

Abu Dhabi Dialogue

11th-12th May 2016

Senior Officers' Meeting

Labor Recruitment

Session Two: Alternative Models

Skill training and certification as a driver of alternative recruitment schemes

Ms. Gayathri B Kalia

International Work Migration – Prevalent Models

Regulated Private led Model

- Driven by private sector
- Role of government is regulatory
- Regulation focused on restricting abusive practices rather than sustaining decent practices
- Predominant model in the eco-system

Challenges

- Over-stress on regulation of fees to workers
- Poor cognizance of actual costs of movement
- Higher incidence of auctions in job-matching

In the recruitment of construction workers, the trade test used: height, weight, eyesight, callus hands & a simple demonstration designed for success

International Work Migration – Prevalent Models

Government Led Private Model

- Driven predominantly by Private sector
- Source Governments – regulation plus facilitation
 - Greater investment in promoting cultural assimilation, work readiness & protection of workers – e.g. in Philippines
 - Proactively engaging with host governments for labor migration and decent work opportunities
- Host governments – mostly regulatory

Challenges

- Still lacking in strong coordination between source and host governments to implement effective migrant worker programs
- Support from host governments in recognizing employers and employment contracts
- Job-matching by auctions is still a possibility, as skills are not a part of the eco-system

Tackling unemployment of Saudi youth, labour laws were changed leading to deportation of over 1 million workers
Information demand as part of registration of recruiting agents by source government resulting in shift to other countries with easier laws

International Work Migration – Prevalent Models

Other Models – Project Export led or Informal models

- In Project Export led model, the winning bidder for a contract drives labor movements
- In Informal models, social networks of entrepreneurs in host country or returning migrant workers drive labor movements

Challenges

- Sustainability
- Scaling-up

GMR Infrastructure moving workers after its loss of the contract from Maldives
POSCO moving workers after a loss of contract with India

Why an Alternate Model?

- **Current models are not efficient or cost effective**
- **Current models are not designed as self-improving systems**
- **Current models do not capitalize on the immense value of social relations**
- **Current models do not standardize skills as the basis for sustainability**

DDU-GKY (Ministry of Rural Development, GoI)

Vision

Transform:

- Induce the highest possible change

Rural poor youth

- Youth between 15 & 35 years of age from rural areas

Into economically independent

- As a family

And globally relevant

- In keeping with global benchmarks to facilitate mobility across borders

Workforce

- Economically and socially productive workers for wage



PUSHPANJALI MALICK

A shy quiet girl from Cuttack District in Odisha, who is now the **Assistant Manager** @ Coffee Day Square, Chennai. Earning a monthly salary of **Rs. 13,000/-** after a little over one year.

She can be contacted at: +91-7299430018



Addressing:

55 Million BoP (Bottom-of-the-Pyramid) youth from rural areas

Scope & Scale of the program:

28 States

7 Union Territories

Capital (from 2012): **Rs. 5,653 Cr** (AED 3.12 Billion)

To train: 1.6 Million youth

Current Operations:

1,100 Training Centers
Courses in 82 sectors
Spanning over 330 job-roles
Capacity to train: 350,000 p.a.

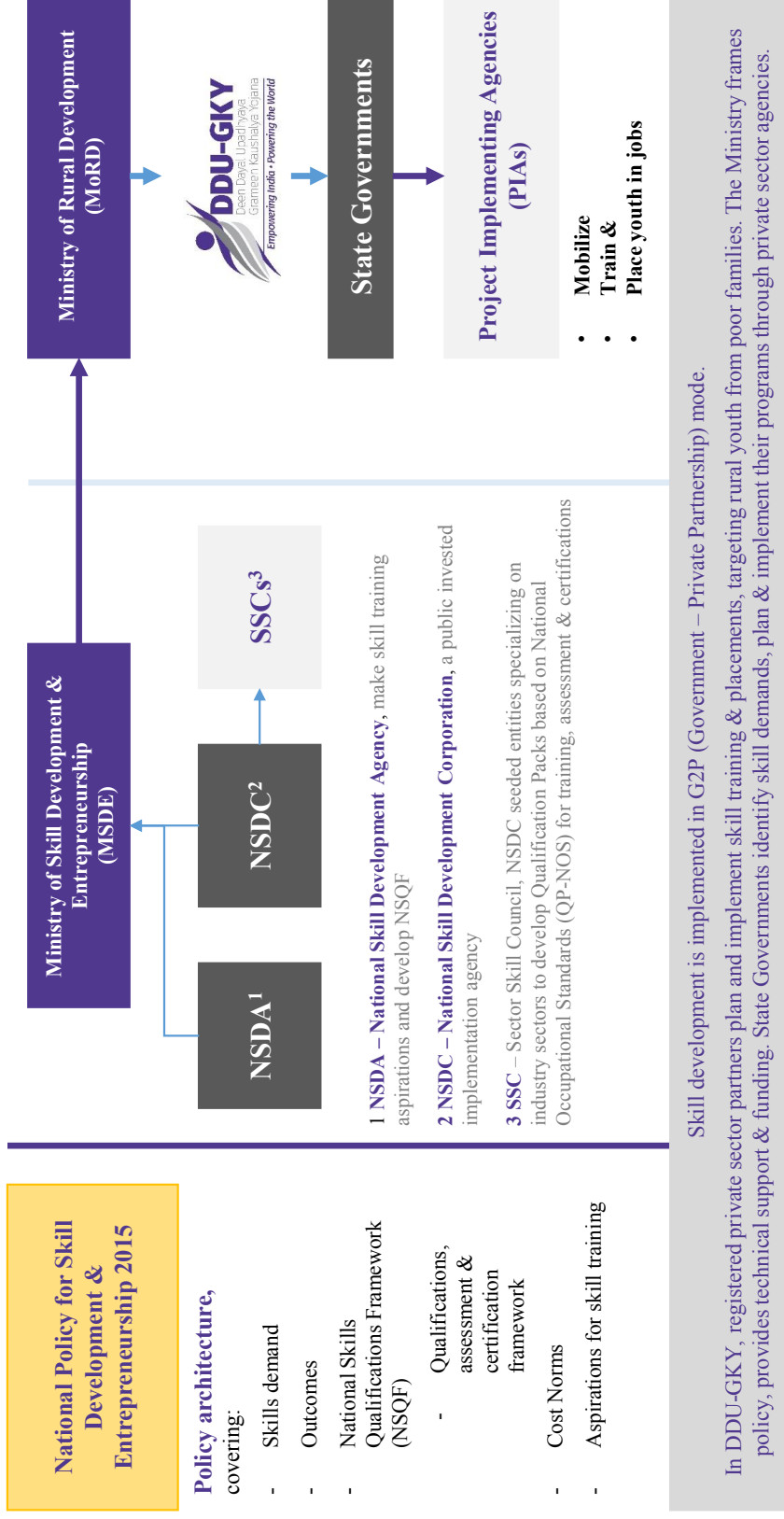
Last FY:

- > **270,000 trained** in 3 month courses (576 hours)
- > **130,000 placed** in jobs with salary > Rs. 6,000/- (AED 330) per month; and min 4% in jobs with salary > Rs. 10,000/- (AED 550) per month

Private sector training partnerships:

- International Placements
- Industry partnerships:
 - Champion Employers: train & place 10,000 in 2 years
 - Captive Employers: train & absorb 500 each year
 - Industrial Internships: train & absorb 100 after 12 month OJT
- Educational Institutions of repute (CGPA 3.5 and above)
- NGOs / CSOs with skilling experience of over 20,000 youth

Indian Skilling Eco-system & DDU-GKY



Sample QP-NOS

NSQF:

Quality Assurance framework – awarding of credit, transfer of credit & progression routes

Each NSQF is composed of 10 Levels, with each Level representing a different level of complexity, knowledge & autonomy

NSQF to build:

- National Occupational Standards (NOS)
- Curriculum Packages (QP)
- Industry engagement
- Horizontal & vertical mobility
- International comparability

Each Level:

Described by a statement of learning outcomes in 5 domains, called Level Descriptors: Process, Professional Knowledge, Professional Skill, Core Skill & Responsibility

Level 1 (Sample):

- Process: repetitive process w/o prior experiences
- Professional Knowledge: familiarity with trade terminology & instruction
- Professional Skill: routine & repetitive, with safety
- Core Skill: Reading/ Writing, Addition/ Subtraction etc.
- Responsibility: under continuous supervision

Level 10 (Sample):

- Process to Professional Skill: highly specialized knowledge with problem solving skills, original contribution to knowledge through research & scholarship
- Core Skill & Responsibility: responsible for strategic decisions in complex/ unpredictable situations of work/ study

Extract of Transnational Standards developed by the SSC

- Mapped to UK standards/ Qualifications

TRANSNATIONAL SKILL STANDARDS FOR CONSTRUCTION INDUSTRY		Summit Skills	
Section 1. Continued: Compares the competencies in Indian NOS Construct masonry structure using brick/block (CONVIND10) with the UK NOS Set out complete masonry structures (COV948).			
Indian QP Title	NOS Mapping Descriptions	UK Qualification	UK Level 3 Diploma in Brickwork and Blockwork (Construction)
Indian QP Code	CONVIND03	UK Qualification Code	Q43214
Indian NOS Code	Construct masonry structures using brick/block	UK NOS Code	COV948
Indian NOS	CONVIND10	UK NOS	COV948
Scope	The scope covers the following: <ul style="list-style-type: none"> • Carry out preparatory work including setting out masonry work • Check material used for brickwork / block work 	Overview	This standard is about masonry. It covers: <ol style="list-style-type: none"> 1. preparing the site 2. adopting safe and healthy working practices 3. setting out masonry work 4. setting out complete brickwork / blockwork

Co-branded skill training certificate issued to successful candidates after assessments by agencies/ SSCs

- RASCI
- Pearson
- City & Guilds



DDU-GKY – Institution building for Quality

Candidates	Training Partners	Recruiters	Program Management	Policy Makers
<p>Training: Pedagogy, Domain Skills, Tools & Technology</p> <ul style="list-style-type: none"> - QP-NOS/ NCVT <p>Transverse skills for employability</p> <ul style="list-style-type: none"> - Soft Skills, IT, English <p>Finishing & Work Readiness</p> <p>Credentials: Identity</p> <p>Acceptance of Certificate by employers</p> <p>Skills based Job-matching</p> <p>Achievement: Recognition of performance</p> <ul style="list-style-type: none"> - PRISM 	<p>Selection & on-boarding: Level playing field</p> <ul style="list-style-type: none"> - Online system using Baldrige Framework for Excellence <p>Operations: Predictability through Standard Operating Procedures (SOPs)</p> <ul style="list-style-type: none"> - Inspections, audits & remedial actions <p>Administrative engagement in Mobilization, Assessments & Migration</p> <ul style="list-style-type: none"> - Village/ Community level resources - Linkages with NSDC/ SSCs - Migration Support Centre <p>Transparency & Accountability in funding</p> <ul style="list-style-type: none"> - Measurement of Outcomes & Fund releases <p>Quality: Self-Regulation</p> <ul style="list-style-type: none"> - Q-Teams with active role in SOPs 	<p>Training: Consistency of Outcomes/ reliability of processes</p> <p>Employability through Transverse skills</p> <p>Work Readiness</p> <p>Credentials: Identity & Prior Qualifications</p> <p>Assessment & Certification</p> <ul style="list-style-type: none"> - Consistent performance assessment <p>Engagement: Industry Partnerships in Training</p> <p>Policy Meets with Senior Leadership</p>	<p>Planning & Strategy: Autonomy in allocation of financial resources</p> <p>Scalability</p> <p>Capacity: Administrative team & competency on DDU-GKY SOPs</p> <ul style="list-style-type: none"> - Support Cost - SOP based learning & certification s/w <p>Training of Trainers</p> <ul style="list-style-type: none"> - Global certification for Trainers (ITAC pilot with NSDC & Australian RTOs) <p>Implementation support</p> <ul style="list-style-type: none"> - Vendor engagements - Technology (ERP & MIS system) <p>Monitoring & Evaluation: Active role in Concurrent Monitoring & remedies</p>	<p>Demand Linkage: Micro Skills Gap</p> <p>Global Skills Demand and GTM Framework</p> <p>Impact Assessment & Career aspirations</p> <p>Outcomes: Strengthen quality</p> <ul style="list-style-type: none"> - SOPs - ASK (Attitude, Skills & Knowledge) <p>Policy: Innovations</p> <ul style="list-style-type: none"> - Incentives for Outcomes in Retention, Progression & Foreign placements - Per diem allowance - Privilege for Skills (BFT) - Placement Cells

Job Led Internal Migration Model

Evangelizing Decent Work Opportunities for Rural Youth

PRIVATE

- Champion Employer Policy
- Incentivizing and Employing large employers and Industry to partner with DDU-GKY for their internal and sector HR requirements.
- Industry Internships
- On the German dual system
- Proactive CxO and HR meets to embed DDU-GKY within corporate HR recruitment strategy
- Catalyse private sector to give equal weight to skill certification in recruitment policy

GOVERNMENT

- Mandated sectors to establish skill equivalence to education
- Taken lead to provide primacy to skill certification for internal recruitments in Ministry of Rural Development
- Monitoring and advocacy to ensure decent work opportunities
- Funding and framework for migration support centres

TRAINEES AND TRAINING PARTNERS

- Retention support – To encourage longer term retention in jobs
- Career progression support
- Finishing school and overseas placement support
- Post placement support to trainees

Vision going forward

- **Expand DDU-GKY industry partnerships for skill training and placement**
 - Logistics
 - E-Commerce
 - Gems and Jewelry
 - Healthcare
 - Hospitality
 - Construction
- **Skilling for international placements**
 - Collaborations for mutual recognition of India Skills
 - Alignment with transnational standards
 - Mapping of global demand with GTM strategy
 - Cross border employment exchanges
 - Establishment of Overseas Employment Corporation in PPP mode
- **Build 'Centers of Excellence' in association with industry**
 - Cluster level Model Training Centers based on the Penang Skill Development College (PSDC) model
 - Industry sustained skill training for in-situ demand in industrial clusters like SEZs
 - Opportunity for partnership and co-investment by national and international industries and governments.
 - Convergence with national and state level skill training programs

Privileging Skills in Recruitments

In Government Recruitment

- **Bare Foot Technicians** in rural areas in association with MGNREGS (Mahatma Gandhi Rural Employment Guarantee Scheme). Competency framework developed by Ministry of Rural Development in association with Agriculture Sector Skills Council
- **Rural Masons** in IAY (Indira Awaas Yojana – Rural Housing for all Scheme). Competency framework developed by Construction Sector Skills Council
- **Community Health Workers** in Public Health to be certified under NSQF/QP NOS of Health Sector Skill Council
- **State Government of Uttar Pradesh** has issued government order giving advantage to skilled workers in all government, outsourced, and contractual requirements and procurements

In Private Sector

- **Coffee Day Global** (Café Coffee Day retail chain) as DDU-GKY Champion Employer for all its owned and franchisee coffee outlets. Competency framework developed in by NCVT/ Hospitality Sector Skill Council for
 - Hospitality Assistant
 - Coffee Brew master
- **Apollo Hospitals** as DDU-GKY champion employer, training and certifying General Duty Assistants
- **Safe Express**, a large logistics company, potential champion employer, training, certifying and recruiting under DDU-GKY
- **Avon Facilities Management**, large staffing company, training, certifying and recruiting housekeeping and facilities management staff under DDU-GKY
- **Surya Wires**, large manufacturing and infrastructure company, potential champion employer. To train, certify and recruit rural youth for their factories

Skilled Workers – Return on Investment

McKinsey Social Study on patient care workers for a 500 bed multi-specialty Hospital

Objective:

- Cost/ benefit analysis of training for improved productivity
- Justify wage premiums for trained workers

Benefit to employers:

- Nurse time savings: 20 minutes shift
- Reduction in attrition: 25%
- Improved patient care

Math:

- Cost of training intervention: INR 18,000/- (AED 993)
- Savings in salary & others: INR 4,30,000/- annually (AED 23,723)

ROI TO NATIONAL ECONOMIES

- 150 million workers remit US\$ 500 billion, three times the ODA and FDI combined – World Bank
- 36% of GCC economies contributed by entry level migrant workers – Internal Studies
- Net fiscal gain from migrant workers to host countries: Maximum fiscal burden – 0% to 0.5% in last 10 years – OECD studies
- Free labour mobility like free trade lowers cost of production
- In DDU-GKY, INR 44,000/- (AED 2,424) investment gives a return of INR 72,000/- (AED 3,966) within one year with inter generational benefits

CAP Foundation, impact of skill training to workers

Market-linked Skill training intervention: Ek Mouka (One Chance) model with business mentors, training in life skills, technical skills, work readiness with placement & post-placement interventions:

- Maharashtra, Haryana & Odisha
- Target Group: 18 to 40 years, from the BoP 15% families
- Focused on ITeS, Sales, Hospitality, Repair & Maintenance, Automobile & Healthcare
- Increased emphasis on employability and retention

Benefit to workers:

- Families with seasonal employment avenues achieved formal employment with annual salary of Rs. 72,000/- (AED 4,000)
- Training and absorption in organizations like Hero Honda, Maruti, Reliance Retail among others
- Qualitative benefits: increased family consumption, clearing of debts, education of siblings etc.

Alternate Recruitment Model

ALTERNATIVE PRINCIPLES

- “I asked for workers and I got people instead.”
- Enlightened enabler and not just a regulator
- Mutual recognition of skills
- Linking skills to worker recruitment
- Affirmative collaboration between host and source governments for skill led labor mobility and decent work practices
- Advocacy and outreach to employers

ALTERNATE TOOLS

- National Virtual Employment/ Placement Marketplace
See ncs.gov.in
- Labor Market Information System
See www.nsda.gov.in

Alternate Recruitment Model

Host Government:

- Enhance quotas on the basis of skills, incentivize skilled labor
- QBS model of procurement in government contracts to privilege skills
- Leverage technology to aggregate jobs and share information
- Monitoring and share rating and grading of employers

Private sector:

- Include Skills Certificate in recruitment credentials
- Co-invest/ partner with accredited Training Partners for immediate and future HR needs
- Commit to decent employment contracts & work practices

Source Government:

- Facilitate seamless linkages with other government bodies/ agencies
- Connect with skill training eco-system
- Rate and grade national recruiters and share with host government
- Promote accredited training partners as national recruiters
- Privilege destinations with ‘enabling’ governments
- Pre departure training and credential all ‘out-going’ workers

Thank you for the opportunity

Ms. Gayathri B Kalia,

gbkalia@yahoo.com