



ENHANCING CAPABILITIES, EMPOWERING LIVES

CSR in Skills and Livelihood:
What are India's top companies up to?

Strategic
Partner



Corporate
Partner



Impact
Partner



Knowledge
Partner



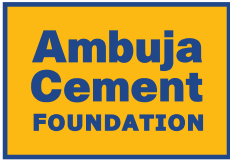
Empowered lives.
Resilient nations.

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FOREWORD



AMBUJA CEMENT FOUNDATION

India is a young country with an urgent need of skill development. There exists a clear dichotomy between industry demands of skilled personnel and unemployment or underemployment of youth.

Many industries are now part of the skill ecosystem and are putting their best foot forward in the "Skill India" movement. We at Ambuja Cement Foundation started our first Skills and Entrepreneurship Development Institute (SEDI) in 2006 at Jaitaran, Rajasthan. Now we have 17 SEDIs with every institute having its own unique feature.

I am extremely grateful to Samhita for studying 100 industries and drawing out inferences that will be helpful to all those working in this ecosystem. The youth can be transformed through a holistic blend of skills curriculum and exposure to new environments and challenges. I believe the skill ecosystem should help and facilitate the growth of every individual who aspires to become successful in life.

This document is also very helpful for industries to understand the trends in skill and livelihood development. The experience of various partners sheds light on their best practices that can be replicated and used for developing strategies at the micro and macro level.

This will also provide an impetus to build strategies of implementation for skill and livelihood development programmes not only for non-government organisations but also for government organisations. I hope this facilitates the formation of a new act to protect the rights of skill training of the youth and the amendment of outdated acts like the Apprentices Act (1961).

Ravi Nayse

*General Manager (Vocational Training)
Ambuja Cement Foundation*



DEWAN HOUSING FINANCE CORPORATION LIMITED (DHFL)

The release of this research report on CSR practices in the area of skills is timely and directional to all its stakeholders.

The nation is at an interesting juncture striving to harness the power of youth amidst a landscape of economic growth and social development. Vast manpower, surging literacy rates and the adaptability of new technologies places us in a never before advantage on both sides of the global marketplace—demand and supply for goods and services. Empowering our young workforce with formal education to acquire relevant employability skills, therefore, has a crucial role to play in leveraging this opportunity.

The current initiatives on skills development from governments, and corporate and social sectors, are truly noteworthy, yet the scope to enhance their relevance to the employability needs of today and a synergetic approach to skills development programmes and facilities are much needed to create greater impact. Some of the findings of the report on the aspects of business and CSR orientation, interventions across value chain, social impact assessment and capacity building of partners through strategic support are good starting points towards this end.

We compliment the research team at Samhita for their painstaking efforts to bring out an analytical report with many useful findings.

S. Govindan

*Vice President & Executive Assistant to CMD Secretariat
Dewan Housing Finance Corporation Limited (DHFL)*



FOREWORD



GODREJ

Established in 1897, Godrej is one of India's oldest and most trusted business conglomerates with its values rooted strongly in sustainability and shared value. We see the skill development of youth as very much an extension of the values that make us who we are today.

In 2011, Godrej announced a goal to train one million unemployed and under-employed youth in skills that would enhance their livelihood potential as part of our "Good and Green" initiative. As of December 2016, we have enabled the training of 197,000+ youth at 320+ locations across India in the areas of beauty and wellness, sales, retail management, rural entrepreneurship, construction, agriculture and animal husbandry. These programmes focus on financial empowerment of our graduates by facilitating job placements and self-employment avenues.

While much has been invested by the government and corporates on skill development, placement numbers from the various skilling programmes across the country are less than encouraging (by some accounts, this number hovers around the 5% mark). In our experience, even when we have witnessed higher placement percentages, job retention has been especially challenging. For first-time job seekers looking to migrate from the familiarity and relative comfort of their homes to industrial townships and urban centres, the change in mind-set that is required is almost always insurmountable. Without a significant push for life skills and an enabling ecosystem, this is unlikely to be resolved.

The National Skill Development Corporation NSDC has made great strides in fostering an enabling environment and creating a well-rounded platform. However for the "Skill India" mission to succeed, the ecosystem will need to commit unequivocally. This means that all of us in our capacities as corporate citizens, non-profits, training institutions, employers, banks, housing service providers, etc. need to collaborate and help realise the true potential of the nation's youth and leverage its promised demographic dividend.

I thank our friends from the UNDP, Ambuja Cement Foundation and Dewan Housing Finance for contributing to the development of this report and Samhita for putting the research together, and hope this report will lead to a more informed programme design for future skill development programmes and foster collaboration at the highest levels.

Vikas Goswami

*Head Sustainability - Good and Green
Godrej Industries Limited and Associate Companies*


**UNITED NATIONS
DEVELOPMENT
PROGRAMME (UNDP)**


*Empowered lives.
Resilient nations.*

On the cusp of a demographic dividend, India is bracing for the moment. The government's recent skill development and entrepreneurship promotion initiatives including efforts such as "Skill India," "Make in India," and the first-ever Ministry for Skill Development & Entrepreneurship (MSDE) indicate that the environment is enabled, the necessary scaffolding is in place and the country is ready to reap the benefits of a skilled labour force.

However, the value chain of skilling faces key challenges that need to be addressed. While it spans a spectrum as wide-ranging as the mapping of local aspirations to mobilising, counselling and post-placement support, most stakeholders only focus on the technical training component. Assessments have shown that many skilling projects are implemented as stand-alone activities, thus completely disconnected from other initiatives. Consequently, persistent gaps in the value chain remain and lead to low retention rates, shortfalls in employability and poor job-side demand, among others. Activity-based projects might deliver on some outputs (number of people trained, etc.) but they fail to achieve the desired outcome (number of people retained in jobs).

For the skill development ecosystem to thrive, it becomes increasingly important that employers, i.e., corporates and businesses adopt an integrated approach and work in alignment with national skilling priorities and goals. By way of corporate social responsibility (CSR) initiatives, companies have the vantage to make targeted interventions to address gaps in skilling that can prove to be catalytic both for the industry as well as the workforce at large.

This report offers critical insight into current skills-related CSR initiatives of some of India's biggest companies. This provides us the opportunity to observe emerging trends while also identifying gaps along the value chain of skilling that could be a game-changer in addressing both the demand and supply side of employment. The report also puts forward select case studies that can aid decision-making and strategy.

Should India want to continue its economic ascent and meet various social and economic development goals, it is crucial that timely and relevant investments be made towards skilling the workforce. Increasing skilling opportunities, improving employability for the 21st century job market, and aggressively connecting the job-seeking demographic with appropriate prospects are important measures and we must work towards materialising them.

Clement Chauvet

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ACKNOWLEDGEMENTS

We are deeply grateful for the contributions of our partners—the United Nations Development Programme, India (UNDP), Godrej Industries, Ambuja Cement Foundation (ACF) and Dewan Housing Finance Corporation Limited (DHFL), who have supported us throughout the development of this report.

The report's narrative was further shaped by the insights of key personnel from companies, social organisations and other entities, whose commitment to social development in skilling and livelihood development is truly inspiring.

Samhita also wishes to acknowledge the team from Collective Good Foundation, our implementation partner, for their contributions to the report.

We would like to specially thank Ganesh Natarajan of Social Venture Partners, Rahil Rangwala and Santhosh Ramdoss from the Michael and Susan Dell Foundation (MSDF) and Krishnan Neelakantan for their valuable advice and support.

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Cover image by Ambuja Cement Foundation





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EXECUTIVE SUMMARY

WHY THIS REPORT?

With India at the forefront of a 'demographic dividend', it is essential for the country to capitalise on the advantage of a young workforce through developing a skilled manpower base.

While the corporate sector had always recognized the need for skill development and invested in skilled manpower for their own operations, the introduction of Section 135 of Companies Act, 2013 gave a fillip to their efforts through Corporate Social Responsibility. Under the ambit of CSR, skilling and livelihood development have appeared to garner considerable interest among companies.

This study analyses the CSR efforts of the top 100 companies with the largest CSR budgets on the BSE 500 to identify the gaps and opportunities in the skills and livelihood value chain and provides a roadmap for companies and other stakeholders to overcome these challenges.

STATE OF PLAY

Strong corporate participation in Skill India

90% of the top 100 companies had at least one CSR programme in skills and livelihood development in the past three years. The median CSR budget allocated to skills and livelihood development was ₹3.92 crore, accounting for around 12.7% of the total CSR budgets on average.

CSR programmes conducted across India, but North Eastern states remained largely neglected

The data showed that Maharashtra, Karnataka and Tamil Nadu were popular states for programmes in skilling and livelihood development. Except for Assam, the number of companies conducting programmes in North Eastern states were five or below. The North Eastern states, along with Jammu and Kashmir and Chattisgarh and Jharkhand had huge surpluses in unskilled and semi-skilled labour and would benefit from a higher CSR footprint.

Trades offered under CSR are broadly aligned to sector gaps

While juxtaposing CSR efforts against sectoral manpower needs highlighted by the National Policy, the study found that sectors with the biggest gaps were among the top trades currently offered by companies, except for agriculture and textiles. While agriculture may not face labour shortages, it

undeniably needs skill enhancement for raising productivity and hence the CSR attention is welcome. The predominance of sewing programs within textiles could indicate a worrying trend where certain trades are stereotyped for certain target groups (sewing for women in this case), with little cognizance of the actual market requirement, changing nature of that particular industry or the real value to the trainee's life.

WHAT ARE SOME OF THE FUTURE TRENDS?

Strategic CSR interventions are slowly gaining traction

The report indicated a slight but clear trend of companies thinking strategically about CSR by offering programmes aligned to their core products, or business needs. 28% (24 out of 83) showed evidence of such an approach which has shown to generate social and business benefits. However, corporate India was not fully leveraging its non-financial expertise and resources to bring in more rigour to the skills ecosystem with only 17% (15) companies were offering non-financial support to their skilling programs and their implementing partners.

Only 17% (15) companies were offering non-financial support to their skilling programs.

There is a growing interest in micro-entrepreneurship

47% or 42 out of 90 companies reported supporting entrepreneurs as part of their CSR programmes. This was encouraging as entrepreneurship offers a viable alternative to a saturated job market and also creates more 'employers'. However, creating entrepreneurs requires much more than a relevant vocational skill. The study suggested that the biggest challenges for prospective entrepreneurs was the lack of adequate and timely information, handholding support and confidence in setting up and running their own enterprises. Without this support, many micro entrepreneurs, especially women working from home, may get locked into a low-level equilibrium due to inability to manage and grow business.

EXECUTIVE SUMMARY

WHERE ARE THE GAPS? A VALUE CHAIN APPROACH TO SKILLS AND LIVELIHOOD DEVELOPMENT

The report mapped companies and NGOs against the value chain of skills and livelihood development – an approach that charts the end-to-end journey that any trainee should ideally undertake, comprising of pre-training, training and post-training stages. The study found that almost all resources and efforts under CSR were directed towards the actual delivery of training, with little attention paid to pre or post-training stages, even though these were building blocks that helped in sustaining and retaining trainees in gainful employment and thus risk-proofing the impact that CSR funds can create.



Consider this– as many as 82% of NGOs surveyed, reported an attrition rate of at least 25% or more in the first month – 30% had attrition of more than 75%, another 52% had an attrition rate between 25-75%, implying that at least 1 of the 4 trainees placed dropped out in the first month for most of the NGOs.

A couple of factors could contribute to a trainee discontinuing with his/her employment:

Lack of investment in pre- training support

The mismatch in between what a trainee expects and what the job delivers could have been avoided if the trainee had been counselled before she enrolled for the course. Counselling includes discussions on whether the course matched his/her interests, aptitude and aspirations, whether there were local opportunities or he/she would have to relocate, etc. Despite

the criticality of pre-training engagement, only 15 out of 90 companies reported mapping local needs before starting a program, still fewer (7 companies) reported supporting pre-training counselling of trainees. Interviews indicated that most companies relied on their NGO partners to implement these steps. However, an NGOs' performance here could be sub-optimal since almost 90% NGOs rated effective mobilization as a top challenge and 73% reported difficulties in assessing local needs.

Enhancing employability though soft/life skills was secondary to vocational skills

Despite gaining vocational skills, the trainee may not be 'employable' due to poor communication skills, a lack of confidence or, poor coping abilities. This would be especially true of trainees from lower socio-economic backgrounds who would have been conditioned very differently due to difficult circumstances. The study found an overwhelming consensus among all stakeholders in terms of the role of soft and life skills in enhancing 'employability'. Yet there was a disconnect between rhetoric and practice—while all companies were focused on 'vocational' skills, only half of them were considering soft skills and life skills as part of their courses.

While there was overwhelming consensus about the role of soft and life skills, there is a disconnect between rhetoric and practice—only 50% of companies offered these as part of their programs.

Not enough is being done to ensure that trainees can retain their jobs

The trainee would not have received adequate support to cope with the new work environment, new location in case of migration, poor quality of housing and would have suffered from a sense of isolation and alienation. This seems to be a plausible scenario in current times as only 8% (7) companies disclosed that trainees were tracked after their programmes and 7% (6) reported supporting post-placement linkages.

The focus was on inputs and outputs, with outcomes ignored

At 73%, most companies were 'counting the number' of trainees covered by them, only 32% reported some type of outcome in terms of number of placements, increase in income or increase in crop yields. The trend partly reflects the fact that the ecosystem today is largely input or target-oriented, which is why pre and post-training activities may not have mustered enough support.

WHAT WERE THE BARRIERS TO CORPORATE PARTICIPATION ACROSS THE VALUE CHAIN?

- Some companies were unaware of the importance of these building blocks, as the wider narrative so far has focused only on delivery of training.
- Most companies recognized the need for such support, but lacked knowledge of effective models and good practices because unlike delivery of training, the pre and post-training components have not been documented or codified systematically.
- A few companies reported that they were unable to identify credible implementation partners that could execute these activities at scale, especially around soft-skills training.
- Stakeholder and donor perceptions around what constitutes impact maybe misdirected, especially when their accountability is defined as 'number of trainees covered', rather than outcomes such as better jobs, higher retention in those jobs etc. Certain aspects of the value chain, especially supporting the trainer or mobilization efforts could be perceived as 'unglamorous'.
- Outcomes of soft and life skills depend on a certain degree of behavioural change that is difficult to achieve in a short duration and difficult to measure and quantify

Only 8% (7) companies disclosed that trainees were tracked after their programmes and 7% (6) reported supporting post-placement linkages.

WHAT IS NEEDED TO ADDRESS THE GAPS?

Support interventions across the value chain

The report illustrates some of the many ways in which companies and other organizations are attempting to span the breadth of the value chain through their programs and initiatives. There are three ways in which a more holistic approach can be promoted –

- Companies can support the entire value chain themselves as part of their CSR projects with the help of their implementation partners
- Companies working in same geography can collaborate with each other and other funders to create a 'collective impact' model where each company individually supports a particular step in the value chain
- Companies can support one particular gap at scale. For example, a company can support temporary hostel accommodation in an SEZ or grant awards for trainers across various institutes and invest in their capacity.



Image by Ambuja Cement Foundation

Articulate and measure impact differently

Look at the end goal of better livelihood opportunities for a trainee and move backward to design and execute all such activities needed to ensure this outcome. Impact thus becomes a combination of the coverage achieved through the project and proportions placed and continuing in employment or entrepreneurship. This should be accompanied by systematic monitoring and evaluation at regular intervals to learn and undertake course corrections, tracking the trainees for up to 6 months to a year wherever possible.

Build strategic linkages to business

If CSR allows a company to generate social value and address business priorities at the same time, it creates higher acceptability of CSR within the company and brings about sustainability. It also allows the company to leverage its non-financial resources to bring to bear a level of expertise and market-orientation needed for skilling programs. Strategic alignment is not just restricted to the selection of a vocational trade linked to the company's core competency, but contributing across the value chain. For example, IT companies can invest in innovative online tools and apps that can aid in better delivery of content or facilitate more effective tracking of trainees.

Build the ecosystem

The ecosystem rests on three main pillars –

- Disseminating user-friendly and actionable knowledge, including a repository of best practices, innovative tools to resolving commonly observed challenges and a taxonomy of commonly understood language around skills and livelihoods
- Building capacity of all stakeholders, including implementation partners and donors, enabling a more informed dialogue between the two
- Creating opportunities for collaboration, through common platforms that bring together different stakeholders

Go beyond CSR as defined by Section 135

While Section 135 has offered an unprecedented opportunity for companies to participate in skills and livelihood development, it should not be seen as the only means. Some other models that can be explored are:

- Apprenticeships, which are a mutually beneficial way to skill the youth in a practical and application-oriented way. Recent amendments to the Apprenticeship Act 1961 are intended to simplify and streamline the process to encourage more corporate participation.
- As responsible employers, companies can go beyond CSR in ensuring fair wages to not just its employees but also contractual labour and supply chains
- Investing in and using micro-entrepreneurs and other social enterprises as vendors or suppliers for business products and services



Image by Godrej

¹Press Information Bureau, Ministry Of Finance, Government of India, "Skill Development and Employment are major Challenges: Economic Survey", February 2015, <http://pib.nic.in/newsite/PrintRelease.aspx?relid=116034>

²Swaniti Initiative, "Skill Development in India—present status and recent developments", <http://www.swaniti.com/wp-content/uploads/2015/06/Skill-development-Brief-Final-Version.pdf>

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⁴Ministry of Finance, Government of India, "India Union Budget 2014-15—Economic Survey 2013-14, Chapter 13—Human Development", <http://indiabudget.nic.in/budget2014-2015/es2013-14/echap-13.pdf>

⁵Santanu Choudhury, "India's Skills Shortfall Challenges Modi's Manufacturing Vision", The Wall Street Journal, 8 August 2016, accessed 27 October 2016, <http://www.wsj.com/articles/indias-skills-shortfall-challenges-modis-manufacturing-vision-1470653407>

⁶British Council and ILO, "Skill assessment in India—a discussion paper on policy, practice and capacity", https://www.britishcouncil.in/sites/default/files/ilo_british_council_skill_assessment_in_india.pdf

⁷Ministry of Skill Development and Entrepreneurship, "Question no 2931, Lok Sabha Questions", accessed 22 December 2016, <http://www.loksabha.nic.in/Members/QResult16.aspx?qref=35285>



BACKGROUND

India is currently facing a huge socio-demographic challenge given that majority of its population is in the working age with limited or no skills. As per the Labour Bureau Report 2014, the size of the skilled workforce in India is only 2%¹, which is extremely low when compared to countries such as China (47%), Japan (80%) and South Korea (96%)². It is estimated that by around 2025, 25% of the world's total workforce will be in India³. It has also been forecasted that the average age of India's population would be 29 in 2021 as compared to China's average age of 37⁴, thus giving India a unique advantage of having one of the world's youngest populations. However, a large young population alone does not guarantee India an advantage. The country needs to ensure that its young workforce is equipped with the skills and knowledge required in a workplace so it can reap the "demographic dividend".

To bring about a focus on skilling and consolidate efforts, the central government has brought all the skilling programmes under the ambit of a ministry created in 2014—the Ministry of Skill Development and Entrepreneurship (MSDE). The government has further stepped up its efforts through the announcement of two skill development packages worth ₹220 billion in July 2016 to improve the skills of 15 million people by 2020⁵. While these initiatives are a step in the right direction, a few studies found that they have not yielded the expected results. Industrial Training Institutes (ITIs) constituted under the Director General of Training (DGT) have acknowledged their own shortcomings in terms of poor quality training, serious infrastructure gaps, outdated curricula, high dropout rates and minimal contact with industry⁶. Additionally, only 5% of the 17.58 lakh people trained under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) (as of July 2016) got jobs⁷.

Given the limited window of India's 'demographic dividend' and the massive scale of efforts required, the contribution of the private sector is non-negotiable. The private sector has often paid a heavy price due to the poor employability

of graduates/engineers. The costs, in terms of financial expenditure as well as lost opportunities on account of this, have been considerable, making this a strong motivation for corporate participation in this space. In addition to being potential employers, companies bring with them industry expertise, business acumen and an understanding of market needs. The passage of the "CSR Law" (Section 135 of Companies Act, 2013) has also given a strong impetus to the private sector to collaborate to address the current gap in skills in the country's labour force.

While anecdotal evidence exists to indicate that companies are ramping up their efforts in the skills and livelihoods space, this report aims to provide data-backed evidence on corporate efforts within the ecosystem, and guide stakeholders to frame their thinking and interventions in a more informed manner.

The overall aim of the report is to provide a roadmap for companies and other stakeholders to develop and evolve their strategies and improve the efficiency and effectiveness of programmes.

The specific objectives are:

- To provide evidence of CSR trends in skills and livelihood by mapping interventions of top 100 companies on the BSE 500
- To identify enablers and barriers across the skills value chain
- To suggest strategies and models that could help in addressing gaps in the value chain, aid decision making and enhance overall impact.

RESEARCH METHODOLOGY



Image by Godrej

LIMITATIONS

This report studied the CSR initiatives of the top 100 companies with the largest CSR budgets on the BSE 500⁸. These companies were chosen based on their position as leaders of Indian industry whose decisions are likely to set trends for the CSR initiatives of other companies. Their influence on the CSR space is also significant due to their large budgets. Furthermore, due to the mandatory reporting requirements for such companies, information on their CSR activities were more easily available.

Data was primarily collected through information available in the public domain, such as annual reports, sustainability and CSR reports and business responsibility reports (BRR), among others. While data from the most recent year (FY16) was the preferred choice, data from FY15 and FY14 were also considered. The analysis was supplemented through other datasets and interviews with a smaller subset of companies (8 companies) in the sample.

In order to understand the implementation process of skills and livelihood development programmes, a survey was conducted with approximately 155 non-government organisations (NGOs) involved in the skills and livelihood development space. Detailed interviews were also undertaken with a smaller subset to obtain a more nuanced understanding of the processes.

Although the quantitative analysis conducted for this report is supported by surveys and interviews, the report is primarily based on secondary data available in the public domain. Hence the quality of the analysis could be limited by the quality of information available in the secondary data sources.

Some companies did not provide a detailed break-up of their CSR budgets for skills and livelihood programmes and often included this with their educational initiatives. In such cases, the report has made certain assumptions on allocation of budgets between the two sectors.

Data for this study was collected during October and November 2016. Information published by companies after this period has not been taken into consideration.

The report has sourced and featured examples and models from various companies and NGOs based on certain criteria. For existing models, these were: articulation of outcomes and a reasonable period of implementation. For innovative ideas, this was: addressing a critical gap in the value chain. However, assessing these models was outside the scope of the report. The report does not endorse or validate any of these models, they are just examples meant to indicate how some of these gaps can be tackled.

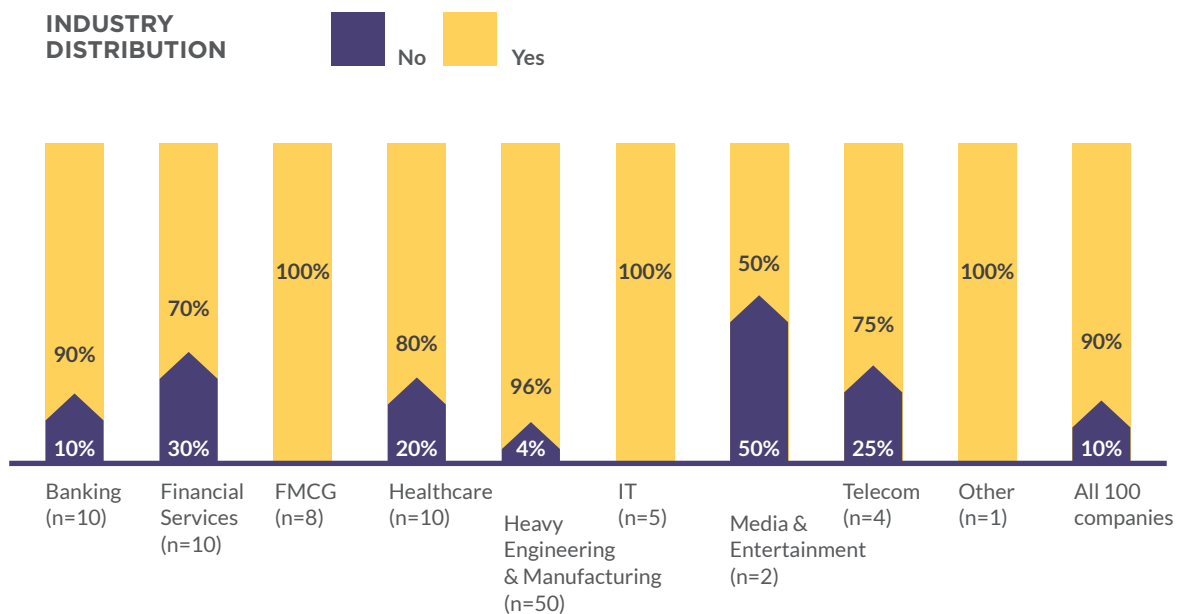
⁸ The CSR budget was calculated using profit before tax for three years—FY14, FY15 and FY16

MAIN FINDINGS

1. OVERALL CORPORATE PARTICIPATION IN SKILLS AND LIVELIHOOD DEVELOPMENT IS VERY HIGH

Ninety out of the top 100 companies reported at least one programme in skills and livelihood development over the last three years. Most industries, apart from media and entertainment and financial services, reported a strong participation of over 75% in skills and livelihood programmes. Public sector undertakings (PSUs) showed a slightly higher involvement in skills and livelihood programmes (96%) than

private sector companies (88%). The high level of participation is not surprising as most companies are well-aware of the desirability of investing in human capital to build and run viable and successful businesses from their own experience. The government’s call to action through the “Skill India”, “Make in India” and “Digital India” campaigns could also have contributed to the high level of interest among companies.



2. BUDGET DISTRIBUTION

Budget calculations are based on data reported by 90 companies. Apart from three companies, all the budget and spend data analysed belonged to the year 2015-16.

Data shows that the amount allocated towards skills and livelihood development programmes accounted for around 12.7% of a company's total CSR budget on average. Only six companies spent over 50% of their CSR budget in this sector. This reflects the general finding that most companies supported 4-5 causes on average⁹. The median CSR budget allocated to skills and livelihood development was ₹3.92 crore with a median spend of 92% in 2015-2016.

The budgets varied widely among companies as shown in the table below. Twenty-six companies (29%) reported a budget below ₹1 crore, 37 companies (41%) had budgets between ₹1 to 10 crore and 24 companies (27%) between ₹10 to 50 crore. Three companies (3%), belonging to the IT and banking sectors had budgets above 50 crore, the highest amount being ₹9,519 crore.

The CSR contribution to skills and livelihood development for the year 2015-16 was slightly more than one-third of the government's budget towards key skills and livelihood schemes such as the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), National Skill Development Agency (NSDA), National Rural Livelihoods Mission (NRLM) and National Urban Livelihoods Mission (NULM) - the total CSR contribution amounting to ₹944 crore, as compared to the government's budget of ₹2,618 crore. Government expenditure through other ministries and state allocations is likely to be much higher, implying that the true value-add of CSR may not lie so much in financial resources but in the non-financial expertise of companies.

CSR BUDGET RANGE	NO. OF COMPANIES	PERCENTAGE
ABOVE ₹ 50 CRORE	3	3%
₹ 10-50 CRORE	26	29%
₹ 1-10 CRORE	37	41%
BELOW ₹ 1 CRORE	24	27%

3. CSR PROGRAMMES ARE PLUGGING SECTORAL SKILL GAPS

Out of the 90 companies undertaking vocational trades, seven companies have not published any information on the type of trades supported by them. Hence, the valid total for analysis in this sector is based on information given by 83 companies.

The data on types of trade supported indicates that almost all companies supported multiple trades.

Based on the quantitative mapping, the top five sectors supported through CSR programmes were agriculture (52%), textiles (mainly sewing) (49%), building, construction and real estate (47%), auto and auto components (37%) and IT and ITES (30%).

On juxtaposing CSR efforts against sectoral manpower needs¹⁰ highlighted by the National Policy for Skill Development and Entrepreneurship¹¹, some alignment was revealed, as shown in the graph. Overall, most sectors with the biggest skill gaps in 2022, as per the NSDC report, were among the top currently offered by companies, except for agriculture and textile (mainly sewing), where the requirement was not very high but corporate participation remained substantial.

While agriculture may not face a shortage of labour, it definitely requires skill enhancement in order to raise productivity – almost all companies (95%) supporting

⁹ Samhita Social Ventures supported by the Rockefeller Foundation, "Transforming India: The CSR opportunity", August 2016, <http://www.samhita.org/transforming-india-the-csr-opportunity/>

¹⁰ Manpower demand estimations basically indicate the 'volume' of people needed for that particular industry, an industry that requires no additional manpower may still need upskilling or re-skilling.

¹¹ Ministry of Skill Development and Entrepreneurship, "National Policy for Skill Development and Entrepreneurship 2015", 2015, accessed 04 January 2017, <http://www.skilldevelopment.gov.in/assets/images/Skill%20India/policy%20booklet-%20Final.pdf>

MAIN FINDINGS

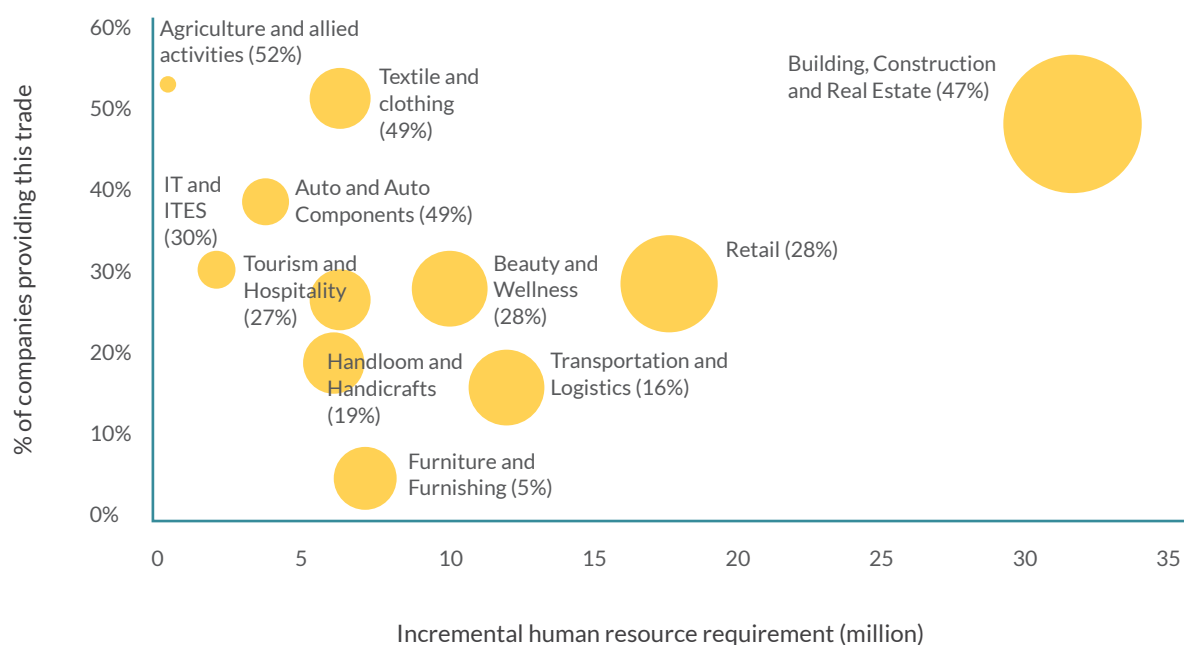
agriculture focused on improving productivity by enhancing the knowledge and skills of the farmers by emphasising on improved practices such as multi-cropping, sowing, irrigation, pest management, poultry and cattle training, among others. However, only 5% (two companies) facilitated market linkages. Enhanced productivity may not lead to income increases for farmers, if market linkages, especially those that reduce the role of middlemen, are not well established.

A few companies recognised the fact that it is not possible to look at agriculture in isolation—water scarcity is a key problem in many parts of India. Thus, their agricultural livelihood programmes were part of larger integrated community

development programmes that included promoting better watershed development and management and storage practices; aiming to increase the resilience and productivity of farmers.

The predominance of sewing programmes could indicate a worrying trend where certain trades are stereotyped for certain target groups (sewing for women, in this case), with little cognizance of the actual market requirement or value to the trainee's life.

2022 INDUSTRY REQUIREMENTS VS CURRENT TRADES



Note: Size of bubble denotes need of industry— the larger the bubble, the more manpower required by the sector

SKILLS FOR THE FUTURE

While aligning with sectoral gaps is an effective strategy for the short run, a long-term strategy should be able to predict and anticipate skills required for the future.

The demand for skilled labour and its supply is based on a set of constantly changing variables such as industrial changes, technological advances and people's aspirations, among others. This dynamic nature of skilling underpins the need to continuously evolve and adapt courses and curriculum to ensure that they are not rendered obsolete. Emphasis is also laid on anticipating future needs and customising skilling programmes to address these.

Interviews revealed one such interesting perspective on skilling in specific trades. Many companies and NGOs felt that the concept of 'multi-skilling' had not been explored sufficiently in India. Certain industries, such as construction, deploy people into different functions based on the need and sequencing of activities at a site. The flexibility that a multi-skilled person affords to his employer is higher and hence, is more effectively utilised. Multi-skilling is also helpful in creating a cadre of skilled personnel for certain policy imperatives such as multi-skilled sanitation workers for the Swachh Bharat Mission.



A FEW EXAMPLES OF STRATEGIC PROGRAMMES REPORTED BY COMPANIES ARE AS FOLLOWS:

- | | |
|--------------------------------|---|
| Dabur India | Dabur India provides vocational training to women and communities in bee-keeping. |
| Gail (India) | Through the Andhra Pradesh State Skill Development Corporation and Central Institute of Plastics Engineering and Technology (CIPET), GAIL (India) provides training in hydrocarbon sector trades, and plastic product manufacturing and plastic industry-related trades respectively. |
| HCL Technologies | HCL Technologies enables children and youth from disadvantaged communities to access technology and training through its digital literacy programme, where courses on computer education support, internet connectivity and MS office are conducted. |
| Hindustan Unilever | “Project Shakti” is an initiative of Hindustan Unilever that helps empower rural women and create livelihood opportunities for them. It trains women in basic accounting, selling skills, health and hygiene and relevant IT skills. This helps them to start micro-enterprises that undertake direct-to-home distribution of consumer products in rural markets. |
| Infosys | “Spark-IT”, an initiative by Infosys Foundation aims to enhance the technical and behaviour skills of graduates and orient them to meet the needs of the IT industry. To achieve this, “Spark-IT” will extensively leverage tools, curricula, faculty, and expertise within Infosys. |
| ITC | ITC’s Agri Business Division initiated “e-Choupal” to help enhance the competitiveness of Indian agriculture. It empowers small and marginal farmers with real-time information and digital technology to align their farm output with market demand and increase quality and productivity. |
| Maruti Suzuki | Maruti Suzuki has set up Automobile Skill Enhancement Centres (ASEC) at select ITIs. The company also appoints full-time trainers and provides tools and equipment. Partnerships are established with local Maruti Suzuki service workshops to upgrade skills of ITI students and make them job-ready. |
| Wipro | Wipro’s “Mission 10X” aims to improve the employability of young Indian Engineering students through a three-pronged approach—training faculty, developing transformative leaders and leveraging technology to bridge the gap between industry and academia. |
| A large commercial bank | A bank reported that its agricultural livelihood training functioned as a preparatory phase for its banking vertical in terms of identifying, training and mobilising people to form self-help groups (SHG) that could benefit from the bank’s lending activities. |

MAIN FINDINGS

4. STRATEGIC ORIENTATION IS SLOWLY GAINING TRACTION IN CSR INTERVENTIONS

With 28% of companies (24 out of 83) aligning their CSR in skills and livelihood development to their business in one of the three ways mentioned below, data indicates that while some companies are beginning to think strategically, many others still do not subscribe to this approach.

A strategic orientation could be articulated in three ways¹²:

- Aligning programmes to business objectives
- Aligning programmes to a company's core product or service or expertise
- Aligning programmes to the needs of key stakeholders

Companies that aligned their programmes to their company's core product, stakeholder or business objective believed that it helped to bring a higher level of rigour and expertise within the skilling ecosystem and also encouraged sustainability as the company saw these interventions as central to its business, and not just as philanthropy. Many companies reported following a dual approach—while the flagship programme was aligned to their expertise and synonymous with their brand, they also undertook more localised programmes in skills in the vicinity of their factories or plants to respond to the community's needs.

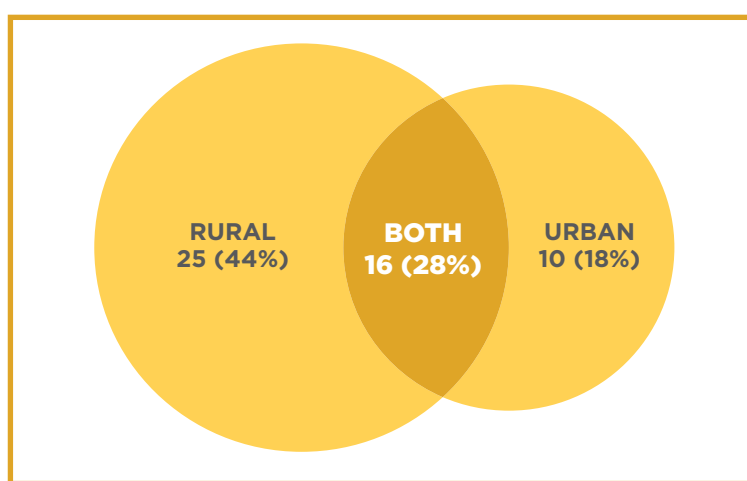
5. COMPANIES MOVE TOWARDS RURAL AREAS FOR IMPARTING SKILLS AND LIVELIHOOD TRAINING

Only 57 companies clearly reported the type of geography of their programmes, with six companies mentioning pan-India as the focus areas of their programmes. Thirty companies did not provide any information on this aspect.

Available data points towards a mixed pattern, with 25 (44%) companies conducting programmes in only rural regions¹³, 10 (18%) companies conducting programmes exclusively in urban areas and 16 companies (28%) in both rural and urban areas. The same pattern held true for most industries, except for the IT (50%: only urban, 25%: only rural, 25%: both) and Telecom sectors (100%: only urban), where the concentration of skilling programmes was in the urban areas.

Interviews indicated that many companies were actively moving to address the skills gap in rural areas as they believed that urban areas were saturated with programmes. However, a few respondents believed that skills development in India was a predominantly urban phenomenon with urban NGOs running urban operations; there were very few expert NGOs in rural areas.

GEOGRAPHICAL DISTRIBUTION

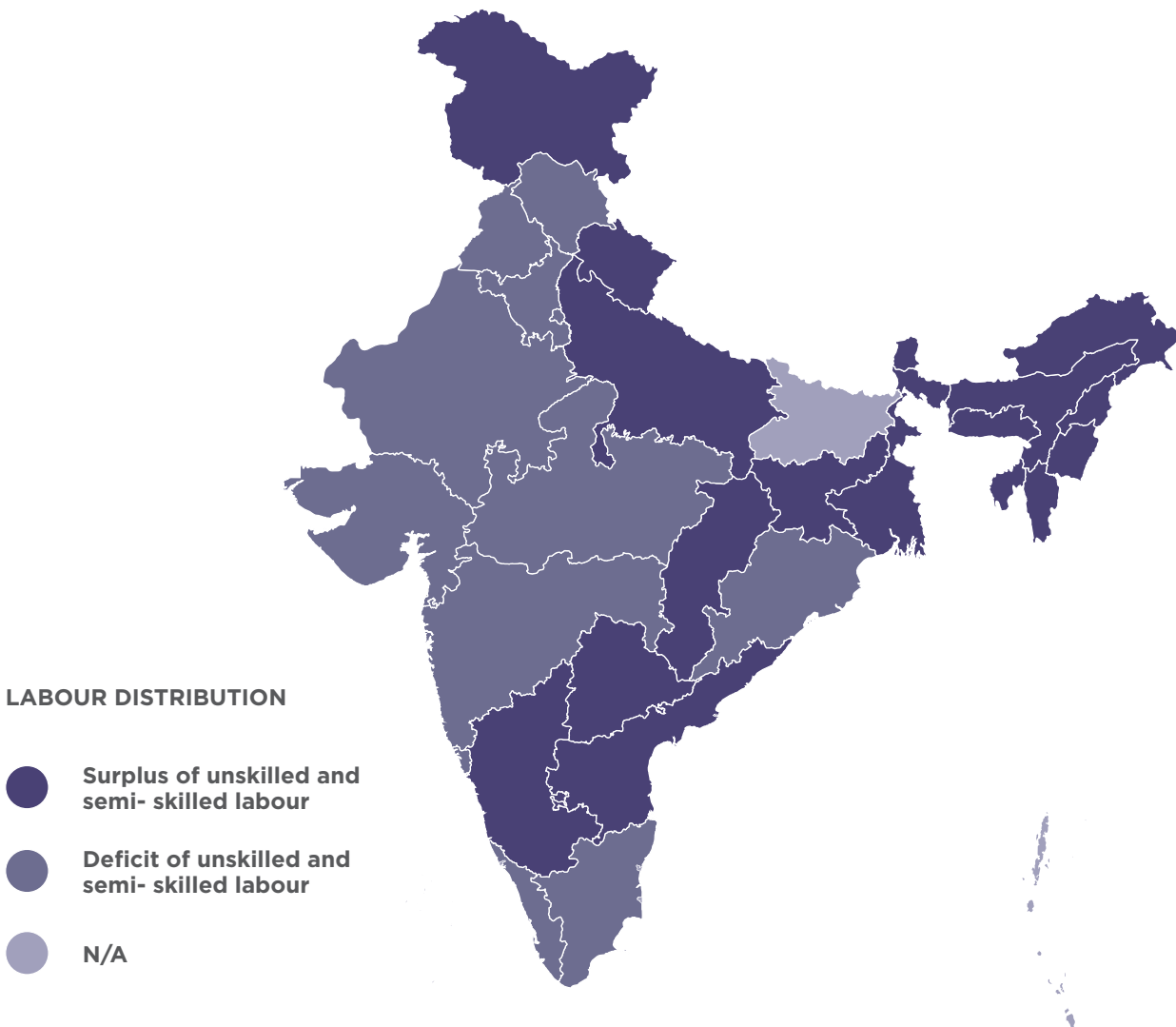


PAN INDIA 6 (11%)

¹²Samhita Social Ventures supported by the Rockefeller Foundation, "Transforming India: The CSR opportunity", August 2016, <http://www.samhita.org/transforming-india-the-csr-opportunity/>

¹³Including tribal regions

HUMAN RESOURCE SURPLUSES AND DEFICITS ACROSS INDIA



6. STATE-WISE DISTRIBUTION OF CSR PROGRAMMES IN SKILLS AND LIVELIHOOD DEVELOPMENT REVEALS IMBALANCES

The “State-wise distribution of CSR programmes” map¹⁴ depicts the number of companies conducting skilling and livelihood programmes as part of their CSR on a state-wise basis. Only two companies out of 90 did not publicly disclose the location of their programmes. The “Human Resource Deficits and Surpluses across India” map shows the expected surpluses and deficits in semi-skilled and unskilled workforce per state by 2021/2022, calculated as demand for workers by industry minus supply of workers.

Ideally, skilling programmes should focus on states with a surplus of semi-skilled and minimally skilled workers (such as the north-eastern states, Jammu and Kashmir, Jharkhand, Chhattisgarh and Telangana) as these workers would be either

under-employed or unemployed, thereby creating a greater need for them to be absorbed in gainful occupation through skilling or upskilling. However, these are states in which less than 20 companies run skill development programmes individually. Maharashtra, Karnataka and Tamil Nadu were the most popular states for CSR programmes, even though their needs were not as critical.

This analysis highlights two conclusions –

- Essentially, training programmes occur where the need from industry is felt more acutely. Companies also appear reluctant to invest in training in geographies where the challenge of ‘placement’ is higher.

7. CSR PROGRAMMES IN SKILLS AND LIVELIHOOD LARGELY IGNORE PEOPLE WITH DISABILITIES

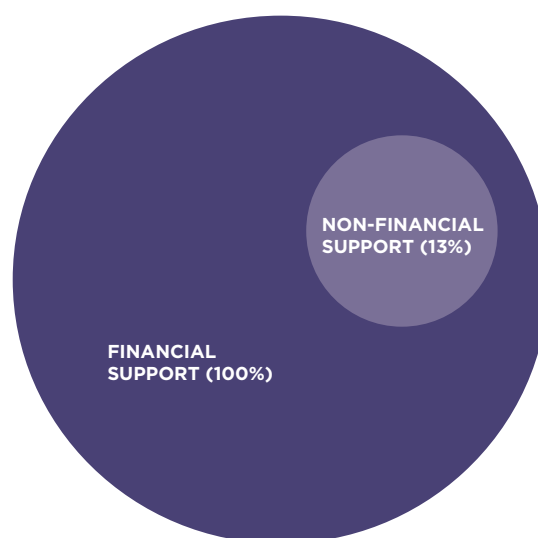
Of the 88 companies that explicitly mentioned beneficiary groups, most companies reported conducting programmes across a multitude of beneficiaries. The youth (84% companies) and women (70% companies) were common target groups for programmes. On the other hand, only 30% of companies had programmes for people with disabilities. This falls in line with the lack of support received by disabled people in India in general.

8. NON-FINANCIAL SUPPORT BY COMPANIES WAS MARGINAL

While every company offering skills and livelihood programmes supported it financially (either covering infrastructure or trainees' fees or both), only 17% (15 companies) offered non-financial support to the programme and their implementing partners. When provided, non-financial support was in the area of curriculum development (10), accommodation (six) and transportation (one) for the duration of the training.

In the space of skills and livelihoods, companies have much more to offer than mere financial support. Companies and their industrial associations could leverage their expertise to help develop better curricula in their areas of expertise. Additionally, companies could also use their cross-industry connections to facilitate trainee placements outside their operation areas. Employees can also play an active role in training or contributing to soft-skills programmes. The non-financial contribution of a company needs to be harnessed to ensure that this does not become a missed opportunity.

SUPPORT OFFERED BY COMPANIES



UNDERSTANDING THE VALUE CHAIN OF SKILLS AND LIVELIHOOD DEVELOPMENT INTERVENTIONS

Percentages shown refer to the number of companies who reported supporting the particular component of the value chain

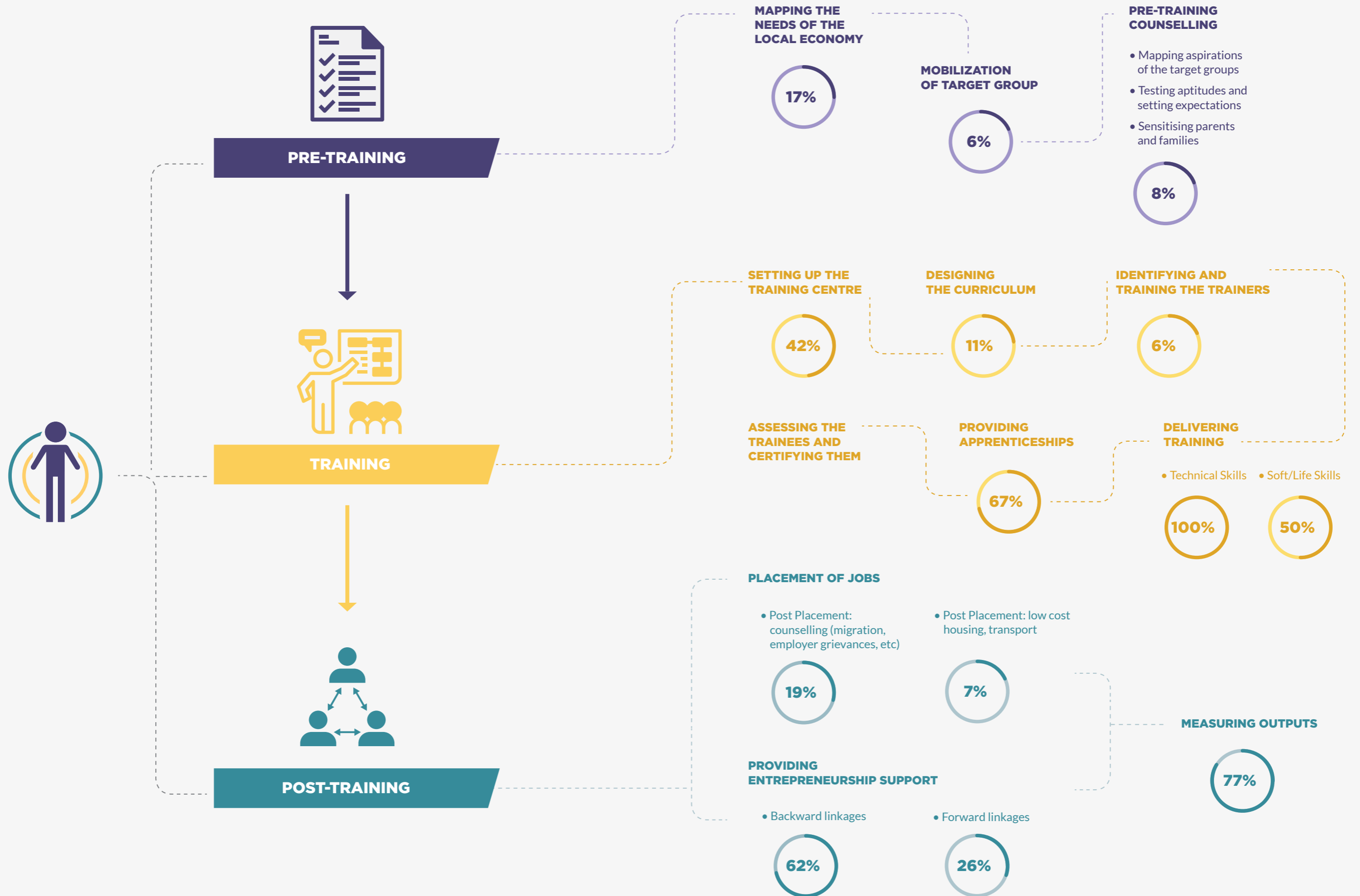




Image by Mann Deshi

THE VALUE CHAIN OF SKILLS AND LIVELIHOOD DEVELOPMENT INTERVENTIONS

This report adopts a value chain approach, which is an attempt to put the “trainee” at the centre of the discussion and view the entire process of skills and livelihood development from his or her perspective. It can be articulated as a series of interrelated and interdependent components that need to be put in place to achieve the desired outcomes of better income and livelihood for the trainee. Broadly, these can be classified as pre-training, training and post-training components.

Together, these steps help in ensuring that the trainee has a seamless experience and realises the intended outcomes of the programme.

A comprehensive description of the components and sub-components of the value chain, along with evidence of practice and examples of existing models for each stage is provided here.



Image by Mann Deshi



Image by Asian Paints

PRE-TRAINING

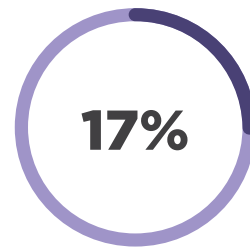


MAPPING THE NEEDS OF THE LOCAL ECONOMY

Why is this step important?

One of the most important factors determining the success of a training programme is the extent to which the programme is linked with the market and the skill taught is in demand. This ensures that trainees can readily find employment in their local economy. While it is possible that some trainees are willing to relocate or move in search of better opportunities and therefore, need not be trained on locally required trades, certain groups such as women may be averse to migration or face restrictions on movement. It is for this reason that local needs assessments should precede the launch of any training programme.

Undertaking a local needs assessment also helps to explore the underlying influencing factors, which may either enable or disrupt the programme and may need to be accounted for in the programme design. For example, while training people on animal husbandry and better feeding practices, if local markets lack adequate suppliers of good-quality fodder, the programme will not have much impact on the health of the cattle as milk farmers will not be able to purchase fodder. A local assessment will highlight this constraint to enable the providers of the programme to consider solutions.



Mapping needs of local economy

Are companies and NGOs addressing this step?

Very few companies disclosed information on this aspect—according to our data, only 17% (15 companies) reported supporting this activity. The NGO survey indicated that NGOs found it challenging to execute this activity with 73% reporting it as their top challenge.



MOBILIZATION OF TARGET GROUP

Why is this step important?

Mobilisation entails not only getting people to enrol, but also ensuring that the right people, in terms of ability, interests and expectations, participate in programmes. For both companies and NGOs, an inability to mobilise properly results in a failure to meet targets and, more importantly, excludes potential beneficiaries who would be in need of such interventions.

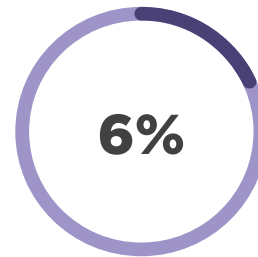
Interviews with companies and NGOs indicate that successful mobilisation is determined by many factors:

- A good understanding of potential trainees' interests and aspirations and the ability to match these to programmes
- Support available to navigate constraints such as family hesitation, transport, inability to pay, accommodation etc.
- Strategies used to reach out to potential trainees, which in turn depend on the nature of the target group
- Credibility of the organisation/person reaching out to potential trainees
- Experiences of past trainees and their feedback shared with the larger community

Most NGOs and companies interviewed agreed that a “one-glove-fits-all” approach would not work for mobilisation¹⁶.

Are companies and NGOs addressing this step?

Similar to needs assessment, only 6% of five companies explicitly reported focusing on this activity, though 85% of NGOs reported undertaking this activity. This could imply that many companies depended on NGO partners to mobilise people for training. While a majority of NGOs undertook mobilisation exercises, they did report difficulties in doing so—35% ranked it as the toughest step in pre-training, another 55% reported it as being second-most challenging task.



Mobilization of target group



HELPFUL HINTS FOR MOBILISATION

1. Leverage a local resource (either an individual or a body) with similar experiences as the potential trainees to earn their empathy and trust
2. The local resource should ideally have access to a wide network within the community or target group
3. Engage a variety of strategies, always based on relevance to target group, such as:
 - Setting up career counselling centres in slum areas/ villages
 - Engaging key stakeholders and parents through cluster meetings and mediums such as street plays
 - Conducting enrolment drives through local educational institutes, industry associations, dealerships, etc.
 - Organising job melas (fairs) through the block or district development offices
 - Using alumni of the programme as role models and establishing a referral system
 - Distributing leaflets and pamphlets in the community
 - Going door-to-door to mobilise people

¹⁶ The 4th Wheel, “White paper - Connecting the dots: Skill Development programmes in India, Godrej Conclave 2015”, July 2016, <http://www.godrej.com/Resources/pdf/conclaves/Godrej-Good-Conclave-White-Paper-20July-2016.pdf>

A FEW EXAMPLES OF HOW THIS MOBILISATION HAS BEEN ADDRESSED

Disha’s “Skill Sakhis” as a model of using community champions

Disha is a three-year partnership programme between the India Development Foundation, UNDP and Xyntéo, and supported by the IKEA Foundation, to positively impact the lives of one million women in India through training, entrepreneurial skill development and employment.

As part of its operations in the state of Maharashtra, Disha has created a cadre of “Skill Sakhis” or skill champions to effectively mobilise girls and women from local communities and slums. Skill Sakhis are generally members of local self help groups who get trained and paid by Disha for raising awareness regarding vocational skills and opportunities among girls and women in their own communities. A Skill Sakhi, as the name suggests, becomes a friend and a mentor to many of these girls, creating a career roadmap for them, offering information on various skills, connecting them to relevant courses and also negotiating family dynamics in some cases. Hailing from the same community and having mostly experienced similar circumstances as many of the potential trainees, a Sakhi is able to communicate with the girls in their language with empathy. The Sakhis themselves earn a more respectable position in their communities, thus inspiring other girls to bring about a similar transformation in their lives.

Castrol India’s “Eklavya” as a model of using local institutions (such as trade unions)

Castrol India’s training programme, “Eklavya” focuses on upskilling two-wheeler mechanics. Buoyed by its success in the initial years, Castrol has expanded its footprint to cover eight states.

Given that mechanics often operate as self-employed, unorganised entities, Castrol initially found it difficult to reach out to an adequate number of trainees for “Eklavya”. It thus reached out to local trade unions and mechanics’ associations to create an element of trust and credibility within the

participants regarding the programme’s benefits. It received support from 75-80% of the associations and unions, leading to a large number of mechanics registering for its upskilling programme. The training programme was held mostly in the afternoons or evenings, which allowed mechanics to minimise the losses incurred from keeping their garages shut during training hours, thus, increasing their acceptance of the programme. Some union members were also involved during the training. This collaboration also enabled Castrol to better coordinate, track and follow-up with mechanics throughout the training period, though there were regional differences.

Don Bosco Tech Society’s “village saturation model” as a model for establishing a peer control group

With 412 skill development centres spread over 29 states, DB Tech is one of the largest skill training organisations in India. It imparts a combination of vocational and soft skills through its centres and typically trains 45,000 youth every year.

Recognising the challenges of mobilisation and retention for vocational skill training, DB Tech uses a village saturation model. Operating in some of the most under-developed and conflict-prone regions of India, DB Tech essentially focuses all its mobilisation efforts in one village, creating acceptance and enrolling all eligible youth in the community, before moving to a different location. The advantage of “saturating” a village through mobilisation is that a large section of the village community—parents, spouses, friends of all the trainees—automatically become invested in the programme; thereby ensuring trainees regularly attend classes, complete the course and value the employment opportunities they obtain. Mobilising a large group helps remove inhibitions that parents may have about sending their children to different locations for training or work. Even when placed, most of the trainees are together, helping to reduce the woes of migration.



PRE-TRAINING COUNSELLING

Why is this step important?

It is imperative to ensure that trainees are conditioned for technical and non-technical training before their commencement and their expectations set and managed. Counselling generally consists of the following activities:

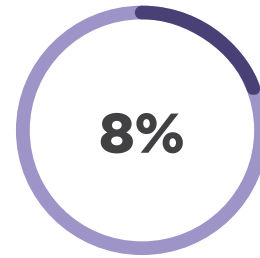
1. Mapping aspirations of the target groups

The Government of India has mapped out sector skill gaps in order to redirect and facilitate training in these areas. But it would be incorrect to assume that just because the sector has a skill gap, trainees would be inclined to undergo training and take up that trade. Two considerations drive the absolute necessity to map aspirations and understand trainees:

- Given the diversity in employment prospects, exposure to multiple professions through the explosion of media and the undesirability attached to certain traditional professions, understanding the aspirations of target groups becomes important
- For the lower socio-economic classes, low literacy combined with a lack of awareness may mean that programmes must be tailored to their needs.

EXPERT SPEAK

- Use both formal and informal methodologies to interact with and understand trainee aspirations. This becomes important in contexts where trainees have little formal education and have not been presented with scenarios where they have to articulate their goals and thinking. While formal career and aptitude assessment tests provide useful frameworks to structure the conversation, they are unlikely to add much value in isolation. Combining such tests with personal interviews, games and interactions can yield better results.
- The efficacy of such tools depends, to a large extent, on the skill of the administrator. It requires non-judgemental people who are willing to create spaces for youth to share and learn.
- Take cognizance of the socio-economic backgrounds of trainees. Trainees may often suffer from low levels of self-esteem or confidence and may lack exposure to various careers. At the same time, they may have aspirations on the lives they intend to lead and a strong desire to rise above their present circumstances. This understanding can inform aspiration mapping exercises and, thereby, help training organisations formulate the appropriate pedagogy and offer the right placement support.



Pre-training counselling

In both the above cases, imposing training programmes on the target group without understanding their motivation and aspirations raises the risk of mismatch in expectations, creates difficulties in mobilising the target group and increases dropout rates across the value chain.

2. Testing aptitudes and setting expectations

Occasionally, people's aspirations may not be in tune with their local realities. To ensure that skills imparted are appropriate for trainees, it is important to map aptitudes that determine the current skill set and learning capabilities of the trainees.

3. Sensitising parents and families

To create greater acceptance for the skill development programme, it is important to engage with parents and families of the potential trainees. Families can actively encourage and maintain oversight of target groups such as unemployed youth or school dropouts to consistently attend and complete skill development programmes. On the other hand, in traditional households, parents and families could also act as a roadblock for beneficiaries, especially young girls and women, due to socio-cultural barriers. Engaging and convincing families, thus, becomes not just desirable but necessary.

Are companies and NGOs addressing this step?

Around 8% or seven companies reported supporting pre-training counselling as part of their skills initiatives. Of the 56 NGOs that responded to the question on providing pre-training counselling, a little more than half reported to "always" undertaking it (55% for parent sensitisation, 61% for aptitude testing and 63% for mapping aspirations). Interviews indicated that many NGOs used informal means such as discussions or short talks with trainees to ascertain these aspects. In some cases, this was the trainer's responsibility.

Companies could either integrate counselling into their skills training programme or support it as a stand-alone intervention in the form of setting up counselling centres (without undertaking actual skill training – this can be supported by another entity).

EXAMPLES OF MODELS ADDRESSING PRE-TRAINING COUNSELLING

Ambuja Cement Foundation—recognising the importance of parents in its skilling programmes

Established in 1993, Ambuja Cement Foundation works exclusively with rural communities in various areas including skill-based livelihood generation. As part of this, ACF has instituted Skill and Entrepreneurship Development Institutes (SEDI) that provide vocational training, backed by life skills to local youth, thereby enabling them to lead healthy and productive lives.

Some training courses conducted by SEDI require participants to relocate for jobs, which is often a barrier at every stage of the programme. Against such a background, ACF realised that the role of a parent is extremely important, especially when the participants are girls. ACF conducts counselling for parents at three junctures—at the beginning and end of the training, and before placement. Through these sessions, parents are counselled to shed their inhibitions on sending their children to work outside and are reassured on the safety of their children as ACF sends its trainees in groups to any workplace. This group placement proved effective in improving retention not only with girls but with boys as well. Additionally, the foundation also arranges a visit by parents to the workplace where the trainees would be placed. These practices help improve a trainee's performance during the programme and to retain the trainee in the job placed.

“Tata Strive”—a unique aspiration mapping tool

“Tata Strive” is the Tata Group's flagship CSR intervention in skill development. Vocational and soft skill training is supported through a network of skill development centres, five of which are owned and operated by the group, with an extension of centres in partnership with governments and local NGOs across the country.

Strive's unique approach to aspiration-mapping is composed of three steps: interest inventory, career discovery and self-discovery. At the first step, a picture-based assessment of

student interests is done by showing them 60-65 pictures and gauging their reaction to doing the jobs shown. At the second step, the trainees are shown audio-visual material that helps them better understand the jobs to which they showed an inclination to. Parents are also invited to be a part of this process. At the last stage, trainees are required to introspect on their lives and aspirations. Throughout the day, they also attend sessions on beliefs, emotions, self-confidence, and mindfulness, among others. Thus, at the end of the process, trainees and the trainer are well-placed to begin a fruitful training programme.

PANKH Portal—an online and offline platform for counselling

PANKH Portal was set up by UNDP as part as its Disha project funded by the IKEA Foundation. The portal offers a dynamic website and career guidance and counselling tool to exclusively address the needs and aspirations of young, job-seeking women in Delhi. The portal focuses on both the demand for skills by firming up business commitments to identify employment and entrepreneurship opportunities for women as well as the supply of skills by rolling out a model of empowerment which is consistent with the aspirations and needs of women.

PANKH has set up an online portal as well as a series of career counselling and guiding centres to which trainees, even in remote areas, can obtain access through the portal. Its counselling sessions can be individual or group-based and, apart from jobs, PANKH also provides counselling for higher education. Recognising the need to encourage thinking about one's career at an early stage, girls from the 9th grade onwards can also register for sessions through the portal. In addition, the portal will connect women to a range of livelihood opportunities, suggest jobs depending on the suitability of the candidate and offer online training. The portal's gender-based approach can, thus, ensure that existing inequalities do not get magnified as the country embarks on a large-scale skilling exercise.

TRAINING



Image by Ambuja Cement



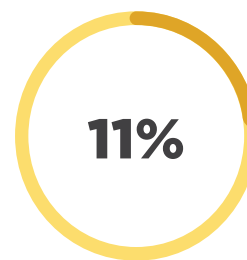
DESIGNING THE CURRICULUM

Why is this step important?

An often-cited deficiency in technical skill training programmes is the inability of the curriculum and other theoretical frameworks to match up to needs on the ground¹⁷. To address this challenge, 22 functional Sector Skills Councils (automobile, agriculture, construction, and others) have created over 900 qualification packs in consultation with over 1000 companies¹⁸. In addition to this, companies can also design their own curriculum using their internal teams or in partnership with academic institutes. This is especially useful when “upskilling” a group or when the company has direct experience and business interest in the area of training.

Are companies and NGOs addressing this step?

Despite the obvious value addition of a company actively crafting curriculum (a critical non-financial contribution), only 11% (10 companies) reported doing so. Most of them depended on their partners to select or design the appropriate curriculum. When partners were asked to comment on their practices around curriculum design, 34% reported using NSDC/SSC curriculum, 52% reported designing their own curriculum, while 14% used other third party curricula.



Designing the curriculum

¹⁷Institute of Applied Manpower Research (IAMR), “Vocational Education and Training Reform in India: Learning from good practices at home and abroad”, 2014, accessed 05 January 2017 http://iamrindia.gov.in/writereaddata/UploadFile/report102014_1784.pdf

¹⁸National Skill Development Corporation, “Sector Skill Councils (SSC)”, accessed 06 January 2017, http://msde.gov.in/assets/images/SSC_Website.pdf



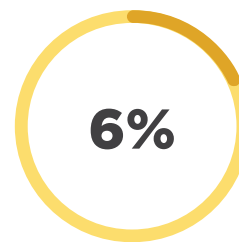
IDENTIFYING AND TRAINING THE TRAINERS

Why is this step important?

The capacity of trainers is a key determinant of how programmes can truly meet the challenge of skilling¹⁹. Accordingly, the next process in the value chain is to identify the right set of trainers and provide them with relevant training that covers the curriculum (what to teach), pedagogy (how to teach) and classroom management techniques. In addition to the technical knowledge and experience of the trainer, his/her soft skills and leadership skills are also important criteria, as the trainers come closest to being mentors to these trainees in some cases.

Are companies and NGOs addressing this step?

NSDC and the 22 functional SSCs have together enlisted several training partners for a range of skills, across each state. It is also possible for companies to identify their own set of trainers along with their implementation partners.

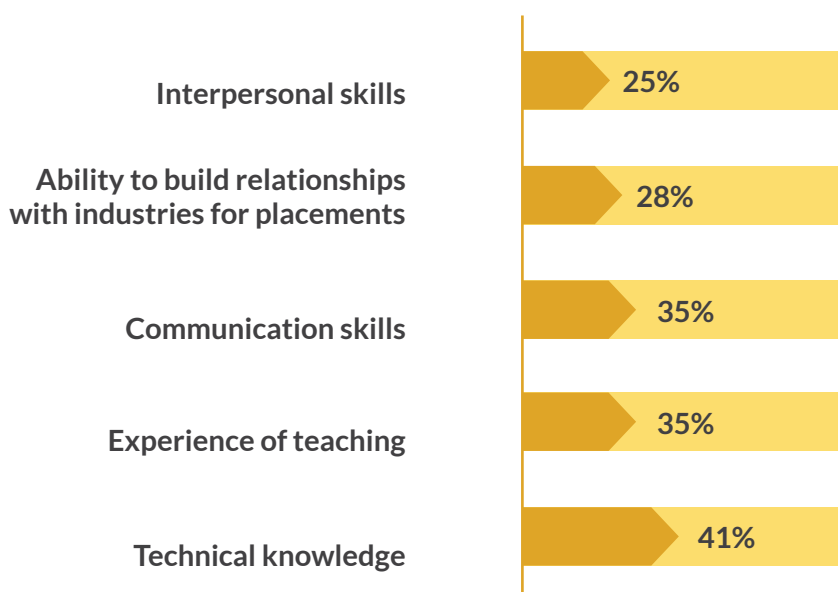


Identifying and training the trainers

Interviews with companies and NGOs indicated that technical knowledge of trainers was the most commonly used criteria, sometimes discounting communication and interpersonal skills. This was reinforced by the responses given by NGOs in the survey, as shown below.

Interviews also revealed that training the trainer in terms of refreshing their technical knowledge, providing information of latest trends and soft skills training is overlooked by most programmes. The onus lies solely with the trainer, which might lead to an inferior quality of training, thereby, affecting the overall impact of the programmes. Many experts also lamented on the low aspirational value attached to being a trainer, the lack of clear career growth for them and low salaries and incentives paid to the trainers (sometime a fresh trainee under the trainer earns more than the trainer herself/himself), leading to low motivation and high attrition rates.

CRITERIA USED FOR SELECTING TRAINERS, AS REPORTED BY IMPLEMENTATION PARTNERS



Source: NGO survey data, December 2016, Samhita Social Ventures

¹⁹Employment Policy Department EMPLOYMENT Working Paper, International Labour Organization, "Vocational teachers and trainers in a changing world: the imperative of high quality teacher training systems", 2015, accessed 05 January 2017, http://www.ilo.org/wcmsp5/groups/public/--ed_emp/documents/publication/wcms_383787.pdf

WHAT ARE A TRAINER'S RESPONSIBILITIES?

It was also observed that NGOs typically had two types of models, one where a trainer's responsibility was not limited to the delivery of the training—they played a key role right from mobilisation in pre-training to placements in post-training—and another where different and specific teams were in charge of all activities. While weaving these aspects into trainers' KRAs (key result areas) makes them more vested and accountable, this could also over-burden them.



Image by Asian Paints Colour Academy

“ Asian Paints believes enhanced skill sets reduce the risk of attrition and movement towards other forms of informal employment, thereby increasing specialisation and thus generating higher incomes. ”

Amit Syngle,
President – Sales, Marketing & Technology,
Asian Paints

A FEW DIFFERENT MODELS FOR CURRICULUM DEVELOPMENT AND TRAINER SELECTION

Asian Paints Colour Academy—from curriculum design to infrastructure to delivery

Asian Paints strategically pursues CSR, leveraging its experience in the paint manufacturing industry. It offers vocational training in paint application at 11 brick and mortar locations as well as 10 mobile facilities for both new and experienced paint applicators. The mobilisation is undertaken with the help of NGOs and 25,000-30,000 dealers across the country who work closely with paint applicators and who themselves have achieved higher socio-economic mobility, serving as an inspiration for those below them.

Recognising that perceptions and aspirations among the modern youth today often discriminate against pursuing painting as a profession, Asian paints has designed its colour academies to offer all the elements of modern education. The idea is to position the modern-day painter as an educated, skilled professional.

It adopts a curriculum that teaches the basics but also offers advanced courses such as decals, texturing, etc. to existing paint applicators, along with extensive practical learning. It offers a certificate of completion to all successful trainees, ranging from basic to intermediate, which in turn acts as a “passport” for upward social mobility and strengthens their ability to command higher incomes. As Amit Syngle, President—Sales, Marketing & Technology, Asian Paints, believes, enhanced skill sets reduce the risk of attrition and movement towards other forms of informal employment, thereby, increasing specialisation and, thus, generating higher incomes.

L&T Construction Skills Training Institutes (CSTI)

Much before the passage of Section 135, L&T initiated CSTIs to meet the growing demand for world-class construction skills in terms of safety, quality of workmanship and time efficiency, while simultaneously meeting its social objectives. In order to meet international standards, L&T had entered into a memorandum of understanding (MoU) with Henry Boot Training Ltd and the Construction Industry Training Board of the UK for the development of modular training for several trades such as formwork carpentry, bar bending, masonry, plumbing, electrical, welding, etc.

CSTI centres provide free lodging, boarding and training facilities to the trainees and also give them a stipend for the three-month course. In the past 20 years, CSTIs have trained more than 5 lakh technicians and workmen through campuses at Chennai, Mumbai, Ahmedabad, Bangalore, Hyderabad, Kolkata, Delhi and Cuttack. Experienced L&T personnel from construction job sites, in respective trades, are drafted and professionally trained to teach and deliver instructions through residential “train the trainer” courses. They are assisted by experienced workers to demonstrate field practices. Such trained persons are eventually posted to effectively impart trade training.



DELIVERING TRAINING

The delivery of training is the next process in the value chain. The training could last for varying durations; it can be a combination of theoretical, practical and on-the-job-training methods; residential or non-residential; may involve different financial models (such as co-charging the trainee or paying a small stipend to the trainee, etc.); and could also leverage technology. Pedagogy is key in ensuring that the trainees imbibe the programme curriculum. While conferring theoretical aspects of the trade to the trainees was reported as a standard practice, practical training was also integrated into the pedagogy in most programmes, whether in the form of training on models, workshops, internships or others.

Another trend that emerged during interviews was the popularity of the blended learning model, where the trainer, as a facilitator, combined traditional teaching methods with technology aids such as standardised videos. Blended learning offered some standardisation of quality through videos, more attractive and interactive ways of teaching, aiding in visualisations and overcoming any potential shortcomings that a trainer may have.

In circumstances where it was difficult to arrange practical lessons, the use of technology tools such as videos and virtual reality also helped bridge the gap. For instance, some Industrial Training Institutes (ITIs) in Maharashtra had adopted digital classrooms to provide high-quality training to people in rural areas including tribal regions, with support from Government of Maharashtra and Tata Trusts and Wadhwa Foundation²⁰.

SHOULD TRAINEES PAY FOR TRAINING?

The question on whether trainees should pay for their training polarised respondents into two groups, with the ecosystem having both types of models—those that charged and those that did not.

A majority of respondents, both companies and NGOs, felt that a degree of co-pay brings in more accountability among trainees, reduces “skill-shoppers”, brings in oversight from parents and reduces dropout rates. However, there was no consensus on how much to charge. While most providers charged a nominal or token amount, a few also implemented a 100%-fee model.

On the other hand, a small proportion of respondents felt that their target groups could not afford the fee. Banks especially, are apprehensive of financing the vocational training of underprivileged students as they fear high default rates, especially when placements are not guaranteed. In fact, certain government schemes and training institutes not only offer free courses but also offer stipends to cover expenses such as transport to the centre and back. Thus, asking trainees to pay for such programmes would serve as a deterrent to their participation and a strong pre-training mobilisation process can help select the right candidates instead.

A related discussion then ensues on NGOs versus social enterprises—the former generally offer grant-financed training programmes motivated by altruistic objectives, while the latter generally have a business model around training, charging fees. Again, companies partnered with both these types of organisations based on their orientation, though collaborations with social enterprises was not very common, partly due to ambiguities in Section 135.

²⁰Minutes of the “First Closed Door Skill Task Force Meeting”, Mumbai, 1 December 2016

WHAT MADE FOR EFFECTIVE DELIVERY?

- Engaged and competent trainers
- Conducive infrastructure with basic facilities in a location not too far from the catchment
- Daily attendance monitoring
- Combined theoretical and practical pedagogy, with more emphasis on the latter
- Recognising the different approach needed to teach an adult target group
- Recognising the opportunity cost involved in attending training for those already in some form of employment and trying to minimise this
- Creating flexibility in time slots for attendees, such as conducting sessions in the afternoon or evening
- Integrating digital tools at appropriate stages of the training programme to enhance programme delivery

DHFL's Skill Development Centre: a flexible and localised hub-and-spoke model

DHFL's CSR programme in skills and livelihood development focuses on Construction and Banking, Financial Services, Insurance (BFSI) trades. This programme is conducted at two locations- Chandrapur and Kolhapur, with over 600 youths having completed their training. The programme has achieved a 90% placement rate and is looking to expand, covering 2000 trainees in a year.

The programme design incorporates several features that helped it mobilize a large cross section of the youth for its programmes. Classes were often conducted in the evenings and at night to ensure those with day-jobs could also attend the training. Trainees from locations which were far away from the centres were reimbursed for their transport to and from the training centre. In order to reduce the costs of conducting the programme and mobilizing youth in interior areas, a hub-and-spoke model was executed. Smaller centres operating out of anganwadis and other public spaces were provided by the villagers and they were utilized to conduct the classroom training for Construction trades. Trainees are brought to the hub centres in Chandrapur and Kolhapur every Sunday for practical sessions.

In order to provide practice on skills newly learnt, 50 youth from DHFL's Skill Development Centre recently participated in a live community project. Under the guidance of their master trainer, the trainees undertook a range of renovation activities in two schools of Kolhapur such as repairing benches, toilets, switches, pipelines, among others, thus strengthening public assets.

These efforts enabled the programme to achieve higher outcomes such as placement rates and increase in incomes.

SkillTrain: use of technology during training

SkillTrain is a vocational training organisation that delivers content for trainees through its online platform and YouTube channel with content also being licensed out to other training organisations for a fee. It currently offers video training in 13 trades, ranging from electronics to beauty and wellness, and the videos have been viewed over 7.9 million times through YouTube alone, with over 64,000 subscribers from multiple Asian countries.

SkillTrain's success is crucially dependent on its blended learning approach which meaningfully integrates technology into the skill training process. Audio and video content is sourced from highly trained experts, which is then delivered through the platform for free, except in the case of practical learning modules, ensuring that trainees irrespective of their location get access to the same quality of training. The website uses a simple registration process after which trainees can log in and watch high-quality videos, followed by quizzes and tests. The online portal also allows for certification at the end of the chosen course and job applications. In this manner, the model addresses multiple issues, including the lack of good quality trainers across the country. The use of technology also reduces costs of service delivery for the training organisation, while reducing the opportunity cost of attending courses for trainees as they can view the videos any time.

TECHNICAL SKILLS VERSUS SOFT SKILLS

Why is this step important?

A debate on importance of soft and life skills is a moot point. The study found an overwhelming consensus among all stakeholders in terms of the role of soft and life skills in enhancing “employability”. They build confidence, ability to communicate effectively (especially in English), and ability to cope in difficult situations amongst trainees, many of whom would be hailing from deprived backgrounds. It also helps to acclimatise them to the requirements of a profession in terms of managing time, discipline, interacting with superiors, etc. In fact, a few companies were of the opinion that focusing exclusively on a “foundation course” including English speaking and soft skills would yield better results than just vocational skills, especially in industries such as IT and BPO.

REASONS WHY COMPANIES ARE NOT INTEGRATING SOFT SKILLS INTO THEIR PROGRAMMES

Despite the evidence, many companies were not supporting soft skills mainly because of the following reasons and barriers:

- Outcomes of soft and life skills depend on a certain degree of behavioural change that is difficult to achieve in a short duration and difficult to measure and quantify
- Many implementation partners reported difficulties in being able to deliver these as they cannot be fully templatised or modularised or taught in the traditional sense. In this case, the trainer is not an educator but a facilitator who has to ensure the comfort and participation of all the trainees and connect the skills to their local realities and contexts. All this requires sensitivity, maturity and experience, not easy traits to find or cultivate in trainers.
- Lack of information on scalable models and credible implementation partners

“ This framework is operationalized, starting with the understanding that trainees often face a diminished perception of themselves, are unaware of their strengths, but have also been conditioned through their social circumstances to react strongly in specific cases. ”

Sonali Ojha
Dreamcatchers

Are companies and NGOs addressing this step?

The study found that while all companies were focused on “vocational” skills, only half of them were considering soft skills and life skills as part of their courses. As would be expected, banking and IT companies were at the forefront of delivering soft skills, with almost all companies in these two industries reporting a focus on soft skills.

Even within the scope of soft skills, there was a bias towards those skills that may contribute directly to getting a job—computer literacy (22 out of 45 companies), grooming and personality (17 out of 45) English speaking (13 out of 45), effective communication (15 out of 45). On the other hand, life skills such as leadership, self-management, time-management, and goal setting and planning did not find many takers; a maximum of 5 companies reported these.



Technical Skills



Soft/Life Skills

EXAMPLES OF MODELS IN LIFE SKILLS

Dreamcatchers—a foundation course to build inner agency to unlock a youth's full potential

Recognising the socio-economic deprivation of potential trainees and the need to fill existing gaps in confidence and articulation, Dreamcatchers provides an intensive foundation course to trainees of Pune City Connect's Lighthouse project. Pune City Connect is a platform for collaboration between corporates and the Pune Municipal Corporation (PMC) which aims to institutionalize a forum for industry and government to work collectively along with NGOs and citizens, towards the development of the city.

The foundation course is typically 40 hours long, two hours a day, and uses the strong interest inventory (SII) framework to shape the conversation. SII is based on six core aspects: realistic, investigative, artistic, social, enterprising, conventional (RIASEC), which are deemed to be required at the workplace. It trains and empowers a "centre head" to facilitate this journey of self-discovery for youth and offer them a safe place to explore and share.

As Sonali Ojha of Dreamcatchers says, this framework is operationalised starting with the understanding that trainees often face a diminished perception of themselves, are unaware of their strengths, but have also been conditioned through their social circumstances to react strongly in specific cases. The foundation course is delivered through a series of creative tools and activities. One such activity recently started is running the skill centre as an enterprise, with trainees performing various roles such as managing the reception, engaging customers, etc. This helps to build capabilities in communication and interaction, while mentorship support helps them put workplace issues in the right context, encouraging them to persevere rather than quit while facing workplace issues.

QUEST Alliance—leveraging technology for standardised life skills delivery

Quality Education and Skill Training (QUEST) Alliance was set up as a non-profit trust in 2005 with support from the United States' Agency for International Aid (USAID). With specific focus on soft and life skills, QUEST works with 165 ITIs and polytechnics, 60 odd NGOs and 30 colleges to enhance youth employability. Its partner network has around 280 centres.

With a focus on life skills, QUEST developed its flagship Digital Life-Skills Toolkit (DLST) along with CAP Foundation (Community and Progress Foundation), USAID, International Youth Foundation (IYF) and Microsoft. DLST is a digital, self-learning toolkit to enhance the capability of trainers to be

more effective in delivering training in life skills and workplace readiness. The toolkit comes with a brochure cum CD-ROM and consists of multi-media based tools for the facilitator's own training. The associated workbook helps the trainees reflect and express themselves.

The experiences gathered from the use of DLST evolved into a full-fledged employability programme called My Quest. It uses blended learning to train youth in 3-4 months at vocational training institutes. It is comprised of a set of interactive digital lessons, classroom activities, and workbooks in English, life skills, work readiness and customer interaction. Classroom activities are based on real world scenarios, which ensure that students get a clear understanding of how to apply these skills at the workplace. A learning management system has been developed on Moodle to support the tracking, data collection and analysis of time spent on activities, learner's performance and other factors.

Vikalp Kriya—beyond soft skills... life skills for empowerment

Custom-developed by Vikalp Kriya and Godrej Consumer Products Ltd, the life skills intervention as part of Salon-i beauty programme has aimed to create the space and opportunities for the trainees (girls and women) to be able to come together as a collective and engage in a process of assess-analyse-act, thereby honing their communication, negotiation, decision-making and critical thinking skills. The module has been curated as a journey—valuing dignity and self-esteem, understanding the nuances of the beauty and wellness sector, appreciating the "beauty" of learning skills together; mapping one's dreams, looking through the gender lens, knowing about one's rights and entitlements (especially as a woman), and planning the way forward.

The set of 57 posters that are a part of the life skills resource kit are more like a "canvas"—it helps the girls and women to place their reflections, observations, thoughts, views, dreams and aspirations. The methodology and process involves a wide range of group activities—writing, drawing, singing, watching films, role-playing and structured experiences—to enable trainees to seek information, negotiate meaning and appreciate values. The tasks involved are customised to issues surrounding the beauty and wellness sector, such as thinking about the social perspective of beauty and its association with women and patriarchy with the help of writings by Ismat Chughtai in some cases.



PROVIDING APPRENTICESHIPS

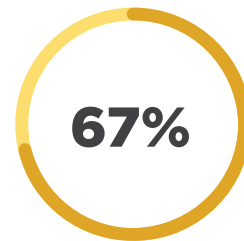
Why is this step important?

While traditional classroom-based technical and non-technical training has dominated “Skill India” efforts in the past two years, apprenticeship has received far less attention. Apprenticeship can be best described as an on-the-job training contract that trains a person systematically for a fixed period, during which he/she is bound to the employer’s service²¹.

The benefits from apprentices are manifold:

- Industries benefit from enhanced skills and a more professional workforce²²
- The workforce in turn understands the culture of working, helping make a smooth transition from educational institutes to the workplace
- The International Labour Organization’s (ILO) analysis on apprentices engaged in small and medium enterprises (SMEs) in India has shown that the return on investment is considerably high with the initial investments recouped during the apprenticeship period itself²³

While expenses incurred in fulfilling obligations under the Apprentices Act 1961 cannot be counted towards CSR expenditure, there are models through which CSR efforts can support apprenticeships (See case studies).



Apprenticeships

Are companies and NGOs addressing this step?

Sixty-seven out of 100 of companies in the BSE top 100 were registered to provide apprenticeships, though it is not clear how many of these had active vacancies or had taken apprentices in recent past. Data showed that most companies belonging to the FMCG (100%), healthcare (90%) and heavy engineering (88%) industries were registered for apprenticeships. Low participation was seen from the telecom, banking, financial services and IT industries.

Interviews with companies and NGOs shed more light on the current uptake of apprenticeships. On the demand-side, the main barrier was the outdated Apprentices Act (1961) that remained highly restrictive till 2014, which is when it was revised. Certain state governments, including Maharashtra, are trying to emulate the same at state level²⁴. On the supply side, NGOs faced difficulties in convincing students outside the ITI framework of the concept and merits of undertaking apprenticeships. At the other end, the compliance and paperwork to be undertaken by companies discouraged them from hiring apprentices.

²¹Steedman, “Overview of apprenticeship systems and issues”, ILO contribution to the G20 Task Force on Employment, November 2012, accessed 10 January 2017, http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ifp_skills/documents/genericdocument/wcms_190188.pdf

²²Manmohan Rai, “Apprenticeship the best model of Skilling India: Experts”, Economic Times, October 2015, accessed 10 January 2017, <http://economictimes.indiatimes.com/jobs/apprenticeship-the-best-model-of-skilling-india-experts/articleshow/49401722.cms>

²³Rothboeck, “Using Benefit Cost Calculations to Assess Returns from Apprenticeship Investment in India: Selected SME Case studies”, ILO Asia-Pacific Working Paper Series, February 2014, accessed 10 January 2017, http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---sro-new_delhi/documents/publication/wcms_332263.pdf

²⁴Minutes of the “First Closed Door Skill Task Force Meeting”, Mumbai, 1 December, 2016s



Image by TeamLease

AN EXAMPLE OF HOW APPRENTICESHIP HAS BEEN ADDRESSED

TeamLease—strengthening skill development through apprenticeships

TeamLease seeks to leverage its extensive experience in providing human resources consultancy services by undertaking skill development programmes across 150 centres.

TeamLease runs one of India's largest private apprenticeship programmes—National Employability through Apprenticeship Programme (NETAP), an on-the-job-training programme offered by TeamLease Skills University in public-private partnership with Ministry of Skill Development & Entrepreneurship, AICTE under Ministry of HRD's National Employment Enhancement Mission (NEEM), CII and NSDC. Under the NEEM programme, CSR funds can support stipends of the apprentices covered.

The objective of the programme is to help unemployed youth build skills through “learning by doing” and “learning while earning”, for periods ranging from 3-24 months. The apprentices are mostly placed with MSME (micro small and medium enterprise) partners who benefit from additional labour support. Apprentices also learn English, computer and life skills through 200 hours of cloud-based modules. In order to create sufficient acceptance by families who are desirous of their wards earning salaries at the earliest, TeamLease's mobilisation efforts also focus on parents and channel CSR funds to subsidise the stipends.



ASSESSING AND CERTIFYING TRAINEES

Why is this step important?

Standardised tests to check understanding at regular intervals are integral in tracking the progress of trainees, to undertake course corrections as well as to improve the course content. The process of a third-party certification ensures the competencies of trainees are formally recognised, enhancing their employability. The SSCs are empowered to certify training programmes based on NSDC as well as non-NSDC and SSC curriculum²⁵, other private organisations too can issue competency certificates.

Are companies and NGOs addressing this step?

Nine out of 90 companies reported supporting some kind of assessment process for their trainees. It was not clear whether these were in-house assessments designed by their NGO partners or third party certifications. While certificates of participation and completion are a norm at the end of programmes, tying up with certified agencies and partners like NSDC, International Association of Plumbing and Mechanical Officials (IAPMO) India, and universities were not a common occurrence.

While some companies and NGOs said that certification was not necessarily seen as an indicator of higher value addition and competency, a few respondents reported that certification was allowing its CSR beneficiaries to command higher incomes. The value of a certificate depended on the faith and credibility it can muster in an employer's perspective.

ISSUES AFFLICTING THE CERTIFICATION PROCESS

- The formal certification process is seen as expensive by companies and NGOs
- A few instances of malpractices in assessment that dilute the credibility of the certificate
- There is a need to harmonise assessment standards across various government programmes and trades. Currently there exists a lack of coherence in requirements from assessors
- A greater focus on building assessor capacity and developing more relevant and reliable tools of assessment is needed
- Advocacy efforts must also be undertaken to convince potential customers and employers of the value of certification

²⁵NSDC "Training partners, Sector Skill Councils", accessed 10 January 2017, <http://www.nsdcindia.org/our-affiliates-0>,



The aim of any skills and livelihood programme is to prepare and equip the trainee with skills to get him/her into stable employment, enhance his/her income and offer him/her a chance at having a better quality of life. From this perspective, post-training is the most critical part of the value chain.

There are two broad avenues of employment—salaried placements in jobs or self-employment and entrepreneurship.



PLACEMENT IN JOBS

Why is this step important?

All skills and livelihood development efforts should place a premium on ensuring that the training is linked to placement of the trainees²⁶. International best practices and the National Skill Development Policy 2015 explicitly recommend that all skill training and livelihood support programmes must be outcome based and, therefore, interventions are often supported through tie-ups with specific employers or industry bodies to absorb the trainees.

“ PARFI’s model has enabled greater accountability and higher retention rates among the trainees. In case of adverse circumstances, a holiday period is provided to reduce the pressure to pay off the loan. ”

Kalyan Chakravarthy,
PARFI



Job placement

Are companies and NGOs addressing this step?

Nineteen per cent (17 of 90 companies) provided explicit information on placements offered through their CSR programmes. While it is possible that other companies offer placements through their NGOs, worryingly only 58% of NGOs surveyed said they “always” offered job placements, despite this being the most important outcome of skill development efforts. This was also ranked by over 66% of respondents as one of the top three challenges at the post-training stage. On an average, NGOs surveyed stated that the placement rate was around 45%.

²⁶NSDC, “NSDC Impact Assessment Study 2014-15: Executive Summary”, accessed 11 January 2017, <http://www.nsdcindia.org/sites/default/files/files/pdf/Executive-Summary-Impact-Assessment-Study2014-15.pdf>

AN EXAMPLE OF HOW PLACEMENTS HAVE BEEN ADDRESSED

PARFI—a zero-subsidy, 100% placement model to skill development

PanIIT Alumni Reach for India Foundation (PARFI) is a not-for-profit registered society of IIT alumni across campuses, with a charter for “nation building”. It fosters, executes and scales self-sustainable business models that enhance incomes of the underprivileged.

Under one of its initiatives, it runs a series of “Rural Gurukuls” headed by ex-military servicemen that provide training in trades such as driving, construction, welding and catering along with soft skills such as public-speaking, work values and yoga, among others.

It has achieved a 100% placement rate owing to three innovative practices:

Tying up with NABARD Financial Services Limited, PARFI facilitates a mandatory short-term loan for its trainees, with zero collateral. These are repaid in instalments once the trainee starts earning. According to Kalyan Chakravarthy of PARFI, this model has enabled greater accountability and higher retention rates among the trainees. In case of adverse circumstances, a holiday period is provided to reduce the pressure to pay off the loan. A separate post-placement team is instituted to offer support to trainees at work and help them repay loans.

PARFI works closely with industries and companies (including those working outside India) to first identify the exact skills they require, which in turn determine the skills taught at the Gurukuls. Thus, employment is assured to those who are enrolled in the training and there are no demand-supply gaps.

PARFI adopts a multi-skilling approach, where a “major” skill is complemented by “minor” skill training, similar to academic courses, enhancing employability prospects and easy deployment of workers across trades.



POST-PLACEMENT SUPPORT

Why is this step important?

Having a “job offer” is just the starting point for the trainee’s journey. At every stage—from accepting the offer to continuing to stay in the job—there is a cliff edge where trainees drop out. While considering the percentage of trainees who continued to be in employment after one month, only 18% of NGO respondents said over 75% of the trainees did so. Over 73% noted that only 25-75% remained in their jobs after a month, with nearly 30% reporting that less than 25% of their trainees were in jobs after a month.

“ Our hostels are integrated with Pratham’s post-placement counselling and guidance services. As such, these hostels are important “touch points” for a large number of migrating youth, including women, significantly reducing rates of attrition. ”

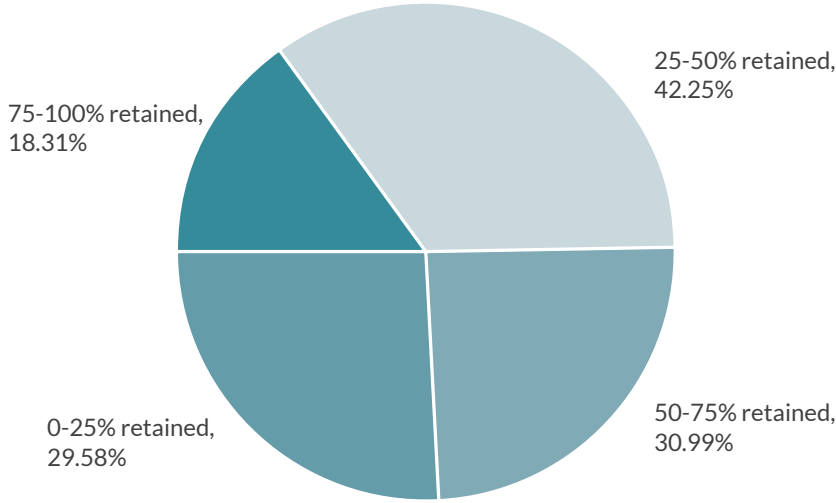
Azeez Gupta and Medha Uniyal
Pratham

Post-placement support involves a variety of initiatives that aid in a smooth transition from training to work and retention in a job. It may include assisting trainees in the process of migration to new locations for work, counselling them to adapt to workplaces and unfamiliar environments and mechanisms to resolve grievances with employers. Without these, trainees, irrespective of their technical skill set, may fare poorly in adapting to their jobs and may even return to their previous status²⁷.

²⁷Ministry of Skill Development and Entrepreneurship “National Policy for Skill Development and Entrepreneurship 2015”, 2015, accessed 11 January 2017, <http://msde.gov.in/assets/images/Skill%20India/policy%20booklet-%20Final.pdf>

²⁸Out of the six companies, one company did not provide details of the type of post-placement support provided by it (such as counselling, accommodation, transportation).

RETENTION IN JOBS AFTER ONE MONTH OF PLACEMENT, AS REPORTED BY NGOS



Please note: First figures refer to trainees and second figures to NGOs

THE MIGRANT CRISIS

With growing urbanisation, people are constantly migrating from rural to urban areas. Even between cities, there is a significant churn of workers. Interviews with companies and NGOs revealed that providing a supportive ecosystem to new migrants was a critical yet neglected part of the value chain. Mitigating interventions could include:

- Counselling at the source of migration about expectations from city jobs and life
- Providing help with day-to-day tasks at the destination such as opening bank accounts, transferring money to family, etc.
- Finding affordable accommodation and access to cheap but nutritious meals

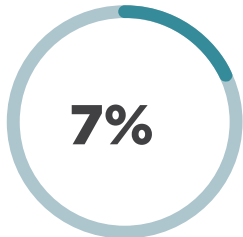
- Fostering a community of people with shared experiences to act as a circle of trust

As it is not possible for all training providers or employers to directly offer such services, there is a market for intermediaries such as the NSDC to step in and provide this service, necessitating collaboration between all different stakeholders to create positive externalities for the entire ecosystem.

While urbanisation is a reality that has to be coped with, a few respondents were also of the view that encouraging a dynamic rural economy is critical to stem the flow. In addition to supporting agriculture and allied livelihoods, this also meant adding more non-farm and processing industries.

Are companies and NGOs addressing this step?

Even though investing in post-placement was akin to future proofing the investment in skills training, only 8% (seven companies) disclosed that trainees were tracked after their programmes and only 7% (six companies) reported supporting post-placement links²⁸. Yet, this could also be a case of under-reporting by companies, as 48% of NGO respondents said they “always” provided post-placement support to trainees, despite over 41% rating it as one of the top three challenges at the post-placement stage. However, the high dropout rate described above casts doubts on the nature and quality of support offered.



Post placement support

“ Most companies neglect the high levels of attrition in skill development programmes, only supporting training activities, unaware of the benefits of accommodation and social bonding that accrue from such housing services. ”

Satyanarayana Vejella
CEO, Aarusha

The/Nudge Foundation's Life/Guard

Under the overall objective of poverty alleviation, The/Nudge Foundation's residential Gurukul programme trains underprivileged youth on three key foundations—life skills, adult literacy and livelihood skills. The foundation addresses the gap of post-training support in the skilling ecosystem—its students had limited access to counselling and basic information required to stay in jobs and grow and improve their lives. In addition, the cost of information discovery is high for the underprivileged. Thus, the foundation designed a lifelong support system through its “Life/Guard” service for its alumni.

The “Life/Guard” service offers support to the alumni on three fronts: career counselling, health insurance and finance (in terms of opening a bank account and inculcating savings habit). An in-house team of relationship associates map out the alumni network and establish alumni chapters across a city headed by alumni chapter heads. This makes it easier to connect alumni who drop out of jobs back to employers and provides social support to migrating alumni. Life/Guard's partners offer services in line with their business models. For instance, Biocon Foundation and Narayana Hrudayalaya offer micro health insurance plans to the alumni, under the Arogya Raksha Yojana (ARY), which covers surgeries and hospitalisation. FINO PayTech, India's largest business correspondent provider, opens bank accounts for the students of the Gurukul.

Gram Vaani: creating a circle of trust among migrant girls through technology

Gram Vaani was incubated out of IIT-Delhi in 2009 as a social technology company that uses a participatory communication approach to mobilise and obtain context-specific information from rural communities.

A very recent experiment undertaken by Gram Tarang and Gram Vaani is an audio-based platform functioning on simple mobile phone handsets. “Tarang Vaani” focuses on young women from villages in Odisha, trained in tailoring and other garment skills, and who relocate to the big metros for work. Currently, operational in Bengaluru and Tirupur, the young workers can record voice messages (moderated by Gram Tarang) through Mobile Vaani and/or listen to content recorded by others. The messages are typically about the transition from village to city, challenges and expectations from employers and how to approach them, as well as entertainment such as songs, jokes and poems. Through the

medium of Mobile Vaani, the intent is to create a peer group that shares experiences and establishes a circle of trust. This also helps in mobilisation of further trainees who benefit from these experiences but also feel safer in moving out of villages. In the next phase, the platform will be extended to parents and families to assuage their fears and concerns at their daughters taking jobs so far from home. Mobile Vaani has also been deployed to share success stories of alumni of skill development programmes to secure greater acceptance by parents and potential trainees.

Providing affordable and good quality housing to workers

A few organisations such as Pratham and Aarusha Homes offer low-cost accommodation to trainees migrating to work, often without social connections or a foothold in these cities and having to put up with deplorable accommodation while paying very high rents.

The models were slightly different. While Pratham is an NGO that has an extensive footprint in the skilling ecosystem and has very consciously decided to address the housing gap starting in New Delhi and Mumbai, Aarusha Homes is a social enterprise and an Acumen investee that currently operates 21 hostels in Hyderabad, Bengaluru, Pune and Chennai, where it attempts to address the issues of poor quality, unprofessional “paying guest” services to the low and middle income segment. Both the models provide spacious, well-equipped and safe accommodation. Aarusha also offers hot cooked meals at an affordable price.

Aarusha's CEO Satyanarayana Vejella feels that most companies neglect the high levels of attrition in skill development programmes, only supporting training activities, unaware of the benefits of accommodation and social bonding that accrue from such housing services. Providing housing services produce several gains in the form of social bonding, support systems and social capital for the youth staying in such accommodation. As Pratham's Azeez Gupta and Medha Uniyal explain, their hostels are integrated with Pratham's post-placement counselling and guidance services. As such, these hostels are important “touch points” for a large number of migrating youth including women, which allow the latter to adjust to unfamiliar work environments, significantly reducing rates of attrition.



PROVIDING ENTREPRENEURSHIP SUPPORT

Why is this step important?

The purpose of skill development programmes is to guarantee a higher standard of living and enhanced livelihoods. While gainful employment is one pathway through which this purpose can be fulfilled, entrepreneurship represents the other.

Given the slowdown in employment growth post 2012 (only 135,000 jobs were created in 2015, as opposed to 7 million in 2012²⁹) and the predominance of the informal sector (92%

of employment is in the unorganised sector³⁰), skills and livelihood development programmes cannot succeed unless more jobs can be created and entrepreneurs, as job-creators, are best placed to do so.

Entrepreneurship in India has been hobbled by the now well-known issues of over-regulation, bureaucratic delays, and lack of access to credit, among others.

EXPERT SPEAK

Small is beautiful—role of MSMEs in job creation

An examination of the state of employment creation in India cannot be undertaken without focusing on micro, small and medium enterprises (MSMEs).

It is estimated that in terms of value, the MSME sector in India accounts for about 45% of the manufacturing output and around 40% of the total export of the country, employing 60 million people and creating 1.3 million jobs every year.

The MSME sector has significant employment potential as the labour intensity in the MSME sector is estimated

to be considerably higher than large enterprises. Hence, the MSME sector provides one of the most viable avenues for absorbing the youth being skilled.

Despite this, the discussion on skills and livelihood development in India has so far not focused on MSMEs. In this regard, policy and corporate efforts to support entrepreneurship must be cognizant of the issues that this sector faces, such as the lack of access to timely and affordable finance, technological backwardness, lack of access to markets and lack of innovation, etc.

²⁹Santosh Mehrotra, "Job Growth at a Snail's pace," The Hindu, May 2016, accessed 11 January 2017, <http://www.thehindu.com/opinion/op-ed/job-growth-at-a-snails-pace/article8581472.ece>

³⁰Prof. Dinesh Awasthi "Micro Enterprise Development Strategy: A Tool for Sustainable Development", (paper presented at SRISTI, 17 November 2016).

Are companies and NGOs addressing this step?

Within this context, 47% or 42 out of 90 companies reported supporting entrepreneurs as part of their CSR programmes. Support to entrepreneurship can be further broken down into providing forward and backward linkages that are crucial.

Backward linkages

This typically involves support that helps an entrepreneur in setting up and running their businesses/operations. These include:

- Provision of assets or capital to start the business
- Information and support in obtaining raw materials
- Technical, legal and other assistance in setting up an enterprise
- Receiving credit or other forms of financial support

62% of companies supporting entrepreneurship reported providing backward linkages. The most common backward linkages offered were in the form of credit support and counselling, and donating assets that are needed to start a business such as sewing machines, mobile phones, seeds, etc.



Backward linkages

Forward linkages

These linkages are geared towards ensuring a high rate of return and profit for businesses/operations. These include:

- Better information on prices
- Skills around marketing and sales
- Linkages to markets, customers and others



Forward linkages

Twenty-six per cent provided forward linkages (11 out of 42 companies that provide entrepreneurship training). Very few companies provided support in the form of knowledge of how to conduct business, marketing skills, etc., though basic financial literacy was reported by some companies.

Interviews with companies and NGOs and a few field visits suggested that the biggest challenge for prospective entrepreneurs is the lack of adequate and timely information, handholding support and confidence in setting up and running their own enterprises. According to one organisation, while many among the middle-class of today may aspire to be a part of the start-up ecosystem, aspirations of lower socio-economic groups often veered towards achieving stable, regular employment. Even when entrepreneurial aspirations exist, communicating the same, convincing family members, understanding regulations and running an actual business, etc. are difficult for them. Therefore, while entrepreneurship offers a viable alternative to salaried employment, many micro entrepreneurs, especially women working from home, may get locked into a low-level equilibrium due to inability to manage and grow business because of lack of supportive mechanisms.

“ Services and infrastructure are fragmented in rural areas, requiring budding entrepreneurs to travel long distances to establish backward and forward linkages. Mann Deshi adopts a “doorstep” approach wherein all banking services are done at the doorstep through the bank’s network of field agents. ”

Chetna Sinha,
Founder, Mann Deshi

A FEW EXAMPLES OF HOW ENTREPRENEURSHIP SUPPORT HAS BEEN PROVIDED

deAsra: Supporting entrepreneurs

deAsra Foundation was set up as a Section 25 (a not-for-profit) entity by Dr. Anand Deshpande, Founder, MD and CEO of Persistent Systems with the objective of fostering entrepreneurship, supporting 25,000 job creators who would in turn create 100,000 jobs through their small enterprises by 2020. It currently focuses on Pune and its suburbs.

The cornerstone of deAsra’s approach is de-risking entrepreneurship by providing a conducive ecosystem that de-mystifies it and provides the necessary building blocks. It achieves this by creating pre-designed business model templates through well tested and researched business model development methodologies for multiple business lines such as carpentry, housekeeping, computer repairs, etc. It disseminates these and other information through an online portal that provides handholding right from providing a choice of a trade to applying for registrations and licenses and availing loans. Further, information provided at various stages is captured in a “bank friendly” form that eases the burden of obtaining loans. The online portal has a following of more than 18,000 users of the information, of which they have provided face to face support to nearly 150 entrepreneurs for funding, registrations, marketing, etc.

For those who struggle to access the digital medium or need more customised answers, deAsra’s Udyog Mitras provide offline support. The foundation has also tied up with various vocational training institutes to source talent and with financial institutes to help entrepreneurs in obtaining loans at preferential terms.

Mann Deshi Foundation—encouraging rural entrepreneurship through a holistic model

Started in 1996, Mann Deshi’s work spans the spectrum of rural entrepreneurship, with support for rural women entrepreneurs through the Mann Deshi Mahila Bank and Rural Business School, which offers a one year “Deshi MBA” course. Based out of Mhaswad in Satara, the foundation has

till date supported over 200,000 women and over 45,000 women through its banking services.

Chetna Sinha, Founder of Mann Deshi, believes that services and infrastructure are fragmented in rural areas, requiring budding entrepreneurs to travel long distances to establish backward and forward linkages. Mann Deshi adopts a “doorstep” approach wherein all banking services—depositing savings, taking loans, making repayments, etc.—are done at the doorstep through the bank’s network of field agents who traverse across Maharashtra and north-west Karnataka. The bank has tied up with NABARD and GIZ to design credit products with optimum interest, EMI repayment schedules and ticket sizes. More crucially, field agents are aware of the cash flow cycles within borrowing households and, thus, arrive for recoveries at the right time. These conducive terms have limited gross non-performing assets (NPAs) to 0.5% today.

Realising the strong gender bias that is more accepting of risk-taking among men than women in rural areas, Mann Deshi’s business school conducts interactions between budding women entrepreneurs and women who have set up enterprises in the past, thereby providing encouragement while also appraising the former about the challenges of starting out. Field agents also provide non-financial support such as exposure visits and legal advice in many cases. Given that patriarchal factors limit the agency of women within households, Mann Deshi makes their husbands co-borrowers to give them responsibility and recognises supportive husbands through awards, thereby promoting a shift in mindsets. Mann Deshi has expanded its operations to Gujarat and also plans to go for Assam in 2017. Mann Deshi’s objective is to reach one million women entrepreneurs in the next 5 years.



ASSESSING THE SOCIAL IMPACT OF THE INTERVENTION

Why is this step important?

For the success of efforts undertaken by all stakeholders—governments, companies, training providers, among others, it is imperative to put in place a robust monitoring system that assesses the impact of programmes as well as points out gaps and challenges for course correction.

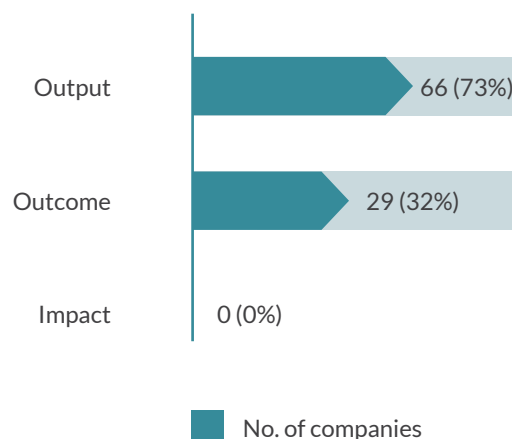
Are companies and NGOs addressing this step?

The data revealed that most companies and NGOs restrict the measurement of intervention to outputs and coverage numbers. Indicators on actual outcomes such as placements, retention in jobs and trades, increase in incomes, promotions, changes in quality of life were missing from most reports, as shown in the graph below.

While 73% (66 companies and NGOs) reported an output measurement in the form of number of beneficiaries trained, a smaller number—32% (29 companies and NGOs) reported some type of outcome in terms of number of placements, increase in income or increase in crop yields. No company in our research has publicly disclosed any details of the type of impact measurement done in the form of impact on the quality of life of the trainees.

Interviews revealed that while a few companies genuinely felt the need to measure the impact of their programme on the life of their participants, they were unclear on how to measure the same, especially given the mobile nature of their target groups, and the difficulties and logistical costs involved in tracking trainees over a long period of time. Attribution of impact was highlighted as another key concern. While some companies were cognizant that impact could not be attributed to their programmes alone (especially because of the short duration of the training programmes), a few others used lack of attribution as a reason to limit their approach to reporting just output numbers.

MEASURING SUCCESS OF PROGRAMMES



AN EXAMPLE OF HOW IMPACT ASSESSMENTS HAVE BEEN DESIGNED

Godrej as a model for longitudinal impact assessment

Building upon its extensive experience in the skilling ecosystem, Godrej Industries has decided to commission a longitudinal study to map the journeys of their trainees over time. Unlike the usual point-in-time impact assessments that only offer static snapshots of a situation at a particular period, a longitudinal study follows the same cohort of trainees over time, in this case two years. A typical training programme would last around 3-6 months, targeting a very small window in the trainee's life. Following the trainee for two years after the programme would enable Godrej to understand external factors (either barriers or enablers) that enhance or diminish the outcomes desired out of any training programme, i.e., retention in job or self-employment, enhanced income and better quality of life. These insights would in turn allow Godrej to strengthen their programmes, mitigating barriers to the extent possible. Longitudinal studies are fraught with difficulties in terms of tracking trainees, keeping in touch with them, keeping them engaged over months, among others, but allow for much deeper analysis and nuances.

Dream a Dream: Assessing short-term and long-term impact of interventions

While the impact of life skills and soft skills has been considered difficult to measure by many, Dream a Dream stands out with its approach towards life skills and its rigorous impact assessment.

The 'Career Connect' program equips 14-19 year olds with information, skills and access to opportunities through

career awareness workshops, short-term modules in English, communication skills, money management, career guidance and access to internships, scholarships, vocational training and jobs. As Vishal Talreja of Dream a Dream believes, once youngsters reach adulthood, the pursuit of vocational training, employment, and opportunity costs of taking time off to attend a course deter them from developing the right set of life skills, thereby necessitating critical support before this age. In 2016 alone, over 3,400 youth have accessed the programme.

With the support of various clinical psychologists and internationally recognised methods, Dream a Dream has developed its own Dream Life Skills Assessment Scale (DLAS) to gauge the impact of its programmes in the short and medium term. Measurements on this scale are conducted before and after the 'Career Connect' programme, allowing various insights to be captured, such as the number of children who have seen scores improving and the average size of improvement in learning outcomes, among others. In 2016, the study showed that 99% of those in the 15-23 age group have registered an improvement in all 5 life skills supported such as taking initiative, resolving conflict etc.

To assess long-term impact it has also tracked over 6000 beneficiaries, with 95% of them found to be meaningfully engaged in further studies or productive employment. They also getting ready to undertake a comprehensive impact assessment of their life skills programme for youth.

“ Once youngsters reach adulthood, the pursuit of vocational training, employment, and opportunity costs of taking time off to attend a course deter them from developing the right set of life skills, thereby necessitating critical support before this age. ”

Vishal Talreja
Dream a Dream

WHY ARE COMPANIES NOT INVESTING IN PRE- AND POST-TRAINING SUPPORT?

The data clearly indicates that many companies do not support or report on pre- and post-training activities in the value chain. Here are a few reasons uncovered during the interviews:

- A few companies were unaware of the importance of these building blocks, as the wider narrative so far has focused only on delivery of training. As such, they depended on their implementation partners to provide such inputs since they are in touch with grassroots realities. However, even NGOs faced constraints in being able to do so.
- Most companies recognised the need for such support, but lacked knowledge of effective models and good practices. Unlike delivery of training, which has been successfully templatised into standard operating procedures, the pre- and post-training components have not been documented or codified systematically.
- Even when the intent existed, a few companies reported that they were unable to identify credible implementation partners that could execute these activities at scale
- Stakeholder and donor perceptions around what constitutes impact maybe misdirected, especially when their accountability is defined as “number of trainees covered”, rather than outcomes such as better jobs, higher retention in those jobs and others.
- A few companies were slightly wary of the longer duration required for behavioural change targeted by life skills programmes, believing that CSR programmes limited by annual contacts were not best suited to undertake such commitments.

Dream. Discover. Connect.

A program that combines innovative materials and examples using the learning to enhance life & work skills among youth. Support, mentorship & development and enable young people to discover confidence and self awareness so that they connect with the right career and achieve dreams of success.



**A SUMMARY OF EFFECTIVE AND INNOVATIVE PRACTICES
ACROSS THE VALUE CHAIN OF SKILL AND LIVELIHOOD DEVELOPMENT**

VALUE CHAIN	SUB-STAGE	FEATURED COMPANY / NGO	EFFECTIVE OR INNOVATIVE PRACTICES
 <p>PRE-TRAINING</p>	 <p>Mobilisation of target group</p>	DISHA - India Development Foundation, UNDP and Xyntéo, supported by IKEA Foundation	Cadre of 'Skill Sakhis' who are members from local SHGs, sharing common experiences with women in the community, thereby acting as a friend, guide and mentor to them
		Castrol India	Leveraging local bodies and leaders such as trade unions and mechanics' associations to mobilize widely dispersed mechanics and gain their trust
		DB Tech Society	'Village Saturation Model' wherein maximum possible trainees are mobilised from one village, thereby generating peer pressure from a large section of the village to ensure that trainees complete the course and remove inhibitions that parents may have about sending their children to different locations for work.
	 <p>Pre-training and counselling</p>	Amnuja Cement Foundation	Counselling parents, especially for girls, at all stages of the programme to sustain gains and generate additional motivation to attend trainings
		Tata Group: Tata Strive	Innovative methods for mapping interest, career discovery and self- discovery through picture based assessments and audio-video material
		PANKH portal: UNDP	Online career guidance tool supported by offline career counselling to enable girls to explore career opportunities
 <p>TRAINING</p>	 <p>Curriculum development and trainer selection</p>	Asian Paints Colour Academy	Setting up brick-and-mortar and mobile training centres, modelled as education academies to position the modern-day painter as an educated, skilled professional
		Construction Skills Training Institutes	Curricula designed in partnership with the UK construction industry training board, tapping into in-house talent to identify master trainers and organizing residential workshops to regularly upgrade skills
	 <p>Delivery of Training</p>	DHFL-SEED India	Hub and spoke model wherein training is conducted in the evenings in local centres on a daily basis, with a weekly visit to the hub centre for practical sessions and reimbursing transport costs
		SkillTrain	Delivery of content through its online platform and YouTube channel that hosts expert videos on various trades
	 <p>Life Skills delivery</p>	DreamCatchers	An intense foundation course that uses the Strong Interest Inventory (SII) framework to impart life skills that are deemed to be required at the workplace.
		QUEST Alliance	Digital Life Skills toolkit for trainers which incorporates various multimedia tools. Also uses a blended learning model consisting of interactive digital lessons for youth.
VikalpKriya		Imparting life skills that go beyond workplace requirements and fall in the realm of gender empowerment through role plays, art and music	

VALUE CHAIN	SUB-STAGE	FEATURED COMPANY / NGO	EFFECTIVE OR INNOVATIVE PRACTICES
 <p>POST-TRAINING</p>	 <p>Placement in jobs</p>	PARFI	Runs a series of 'rural Gurukuls' aiming at 100% placement, with training being financed through short-term loans facilitated by NABARD, repaid on commencement of employment
	 <p>Post-training support</p>	Nudge Foundation's Life/Guard	Supports newly employed trainees through health insurance, finance and career counselling through a network of alumni centres
		Gram Vaani	Participatory communication approach for girls involving voice messages that allow peers to share experiences, success stories and ways of dealing with migration issues.
		Pratham	Low-cost hostels with basic amenities that act as 'touch points' for migrant workers, especially women, along with counselling services
		Aarusha Homes	Provides short-to-medium term housing to lower income workers with a number of basic services for a modest fee
	 <p>Entrepreneurship support</p>	deAsra Foundation	Online portal offering pre-designed business templates for various trades alongside significant offline support through 'Udyogmitras'
		Mann Deshi Foundation and Bank	Supports rural women entrepreneurs through a 'doorstep' approach wherein credit is provided and recovered at the entrepreneur's doorstep, alongside incentives to motivate husbands of the entrepreneurs
	 <p>Assessing social impact</p>	Godrej Industries	Assessing the impact of a programme by tracking the same set of trainees over a period of time (longitudinal study)
		Dream a Dream	Scientific and systematic method to capture and quantify the changes in behavioural change and life skills, thus offering a way to track and report impact



WAY FORWARD

This section seeks to build on the analysis conducted and Samhita's own experience in facilitating skill development projects, thereby identifying the way forward for the key stakeholders—companies, NGOs and intermediaries (including governments).

RECOGNISING THE EMPLOYABILITY UNIVERSE

Before suggesting indicative points of action for the stakeholders, it is pertinent to recognise that the goal of skill development and entrepreneurship is to enhance sustainable livelihoods. This can be realised only if the employability universe (of which skill development and entrepreneurship are a subset) is reformed.

Thus, creation of sustainable livelihoods requires backward integration such as reforming education, as well as forward integration addressing the issues of labour law reforms and inter-regional inequalities.

Exposure to better quality education (primary, secondary and higher) will help young people to acquire core skills, which will improve their ability to learn and absorb skills and livelihood training³¹. De-stigmatising vocational education and enhancing its status as a mainstream option would also help attract youth towards it.

Reforming labour laws could focus on dual objectives—i) removing roadblocks for conducting business, resulting in a conducive environment for the creation of jobs ii) improving worker benefits and enhancing safety nets.

FOR COMPANIES

Adopt a strategic focus

The data showed that only 28% of companies (24 out of 83) aligned their CSR in skills and livelihoods to their businesses. In order to infuse rigour and sustainability in CSR programmes, strategic orientation is a critical requirement. Strategic alignment is not just restricted to the selection of a vocational trade linked to the company's core competency but also to contributing across the value chain. The table on the adjacent page provides a few ideas for various interventions across the value chain in terms of how companies can think of their roles strategically.

Consider interventions across the value chain:

The data indicated that a majority of the companies are currently focused only on the delivery of training and do not extend support for pre and post-training interventions. However, to realise the full value of any skills or livelihood intervention, it is vital that trainees are supported across the value chain. In this regard, companies are encouraged to promote a more holistic approach, wherein they can either support the entire value chain themselves for their own projects or collaborate with other companies or funders to leverage their competencies. For example, a company can support temporary hostel accommodation in an SEZ, making it accessible to all migrant blue-collared workers, not only trainees of its CSR programme or a company can support awards for trainers across various institutes and NGOs and invest in their capacity.

³¹ILO, "Skills for improved productivity, employment growth and development", 2008, accessed 8 November 2016, http://www.ilo.org/wcmsp5/groups/public/@ed_norm/@relconf/documents/meetingdocument/wcms_092054.pdf

APPROACHES FOR CSR INTERVENTIONS IN SKILLS AND LIVELIHOOD DEVELOPMENT

Type of approach	Type of companies	Intervention ideas
Community-focused	Companies with large geographical footprints (plants, factories)	Given their long-term presence in communities, companies can support long-term livelihood generation activities and provide relevant linkages that may require a longer period of gestation
Strategic	All	<p>Link the trade to your domain expertise and business areas. For example,</p> <ul style="list-style-type: none"> • FMCG—micro entrepreneurs as distribution networks, beauty training • Food and beverage —agriculture and allied-trades • Banks—SHG formation, capacity-building and linkages, financial literacy • Automobile—mechanics, driving, etc. • Heavy engineering—construction skills, electrical, etc.
Catalytic	IT, telecom	Use technology to develop solutions for gaps such as platforms for aggregating employers for blue-collared work, apps for tracking beneficiaries, creating a database of alumni, collecting feedback from trainees, helplines, and others
	Media	Develop mobilisation techniques using social media and other effective communication strategies
	IT, financial services	Leverage understanding of leadership skills, learning and development tools to create soft and employability skills modules and trainer modules
	Realty developers, housing finance	Support low-cost accommodation models or half-way homes

Strengthening government approach:

Companies could leverage existing government initiatives, schemes and infrastructure wherever possible and strengthen these by plugging in gaps, rather than creating parallel systems. This prevents duplication of efforts, institutionalizes the changes and brings a level sustainability to initiatives even after CSR support ends as the initiatives are incorporated into the system.

Go beyond outputs:

Companies need to articulate and measure impact differently, starting from the end goal of better livelihood opportunities for a trainee to activities needed to ensure this occurs. While a few companies are reporting the outcomes of their efforts (for example, number of trainees placed in jobs), others are limiting their reporting to outputs (such as number of trainees covered). For all stakeholders, including companies themselves, to obtain a clearer sense of true value addition, companies must focus on the social impact of their interventions, determined by the percentage of trainees in employment after a few months, increase in incomes, etc.

Provide non-financial support:

A critical value that companies can add is their non-financial expertise as entrepreneurs, employers and innovators. Unlike other social issues, skills and livelihood development are directly aligned to a company's interests. As such, there is a clear opportunity and need to enhance the scope of intervention through the provision of non-financial support. Leveraging some non-financial resources may have a multiplier effect on impact, even more so than financial funding. Examples of this include: helping NGOs in curriculum development and designing entrepreneurship packages, mentoring NGOs on their processes and defining performance indicators for trainers and trainees, developing a template for personal development plans for trainees, using employee volunteering for delivering certain types of training, etc.

Go beyond CSR as defined by Section 135:

While Section 135 has offered an unprecedented opportunity for companies to participate in skills and livelihood development, it should not be seen as the only means. Three other avenues can be explored:

- Apprenticeships are a mutually beneficial way to skill the youth in a practical and application oriented way. Recent amendments to the Apprentices Act 1961 are intended to simplify and streamline the process so as to encourage more corporate participation. While apprentices themselves may not be covered under Section 135, CSR funds can be leveraged for pre-training activities such as mobilisation, exposure visits, mapping aspirations, career counselling, etc.
- As responsible employers, companies can go beyond CSR in ensuring fair wages to not just its employees but also to contractual labour and supply chains, as recommended by participants at a skill convening hosted by Samhita and Ambuja Cement Foundation in November 2016 in Ahmedabad
- Companies can invest in and use micro entrepreneurs and other social enterprises as vendors or suppliers for business products and services (such as sales and distribution), to promote their growth and ability to employ more people (for example, the Shakti project by HUL³²). Companies also can go further to implement more favourable business terms and conditions for such enterprises such as faster payments (30 days instead of 90 days credit period), etc.

³²HUL's Project Shakti provides livelihood-enhancing opportunities to rural women (Shakti Ammas) by training them to become entrepreneurs. In 2010, the Shakti programme was extended to include 'Shaktimaans' who are typically the husbands or brothers of the Shakti Ammas

FOR IMPLEMENTATION PARTNERS

Collaborate with other NGOs to expand interventions across the value chain:

The value chain represents a large untapped potential for NGOs to complement each other by collaborating. For example, NGOs specialising in vocational skill training could partner with those focusing on soft skills to offer a more holistic model without reinventing the wheel or dissipating resources on non-core competencies. The limited nature of pre and post-placement support for trainees can also be tackled by such collaborations.

Strengthen ties with industries to offer placements:

As placement signifies the culmination or outcome of the training programme in most cases, NGOs could ensure placements by partnering with relevant employers or recruitment solutions. They could also build mechanisms to track and monitor how trainees are performing at the workplace over time, for at least a six month to one year period to truly understand the changes that are brought about by the skill development programme.

Investing in trainer capacity:

What has emerged consistently across NGO and corporate interviews is the lack of good quality trainers to meet the skilling challenge. While vocational training is not considered desirable, vocational trainer roles are even less so. Investing in trainer capacity can enhance training delivery, contribute to confidence building and encouragement and lead to more effective pedagogies being used. In this regard, soliciting donor organisations for financial and technical support and the application of best practices becomes crucial.

Creating more non-financial avenues for corporate support:

As NGOs are often driven by a larger social goal and have the strongest relationships with trainees, they have a better understanding of the non-financial factors that are critical to ensure the success of skill development programmes and the non-financial support that companies can offer. Therefore, NGOs need to view companies as not just financial partners but entities consisting of passionate individuals, efficient systems and technical expertise, among others that can enhance programme outcomes. Thus, programmes could be

designed with provisions for company employees to offer technical and non-technical mentorship to trainees, utilising plant equipment and systems to obtain practical learning, leveraging industry networks to enhance placement rates, etc. Such partnerships can also be extended beyond the CSR programme to facilitate apprenticeships for trainees, which would enhance their technical competencies and help them adapt to the demands of the workplace much faster.

NGOs need to offer skill training at the “zone of maximum gain”:

While the skill gap analyses reflect the skill sets required by companies in the economy, beneficiaries often have their own aspirations about the skills they want to achieve in order to pursue the careers they want. NGOs, on the other hand, have developed competencies in offering training in specific vocational trades. The zone of maximum gain (shown below) is the region which NGOs need to ideally target for the highest social benefit. As mentioned above, NGOs can expand this zone of maximum gain either by expanding their own bandwidth or collaborating with other providers.

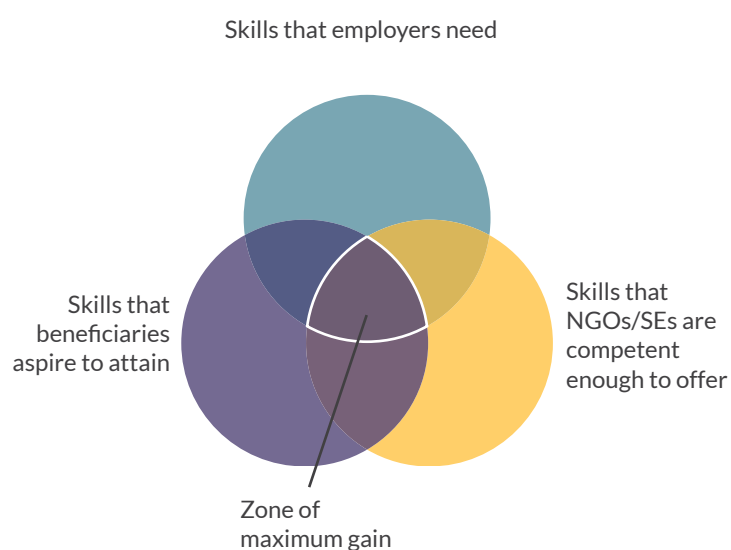


Figure 1: Locating the zone of maximum gain

FOR INTERMEDIARY ORGANISATIONS

Create a repository of knowledge:

Intermediary organisations can leverage their position and experience of working with all stakeholders such as government, companies and NGOs to create a repository of actionable knowledge that can be rendered to individual stakeholders in a customised way. This can include:

- Best practices on interventions across the value chain
- Curricula on various skills, especially soft and life skills for which standard curricula may not be easily available or accessible
- Innovative tools to resolving commonly observed challenges such as lower rates of placement
- Taxonomy of commonly understood language around skills and livelihoods (placement, retention, impact, outputs, employability, etc.)

Build capacity across stakeholders:

By identifying key areas where implementing organisations including NGOs require support to make CSR interventions more effective, intermediary organisations can help further build capacity at these points through workshops, guideline documents and standardised templates for activities such as monitoring and evaluation. Capacity building could also entail donor education, enabling companies and funders to understand the nuances of the value chain and adopting a more informed approach to targets around people trained and placed, allowing for reasonable amount of support and salary for trainers and ability to deal with failures in a constructive way.



Image By Aarusha Homes

Encourage collaborations through common platforms:

The budgets, capabilities and resources of stakeholders vary drastically across the sector. Hence, it is very difficult for one entity, barring the government, to make a significant and systemic impact in the development space. Collaboration between stakeholders could facilitate greater impact through scale, efficiency and geographical spread, while enabling knowledge sharing and sustainability of programmes. Straddling the space between all stakeholders, intermediary organisations can help create a common platform that brings together various actors, such as foundations, government, companies and implementation partners, to plug the gaps in the value chain. For examples of such platforms, spearheaded by state governments acting as facilitators, see the adjacent box.

Government Industry Think Tank (GITT) by Government of Maharashtra

Adopting the framework of "MahaMaitri", GITT was formed by Maharashtra government to bring together the state government and private industries to impart industry-driven skill development initiatives. GITT has so far implemented 24 MoUs with key corporate houses such as Volkswagen, Tata, NASCOM and others, and six more MoUs are at various stages of finalisation. Under GITT "B" Group Courses have been updated by State Government resulting in better skills for ITI pass outs and reduced post-recruitment training.

E-Kaushal, a cloud based platform for trainees

E-Kaushal is a comprehensive cloud-based platform developed by Trans Neuron Technologies, part of the IBM Global Entrepreneur Program that offers end-to-end services to a job seeker by bringing in different stakeholders. A job-seeker can register on the website, take assessments to identify strengths and weaknesses and search for the right training support offered by various entities such as the PMKVY, state skill development mission, CSR and NGO programmes. The platform also provides information on the fees and locations of the programmes, and relevant financial support that a job seeker can tap into. Once the training is over, the seeker can also apply for various jobs through the website. The platform is currently being leveraged by the Andhra Pradesh State Skill Development Corporation to achieve its objectives.

APPENDIX 1

100 Companies on the BSE 500 with the largest CSR budgets

Companies in alphabetical order	Mapping based on secondary data	Additional information acquired through interviews/surveys/roundtables
ACC	✓	
Adani Ports & Special Economic Zone	✓	
Ambuja Cements	✓	✓
Asian Paints	✓	✓
Aurobindo Pharma	✓	
Axis Bank	✓	✓
Bajaj Auto	✓	
Bajaj Finance	✓	
Bharat Electronics Ltd. (BEL)	✓	
Bharat Forge	✓	
Bharat Heavy Electricals Ltd. (BHEL)	✓	
Bharat Petroleum	✓	
Bharti Airtel	✓	
Bharti Infratel	✓	
Bosch	✓	
Cadila Healthcare	x	
Cairn	✓	
Castrol India	✓	✓
CESC Ltd.	✓	
Cipla	✓	

APPENDIX I

Companies in alphabetical order	Mapping based on secondary data	Additional information acquired through interviews/surveys/roundtables
Coal India	✓	
Colgate-Palmolive (India)	✓	
Container Corporation of India	✓	
Cummins	✓	
Dabur	✓	
Dewan Housing Finance Corporation Ltd. (DHFL)	✓	✓
Divi's Laboratories	✓	
Dr. Reddy's Laboratories	✓	
Exide Industries	✓	
Federal Bank	✓	
GAIL India	✓	
GlaxoSmithKline Consumer Healthcare	✓	
GlaxoSmithKline Pharmaceuticals	✓	
Glenmark Pharmaceuticals	✓	
Godrej Consumer Products Ltd. (GCPL)	✓	✓
Grasim Industries	✓	
Gujarat Mineral Development Corporation Ltd. (GMDC)	✓	
Gujarat State Petronet	✗	
HCL Technologies	✓	
HDFC Bank	✓	✓
HDFC Ltd.	✓	
Hero MotoCorp	✓	
Hindalco Industries	✓	
Hindustan Petroleum Corporation	✓	
Hindustan Unilever (HUL)	✓	
Hindustan Zinc	✓	
ICICI Bank	✓	

Companies in alphabetical order	Mapping based on secondary data	Additional information acquired through interviews/surveys/roundtables
IDBI Bank	✓	
Idea Cellular	✗	
IDFC	✓	
Indiabulls Housing	✗	
Indian Oil Corporation	✓	
IndusInd Bank	✓	
Infosys	✓	
InterGlobe Aviation Ltd.	✓	
ITC	✓	✓
Jammu & Kashmir Bank	✓	
Jindal Steel and Power	✓	
JSW Energy	✓	
JSW Steel	✓	
Kotak Mahindra Bank	✓	✓
Larsen and Toubro (L&T)	✓	✓
Life Insurance Corporation (LIC) Housing Finance	✗	
Lupin	✓	
Mahindra & Mahindra Financial Services	✓	✓
Maruti Suzuki	✓	
MOIL Ltd.	✗	
MRF (Madras Rubber Factory)	✓	
Muthoot Finance	✗	
Nalco (National Aluminium Company Limited)	✓	
National Mineral Development Corporation (NMDC)	✓	
Nestle India	✓	
NHPC	✓	

APPENDIX I

Companies in alphabetical order	Mapping based on secondary data	Additional information acquired through interviews/surveys/roundtables
NLC India	✓	
NTPC	✓	
Oil and Natural Gas Corporation (ONGC)	✓	
Oil India	✓	
Oracle Financial Services	x	
Petronet LNG	✓	
Power Finance Corporation	✓	
Power Grid Corporation of India	✓	
Reliance Industries	✓	
Reliance Infrastructure	✓	
Rural Electrification Corporation (REC)	✓	
Shree Cement	✓	
Shriram City Union Finance	✓	
SJVN Ltd.	✓	
Steel Authority of India	✓	
Sun TV Network	✓	
Tata Communications	✓	
Tata Consultancy Services (TCS)	✓	
Tata Power Company	✓	
Tata Steel	✓	
Tech Mahindra	✓	✓
Titan Company	✓	
Torrent Pharmaceuticals	x	
Ultratech Cement	✓	
Wipro	✓	
YES Bank	✓	
Zee Entertainment Enterprises	x	

APPENDIX 2

Samhita conducted in-depth interviews with NGOs, social venture funds and social enterprises.

Organisation name (in alphabetical order)
Aarusha Homes
Agribusiness Systems International (ASI)
COIGN Consultants Pvt. Ltd
deAsra
Don Bosco Tech Society
Dreamcatchers
Dream-a-Dream
Drishtee
Gram Vaani
IDEA Foundation
JagrutiSevaSanstha
PARFI
Pratham
QUEST Alliance
SkillTrain
Social Venture Partners (SVP) India
TeamLease
The/Nudge Foundation
VikalpKriya
Vrutti
Xynteo

ABOUT SAMHITA



Samhita is a social enterprise that collaborates with companies to develop impactful corporate social responsibility (CSR) initiatives. Our focus areas include CSR strategy, programme design and sector research.

Our consulting practice has worked with leading companies to shape and implement their CSR strategies and assess the on-ground impact of such initiatives. An extensive grassroots network and strong relationships with social sector organizations across India, enable us to support the effective implementation and management of projects.

Since its establishment, Samhita has been involved in multiple causes including healthcare, sanitation, education, skills and livelihoods, women's empowerment and financial literacy.

Samhita also partners with donor organizations like The Rockefeller Foundation and Tata Trusts to facilitate multi-stakeholder collaborations and implement high-impact social programs at scale.

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