

JOB FOR RURAL YOUTH THE PPP WAY

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THE CHALLENGE

PREMISE: PPP offers in scale, sustained elimination of rural poverty by addressing the next generation needs

STAKEHOLDERS: Government/Private sector/rural poor

CHALLENGE : PARTISAN ATTITUDES

- **Government** : Companies are exploitative
- **Industry** : Fed up. We can do it ourselves
- **Rural Poor** : Unaware of the PPP benefits

E G M M

Employment Generation & Marketing Mission

- The Jobs Mission created to work with different rural projects and the communities of the poor
- Driven by a private sector unit, which brings partners and mainstreams them on field with the help of government officers and federations of rural women
- ***Unique public-private partnership structure*** :First of its kind in the country
- Works in a mission mode to provide work-ready rural youth to companies

OBJECTIVES

- **VISION:** Create Employment / Employability opportunities for socially and economically underprivileged youth from remote villages
- **MISSION:** *‘One Job for every poor family’*: Articulated by the Community
- **OBJECTIVE:** Train and Place 150,000 Rural Youth in 2007 -09
- Facilitate their integration in the growing economy
- Making Jobs an agenda of the federations of women who are the mothers of the youth

STRATEGY

- Based on Aspirations / Qualifications of the Youth
- Some willing to move to semi-urban / urban areas –
Model: Security / Rural Retail Academy / Rural English & Work Readiness Academy
- Others want to remain in the villages – Textiles/ New Investment Jobs/ Agri-business / Construction
- **Qualifications** - 10th grade fail upwards to graduates
- Create a B2Y network of Partners / Employers
- Evolved from field work of two years

ACHIEVEMENTS: 2005 - 06

- **40,000 jobs**

- **Mentors /Employers**

- McDonald, Dell, Microsoft, Pizza Hut, Reliance, Tata Companies, Wipro, HDFC Bank, G-4 Securitas, Hindustan Unilever

- **Incomes**

- *Parents annual income* : Rs.10,000 P.A. / Erratic

- *Youth with Jobs Income*: Rs.24,000 to
Rs.80,000 / Sustained

PLANS 2007 - 09

■ TARGET

1,50,000 jobs

■ SECTORS

Services, Security, ITES, Transport, Agri-business, Construction and Textiles areas

■ FOCUS

Remote Villages and Drought – Prone areas
Vulnerable like disabled

■ BUDGET SOURCES

State Govt. (World Bank & DFID Funds), Govt . of India

I. Security Academy

- Exploitative Business. In Hyderabad 800 companies of which 70% are fly-by-night operators
- Poor employed but not paid. Return to villages in two months
- Our Approach: Partnership forged with \$2 Billion MNC-G4 Securitas
- Incomes for 10th grade Boys / Girls Rs.48,000 P.A.
- Money paid through an ATM with all benefits
- Fifteen days training module developed by EGMM
- Simple English and soft skills
- Selection rate is 70%

OVERSEAS EMPLOYMENT

- **OPPORTUNITIES ARE LARGE**

Requirement for Skilled workers

- **BUT EXPLOITATION IS LARGE**

Agents exploit poor

Spend Rs.150,000 But no regular visa and get Deported / Land in Jails

- **Initiated overseas employment for security guards to Dubai**

- **Costs halved – Rs.65,000 and through a Bank Loan**

- **Sent with proper Work Permits**

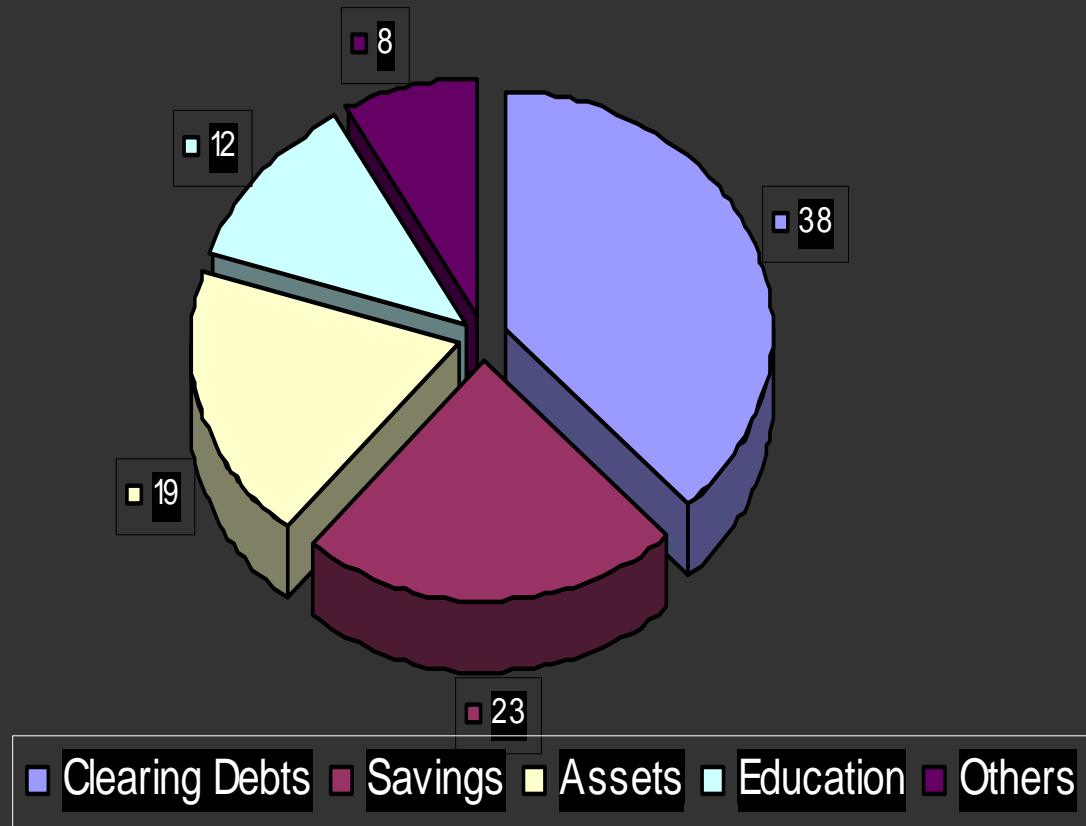
IMPACT

- Youth work in MNCs like Microsoft, Dell, GE in southern India metros
- Send back to the village Rs.24000 a year
- Many of them enrolled in computer courses
- Aspiration levels raised : “I will work in the computer company”
- Youth transformation convinced mothers
- Community participation and ownership of model

FINANCIAL IMPACT OF THE PROGRAM ON THE FAMILY

NATURE	%
Clearing Debts	38
Savings	23
Assets	19
Education	12
Others	8

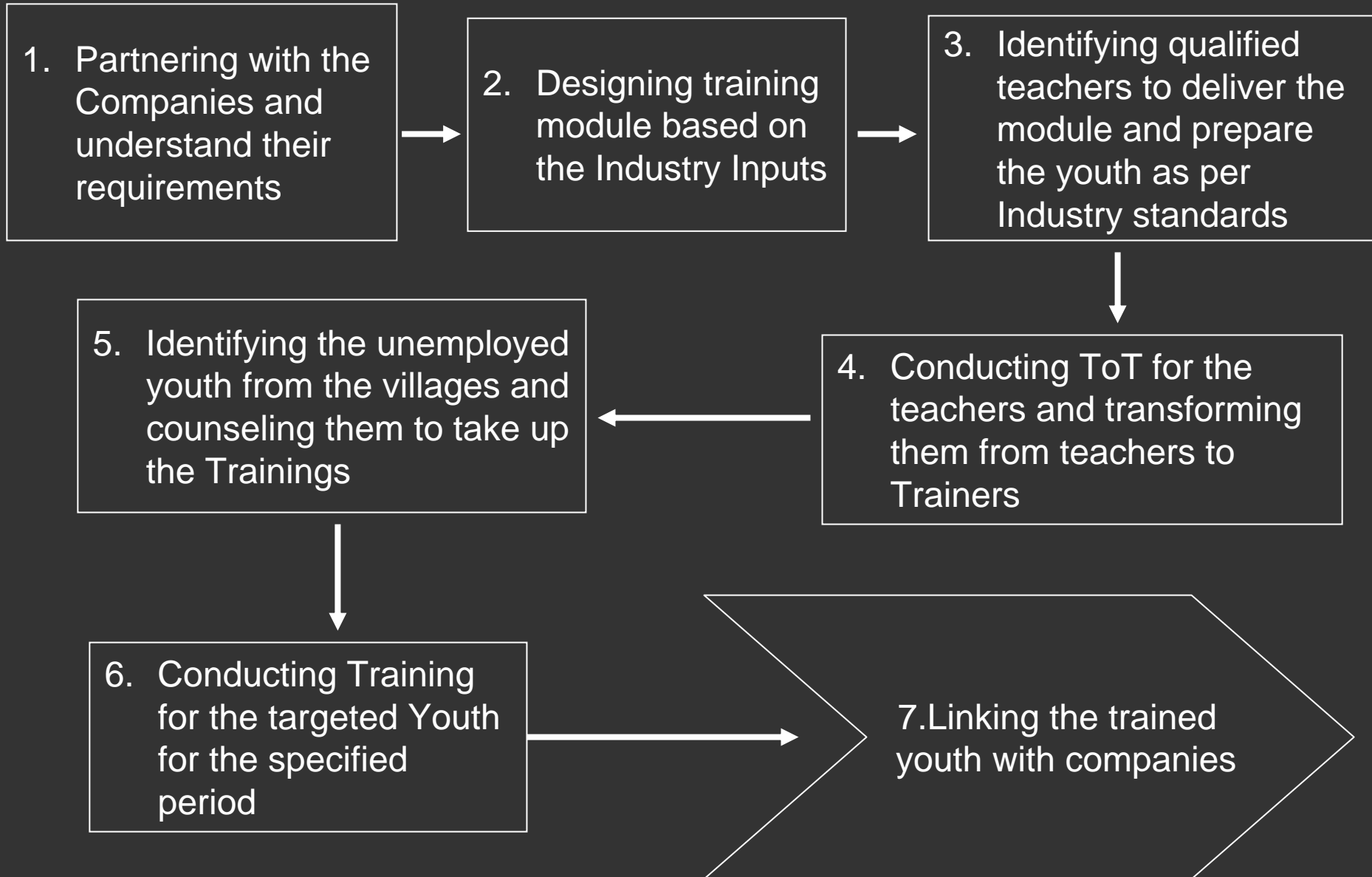
Financial impact of the program on the family



II. RURAL RETAIL ACADEMY(RRA)

- **MARKET OPPORTUNITY:** 500,000 entry level jobs in the south in the next two years
- \$10 billion industry with several new entrants
- Retail outlets opening in smaller towns
- To ensure the rural youth get entry level jobs
- **CHALLENGES:** To establish training centers in remote areas with required infrastructure;
- To create a resource pool of local trainers
- Develop the modules
- Bringing them up to the level of industry expectations

RRA: Process



R R A

- First of its kind in the country
- **Duration:** One and half months
- **Location:** Smaller towns / tribal areas
- Non-frill infrastructure of unused Govt. buildings
- **Curriculum:** Life Skills, Soft Skills, Work Readiness Skills.
- **Specialized Skills:** Customer Relations / Computers / Retailing.
- Exposure visits, Guest Lectures by the Industry personnel
- Rural Campus recruitment

R R A

- 5000 unemployed 10th and 12th grade pass youth enrolled in different Academies
- Identification of the needy done by the network of rural women
- HR Directors from companies fly down to understand this model
- Remarks: **“WE HAVE NEVER SEEN ANYTHING LIKE THIS BEFORE. THIS IS THE NEED OF THE INDUSTRY”**

R R A

- 90% placement in companies like Hindustan Levers, Future group, McDonalds, Spencers, Reliance, HDFC Bank
- Linked to local retail shops and metros
- Now setting up 40 Rural English and Work Readiness Academies
- **Segregated Placement:** Graduates to higher income jobs like ITES
- Opens up wider spectrum of industry placement

III. NEW INVESTMENTS

- **Rural BPOs:** Partner HDFC Bank
- **Manufacturing:** Apache Shoes
- **Textiles:** Maas Holdings, Brandex ,Sri Lanka
- **E G M M Role**
 - Building a data base of rural poor youth from the neighborhood
 - Giving Customized trainings with soft skills
 - Triggers local economy growth

WIN-WIN: FOR COMPANIES

- Filling large number of jobs from the conventional urban labor pool is becoming a challenge.
- Attrition rates are high. Rural youth are motivated and loyal employees.
- Trained rural youth are absorbed by companies looking for a rural footprint who find it difficult to get manpower. These youth know the rural markets best.

STAKE HOLDER INVOLVEMENT

COMPANIES

- Industry Involvement in module development
- In guest lectures
- Mentoring youth
- **Recruitment**: Demand - Supply gap : A Felt Need

WIN-WIN: FOR GOVT.

- Educated Unemployed Youth in remote villages are frustrated. This results in social problems, Giving employment motivates and transforms the youth.
- Sustainable solution to poverty alleviation
- Return on investment for the government is high.
- Measurable Impact in a short cycle of fifteen days to three months

GOVERNMENT INVOLVEMENT

- Institutional framework for PPP: Private sector team in the state / senior committed govt. officer
- Setting standards and initiating market-linked trainings
- Facilitating scale with the machinery
- Making available required Budget
- Providing sensitive support mechanism for geographical mobility

WIN-WIN : FOR RURAL YOUTH

- Gives youth self confidence and a level playing field with the urban counterparts
- Gives him/ her the first window of opportunity after which the youth moves to better jobs using his skill base
- Family uses the money to Educate the siblings
- Sends money to the village and this stimulates growth of village economy
- Removes in a short span of time the stigma of poverty

COMMUNITY INVOLVEMENT

- **Felt need of Mothers** : 100000 unemployed in every district
- Identification of needy done by SHG network
- **Trained Job Resource Persons**: members of the community to identify/counsel
- Exposure trips to see their children at work
- Offer market-linked choices and a second chance
- Bottoms-up approach

YOUTH 4 JOBS FOUNDATION

■ Model is replicable in Developing Countries with the following conditions:

- A growing developing economy
- Progressive government machinery
- Private sector team
- Involvement of the communities of the poor

■ Institution for customizing this model:

YOUTH 4 JOBS FOUNDATION

PPP as a Development Engine: Rajad Gupta

“Business loses opportunity, government loses credibility, but society loses most of all”

THANK YOU

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