

AN EVALUATIVE STUDY H R D PRACTICES IN CORPORATE INDUSTRIES

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Abstract:

This paper made attempt to study the Jobless growth in India, in addition to this this paper analyse the causes and impact of jobless growth in Indian economy and also it focus studying the rules and ways forwards to come out from Jobless growth. In order to accomplish the said objectives researcher collected data from the secondary source such as RBI websites, Newspaper, As India is moving towards a gig economy, neglecting the rights of workers might be counterproductive. While gig economy may create many more new jobs, the impact on productivity may not be significant if it comes at the cost of denying workers basic benefits like leave pay, sickness pay, and social security (Jagannathan, 2016).

Keywords : Jobless growth, Causes, Impact, way forwards, development, India

1. INTRODUCTION

Hence the jobless growth is a real problem even if the government tries to act in dismissive manner in the wake of onslaught from the opposition. However, despite being contemptuous about the discourse on jobless growth, the government seems serious and concerned regarding the burgeoning job less growth scenario in the country.

2. JOBLESS GROWTH

As the population of a country grows, people need to work in order to support their families and themselves. An expanding economy is necessary to employ all those who seek work. Without sufficient economic growth, people looking for work will be unable to find it. In any economic condition, it is the individual workers possessing employable skills who will find work first. If the supply of jobs is plentiful, then more opportunities open up for those with less attractive skill sets.

In a jobless growth economy, jobless growth remains stubbornly high even as the economy grows. This tends to happen when a relatively large number of people have lost their jobs, and the ensuing recovery is insufficient to absorb the unemployed, under-employed, and those first entering the workforce.

3. OBJECTIVES OF THE STUDY

1. To study the Jobless growth in India.
2. To analyse the causes for jobless growth in Indian economy.
3. To analyse the impact of jobless growth in Indian economy.
4. To study the rules and ways forwards to come out from Jobless growth.

4. RESEARCH METHODOLOGY

In order to accomplish the said objectives researcher collected data from the secondary source such as RBI websites, Newspaper, Financial Magazines and Research Articles. Researcher employed the analytical research technique in order to study jobless growth economy and analyze the causes and impact for jobless growth in addition to this to study the rules and ways forwards to come out from jobless growth.

5. COMMONNESS OF JOBLESSNESS IN INDIA

Government of India began measuring joblessness in the country in 1972-73 through its agency National Sample Survey Office (NSSO). However, the agency has reported worst ever rate of joblessness in the country during 2016-18 at 6.1% of the total labour force (Barman, 2016). Global trends with regard to declining job opportunities are no different. The unemployed population constitutes 5.5% of the labour force (Jagannathan, 2016) Interestingly, the job less growth crisis cuts across every category i.e. rural and urban, men and women --27.2% urban women are worst- affected, followed by their 18.7% of male counterparts while more men (17.4%) in villages are jobless than women (13.6%) (Barman, 2016). Another state agency which captures job related data is Labour Bureau. Even the Labour Bureau report on joblessness is quite disappointing. The scenario vis-à-vis incidence of joblessness in India has certainly depreciated since 2011-12 which is a matter of serious concern for the policymakers and the government (Padmanabhan, 2016).

However, a section of scholars dismiss the job data spawned by NSSO or Labour Bureau. Instead they advocate use of payroll data to figure out incidence of employment and jobless growth. Even in advanced countries like USA, payroll data is used to capture rate of employment/job less growth. Only limitation of payroll data is that it excludes self-employed and farmers. Also, in India, there are no payroll data readily available to make conclusive assertions regarding incidence of employment or non-employment. Ghosh and Ghosh (2016) have attempted to collate data from Employee Provident Fund Organization (EPFO), Employee State Insurance Corporation (ESIC) and National Pension Scheme (NPS) to figure out incidence of employment in India. As such the formal sector payroll is around 91.9 million (taking both old subscribers and those added in the latest year, and the payroll estimates show that 5.9 lakh jobs are being generated every month, making an estimated 7 million new jobs in 2016-18 (Ghosh and Ghosh, 2016). One may only hope that NSSO and Labour Bureau adopt payroll based data to come up with better quality statistics on employment scenario in the country.

Employment/job less growth data provided by Centre for Monitoring Indian Economy (CMIE) is equally alarming. According to CMIE report (based on a survey of tens of thousands of households across the country) job less growth rate as in February 2016 was 7.2% which was 5.9% in February 2016 (Business Today, 2016). The total number of employed persons in February 2016 is estimated at 400 million against 406 million in the year-ago period and 407.5 million employed in February 2016 (Business Today, 2016). Rising job less growth rate is further corroborated by declining corporate jobs. According to a study of Care Ratings, employment growth in corporate declined from 4.2% in 2016 to 3.8% in 2016 (Press Trust of India, 2016).

National Skill Development Corporation (NSDC) provides sector-wise human resources requirements till 2016 (Table 1) which gives a fair idea about how the jobs scenario is likely to unfold in next three years and what the policy makers can learn from the projections

Table 1: Sector-wise Projection of Human Resources Requirements till 2016

Sl. No.	Sector	Required Human Resources in 2016 (in millions)	Required Human Resources in 2016 (in millions)	Difference in Human Resources requirements (2016—2016) (in millions)
1.	Agriculture	229	215.5	—13.5
2.	Building Construction and Real Estate	60.4	91	30.6
3.	Retail	45.3	56	10.7
4.	Logistics, Transportation and Warehouse	23	31.2	8.2
5.	Textile and Clothing	18.3	25	6.7
6.	Education and Skill Development	14.8	18.1	3.3
7.	Handloom and Handicraft	14.1	18.8	4.7
8.	Auto and Auto Components	12.8	15	2.2
9.	Construction Material and Building Hardware	9.7	12.4	2.7
10.	Private Security Services	8.9	12	3.1
11.	Food Processing	8.8	11.6	2.8
12.	Tourism,Hospitality	9.7	14.6	4.9

[Source: Environmental Scan Report 2016, NSDC]

6. CAUSES OF JOBLESS GROWTH

Economy is doing fairly well if we take the GDP as an indicator. However, there is no concomitant expansion of employment opportunities for the people which are a natural corollary of the economic growth and prosperity. Lack of job opportunities is further compounded by job losses on account of

technological advancement, automation, consolidation and rightsizing. As many as 1.5 million jobs, the author says, have been lost in India between 2016 and 2016 in the BFSI, IT and Telecom sectors due to consolidation (Madhavan, 2016). Further, in 2009-10 it took 31,846 employees to deliver \$1 billion worth of exports in IT sector while in 2015-16 it needed just 16,055 employees (Madhavan, 2016). Hence, it appears that job losses contribute to jobless growth in a big way.

The problem of jobs lies in the interplay of two surpluses –excess capital and excess labour (Jagannathan, 2016). Excess capital is generally invested in labour saving technologies and automation which address the issue of high wages in developed countries and archaic labour laws in developing countries. Without exception, Indian companies are also deploying robots as labour substitute. For example, Suzuki Motors India Ltd. is using 5000 robots in its Manesar and Gurugram plants (Raj, 2016) and Honda scooter plant in Vithalpur has got giant robots in their shop floor bringing the number of workers down to 14 from earlier 72 (Das, 2016). According to a World Bank research, 69% jobs in India may be consumed by automation (World Bank, 2016).

Apart from automation and robotization, a formidable reason behind jobless growth is reluctance of the corporate houses to employ people due to rigid labour laws in India. The country has failed to reap demographic dividends as a consequence of policy paralysis so far as labour reforms are concerned – sporadic changes in labour laws have been ineffectual in attracting foreign investors or provide an impetus to domestic entrepreneurs interested in expanding manufacturing facilities (Jha, 2014). Employment opportunities can be unlocked beyond all measures if the government makes necessary changes in the labour laws while balancing the interests of workers and employers.

7. CONCLUSION

Let us accept it –jobless growth is here to stay in India for long. According to Jagannathan (2016), every 1% increase in GDP increases jobs by only 0.18% --theoretically if India achieves 10% growth for a considerable number of years, it would mean jobs will grow at 1.8% annually –hardly enough to take care of the numbers entering the jobs market in year (about 12 million) and the possible increase in people seeking jobs, especially women who are underrepresented in the labour force. While jobs will not grow commensurate with GDP rates, the unemployment scenario is unlikely to be gloomy.

General sense is that jobs in India will be created by micro, small and medium enterprises provided the government creates an enabling ecosystem for them. As India is moving towards a gig economy, neglecting the rights of workers might be counterproductive. While gig economy may create many more new jobs, the impact on productivity may not be significant if it comes at the cost of denying workers basic benefits like leave pay, sickness pay, and social security (Jagannathan, 2016). Of course the job scenario is challenging for people of India but there is always a ray of hope and that is the new policy

thrusts of the government to reform education and create a positive eco system for skill development and entrepreneurship.

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