



“An Analysis of the Effectiveness of the Employment Exchange in Facilitating Youth Employment in Rural Areas: With Special Reference to Mandya District.”

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Abstract

This study analyzes the effectiveness of the Employment Exchange in facilitating youth employment in rural areas, with special reference to Mandya District. The objectives were to assess the role and functioning of the Exchange, evaluate its effectiveness, identify major challenges, and suggest strategies for improvement. A descriptive research design was adopted, with a population of 11,040 registered job seekers, from which a sample of 80 respondents was selected using simple random sampling. Data were collected through structured questionnaires and secondary sources and analyzed using descriptive statistics such as frequency and percentage. Findings reveal that most respondents are young adults (18–35 years) with moderate educational qualifications. While 75% are registered, engagement and awareness of employment schemes are low, and service satisfaction is moderate, with few respondents receiving job offers. The study identifies a research gap in understanding the actual effectiveness of Employment Exchanges in rural districts, as previous studies focused mainly on registration and service availability rather than outcomes and challenges. The study concludes that while the Employment Exchange plays a significant role in guiding rural youth, reforms in outreach, digitalization, and counseling services are essential to improve employment outcomes.

Keywords: Employment Exchange, Youth Employment, Rural Employment, Mandya District, Employment Facilitation, Job Placement, Registration and Awareness Skill Development, Challenges in Rural Employment.

1. Introduction

Employment is one of the major determinants of economic growth and social stability in any society. In developing countries like India, the challenge of providing productive and decent employment opportunities for youth remains a central concern of public policy. According to the International Labour Organization (ILO, 2022), youth unemployment continues to be higher than adult unemployment globally, particularly in rural areas where opportunities are often limited to seasonal and informal work. India's rural youth face a dual challenge—lack of skill alignment with available jobs and inadequate institutional mechanisms to link them with emerging employment opportunities.

The **Employment Exchange system**, established under the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, was designed to act as a bridge between job seekers and employers. Employment Exchanges are mandated to register job seekers, collect information on vacancies, and facilitate placements. With the launch of the **National Career Service (NCS)**, these exchanges have been digitized and integrated to improve accessibility and efficiency. Despite these reforms, their **effectiveness in rural contexts**—especially in districts dominated by agriculture and informal labour markets—remains a subject of debate.

Mandya district in Karnataka provides a suitable context for studying this issue. Mandya's economy is predominantly agrarian, with a large proportion of youth engaged in sugarcane cultivation and allied sectors. Although educational levels have improved, the district still struggles with limited industrial diversification and inadequate exposure to skill-based employment. Many educated youth in Mandya register with the District Employment Exchange but often remain unemployed or underemployed due to lack of awareness, mismatch of skills, or limited private sector participation.

Singh & Sharma (2018) – In their study “Functioning of Employment Exchanges in India”, the authors found that most employment exchanges operate as registration centers rather than placement agencies. They emphasized the need for modernisation and digital integration to enhance their utility. **Mehta (2019)** – Studied youth unemployment in rural India and observed that while government initiatives exist, poor coordination between Employment Exchanges and skill development programs leads to low placement rates. **Ministry of Labour & Employment (2022)** – In the National Career Service Annual Report, the government stated that integration of employment exchanges with NCS has increased registration but not necessarily improved placement rates, particularly in smaller districts. **Government of Karnataka (2023)** – The District Skill Development Plan – Mandya emphasized linking the Employment Exchange with skill centers, micro-enterprises, and local industries to increase employability among rural youth

Purpose of this study

The purpose of this study is to analyze the effectiveness of the Employment Exchange in facilitating youth employment in the rural areas of Mandya District. It will explore how well the Exchange performs its intended functions of registration, counseling, and placement, and whether it serves as an effective platform linking rural youth to job opportunities.

This study is significant because it seeks to identify institutional and structural barriers within the employment facilitation system. The research will provide evidence-based insights for improving the outreach, digital capacity, and employer linkages of Employment Exchanges. It will also contribute to academic discourse on rural labour markets, youth empowerment, and skill-based employment policies.

The objectives of the study are:

1. To assess the role and functioning of the Employment Exchange in Mandya District.
2. To evaluate its effectiveness in facilitating employment among rural youth.
3. To identify the major challenges faced by the Exchange and by job seekers.
4. To suggest strategies for improving the performance of Employment Exchanges in rural districts.

Research Methodology

Research Design

The present study adopts a **descriptive research design**. This design is chosen because it seeks to describe and analyze the existing conditions, practices, perceptions, and effectiveness of the Employment Exchange in facilitating youth employment in rural areas of Mandya District.

Universe of the Study

The universe of the study consists of all **registered 11,040 job seekers (youth)** at the **District Employment Exchange, Mandya**.

Sampling Design and Size

Researcher was selected 80 respondents by simple random design.

Sources of Data

The study is based on both primary and secondary data sources.

Primary Data

Primary data were collected directly from the respondents using a structured questionnaire. The data include demographic details, educational qualifications, employment status, awareness of employment exchange services, satisfaction levels, and perceptions about its effectiveness.

Secondary Data

Secondary data were gathered from government reports, books, journals, previous research studies, statistical records of the District Employment Exchange, and official documents such as the **National Career Service (NCS) reports**, **District Skill Development Plan**, and publications from the **Ministry of Labour and Employment**.

Tool for Data Collection

The main tool used for collecting primary data was a **structured questionnaire**. The questionnaire was designed to capture quantitative and qualitative information regarding the effectiveness of the Employment Exchange. It consists of two parts:

Part I: Socio-demographic profile of respondents (age, gender, education, residence, etc.)

Part II: Questions related to awareness, utilization, and satisfaction with Employment Exchange services, and perceived effectiveness in job facilitation.

Data Analysis

The collected data were coded, tabulated, and analyzed using **descriptive statistical techniques**. The analysis includes computation of **percentages, mean, and frequency distributions** to summarize and interpret the findings.

Scope of the Study

The study focuses exclusively on the **Employment Exchange in Mandya District** and on **rural youth** registered for employment assistance.

Data Analysis and Interpretation

Table 1: Age Group of Respondents (N = 80)

Age Group	Frequency (f)	Percentage (%)
18–25 years	30	37.5
26–35 years	25	31.25
36–45 years	15	18.75
Above 45 years	10	12.5
Total	80	100

The majority of respondents (68.75%) belong to the youth category (18–35 years), indicating that the Employment Exchange services are primarily accessed by younger job seekers who are actively searching for employment opportunities in Mandya District.

Table 2: Educational Qualification of Respondents (N = 80)

Educational Level	Frequency (f)	Percentage (%)
SSLC	20	25.0
PUC	25	31.25
Graduate	22	27.5
Postgraduate	13	16.25
Total	80	100

More than half (58.75%) of the respondents have completed either PUC or a degree, indicating that most job seekers are educated up to intermediate or graduate level. This suggests that the Employment Exchange caters mostly to moderately educated rural youth.

Table 3: Registration with Employment Exchange (N = 80)

Registration Status	Frequency (f)	Percentage (%)
Yes	60	75.0
No	20	25.0
Total	80	100

A large majority (75%) of respondents are registered with the Employment Exchange, showing awareness and willingness among job seekers to utilize government employment services.

Table 4: Frequency of Visits to Employment Exchange (N = 80)

Frequency of Visits	Frequency (f)	Percentage (%)
Regularly	15	18.75
Occasionally	25	31.25
Rarely	30	37.5
Never	10	12.5
Total	80	100

Only 18.75% visit the Employment Exchange regularly, while 68.75% visit occasionally or rarely. This indicates limited engagement with the Exchange and suggests a need for improved outreach and follow-up services.

Table 5: Rating of Services Provided (N = 80)

Rating	Frequency (f)	Percentage (%)
Very Good	10	12.5
Good	25	31.25
Average	30	37.5
Poor	15	18.75
Total	80	100

Only 12.5% rated the services as “very good”, while 56.25% rated them as average or poor. This indicates moderate satisfaction levels and points to the need for improving the quality and responsiveness of Employment Exchange services.

Table 6: Awareness of Employment Schemes (N = 80)

Awareness Level	Frequency (f)	Percentage (%)
Yes	28	35.0
To some extent	32	40.0
No	20	25.0
Total	80	100

Only 35% of respondents are fully aware of the employment schemes. This shows a lack of effective communication and awareness generation by the Employment Exchange, particularly in rural areas.

Table 7: Role of Exchange in Connecting Job Seekers and Employers (N = 80)

Opinion	Frequency (f)	Percentage (%)
Strongly Agree	20	25.0
Agree	30	37.5
Disagree	20	25.0
Strongly Disagree	10	12.5
Total	80	100

While 62.5% of respondents agree that the Employment Exchange connects job seekers with employers, 37.5% disagree. This mixed response highlights inconsistent performance in matching applicants with suitable opportunities.

Table 8: Received Job Offer through Employment Exchange (N = 80)

Response	Frequency (f)	Percentage (%)
Yes	18	22.5
No	62	77.5
Total	80	100

Only 22.5% of respondents received job offers through the Employment Exchange, suggesting low effectiveness in actual job placements despite a high registration rate.

Table 9: Satisfaction with Job Placement Process (N = 80)

Satisfaction Level	Frequency (f)	Percentage (%)
Highly Satisfied	6	7.5
Satisfied	12	15.0
Neutral	20	25.0
Dissatisfied	42	52.5
Total	80	100

More than half (52.5%) of respondents are dissatisfied with the job placement process. This implies that the system is perceived as ineffective or slow in providing meaningful employment opportunities.

Table 10: Effectiveness of Employment Exchange (N = 80)

Effectiveness Level	Frequency (f)	Percentage (%)
Very Effective	10	12.5
Effective	20	25.0
Less Effective	30	37.5
Not Effective	20	25.0
Total	80	100

Only 37.5% find the Exchange to be effective, while 62.5% rate it as less effective or not effective. This indicates that Employment Exchange needs major reforms to improve its impact on reducing unemployment.

Table 11: Guidance and Counseling Support (N = 80)

Response	Frequency (f)	Percentage (%)
Yes	20	25.0
To some extent	35	43.75
No	25	31.25
Total	80	100

Nearly 75% of respondents stated that guidance and counseling are either absent or inadequate. This highlights the need for stronger career counseling and vocational guidance services.

Table 12: Challenges Faced by Job Seekers (N = 80)

Challenge	Frequency (f)	Percentage (%)
Lack of Awareness	25	31.25
Poor Communication	15	18.75
Limited Job Opportunities	30	37.5
Bureaucratic Delays	10	12.5
Total	80	100

The major challenge faced by job seekers is limited job opportunities (37.5%), followed by lack of awareness (31.25%). This indicates the need for better promotion and coordination with potential employers.

Table 13: Challenges Faced by Employment Exchange (N = 80)

Challenge	Frequency (f)	Percentage (%)
Insufficient Staff	20	25.0
Lack of Modern Technology	18	22.5
Poor Coordination with Employers	25	31.25
Policy Constraints	17	21.25
Total	80	100

The most common institutional challenge identified is poor coordination with employers (31.25%). Other issues include insufficient staffing and lack of digital infrastructure, which hinder the Exchange's efficiency.

Table 14: Suggestions Given by Respondents (N = 80)

Suggestions	Frequency (f)	Percentage (%)
Awareness programs and job fairs	22	27.5
Digital job updates and online registration	18	22.5
Coordination with private employers	20	25.0
Skill-based training and counseling	20	25.0
Total	80	100

Respondents emphasized the need for awareness drives, digital updates, private sector coordination, and training programs. These suggestions underline that both outreach and modernization are necessary for improving Employment Exchange performance.

Discussion

The present study examined the role, functioning, and effectiveness of the Employment Exchange in Mandya District, with a focus on rural youth. The findings provide important insights into the demographic profile of job seekers, their engagement with the Exchange, and the challenges faced by both job seekers and the institution.

Demographic Profile and Educational Status

The study reveals that the majority of respondents (68.75%) belong to the youth category (18–35 years), highlighting that Employment Exchange services are primarily accessed by young adults seeking employment. This aligns with the general trend in rural India, where youth face high unemployment due to limited job opportunities and often rely on government-supported placement services. Furthermore, over half of the respondents (58.75%) have completed PUC or graduation, indicating that moderately educated individuals

constitute the primary clientele. This suggests that the Exchange caters to the aspirations of rural youth who are equipped with basic to intermediate education but may lack advanced skills for competitive employment.

Awareness, Registration and Engagement

The findings indicate that 75% of respondents are registered with the Employment Exchange, showing a high level of awareness and willingness to utilize government services. However, actual engagement is low, with only 18.75% visiting the Exchange regularly. Most respondents visit occasionally or rarely, reflecting limited utilization of the services offered. This gap between registration and active participation suggests that mere registration does not translate into effective use, possibly due to lack of follow-up, limited outreach, or perceived inefficiency.

Perception of Services and Effectiveness

Service satisfaction among respondents is moderate to low. Only 12.5% rated the services as “very good,” while more than half (56.25%) rated them as average or poor. Similarly, only 37.5% considered the Exchange effective in facilitating employment, while 62.5% rated it as less effective or not effective. These results underscore the need to improve service quality, responsiveness, and overall efficiency. The dissatisfaction is particularly evident in the job placement process, where 52.5% of respondents expressed discontent, suggesting delays and inefficiencies in connecting candidates to suitable opportunities.

Awareness of Employment Schemes and Guidance Support Awareness of government employment schemes is limited, with only 35% of respondents fully aware of the schemes. Nearly 75% reported inadequate guidance and counseling support. This indicates a significant communication gap and highlights the need for proactive dissemination of information, awareness drives, and career counseling services. Inadequate guidance can affect the ability of job seekers to identify opportunities matching their skills, further contributing to unemployment and underemployment.

Challenges Faced by Job Seekers and the Employment Exchange

The study identifies limited job opportunities (37.5%) and lack of awareness (31.25%) as the primary challenges for job seekers. For the Employment Exchange, poor coordination with employers (31.25%), insufficient staff (25%), and lack of modern technology (22.5%) were the main institutional challenges. These findings suggest that both structural and operational inefficiencies hinder the effectiveness of the Exchange. Effective coordination with employers, adequate staffing, and modernization of infrastructure are critical to improve the quality and timeliness of services.

Recommendations and Suggestions

Respondents emphasized the need for awareness programs, job fairs, digital updates, online registration, coordination with private employers, and skill-based training and counseling. These recommendations align with contemporary employment support practices, which emphasize digitalization, outreach, and skill

development to enhance employability. Implementing these strategies could significantly improve the reach and impact of the Employment Exchange.

Implications of Findings

The findings of this study have multiple implications:

- **Policy and Administration:** The Exchange needs reforms in staffing, digital infrastructure, and employer coordination to function effectively.
- **Youth Employment:** There is a clear demand for skill development programs and guidance services tailored to rural youth.
- **Outreach and Awareness:** Awareness campaigns and targeted information dissemination are crucial for bridging the knowledge gap about government employment schemes.

Conclusion

Overall, while the Employment Exchange in Mandya District is accessed by a majority of young, moderately educated job seekers, its effectiveness in job placement and service delivery remains limited. The study highlights the need for structural reforms, enhanced guidance services, skill development initiatives, and improved employer coordination. Addressing these gaps will strengthen the role of Employment Exchanges in promoting sustainable rural employment and reducing youth unemployment.

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