A-Z of CUTTING COSTS

Bollywood actors, big companies, luxury hotels, BPOs, bankers, socialites, husbands, wives and lovers... all are tightening belts to battle the economic squeeze, finds out ***Sunday Times***

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Illustration: Neelabh

Air travel... don't bother to fasten those seat belts. Flying has become too much of a luxury even for the well-heeled. For the rest, it's good old Laloo rail. Before complaining about those stinking toilets, remind yourself you're saving on astronomical airfares. Corporate honchos aren't on this track just yet but they've been forced to downgrade from the luxuries of business class to humble economy. Just last month, a leading Indian bank asked its entire investment banking division to stop travelling business class. Babus, too, have to look for the cheapest flight deals after the Centre's warning that leave travel allowance (LTA) isn't a ticket to splurge.

Bollywood's shouting 'cut, cut, cut.' The stars have cut fees and producers their budgets. Actor Sanjay Dutt, who was charging Rs 15 crore, is back to a more affordable Rs 4-5 crore. Sanjay Dutt Productions CEO Dharam Oberoi explained that the actor thought it would be "unfair to hike his prices at a time when the industry is struggling with recession". John Abraham has reportedly cut his fee by 60% for his next film and director Pooja Bhatt has been asked by T-Series to trim the budget of her new film *Kajra Re*.

Car drop has become drop car as some I-T companies in Hyderabad and Bangalore introduce buses to ferry workers around. Senior executives can't hire luxury taxis and have to make do with Indicas.

Divorce? Nah, it's not worth it if your spouse doesn't have any assets left to split. So discord or not, most couples are opting to stick it out, say marriage counsellors.

Expats are getting the heave-ho. In lean times, most companies are baulking at the thought of huge wage payouts. Jet Airways has already let go many foreign pilots. MNCs such as Procter & Gamble and Marriot have also decided to cut down on expat assignments. "An expat costs three to five times more than a local," says a senior official of an MNC.

Food bills have shrunk as people share appetizers and skip dessert. The good news is that happy hours at bars have been extended.

Guest entertainment is out and company guesthouses are in. Don't even think of wining and dining those clients and leaving the company to pick up the tab. Kiss goodbye to five-star hotels as companies set up guesthouses of their own.

Hotel freebies have got the axe. So be prepared for no welcome drink, complimentary slippers, or mint on the pillow. Even the quality of toiletries is going to suffer.

In-house entertainment budgets, which ranged between Rs 50 lakh and Rs 5 crore, have nose-dived, so family days and picnics are out. Serious times are here, especially for fun officers as many I-T companies have either retrenched or redeployed these interestingly titled members of staff.

Junk the snacks. *Chai-nashta* is now just *chai* as the free pizzas and sandwiches have disappeared at most BPOs. In a lighter vein, it's good not just for the pocket but for waistlines.

Kids may have to wait. Worried about whether they will be able to provide for their children, some couples in the US have put off plans to start a family. Economists consider baby booms or busts a reliable indicator of a nation's fortunes.

Lunch boxes are enjoying an unlikely renaissance as the cash crunch bites. In the good times, packed lunches had become passe for executives, who found it easier to grab a bite near the office. But now, it's tiffin time again. Good news for the dabbawalas!

Marriages are considered recession-proof in India but many couples are altering their route to the altar. Guest lists have been pruned and seven-course buffets are no longer the order of the day. Financial lows mean no high spirits as mocktails replace cocktails.

No wasting power. Firms have announced curbs on air-conditioning and lights. That should make the green lobby happy.

Off-site meetings are out. Deutsche Bank and Credit Suisse recently asked bankers to forgo meetings at swanky hotels and gather warmly around the office instead. That's bargain bonding.

Party's over. What can be a bigger sign of hard times than parties being cancelled? Here, New Year and Christmas bashes are going to be low-key. And in Silicon Valley, even Internet giant Google Inc, known for throwing the most extravagant holiday season parties complete with sushi buffets and burlesque dancers, has decided to scale back celebrations.

Quantum cuts in perks and salaries. Get ready to forgo your LTA and reimbursements for petrol and cellphones.

Romance and recession certainly don't go hand in hand. Expensive dates are out with lovebirds making do with a movie at the neighbourhood multiplex or worse still, a walk in the park.

Sabbaticals are the less-painful option for companies that don't want to retrench. Infosys is one of the companies giving employees this option. Those who've been with it for at least two years can take a sabbatical to work with an NGO. They'll be paid 50% of their Infosys salary and the rest will come in from the NGO.

Toilet paper is doing the disappearing act from many loos. The bottomline was obviously more important than bottoms for a leading Indian pharmaceutical company, which decided to do away with toilet paper at its Mumbai office.

U-turn on hiring is what companies are doing. According to a new report by global staffing company Manpower, India Inc's hiring plans in the first quarter of 2009 will be the lowest since 2005. A quarterly poll of 3,597 Indian firms across seven sectors showed that only 19% employers have recruitment plans.

Video conferencing has replaced travel in leading firms. Telephone usage is also down by encouraging VoIP (voice over internet protocol) applications such as Skype.

Weeks just got shorter. A host of companies such as Force Motors, Bharat Forge and ThyssenKrupp Industries have introduced the five-day week to reduce costs.

Xerox machines are vanishing from offices as firms like GM impose restrictions on the number of colour photocopies and printouts.

Yes, boss! That's what you have to say when you're told to work longer hours and on weekends.

Zero... the size of your bonus this year, that's if you still have the job.

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SIGNS OF GLOBAL COOLING

- Smaller tips for hotel staff
- Fewer beauty salon visits
- Sex workers report fewer clients
- Hemlines go down
- Restaurants offer recession menus