Employability Training – good workers, and good jobs.

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More than half of India’s population of over 1.2 billion people is below the age of twenty five and more than 65% below the age of thirty five, according to the 2011 Census. Although approximately 13 million people enter the job market every year, only 3 million vocational training places are available (Ministry of Human Resource Development - A challenge faced by a developing India) and vocationally trained diploma holders, and graduates comprise only 10% of the overall workforce. The Government is taking proactive steps to fill the skill gap. The private sector is also undertaking several initiatives through industry led training programmes to meet their need for a trained workforce.

In one such initiative, Schneider Electric India Foundation (SEIF) has launched an electrician training programme in partnership with NGOs in eight states of India. The programme provides education and employment opportunities for urban youth and entrepreneurial opportunities in the rural areas. This in turn serves the purpose of promoting safe and reliable electric installation. So far more than 7,500 trained electricians have been able to find jobs and the goal is to train at least 50,000 people by 2015.

This case study looks at how this initiative of Schneider Electric India Foundation and SNS Foundation has changed the lives of young people living in urban slums around the rapidly developing city of Gurgaon near Delhi over the past two years, leading to the employment of over one hundred of them, and improving the quality of life for their families.

Schneider Electric is a global specialist in energy management. Headquartered in France, it has operating units across the globe. Schneider Electric India Pvt Ltd is a wholly owned subsidiary of Schneider Electric France, with 17,000 employees in 31 factories. Schneider Electric’s global turnover in 2012 was over thirty billion dollars.

Schneider Electric India Foundation (SEIF) is a trust registered in 2008, based in Bangalore. It’s mission is “to help people change their lives through access to energy”. The training programme of SEIF is aligned to the company’s global programme known as BIPBOP, or Business-Innovation-People for Base of Pyramid, and is focused on five themes: education, employment, electrification, entrepreneurship, and emergency during natural disasters.

SNS Foundation operates from Gurgaon near Delhi. It was set up as a family trust in 1976 by Anand Automotive Ltd. One of its priorities has been to enhance the employability of young people by skills training.
With a growing population of over 1.5 million, Gurgaon is the second largest city of the state of Haryana, with areas of newly constructed offices and high rise buildings, as well as the old city where there are 22 officially designated slums. These have become the centre of community involvement activity for SNS Foundation, focusing on the high level of youth unemployment.

In May 2012 Schneider Electric India Foundation and SNS Foundation formed a partnership to undertake an initiative to improve the lives of youth coming from these slums by providing them with skills through the Basic Electrician Course, to enable them to earn their livelihoods.

SEIF’s core competence as knowledge partner and SNS Foundation’s expertise as the implementation partner provided the right formula for a successful partnership. Schneider Electric India Foundation provided the basic course curriculum and the necessary work-place infrastructure. SEIF also conducted train-the-trainer courses for the instructors who were appointed by SNS Foundation.

Once the programme was launched, the SNS Foundation team conducted mobilization drives in the local area, talking about the problems that young people faced because they lacked employable skills and how this training programme could transform their lives and enable them to earn a decent livelihood from electrical installation jobs. The team placed advertisements with local cable TV operators, banners on auto-rickshaws, they undertook community awareness drives and talked to family members.

The programme began with the selection of candidates, who had to have a certain level of qualifications. The first training course started with 23 students in October 2012 at a SNSF training centre in Gurgaon. The four month course was divided into three months of classroom work and practical sessions and one month of training in the workplace, via the industry network of the SNS Foundation. The trainees were taught the basics of house and building wiring along with electrical safety. They were introduced to electrical products and the handling of tools and instruments. They learned how to test the electrical installations in residential and commercial buildings and to solve the problems if they found any faults. They were also taken on field visits to various construction sites where electrical installations were being carried out, and they learned about renewable energy through training in solar energy. The course was taught in Hindi but the candidates were also given an opportunity to improve their written and spoken English.
The instructors and the SNS Foundation team faced a major challenge in getting the trainees to attend regularly. To counter this, they ran sessions on motivation, and they also conducted both theory and practical classes on the day’s topic on the same days. This helped to improve attendance as the trainees began to realize that complete involvement led to better understanding.

There was no point in training the young people in a livelihood generating skill without providing them with employment at the end of the course. In order to do this, the SNS Foundation engaged its placement team to contact prospective employers and inform them about the programme. Because of its excellent contacts in industry, the SNS Foundation was able to interest factories and real estate developers around Gurgaon, as well as companies in the Anand group. Prospective employers were invited to the campus where they observed the entire training process. This gave them confidence in the programme and the trainees. Schneider employees who have their corporate headquarters in Gurgaon were also easily able to visit the centre and interact with the trainees. The students were very encouraged to hear the experiences of senior officials from the company.

After their successful completion of the course, the students were jointly certified by Schneider Electric India Foundation and SNS Foundation. More than 60% of the students were placed in various organisations in and around Gurgaon. This early success helped to spread the word of the positive impact of the programme in the local community.

By May 2013, 140 electricians training centres had been established in 21 states across India, and it was projected that over 10,000 young people would be trained. There is a training centre in Chennai exclusively for women and the trained female electricians are placed at Schneider’s Chennai manufacturing facility. Seventy-five women are being trained there every year.

SEIF firmly believes that such a programme should be sustainable, and that achieving this is a long-term process which needs a step-by-step approach. Since its inception in 2010, the training programme has been moving towards sustainability. Initially, the company paid for all the operational and capital expenses, but it has moved towards sustainability by leveraging funding from corporate social responsibility budgets, from NGOs, from donor agencies, social enterprises and government programmes.

It is also planned to increase the candidates’ stake in their own training by charging training fees.

The next phase will involve forging co-operative links with banks, microfinance institutions, private investors and other contributors in order to build a system for providing loans to poorer candidates in order to enable them to undertake the course.
The costs include the initial investment to set up the physical infrastructure, such as a work shed and a classroom, . All the partners have either a permanent structure or rent out the facility which is a part of the operational cost. There is also a one time fixed cost of about Rs5.25 lakhs, or around US$8,500 for equipment.

The operation cost includes one trainer for 25 candidates in every training course, and the courses last for four months. The total cost ranges from Rs. 14 lakhs to Rs. 20 lakhs, between $23,000 and $33,000, depending on whether the course is non-residential or residential.

Since 2012 the training centre in Gurgaon has been able to train over one hundred young people, improving their livelihood earning opportunities. This is an excellent model whereby the knowledge partner, the implementation partner and the community have been able to create a positive socio-economic impact on the lives of many families in Gurgaon. From a background of poverty, the trained electricians have been able to earn a living by applying the skills they acquired from the training programme.

While this is the story of one training centre, this successful model has been replicated at various locations across the country. SEIF has been able to create livelihood opportunities for young people from similar backgrounds with the help of other partners such as SNS Foundation. SEIF’s expertise as a knowledge partner has been a critical element in forging partnerships with other not-for-profit institutions and to train young people not only from urban areas but also from rural hinterlands.

The challenge is to reach out to the millions of young people who are still untouched by this transformation and to connect the training and the trainees with organizations looking for trained manpower. Industry links are one of the key enablers that determine the future scope of this initiative.

One case study illustrates the power of the program. Devender Prajapati, is 30 years old, and is from Rajendra Park, Gurgaon. His father was a retired supervisor at the Delhi Development Authority and his mother a housewife. Devender left school after completing twelve years of schooling. He got married in 2003, and has two sons. He started working in a private company at a monthly salary of Rs2,500 or about US$40. It was very difficult to sustain his family on such a low salary in Gurgaon. His wife had taken a certificate course in cutting and tailoring, so she started to contribute to the family’s earnings..

Between 2005 and 2012 Devender tried various jobs to support his family but his income was low and the working conditions were bad. When he saw the television advertisement for the Schneider Electric
India Foundation - SNSF electrical training he approached the training centre to get more information. He was encouraged when he saw the training centre’s facilities and met the staff, and this motivated him to join the course.

Devender completed his four months training which included electrical theory, practical work, English communication, life skills and financial literacy. He also completed a one-month work placement at a large construction site in Badshahpur, Gurgaon. After the course Devender started getting job offers with attractive salaries but after his previous experience he decided to work for himself.

He now takes on three or four electrical installation contracts every month, and can earn almost three times what he earned previously.