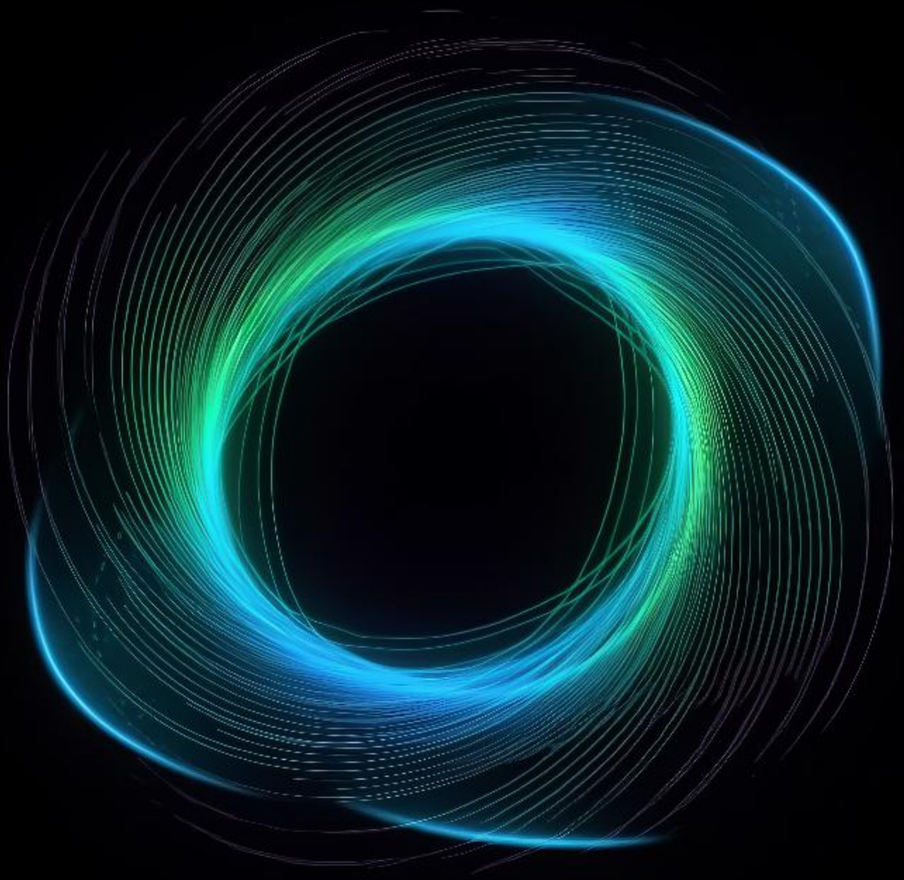
Deloitte.



Campus workforce trends 2026

Key highlights

Human Capital | Deloitte India

August 2026

Key themes shaping the campus workforce landscape in FY26

Campus hiring sentiment remains resilient despite a moderating talent market

- Campus hiring investments continue to strengthen, with hiring budgets increasing and PPO conversions improving, signalling sustained confidence in early-career talent pipelines.
- Attrition has moderated across institute tiers, indicating improved retention and stronger alignment between employer and employee expectations.

AI is transforming both hiring processes and entry-level roles

- Organisations are rapidly integrating AI across screening, assessments, and candidate engagement, while simultaneously creating new AI-enabled and hybrid entry-level roles.
- Demand is increasingly shifting towards AI, data, analytics and digital capabilities.

Skills are becoming a stronger differentiator than credentials

- Employers are accelerating the shift towards skills-first hiring, prioritising learning agility, problem-solving, AI literacy and digital fluency.
- AI- and data-related capabilities continue to attract the highest compensation premiums across disciplines.

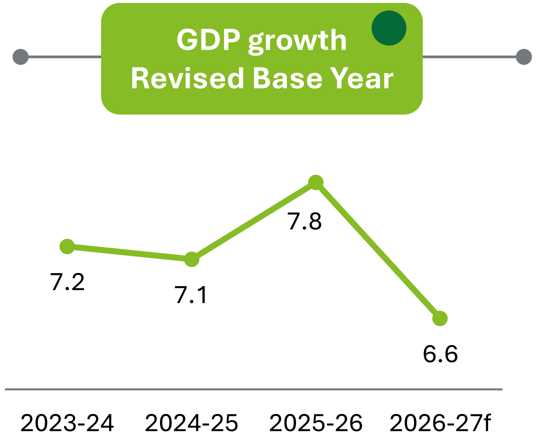
Compensation differentiation remains significant across roles and institute tiers

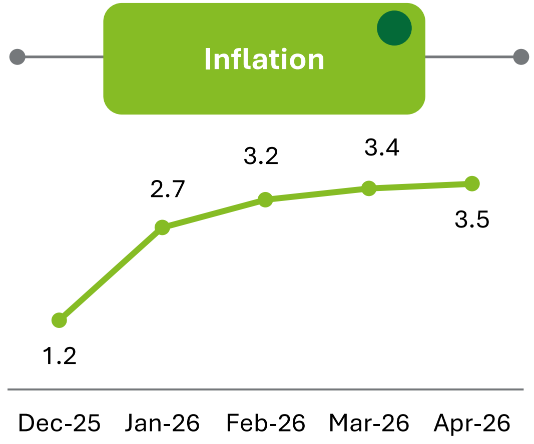
- MBA graduates continue to command substantial premiums over engineering talent, while compensation disparities between Top 10 and lower-tier institutions remain pronounced.
- Organisations continue to selectively reward high-demand skills and premium campus talent.

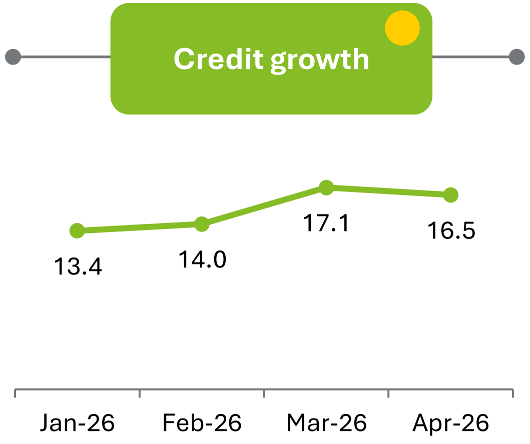
Campus talent increasingly prioritises growth, purpose and experience alongside pay

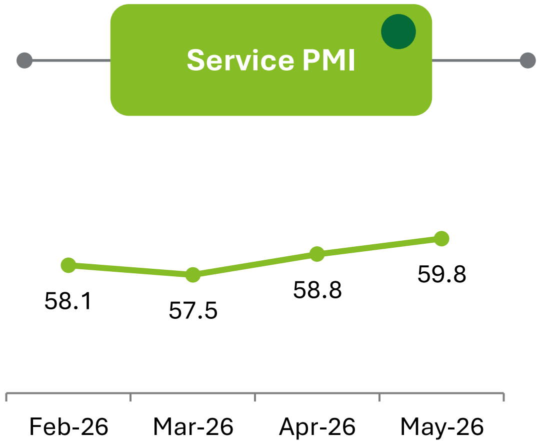
- Purpose-driven work, meaningful career progression, flexibility and well-being have emerged as critical drivers of employer attractiveness.
- Traditional compensation-led attraction models are giving way to broader employee value propositions.

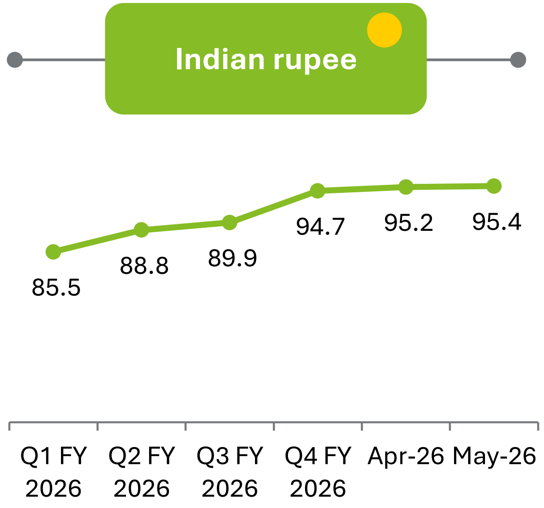
India's strong economic fundamentals continue to create a favourable environment for campus hiring and talent demand

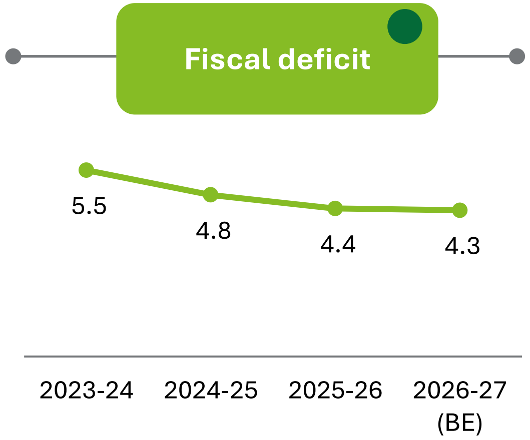


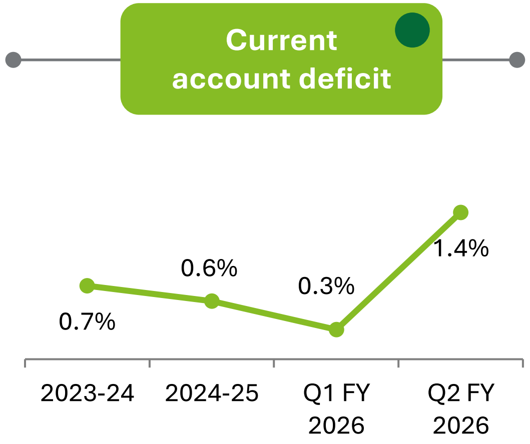


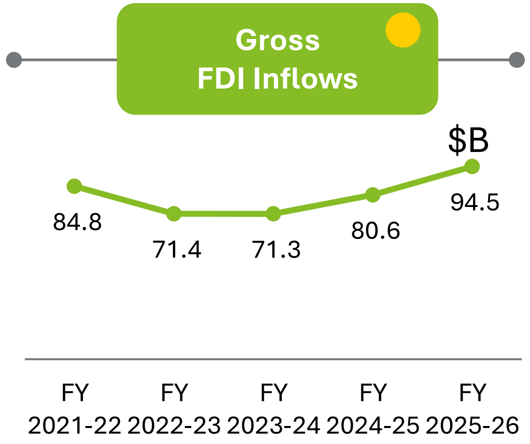












Strong outlook Neutral outlooks Weak outlook

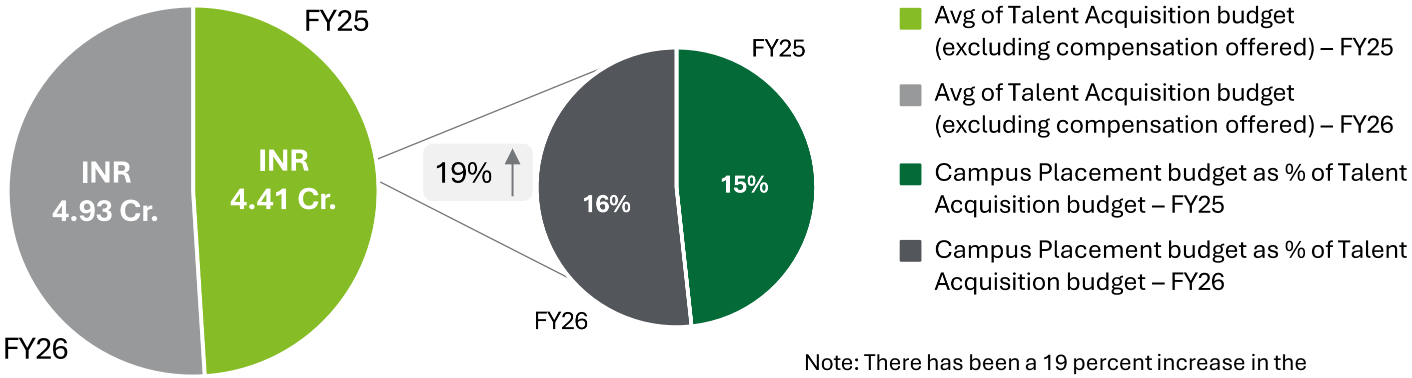
Organisations are investing in campus talent as they build future-ready workforce pipelines

Companies having campus hiring teams

80% of the participating organisations have a dedicated campus hiring team

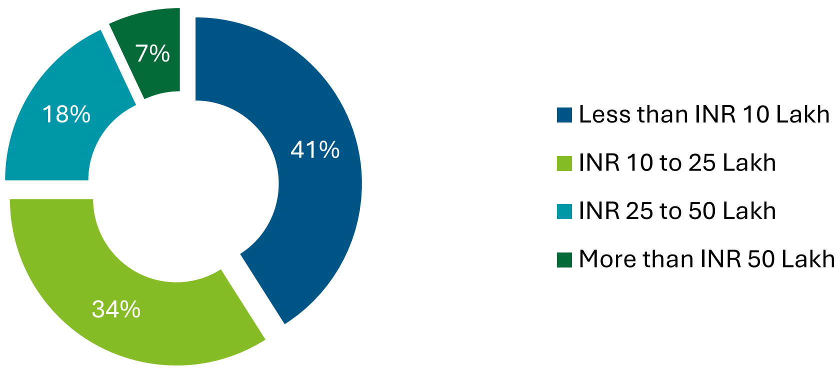
20% of the participating organisations do not have a dedicated campus hiring team

Talent Acquisition (TA) budget and campus placement budget as % of TA budget



Note: There has been a 19 percent increase in the allocation of Campus Placement budget from FY25 to FY26

Overall TA budget (excluding compensation offered)



The average Talent Acquisition (TA) budget for FY25 exceeded INR4 crore, at INR4.41 crore, with 15 percent allocated to the campus placement budget.

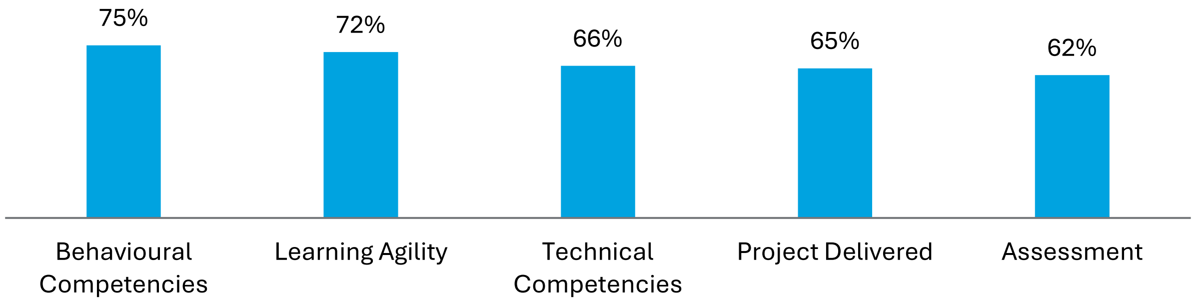
On the other hand, the average TA budget for FY26 increased to INR4.93 crore, of which the campus placement budget stands at 16 percent, a variance of nearly 19 percent increase in campus hiring budgets.

Internship-to-hire models are becoming a strategic lever for identifying, assessing and securing high-potential talent early

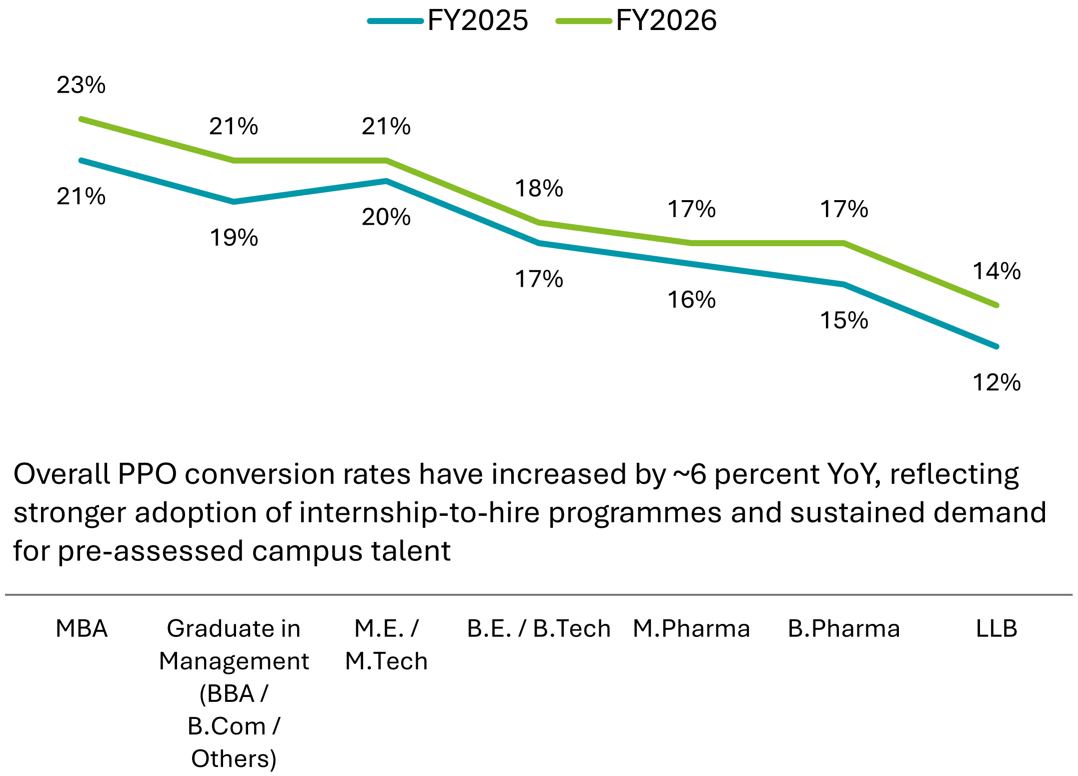
- FY26 reflects continued confidence in campus hiring, with PPO conversion rates improving across degree categories following strong hiring demand in FY25
- Organisations are increasingly using internship-to-hire programmes as a strategic talent pipeline, resulting in higher PPO conversion rates and improved hiring efficiency
- This trend highlights a stronger focus on retaining proven talent, reducing external hiring risks and accelerating workforce readiness through early engagement

Factors	Impact of placements
Rationalisation of hiring volumes	More selective PPO conversion to align with business demand and cost optimisation
Shift towards quality of hire	Higher emphasis on performance during internships to ensure stronger long-term fit
Stabilisation post hiring surge	Cooling-off period following aggressive hiring and PPO conversion in prior cycle
Evolving role requirements	Preference for specialised and skill-aligned profiles over broader intake
Focus on retention and productivity	Organisations prioritising candidates with higher likelihood of conversion success and retention
Continued digital transformation	Sustained demand for tech and analytics roles, though with tighter conversion filters

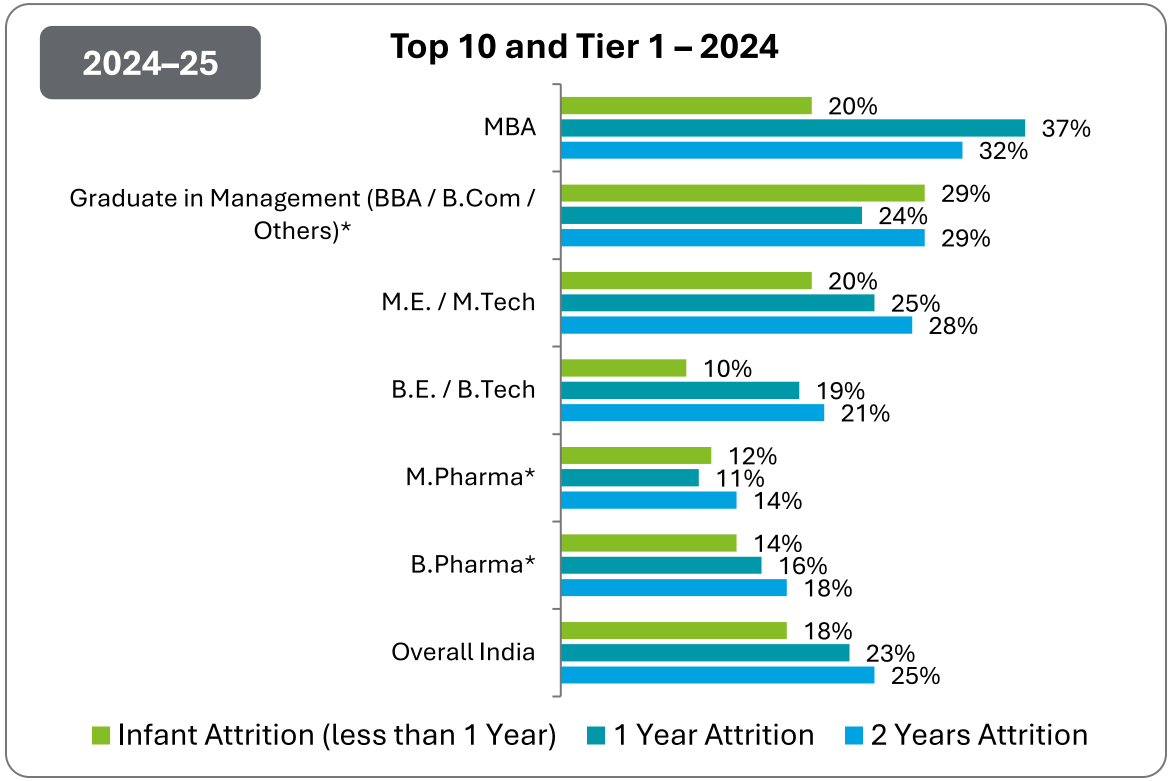
Performance evaluation methods applicable for campus hires to convert an internship into a PPO

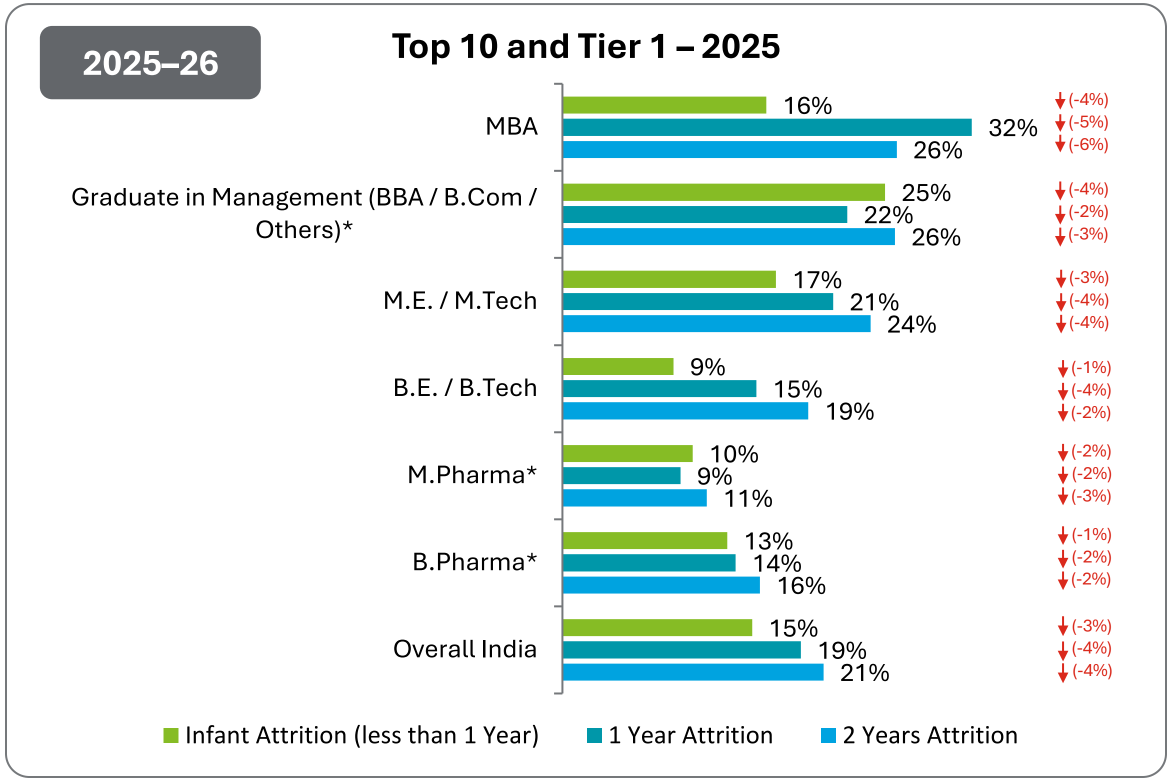


Percentage of PPO converted in FY25 and FY26



Structured hiring, early engagement, and better talent fitment are contributing to improved retention outcomes





*Note: Top 10 is not being reported for 3 degrees - Graduate in Management (BBA /B.Com /Others), M. Pharma and B. Pharma

- Attrition across Top 10 and Tier 1 institutes has moderated further from 2024 to 2025, with consistent reductions across all tenure cohorts, indicating strengthening early-career retention trends
- Overall, infant attrition has declined to 15 percent (from 18 percent), while 1-year and 2-year attrition have reduced to 19 percent (from 23 percent) and 21 percent (from 25 percent), respectively, reflecting improved retention beyond the first year
- The broad-based decline across degrees suggests improving alignment between hiring strategies and candidate expectations, supported by more structured onboarding, internship-to-hire pipelines and early engagement practices

AI and agentic AI are transforming campus hiring through smarter, faster, and more scalable recruitment processes

AI adoption in campus recruitment continues to deepen in FY26, with organisations transitioning from traditional automation and generative AI toward Agentic AI–driven, autonomous hiring workflows. These systems are enabling faster decision-making, improved candidate-role alignment, and enhanced recruiter productivity. Increasingly, organisations are using agentic AI across screening, assessments and interviews to identify future-ready capabilities rather than relying solely on traditional academic indicators.

2025 21% → 2026 35%

About 35 percent of organisations report AI/agentic AI creating new early-career roles or skill requirements, up from ~21 percent in FY25

2025 79% → 2026 86%

About 85 percent of organisations report AI/Agentic AI transforming hiring processes in FY26, up from ~79 percent in FY25, indicating rapid scaling of AI-led recruitment practices

How AI and agentic AI are transforming campus hiring

Smarter and scalable screening

- AI-enabled resume parsing now integrates skills inference, project analysis and certification mapping
- Agentic AI-powered tools create dynamic shortlists based on role requirements rather than static filters
- Automated assessment integration ensures real-time eligibility filtering at scale

Enhanced candidate experience

- AI-enabled communication ensures faster response timelines and transparency
- Personalised candidate journeys driven by chatbots, nudges and recommendations
- Virtual simulations, hackathons and gamified assessments are increasingly AI-enabled

Agentic AI in hiring

- Agentic AI systems independently manage hiring workflows, from screening to interview coordination
- AI agents assist recruiters with real-time evaluation insights and candidate scoring
- Systems generate personalised assessments and simulations based on job role requirements

The rise of AI is reshaping career aspirations and driving demand for data-, product- and technology-oriented roles

Degrees/Courses	Preference 1	Preference 2
Master of Business Administration (MBA)	Management consultant	Product manager (AI-enabled products)
Graduate in Management (BBA/B.Com/Others)	Business analyst	Financial analyst
Master of Engineering/Technology (M.E./M. Tech)	Data scientist	Technical programme manager
Bachelor of Engineering/Technology (B.E./B. Tech)	Software engineer	Machine learning engineer
B. Pharma/M. Pharma	Clinical research associate	Regulatory affairs specialist
Bachelor of Law	Corporate lawyer	Legal tech specialist
Hotel Management (MBA / Non-MBA)	Customer experience manager	Revenue manager
Chartered Accountant/Chartered Financial Analyst	Internal auditor	Investment analyst
Company Secretary	Corporate governance advisor	Compliance manager

Financial security, purpose and sustainable career growth are redefining what campus talent expects from employers

I. Social and economic outlook

- **Cost of living remains the top concern across generations:** Cost of living is the top concern for Gen Zs (38 percent) and millennials (42 percent), well ahead of unemployment and personal safety concerns.
- **Financial stress continues to affect a large proportion of respondents:** Around 47 percent of respondents live paycheck-to-paycheck, while about 34 percent struggle with monthly expenses.
- **Home ownership remains a significant affordability challenge:** About 51 percent of Gen Zs and 40 percent of millennials report being unable to afford home ownership.

II. Purpose

- **Purpose is a key driver of career decisions:** About 96–97 percent of Gen Zs and millennials consider purpose critical to job satisfaction.
- **Personal values increasingly influence employment choices:** Around 40–45 percent of respondents have rejected assignments or employers due to misalignment with personal beliefs.
- **Organisations face a gap between purpose promise and employee experience:** Only 68 percent of Gen Zs and 73 percent of millennials feel their roles enable meaningful societal contribution.

III. Career paths

- **Leadership aspirations remain strong across cohorts:** A majority express interest in leadership roles (76–80 percent for management roles).
- **Preference for steady progression outweighs accelerated growth:** Most respondents prefer steady career progression, while relatively fewer prioritise fast-tracked growth.
- **Compensation and flexibility are key leadership motivators:** Higher compensation, flexible work arrangements and visibility into leadership pathways drive interest in leadership roles.

IV. AI at work

- **AI usage is concentrated in productivity and analytical tasks:** Usage is the highest in data analysis and content creation, followed by design and project management activities.
- **Most respondents report positive outcomes from AI adoption:** A majority report positive impacts on personal life, work life, output quality and work-life balance.
- **Capability and training gaps remain adoption barriers:** Lack of knowledge, experience, training and compliance constraints continue to limit broader adoption.

V. Learning and adaptability

- **Advanced proficiency remains strongest in behavioural skills:** Work ethic and collaboration emerge as the most commonly reported advanced capabilities.
- **Interest in future-focused skills continues to grow:** AI fluency, leadership, communication and public speaking are among the most sought-after development areas.
- **Manager guidance is a critical driver of skill development:** Employees reporting clear expectation-setting with managers are more likely to exhibit advanced skills.

VI. Mental health

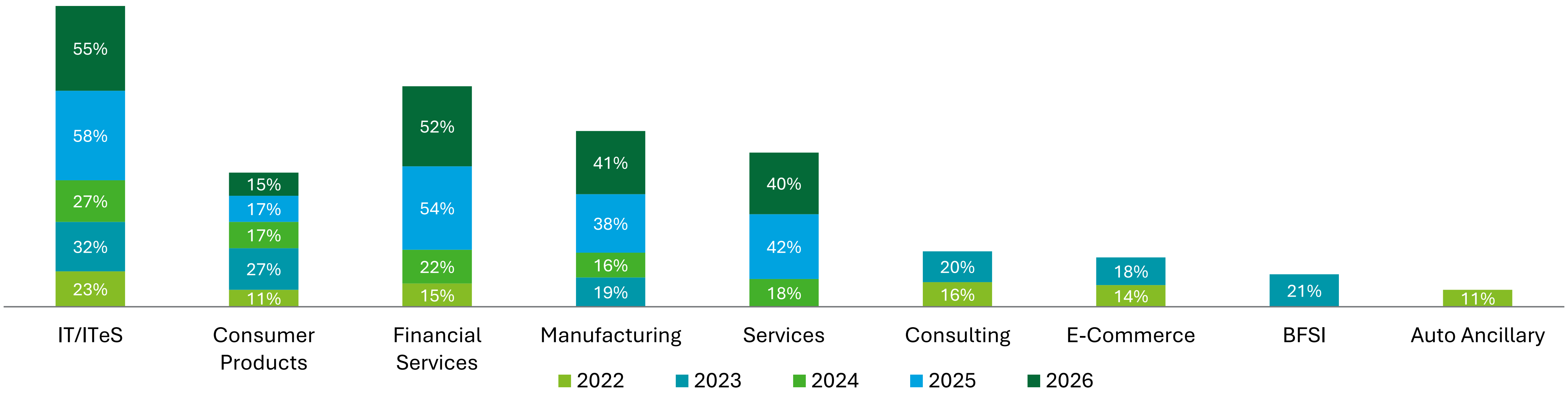
- **Workplace mental health support perceptions are improving:** 65–72 percent of respondents report positive perceptions of employer support, mental health mechanisms and manager confidence.
- **Workload and recognition continue to drive stress:** Long working hours, lack of recognition and insufficient time to complete work are among the leading stressors.
- **Manager support is improving, but challenges remain:** Increasing comfort in discussing mental health highlights progress, though workload, recognition and culture continue to impact well-being.

Source: Deloitte Global 2026 Gen Z and Millennial Survey

Technology continues to dominate talent preferences, while emerging sectors gain momentum across campus hiring

Year	Preference 1	Preference 2	Preference 3	Preference 4	Preference 5
2022	Hi-Tech	Professional services	Financial services	E-Commerce	Consumer products
2023	Hi-Tech	Consumer products	Financial services	Professional services	Renewable
2024	Hi-Tech	Financial services	Professional services	Consumer products	Renewable
2025	Hi-Tech	Financial services	Professional services	Renewable	Consumer products
2026	Hi-Tech	Financial services	Consumer products	Professional services	Semiconductor

Five-year YOY trend in sector preference for campus students



Bangalore and Delhi NCR continue to strengthen their position as the preferred career destinations for campus talent

Engineering degrees

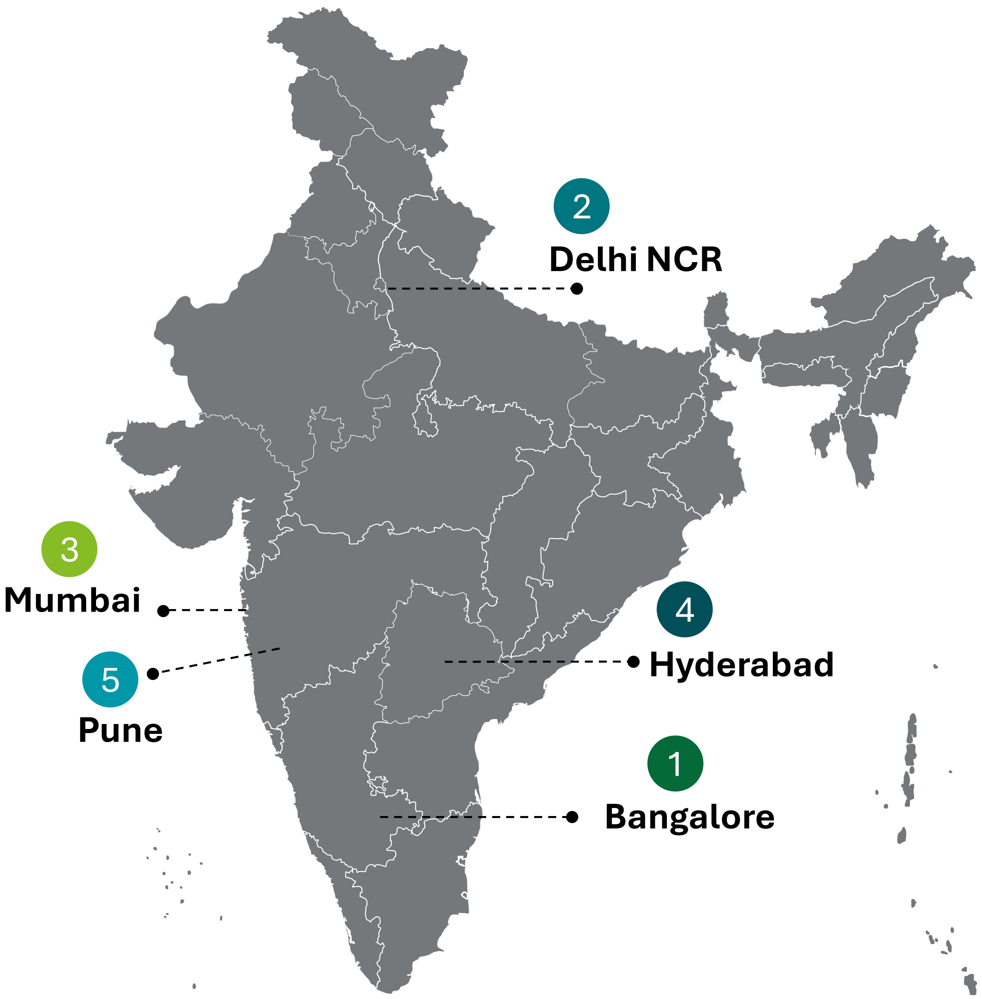
- Bangalore continues to dominate as the top preferred destination for engineering graduates, followed by Delhi NCR and Mumbai, with Hyderabad and Pune completing the preference set
- While Bangalore retains its position as India's primary technology hub, Delhi NCR has strengthened its appeal to emerge as the second most preferred location, supported by expanding corporate presence and diverse role opportunities
- Hyderabad, while still a key hub, has seen a slight moderation in preference, while Pune's re-emergence highlights growing traction for emerging tech and talent ecosystems beyond traditional metros

Management degrees

- Among management students, Bangalore continues to be the preferred destination, supported by strong consulting, start-up and corporate ecosystems
- Delhi NCR has emerged as the clear second choice, driven by its concentration of corporate headquarters and diverse industry exposure
- Mumbai retains its importance as a financial and commercial hub, attracting roles across core business functions, while Hyderabad and Pune are increasingly being evaluated as alternative growth markets

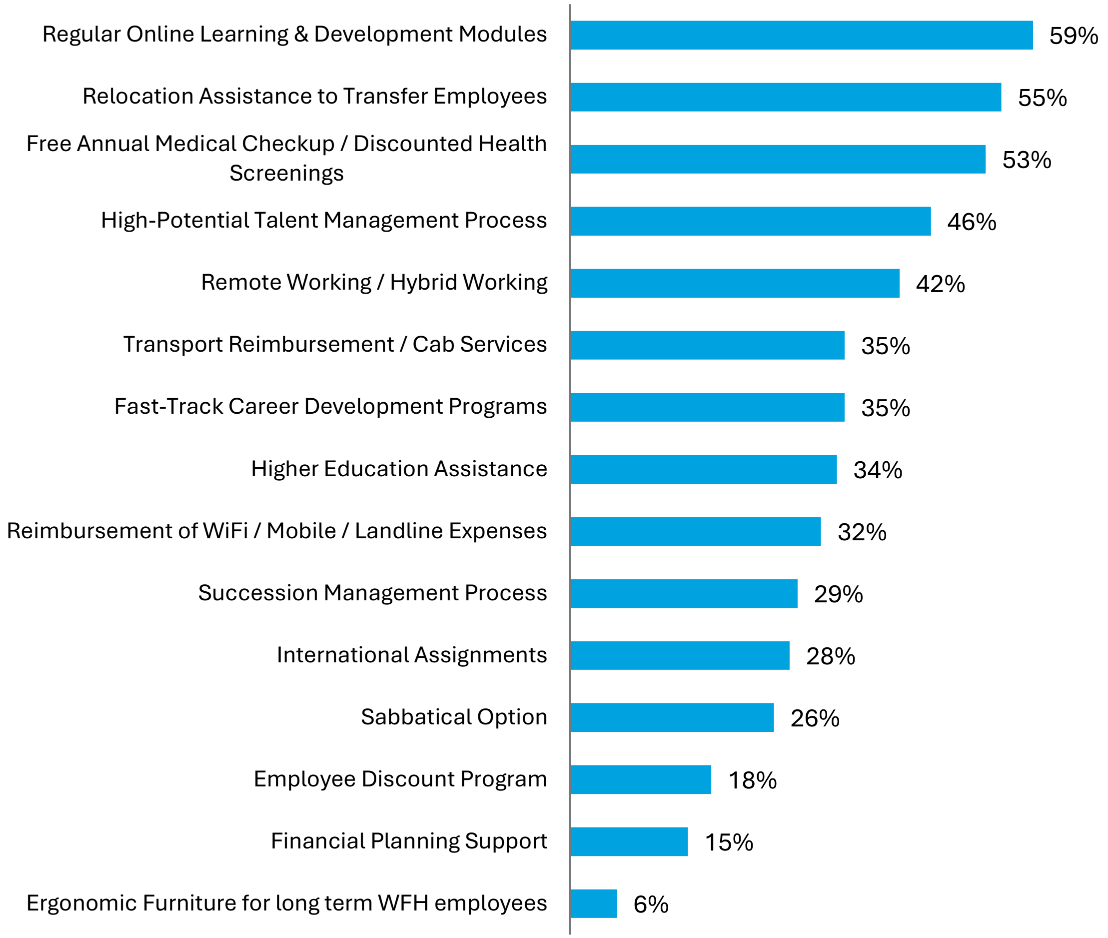
Year	Preference 1	Preference 2	Preference 3	Preference 4	Preference 5
2022	Bangalore	Delhi NCR	Mumbai	Kolkata	Hyderabad
2023	Bangalore	Delhi NCR	Mumbai	Pune	Hyderabad
2024	Bangalore	Delhi NCR	Mumbai	Chennai	Hyderabad
2025	Bangalore	Hyderabad	Delhi NCR	Mumbai	Chennai
2026	Bangalore	Delhi NCR	Mumbai	Hyderabad	Pune

Top five placement location preferences across degrees in FY26



Organisations are expanding their campus value proposition beyond compensation to differentiate talent experiences

Employee Value Proposition (EVP) offered by organisations to new hires



This bar chart highlights the EVP as the differentiated or distinctive offerings by organisations to their new hires, beyond standard market offerings, aligning with the evolving landscape of work arrangements.

The findings are highlighted below:

- **Online learning initiatives**: About 59 percent of the organisations provide regular online learning and development modules to fresh hires to deliver efficient, consistent and cost-effective training that promotes skill development and fosters a culture of continuous learning. Some also mandate the established learning hours on a year-to-year basis.
- **Relocation assistance for transfer of new joiners:** 55 percent of organisations extend relocation assistance to minimise disruption to the new joiners' personal and professional lives, while allowing them to focus on their new roles.
- **Employee wellness initiatives**: Many organisations (53 percent) arrangement proves to have started offering free annual medical health checkups and discounted health screenings to prioritise the well-being of new joiners.
- **Remote and hybrid work trends:** Remote or hybrid work will be prevalent as 42 percent of the participating organisations have adopted and extended either of these two working models and many are yet to introduce these working arrangements.
- **High-potential talent management:** Additionally, 46 percent of the organisations have a defined high-potential talent management process where the employer identifies the top performers based on certain key metrics and provides them with a competitive edge as they are integrated into succession planning discussions for key leadership positions.
- **Employee travel expenses:** About 35 percent of employers either reimburse their new hires for expenses related to transport or provide cab services.
- Other responses included retention/joining bonus, open leave policy/unlimited leaves, flexible work schedule, professional certification reimbursement and Job rotation.

Overall, these findings provide a comprehensive view of the distinctive offerings prevailing in the employer market, which are widely appreciated by new hires and hence promote talent retention.

Organisations are moving beyond standardised offerings to deliver talent-specific value propositions

OBJECTIVE DRIVERS

- **Compensation**
- **Work mode** (Flexible/Work from office)
- **Location**
- **Benefits**
- **Role and learning**

OBJECTIVE DRIVERS

- **Brand and prestige**
- **Purpose and impact**
- **Career progression**
- **Culture and experience**
- **Leadership's market perspective**

What winning CVP looks like

Tech talent

- Build AI/ML products in production environments
- Access to modern tech stack (Cloud, APIs, GenAI tools)
- Project ownership
- AI-enabled learning + experimentation environments

Management talent

- Exposure to strategy and consulting engagements
- CXO-level visibility and mentorship
- Fast-track leadership roles
- Work on high-impact business problems

Campus compensation structures are maturing, while talent premiums and market differentiation continue to persist

Overall compensation landscape

- **Compensation growth remains moderate at ~2–4 percent CAGR (FY22–FY26)** across major degree categories, with MBA and engineering roles showing similar growth trajectories
- **Growth remains below broader India Inc salary** increases (~7–9 percent YoY), indicating a maturing campus talent market, with organisations adopting more structured and benchmark-driven compensation practices
- **Significant tier-based pay premium persists:**
  - MBA: INR27.4L (Top 10) vs INR8.4L (Tier 3) → ~3.3x difference
  - B.Tech: INR18.7L vs INR5.75L → ~3.2x difference
  - This reflects structural differences in talent quality, role complexity and employer demand
- **MBA roles continue to command ~45–60 percent premium** over engineering roles, driven by strong demand for consulting, product and strategy roles

Pay mix and incentives

- Fixed pay continues to **dominate compensation structures (~75–90 percent)**, particularly in Tier 2 and Tier 3 roles, reflecting standardised hiring models
- **Variable pay and LTI are concentrated in premium segments**, with top 10 roles having ~20–30 percent performance-linked components, especially in consulting and product roles
- **Lower-tier roles show limited adoption of incentives**, indicating lower linkage between performance and pay in early tenure roles
- **Joining bonuses remain a targeted lever**, used selectively in Tier 1 and high-demand roles rather than broad-based differentiation
- Overall pay mix shows **limited structural evolution**, with organisations prioritising cost control and predictability over aggressive variable pay expansion

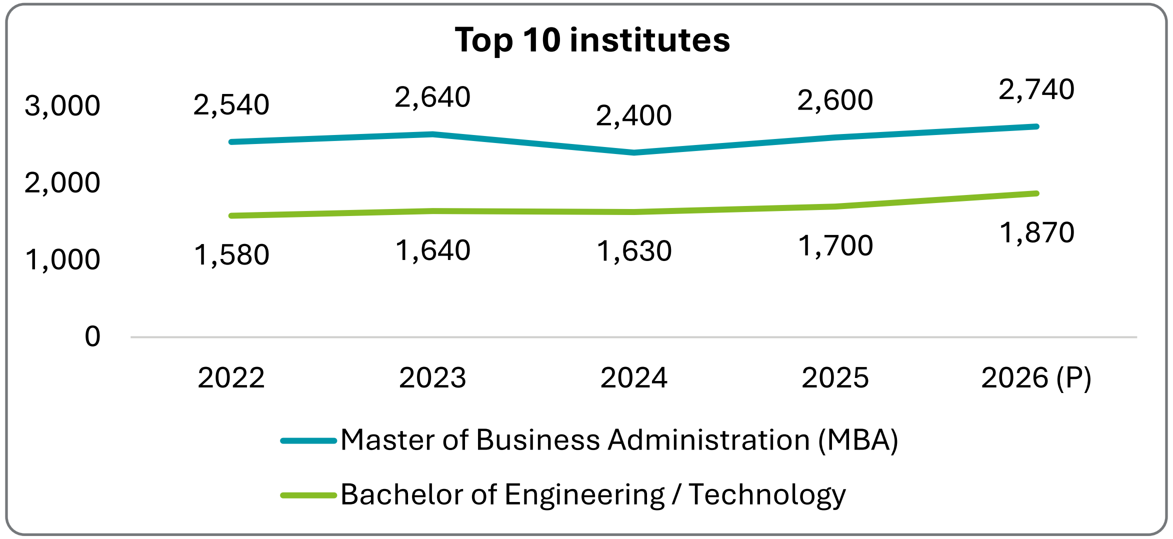
Internship dynamics

- **Internship stipends have grown ~3–5 percent YoY**, indicating steady investment in early talent pipelines despite moderation in full-time compensation growth
- Top 10 MBA internships reach **~INR1.8–1.9L/month vs ~INR26K/month in Tier 3 → ~7x gap**, highlighting sharper differentiation at pre-placement stage
- Engineering internships also **show consistent upward movement**, driven by demand for digital, AI and core technology skills
- **Tier-based disparity in internships closely mirrors full-time compensation**, reinforcing early-stage stratification in talent valuation
- Internships continue to act as a **critical conversion funnel**, with increased reliance on PPOs (Pre-Placement Offers) in premium hiring segments

Campus students' expectations

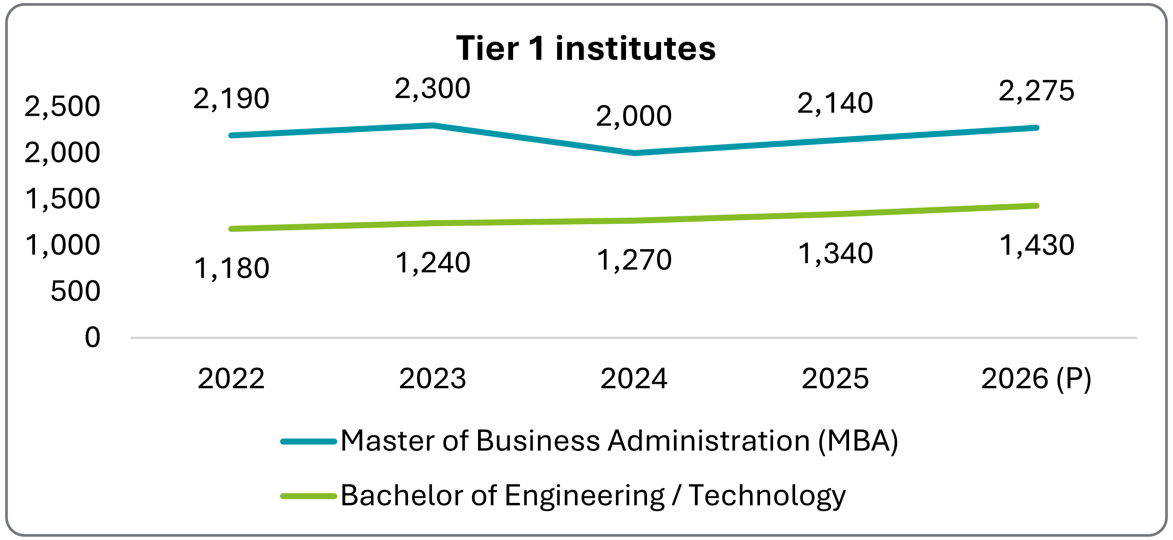
- **Expectation vs offer gap remains narrow (~±2–10 percent)**, indicating improved transparency and access to market benchmarks among students
- **Top-tier students maintain aspirational positioning** (~5–15 percent higher expectations), reflecting confidence in premium placement outcomes
- **Lower tiers show near-alignment with market reality**, with minimal gaps between expectations and offers
- **Expectation gaps are narrowing over time**, particularly in Tier 2 and Tier 3 institutes, signaling maturing hiring markets
- Indicates a broader shift towards **data-driven decision-making and realistic** compensation benchmarking among students

MBA graduates continue to command a significant compensation premium over engineering talent across institute tiers



Total cost to company less LTI (Figures in Median INR'000 P.A.)

- The MBA compensation premium over engineering graduates has remained largely stable over FY22–FY26, fluctuating within a narrow range of **~47–49 percent**
- While compensation levels for both cohorts increased over the period, the **relative gap has neither materially widened nor narrowed**, indicating consistent market valuation of management and technical talent
- The stability of the premium suggests that **demand for business, leadership and technical capabilities has evolved in tandem**, with no significant shift in employer pay preferences over the past five years

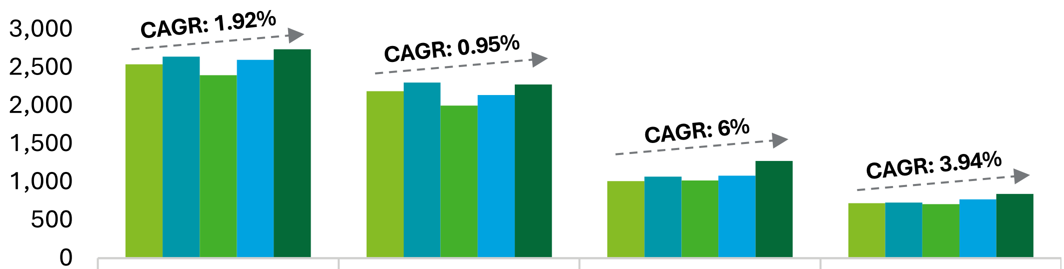


- The MBA compensation premium over engineering graduates has increased significantly, rising from **~46 percent in FY22 to ~59 percent in FY26**
- The gap **widened by ~13 percentage points** over the five-year period, driven by stronger compensation growth for MBA graduates relative to engineering hires
- The widening differential indicates an **increasing market premium for managerial and strategic skillsets**, with employers placing greater value on leadership-oriented talent relative to technical roles

Rewards analysis summary across degrees/courses (1/2)

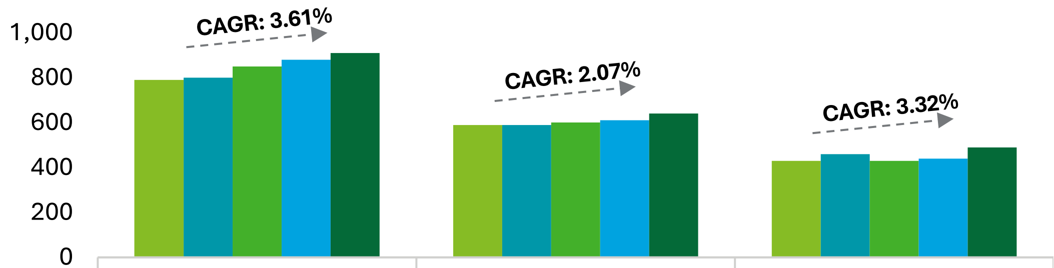
Total cost to company less LTI (Figures in Median INR'000 P.A.)

Master of Business Administration



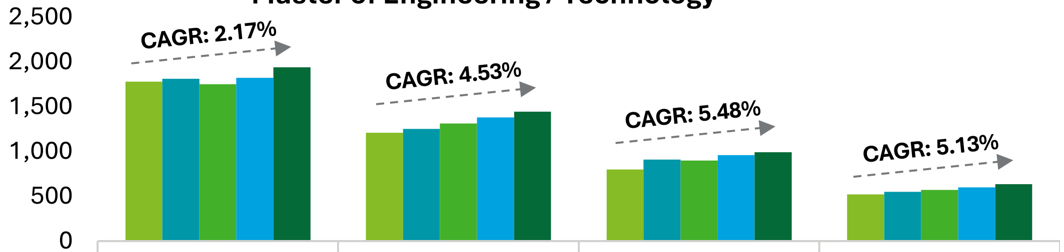
	Top 10	Tier 1	Tier 2	Tier 3
2022	2,540	2,190	1,010	720
2023	2,640 ↑	2,300 ↑	1,070 ↑	730 ↑
2024	2,400 ↓	2,000 ↓	1,020 ↓	710 ↓
2025	2,600 ↑	2,140 ↑	1,080 ↑	770 ↑
2026 (P)	2,740 ↑	2,275 ↑	1,275 ↑	840 ↑

Graduate in Management (BBA/B.Com/Others)



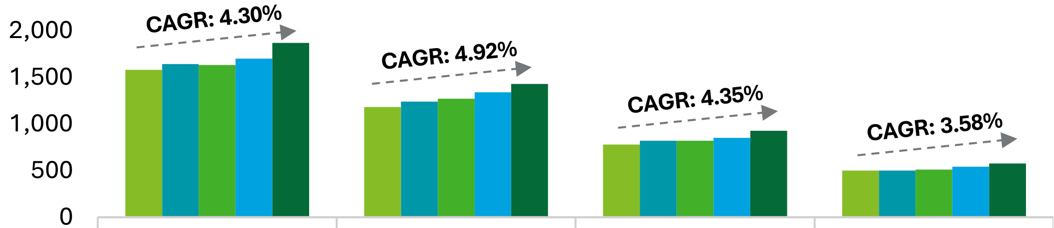
	Tier 1	Tier 2	Tier 3
2022	790	590	430
2023	800 ↑	590 =	460 ↑
2024	850 ↑	600 ↑	430 ↓
2025	880 ↑	610 ↑	440 ↑
2026 (P)	910 ↑	640 ↑	490 ↑

Master of Engineering / Technology



	Top 10	Tier 1	Tier 2	Tier 3
2022	1,780	1,210	800	520
2023	1,810 ↑	1,250 ↑	910 ↑	550 ↑
2024	1,750 ↓	1,310 ↑	900 ↓	570 ↑
2025	1,820 ↑	1,380 ↑	960 ↑	600 ↑
2026 (P)	1,940 ↑	1,445 ↑	990 ↑	635 ↑

Bachelor of Engineering / Technology

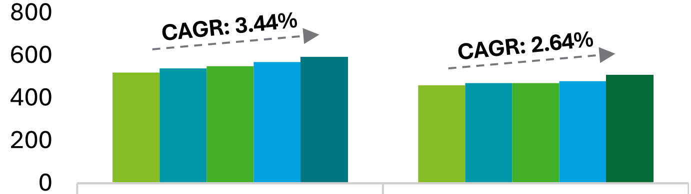


	Top 10	Tier 1	Tier 2	Tier 3
2022	1,580	1,180	780	500
2023	1,640 ↑	1,240 ↑	820 ↑	500 =
2024	1,630 ↓	1,270 ↑	820 =	510 ↑
2025	1,700 ↑	1,340 ↑	850 ↑	540 ↑
2026 (P)	1,870 ↑	1,430 ↑	925 ↑	575 ↑

Rewards analysis summary across degrees/courses (2/2)

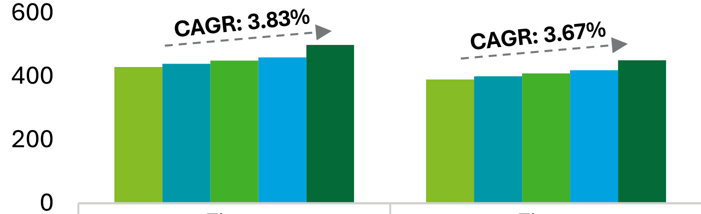
Total cost to company less LTI (Figures in Median INR’000 P.A.)

Master of Pharmacy



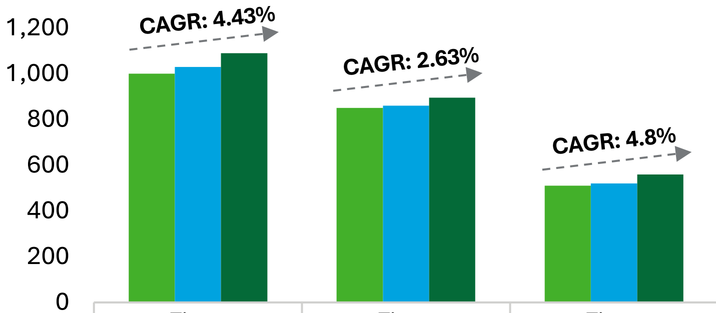
	Tier 1	Tier 2
2022	520	460
2023	540 ↑	470 ↑
2024	550 ↑	470 =
2025	570 ↑	480 ↑
2026 (P)	595 ↑	510 ↑

Bachelor of Pharmacy



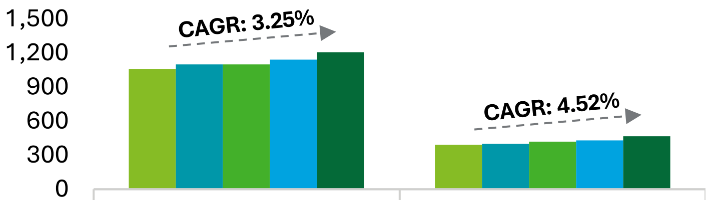
	Tier 1	Tier 2
2022	430	390
2023	440 ↑	400 ↑
2024	450 ↑	410 ↑
2025	460 ↑	420 ↑
2026 (P)	500 ↑	450 ↑

Bachelor of Law



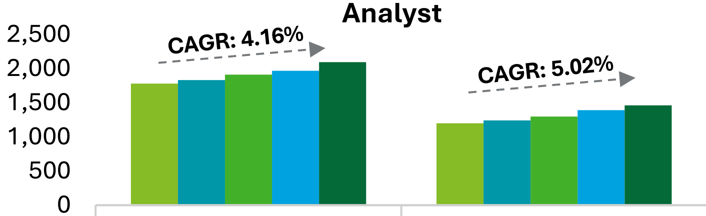
	Tier 1	Tier 3	Tier 2
2024	1,000	850	510
2025	1,030 ↑	860 ↑	520 ↑
2026 (P)	1,090 ↑	895 ↑	560 ↑

Hotel Management (MHM/ BHM)



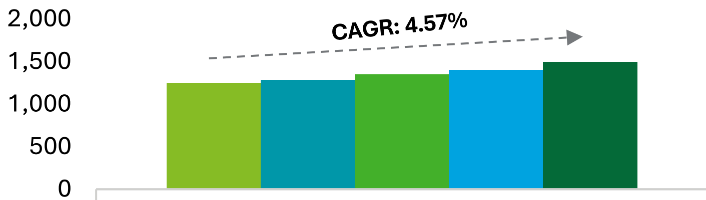
	MHM	BHM
2022	1,060	390
2023	1,100 ↑	400 ↑
2024	1,100 =	420 ↑
2025	1,140 ↑	430 ↑
2026 (P)	1,205 ↑	465 ↑

Chartered Accountant / Chartered Financial Analyst



	Rank Holders	Non-Rank Holders
2022	1,780	1,200
2023	1,830 ↑	1,240 ↑
2024	1,910 ↑	1,300 ↑
2025	1,970 ↑	1,390 ↑
2026 (P)	2,095 ↑	1,460 ↑

Company Secretary



	Company Secretary
2022	1,250
2023	1,280 ↑
2024	1,350 ↑
2025	1,400 ↑
2026 (P)	1,495 ↑

Thank you!

For any queries, please reach out to us at incampus@deloitte.com