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GLOBALIZATION OF INDIAN WORKFORCE - CHALLENGES

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ABSTRACT

Indian work force is moving into various parts of the world due this it is essential for the governments, industries, institutes and other organizations to focus on the problems and issues that are faced by the work force. This paper focuses on the work force that has migrated to the other parts of the world like the east and the west, and the problems faced by the workers.

Introduction

A majority of Indian blue-collar workers migrated from India are not even aware of the 13th edition of Pravasi Bharatiya Divas (PBD) 2015, they have not heard about it, said quite a few Indian blue-collar workers. 601,293 Indians there are an estimated 25 million people of Indian origin, mainly low paid workers, outside India. The PBD2015 marks the 100th year of Mahatma Gandhi's return from South Africa on January 9, 1915.

Objective of the Study:-

1. To understand the challenges faced by the work force
2. To provide suggestions in order overcome the challenges.
3. To analyze the Indian workforce present in the various parts of the world

Methodology: The study focuses on collecting information through secondary source, mainly through internet, journals, magazines and books.

Scope of the study: The study is limited to the eastern part of the globe, this can be extended to the other parts of the world especially in U.S., U.K., Europe etc., as there are large number of work force travelled to these regions. The study focused on the blue collared work force working in manufacturing and construction areas. This can be extended to the other areas like the software etc.,

1. Indians Abroad

A large number of Indians have settled abroad. Table 1 below gives estimated number of Indian community in other countries (reference to Singapore). Nature of the occupations of Indians in these countries varies, but it is a firm belief of the authors that most of the Indians in western countries are highly skilled workforce than eastern countries.

Table 1: Foreign Workforce Numbers

Pass Type	Dec 2009	Dec 2010	Dec 2011	Dec 2012	Dec 2013	Jun 2014
Employment Pass (EP)	114,300	143,300	175,400	173,800	175,100	176,600
Student Pass	82,800	98,700	113,900	142,400	160,900	164,700

Work Permit (Total)	851,200	865,200	901,000	942,800	974,400	980,800
- Work Permit (Foreign Domestic Worker)	196,000	201,400	206,300	209,600	214,500	218,300
- Work Permit (Construction)	245,700	248,000	264,400	293,300	318,900	321,200
Other Work Passes ²	5,200	6,000	7,600	9,300	11,300	14,700
Total Foreign Workforce	1,053,500	1,113,200	1,197,900	1,268,300	1,321,600	1,336,700
Total Foreign Workforce (excluding Foreign Domestic Workers)	857,400	911,800	991,600	1,058,700	1,107,100	1,118,400
Total Foreign Workforce (excluding Foreign Domestic Workers & Construction)	588,300	638,900	699,100	731,300	748,100	753,7

Source:

<http://www.mom.gov.sg/statisticspublications/others/statistics/Pages/ForeignWorkforceNumbers.aspx#sthash.32lQrVAj.dpuf>

2. Challenges faced by the Indians expatriates

Most of the Indians working abroad faces challenges mentioned below

1. Cultural differences between the home and foreign country where they are working
2. Differences in the working environment
3. Differences in the working skills required
4. Family atmosphere is different

2.1. Cultural differences between the home and foreign country where they are working

When expatriate work in other countries, many foreign nationals will be working from countries like UK, USA, IRAQ, SYRIA, AUSTRALIA etc., the way they look at life is different when compared to an Indian. They have multiple entry visas to any country, whereas Indians work on yearly contracts. Job is essential for an Indian because entire family depends on him, once the job is lost it is very difficult for any individual to come back and settle. Whereas for other nationals, the availability of job is global.

2.2. Differences in the working environment

During work the way individuals behave is different, the body language like the hand movement, head movement, the speed at which they speak is different. This has to be cultural differences has to be handled carefully.

2.3 Differences in the working skills required

If a teaching position is considered as an example especially English language. The language is a native language for teachers from US and UK, whereas it is a foreign language for an Indian, this difference is reflected while teaching in English. Not only this in all the areas there is a huge gap between nationals in understanding things or systems.

2.4 Family atmosphere is different

For an Indian expatriate combined family is the concept whereas for other nationals from US, UK and Europe it is micro families, this effects in variety of ways in the work and outside the work.

3. Challenges faced by the companies

Compared to many Western nations, India faces a unique dilemma. Although the country boasts one of the greatest labor surpluses in the world, Indian employers are particularly likely to experience difficulty meeting their needs for employees: a recent study by Manpower Group in Singapore found that 67% of employers reported that they struggle to find workers who meet their requirements. The reason for this apparent contradiction lies in the fact that a large proportion of Indian workers are unskilled. Research performed by the Indian government presented this

staggering statistic: “80% of the workforce in rural and urban areas does not possess any identifiable marketable skills.”

The quality of vocational education has played a central role in the emergence of this issue. According to a report by FICCI and Ernst & Young, vocational qualifications have a poor reputation in India because standards vary widely across institutions, and because schools are often out of touch with the needs of the industry, producing graduates with skills that are outdated or irrelevant. This lack of skills among Indian workers is having an increasing impact on the economy of India as it makes the transition from agriculture to manufacturing and service based industries. FICCI and Ernst & Young claim that more than 75% of future job opportunities will be “skill-based.”

3 Suggestions for facing challenges

India provided the highest number after Britain, with 18,424 out of a total of 1,052,404 workers whose identity was known. India also provided the highest number of professionally qualified clinical staff, doctors and consultants, after Britain. The number of Indian consultants was 2,708, 7% of the total whose nationality was known.

The real question is how quickly can India close the literacy gap, improve labor market regulations, and improve the institutions that could help transform India’s vast wealth into innovation and productivity enhancing growth. India working-aged in India’s total population is still growing and is not forecast to start its reversal until somewhere around 2040.

Consequently, the share of world’s working age population that lives in India is set to continue its rise while China’s will continue its downward trend. Once account for participation rates, the change is even more dramatic. Right now about one quarter of the world’s workers are in China, that falls to below 20% by around 2030, at the same time India the share of the world’s employed that reside in India will rise from around 17% to around 21%. In 6 to 7 years, the contribution from China to global employment growth (currently around 0.2% per year) is set to become negative, while India will account for about half a percent to global employment growth of 1.5%. India looks set to continue to account for around one third of global employment growth for the next 3 to 4 decades. But, just as there are reasons for optimism, there are many reasons for caution. India faces many challenges. The quality of India’s workforce is one of those challenges. Take youth literacy for example. Youth literacy is important, because it tells you about the productivity of the next generation of workers, and compared to many of its peers, India is struggling. At just over 80%, the youth literacy rate in India in 2007 was lower than it was in Sri Lanka, Brazil, China, and Indonesia way back in 1970. So to the extent that global employment growth is being driven by Indian workers rather Chinese workers, the contribution to global GDP growth will likely be somewhat smaller. This point is reinforced by data from Penn World Tables on output per worker. GDP (adjusted for cost of living) per worker is about \$11,300 in China and \$7,500 in India. So unless something dramatic happens in the next 5 years, the effect on global growth will be modest at best when the globe starts relying on Indian workers to replace retiring Chinese workers in 2018

3.1 The National Policy for Skill Development

Recognizing that India’s future growth will depend on a much greater supply of skilled workers than is currently available, the Indian government has adopted a radically ambitious plan to increase the skills of Indian workers: the National Policy for Skill Development, adopted in 2009, aims to create a skilled workforce of 500 million people by 2022. To accomplish this audacious goal, the Indian government has mobilized forces from across Indian society.

One main thrust is being lead by the Ministry of Labor and Employment, which has conceived of several schemes to provide training to those who have left academic education: these schemes include vocational training at Industrial Training Institutes (ITIs) or education at the workplace through apprenticeships. Another important contribution is being made by the Ministry for Human Resources and Development, whose range of responsibilities include education. In early 2012, they announced the adoption of the National Vocational Education Qualification Framework, which will be introduced to secondary schools, colleges, polytechnics, and universities in 2013-14. The

framework supplies a standardized system of certifications for vocational education that mirrors the levels of certification issued by the academic education system; this system of standards is intended to increase the quality and reputation of vocational education across the country.

3.2 The National Skill Development Corporation

To help finance the burden of providing quality education to a massive population, the Indian government decided to turn to the resources of private enterprise. Although the National Policy for Skill Development faces challenges that cannot be overlooked, it also presents tremendous opportunities for educational organizations and businesses. For example, teacher training providers can fill the gap left by domestic providers. Kotak Institutional Equities, one of India's largest equity research companies, has made the following predictions:

3.3 Indian Labor Laws

Even though our company is taking care of us we feel that if the government had provided us job opportunities there itself we would not have migrated. If we could have survived in India, we would have been happier," added the workers from the eastern part of the world. Most of the workers are earning below Rs 10000/-, but are keen to continue here as they are the sole breadwinners of their family back in India."We have to take care of our children's education and other needs. So we will not quit and continue to work, whatever the circumstances," added the workers. The World Bank remittance statistics shows that in 2013 India was the single largest recipient of remittances from abroad at \$70 billion. In this year's Pravasi Bharatiya Divas (Non-Resident Indian Day), there are special events, including four special sessions, on issues related to labor laws.

Conclusion

In India abundant number of young working class is available, and is migrating to different parts of the world both as skilled and unskilled labors. The government has to adopt rules and regulations so that the unskilled working class is protected and their rights are saved. The government also has to change the curriculum so that the skilled labor meets the requirements of the job market in India and abroad.

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