

MEF: Fewer employees get increments despite higher quantum

KUALA LUMPUR: Fewer employers granted salary increases to their employees this year though the quantum of increases were slightly higher, according to the 2019 MEF salary surveys for executives and non-executives.

MEF president Tan Sri Azman Shah Haron, who launched the latest MEF publications said 88.3% of respondents granted salary increase to executives compared with 92.4% in 2018, while it was 87.6% for non-executives (92.7% in 2018).

“However, the average salary increase for executives and non-executives in 2019 was higher at 5.15% and 4.96% respectively as compared with 4.88% for both in 2018.

“The overall average forecast salary increase for executives in 2020 of 5% was slightly lower than the actual average salary increase of 5.15% in 2019, and 5.01% in 2020 (4.96% in 2018) for the non-executives,” said Azman Shah in a statement released later.

He said in terms of bonus, 78% of respond-

ent companies granted bonus to all executives similar to 2018. For the non-executives it's slightly lower at 76.8% compared with 78.7% in 2018.

The executives' average forecast bonus of 1.9 months for 2020 was similar to actual bonus in 2019 and it was slightly higher for the non-executives with 1.79 months compared to the 1.67 months of actual bonus in 2019, he said.

About 52% of the respondent companies implemented productivity or perfor-

mance-linked wage system (PLWS) for their employees.

More than 90% indicated that the main reasons for implementation were to reward good employees and improve productivity (more than 80%), followed by enhancing the company's competitiveness (72%), and to motivate the average performing employees (68%).

Both the salary surveys were participated by 252 companies from manufacturing and non-manufacturing sectors.