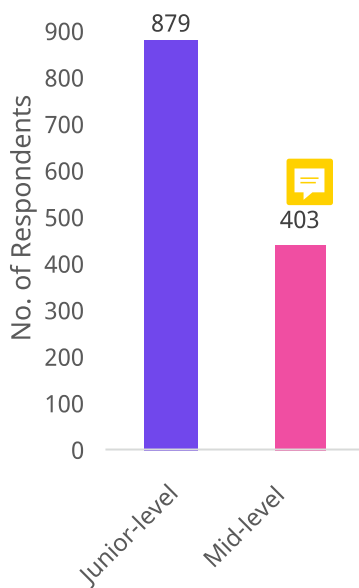
Categories

Organizational Size

No. of Respondents
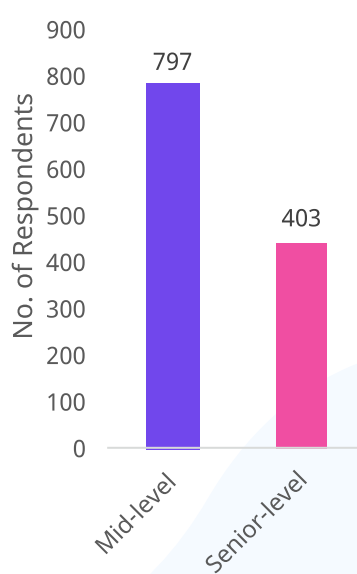
- 600
- 500 — 521
- 400 — 403
- 300 — 276
- 200
- 100
- 0

Hierarchical Level

- ■ Small (less than 100 employees)
- ■ Medium (100 to 1000 employees)
- ■ Large (greater than 1000 employees)

Hierarchy

No. of Respondents

- 600 — 562
- 500
- 400 — 425
- 300
- 200 — 213
- 100
- 0

Hierarchical Level

- ■ Junior Level
- ■ Mid Level
- ■ Senior Level

Education

No. of Respondents

- 600
- 500 — 511
- 400 — 384
- 300 — 304
- 200
- 100
- 0

Education Level

- ■ Under Graduate
- ■ Graduate
- ■ Post Graduate

Millennials

No. of Respondents

- 900
- 800 — 879
- 700
- 600
- 500
- 400 — 403
- 300
- 200
- 100
- 0

Junior-level   Mid-level

Boomers

No. of Respondents

- 900
- 800 — 797
- 700
- 600
- 500
- 400 — 403
- 300
- 200
- 100
- 0

Mid-level   Senior-level

No. of respondents

37%   63%

- ■ Male
- ■ Female