

NEWLY TRAINED YOUTH IN INDIA

The challenge of job retention and the need for broader support networks

Keren Nazareth and Irbaaz Sheikh, Saath Charitable Trust

Saath Charitable Trust

Saath Charitable Trust is a non-profit that has been working for poor and vulnerable communities since 1989, through its integrated slum development approach. Saath works with slum residents, migrants, minorities, children, women, youth and vulnerable people in urban and rural areas. Saath has expanded into three Indian states — Gujarat, Rajasthan and Maharashtra — and has impacted more than 400,000 individuals. Saath's thematic areas include livelihoods, health and education, governance, affordable housing, rehabilitation, resettlement & financial inclusion.

INDIA

138/148

JustJobs Index Ranking



56%
Labor Force
Participation



38%
Youth Labor Force
Participation



3.4%
Unemployment



9.7%
Youth
Unemployment

Source: These data are ILO modeled estimates provided by the World Bank. Individual authors may use national estimates.

Challenge

While India seeks to skill 500 million people by 2022, many of the youth who graduate from its training programs fail to stay in their new jobs.

Strategy

A community-based organization, Saath, has developed a program to give young people a supportive network and the soft skills they need to manage their transition from the informal sector to a new, formal sector job.

NEWLY TRAINED YOUTH IN INDIA

The challenge of job retention and the need for broader support networks

Keren Nazareth and Irbaaz Sheikh, Saath Charitable Trust

More than 60 percent of India's population is below 35 years of age. Over the next two decades, India can leverage its youth population toward realizing a large "demographic dividend" – so large, in fact, that it holds the potential of adding two percentage points per annum to the country's GDP growth.¹ Reaping the benefits of this demographic advantage, however, requires that today's youth find high-quality, high-productivity employment.²

Unemployment among youth in India is high and growing, especially among literate youth. The rate of unemployment among youth who are graduatesⁱ or holders of a diploma or certificateⁱⁱ is 28.3 percent among urban males.³

One underlying reason is an outdated education system, where most of the youth receive education and training that is anachronistic or mismatched as per current labor market demand.⁴ One of the government's key priorities is to bridge the skills gap by providing market-aligned vocational training to youth.

"India has the ambitious goal of providing skill training to over 500 million people by 2022."

The National Skill Development Corporation (NSDC), a public-private partnership, is responsible for stimulating the growth of the training industry. The Government of India has the ambitious goal of providing skill training to over 500 million people by 2022. Focused on facilitating transitions from the informal sector to the formal sector, the model is to train youth

ⁱ Graduates have completed 12 years of primary and secondary education ("10+2"), plus a three-year college degree.

ⁱⁱ Holders of a certificate or diploma have completed 10 years of primary and secondary education, after which they immediately joined a three-year vocational course.

according to the requirements of industry and then place them into appropriate jobs.

The responsibility of executing training programs has fallen, in part, on non-governmental organizations. Through Saath's own experience in running these programs, it has identified a key gap in the current skill development model – low retention rates among newly trained youth in their job placement. Upon giving an overview of Saath's training

programs, this chapter will discuss the various challenges newly trained Indian youth face in staying at their jobs. Then it will describe Youth Force, a new initiative Saath has launched to help youth overcome these challenges by providing them a platform for support and mentorship as they transition into the formal workforce. Finally, it will examine the success of the Youth Force approach and discuss implications for India's national skilling agenda.

Saath's experience

Saath has been implementing vocational training programs for youth over the past eight years. The livelihood program began in 2005 as Ek Mauka Udaan (One Chance to Fly), a joint venture between Saath and the local municipal corporation. In 2007 the Gujarat state government became a financial supporter of the program and renamed it Umeed (Hope). The project was expanded into the neighboring state of Rajasthan in collaboration with the state government there. The program has trained 53,279 youth and placed 75 percent of them in jobs.

The Saath model of skills training

Saath's training model is illustrated in **Figure 1**. Before beginning a training program, Saath first of all conducts a community needs assessment to understand issues faced by local youth and the

types of jobs available in the local market. This assessment helps in curriculum development for identified trades. A mobilization team is then responsible for enrolling the candidates through road shows, pamphlet distributions, and door-to-door visits. The training typically lasts for three months, after which time youth are matched with a job. A "Placement Cell" is responsible for identifying opportunities and maintaining relationships with potential local employers. In parallel, job fairs are organized at regular intervals to facilitate linkages with the local labor market, in which all local youth – not only those in the training programs – can gather information on employment opportunities and vocational programs, as well as access to finance if they seek to start their own small business. The placement cell also tracks the trainees for six

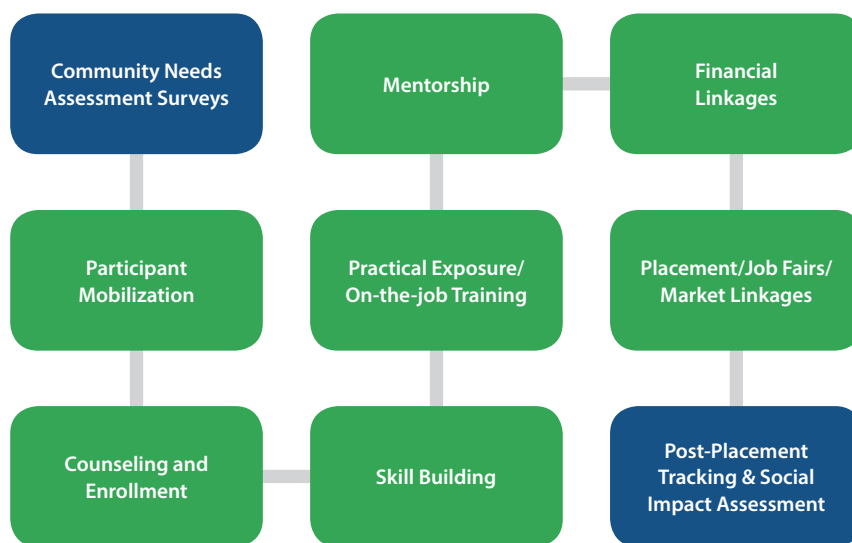
months after they begin their new jobs, enabling Saath to assess the impact of its program.

Demographic profile of the trainees

Before discussing the retention rate of trainees at their jobs, it is worth noting that Saath’s programs attract participants of a diverse demographic profile. Of the trainees, 44 percent are women, a proportion much higher than the women’s labor force participation rate in urban India

(22.2 percent).⁵ In terms of caste, 34 percent are from India’s most marginalized communities – “Scheduled Caste” and “Scheduled Tribe,”ⁱⁱⁱ and only 32 percent are not from a caste or religious minority. The plurality of trainees, 34 percent, have completed 12 years of primary and secondary education, while another 29 percent, left the education system after 10 years of education. Fifty-one percent are 20-years-old or younger, and 70 percent are 25 or under.^{iv}

Figure 01
Saath’s Training model



ⁱⁱⁱ Scheduled Caste is the name given to lower castes that are protected by government through a 15 percent reservation in public sector employment and higher education. Scheduled Tribe is a term for indigenous communities, or adivasis, who are offered a 7.5 percent reservation.

^{iv} These data are based on the six thousand youth Saath has trained over the last two years (2012-13 and 2013-14).

The challenge of retention

Tracking retention rates of young trainees at their new jobs is critical to understanding the success of the training program. Staying at a job for a longer period of time gives a young person the chance to build a career, gather experience in a formal sector work environment, and build professional relationships and networks. Moreover, companies themselves benefit from maintaining higher retention rates among their employees – due to the institutional knowledge and trustworthiness of experienced workers – and are actively seeking to increase retention rates. Since companies view those who jump from job to job less favorably,

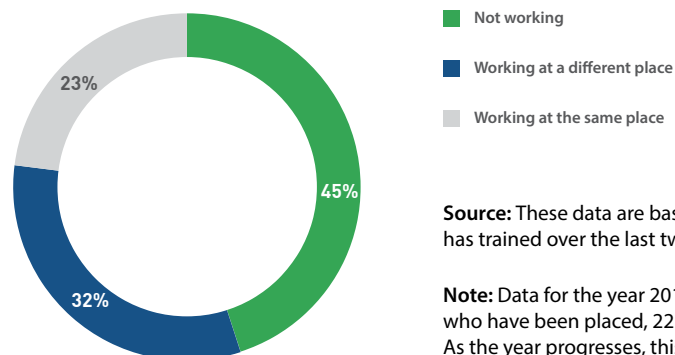
“A skill gap is not the only barrier young people face in obtaining and holding down a job. Adjustment from the informal sector to a formal sector workplace can be a major challenge.”

long-term employment prospects are diminished for young trainees who leave their new jobs soon after placement.

Tracking students is itself a challenge. Of the over four thousand youth trained in 2012-13, 40 percent were not reachable. With the boom in telecommunications in India, competing companies provide incentives for mobile users to change service providers, making follow-up communication difficult.

The numbers provided here are based on those who could be reached.

Figure 02
Employment status of newly trained youth (15-24 years) 6 months post placement



Source: These data are based on the six thousand youth Saath has trained over the last two years (2012-13 and 2013-14).

Note: Data for the year 2013-14 is still in process, but of those who have been placed, 22 percent have already left their jobs. As the year progresses, this number is bound to increase.

Overall, rates of retention – here defined as the percentage in the same job after six months – have been low. In the year 2012-13, retention stood at just under 22 percent. If we consider separately the two states where training is taking place – Gujarat and Rajasthan – Gujarat has a retention rate of 25.7 percent, while the rate in Rajasthan is just 13.7 percent. The difference in the retention rates of these two states is largely driven by the spatial distribution of jobs; in Rajasthan, youth are often forced to take up jobs far from home, and the time and cost of a long commute is a common reason for leaving a job.

Many of those who have left their original placement have taken up a different job. Of the trackable students, 32 percent fall into this category. Meanwhile, 45 percent of the trackable

students are no longer working (See **Figure 2**).^v

A variety of reasons explain these low retention rates. A skill gap is not the only barrier young people face in obtaining and holding down a job. Given that the target population has typically never worked in a formal sector environment, adjustment to a new workplace can be a major challenge. Logistical factors like long commutes play a role, as do social and cultural factors.⁶ These young people often have not been socialized into long-term planning, nor do many understand the patience required for career development. In view of the challenges they face, some lack self-confidence. Female youth sometimes face restrictions from family members and the extra challenges that come from marital or child-rearing duties.⁷

The Youth Force initiative

The study of retention rates has enabled us to identify two important gaps in the training and placement model. These gaps are not specific to Saath's model, but apply more broadly to the programs and schemes promoted by the Government of India.

1. Short-term training programs are unable to connect youth to their aspirations or help them create a long-term vision for career development.

2. The programs inspire commitment and excitement among youth during the three-month training period, but lack a mechanism for fostering dedication and drive following placement. Once youth are exposed to the reality of their new jobs, they lack support structures to help them deal with the transition.

In order to address these gaps, Saath created the Youth Force Initiative, which serves as a means for

^v These data are based on the six thousand youth Saath has trained over the last two years (2012-13 and 2013-14).

building a long-term relationship with youth and supporting their personal development. The initiative serves as a platform where young people can grow, learn, exchange ideas, and build the “soft skills” that promote better employment outcomes. Youth Force seeks to create a space where young people from disadvantaged backgrounds can chart a long-term vision for themselves and lean on peers and mentors as they face challenges, such as those many trainees face in their new jobs.

In the Youth Force program, young people form youth groups to discuss community issues and plan and execute activities, drives and cultural programs. The youth groups present opportunities to build confidence and practice problem-solving. Launched in December 2012, nearly 6,000 youth in five cities have benefited from the program’s livelihood linkages.

Integrated with Saath’s livelihood programs, Youth Force aims to link 25,000 youth with viable livelihood options over the next three years. Youth groups are provided information on skill development and vocational training courses, and the young people participating in Youth Force even conduct their own “market scans” to survey the job opportunities available in their areas. For youth who want to start their own business or improve a micro-enterprise they already run, entrepreneurship training and

micro-finance linkages are provided. Beyond this, the youth groups gain access to career counseling and leadership development. Some promising young people are selected to be “Urban Animators,” a role in which they lead their peers in solving community issues facing youth. Seminars focus on issues such as education, personal development, workplace behavior, decision-making, goal-setting, conflict resolution, and financial management.

The confidence level, skills and capabilities of participating youth have increased through the program. Of the youth participating in the Youth Force program who have accessed a livelihood program, approximately 60 percent have stayed in their jobs for more than six months. Comparing this figure with the retention

Table 01
Impact of Youth Force in Five Cities (2013)

Activities	Numbers
Urban Animators	26
Youth Members	1,152
Livelihood Linkages	5,759
Micro Entrepreneurs	197
Micro Finance Linkages	2,095
Total groups	11
Job Fair Linkages	1,261

Source: Internal data from Saath’s Youth Force Initiative

rates achieved through the traditional training model demonstrates the importance of a wider ecosystem of support – both professional and personal.

The impact of Youth Force in the one-year period from December 2012 to November 2013 is shown in **Table 1**.

Conclusion

There is no one solution to the challenge of job retention among newly trained youth, but it is clear that vulnerable young people require long-term supportive networks in order to improve their employment outcomes.

The expectation that a short-term training program could empower a young person to build a career, improving their confidence level and ability to plan long-term, is unrealistic. The current national training models promoted by the Government of India fail to take into account the necessity of long-term support and guidance. The government should build into its skill

development policy a mechanism for creating a cadre of trained counselors and career guides who can help youth plan for the future and deal with the transition into a new job.

Moreover, community-based and peer support organizations can play a pivotal role in creating this supportive infrastructure. So far, the non-governmental sector's approach to skill development has mirrored the government's assembly line model, focusing exclusively on the training. It is the post-training period, however, where real empowerment happens and youth employment outcomes are transformed.

“The government should build into its skill development policy a mechanism for creating a cadre of trained counselors and career guides who can help youth plan for the future and deal with the transition into a new job.”

Keren Nazareth is the Executive Director of Saath Charitable Trust and Irbaaz Sheikh is a part of the management team.

Endnotes

¹ The Economist. 2011. A Tale of Three Islands. October 22, 2011. Accessed on September 11, 2014. <http://www.economist.com/node/21533364>

² C. P. Chandrasekhar, J. Ghosh and A. Roychowdhury. 2006. "The Demographic Dividend and Young India's Economic Future" in Economic and Political Weekly, 9 December, 2006. Accessed September 11, 2014. http://www.jsk.gov.in/articles/the_demographic_dividend_cp_chandrasekhar.pdf

³ 66th Round National Sample Survey on Employment and Unemployment. 2011. (New Delhi: National Sample Service Organisation, Government of India.); Anil Sasi and Subhomoy Bhattachajee. 2014. "Jobs report gloomy, prospects worst for graduates, shows all-India govt data". Indian Express, April 1, 2014. Accessed September 11, 2014. <http://indianexpress.com/article/india/politics/jobs-report-gloomy-prospects-worst-for-graduates-shows-all-india-govt-data/>

⁴ Pravin Sinha. 2013. Combating Youth Unemployment in India. (New Delhi: Frederick Eber Stiftung). Accessed September 11, 2014. <http://library.fes.de/pdf-files/iez/09728.pdf>

⁵ ILO Country Office for India. 2013. India Labour Market Update. (New Delhi: ILO). Accessed September 11, 2014. http://www.ilo.org/wcmsp5/groups/public/-asia/-ro-bangkok/-sro-new_delhi/documents/genericdocument/wcms_232565.pdf

⁶ Craig Jefferey. 2014. "Underemployed graduates, 'timepass' and the threat of a global demographic crisis". The Conversation, January 24, 2014. Accessed September 11, 2014. <http://theconversation.com/underemployed-graduates-timepass-and-the-threat-of-a-global-demographic-crisis-22298>

⁷ Sinha, *ibid.*