



Employment : Yesterday, Today and Tomorrow - An Indian Perspective

KEYWORDS

Indian economy, Employment, Job opportunity, Growth

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ABSTRACT

Employment can be defined as an occupation by a person who earns his/her livelihood. The entire employment scenario, in India, can be divided into three phases, namely, pre-liberalization, reform phase and stabilization. Post independence era was dominated by Agriculture industry. Liberalization unleashed a new era in the economic history of the country. With differential growth of employment among different sectors of the economy, there have obviously been changes in the structure of employment. The economic boom that is being experienced in India is largely attributed to the globalization and liberalization of the Indian economy. There is not only change in the composition of employment but also in the type of employment in every category. Whatever be the employment pattern of society, the productivity of an organization depends on efficiency of work-force.

Introduction

Employment can be defined as an occupation by a person who earns his/her livelihood. It is one factor which controls the wellbeing of not only a single person, a family but of an entire nation. The entire employment scenario, in India, can be divided into three phases, namely, pre-liberalization, reform phase and stabilization. In all these three phases the employment structure varied significantly. It has also affected the number of players in every industry. Likewise, the type of worker required in every industry has also changed considerably. Previously, industries required labors who can handle mechanical work. But, the situation has altogether changed. To be employed, a person must possess the primary skills associated with the nature of the production. He or she must be able to contribute labor and expertise to the endeavor of the company. This has altered the level of professionalism in the country. The next employment avenue which is getting impetus is Entrepreneurship. To combat unemployment government of India is promoting entrepreneurs by rendering helping hand at every stage of establishment. Thus, the entire battlefield for employment of India has changed with the passage of time. This change has offered plethora of jobs to Indian populace as well as foreign immigrant.

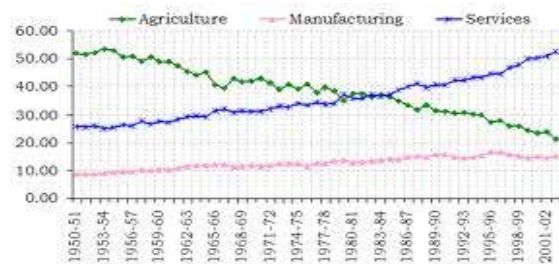
Employment in India-Yesterday

Free India, thus, adopted a format of closed economy to protect from foreign invasions. Since 1965, the use of high-yielding varieties of seeds, increased fertilizers and improved irrigation facilities collectively contributed to the Green Revolution in India, which improved the condition of agriculture by increasing crop productivity, improving crop patterns and strengthening forward and backward linkages between agriculture and industry. The second most important industry was manufacturing. Service industry accounted for a very low percentage. But, the concept of so called protectionist economy did not work. The economy was then characterized by extensive regulation, protectionism, public ownership, pervasive corruption and slow growth. A huge public sector emerged. State-owned enterprises made large losses. Infrastructure investment was poor. License Raj established and corruption flourished under this system. The cumulative affect came in the face of unemployment, pseudo and under-employment.

Employment in India-Today

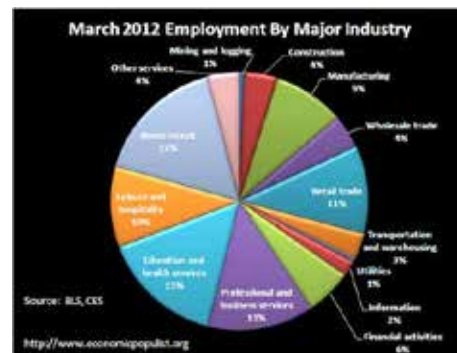
With differential growth of employment among different sectors of the economy, there have obviously been changes in the structure of employment. Among the three major sectors by broad division of economic activity, namely, agriculture, industry and services, there has been a decline, as expected,

in the share of agriculture and increase in the share of industry and services in total employment. During the period when the share of employment in agriculture declined from 74 per cent to 57 per cent, its contribution in GDP declined from over 40 per cent to 22 per cent; and, when the share of services sector in employment increased from 15 to 26 per cent, its contribution to GDP increased much faster from around 30 per cent to 52 per cent. India's labour force consists of 45.9 crore workers. Out of these, 43.3 crore (94%) are in the unorganized sector and the remaining 2.6 crore (6%) are in the organized sector, according to a survey conducted by NSSO.



(Source: Salient Features of Growth, Efficiency and Technical Change in Indian Economy, Panchanan Das)

After liberalization the economy had grown at more than 6 percent on the average during the period 1990-2004 (Agarwal, 2008). India's overall employment growth also has considerably increased from one per cent per annum to nearly 3 per cent and industrial employment growth increased from 2.9 per cent to 4.2 per cent, between 1993-94 to 1999-2000 and 1999-2000 to 2004-05 (Unni and Raveendran, 2006 and 2007).



Employment in India: Tomorrow

The economic boom that is being experienced in India is largely attributed to the globalization and liberalization of the Indian economy. There is not only change in the composition of employment but also in the type of employment in every category. Newer and newer jobs are coming in every sector. Manufacturing industry is trying to fulfill each and every unsatisfied demand of consumer. In that stride, they are creating newer and newer products with greater customization. So, they require laborers and professionals who can think out-of-the box. So, we have job opportunities in areas like bio-technology, chemical engineering, space research, meteorology etc., which were never talked about. Services are also on the same stream. The increase in services sector is fuelled by the continuous growth in Information Technology.

Constructive Factors behind Paradigm Shift Globalization

The year 1991 was the turning point in the history of Indian economy. India is still reaping the benefits of Globalization. The role of government has also changed accordingly. In fact, liberalization, the only single phenomenon which has changed the playfield of India, was governed by the philosophy of government.

Globalization has affected employment in several ways:

(a) Structure of jobs:

Globalization has ignited the developmental process through out the country. Development which was restricted to the geographical boundaries of only metropolitan cities has now become the attractive feature for new companies. They want to exploit the untapped market which is situated in the remotest corner of India.

(b) Composition and number of jobs

This is the era of smart work. Incumbents need to have more professional attitude and formal education. With the increase in the number of players in the country, there is not only enhancement in the quantity of jobs but also the quality. This indicates that now we have variety in the openings. Before liberalization the Public Sector was the major recruiter. People were hesitant in joining the Private Sector. Situation has changed now. Seeing the monetary growth in the Private Sector, aspirants are more interested in that.

(c) R&D jobs

Customer has wide variety in companies as well as in products. He has become choosy now. So, the companies are leaving no stone unturned to woo their customers. For that they are innovating and inventing. So, once a backseat activity is now demanding the largest chunk of finance. So, the employees are required to devote their time in brainstorming apart from their usual routine.

(d) Job earnings

Multinational companies have brought international standards of compensation. Moreover, legislations regarding Industrial Relations have also strengthened. This has finally resulted into increased salaries and wages. Job security has also increased because of number of players.

(e) Migrations

There is cross country movement of human resource because of globalization. This results in knowledge spill over. This has enhanced the quality of work force in the country. So, the employees are looking for specialized jobs rather than menial jobs.

(f) Employment Conditions

Employment conditions have improved considerably. With the incoming of MNCs, the work culture is more conducive. Organizations are realizing that there is direct relation between company revenue and employee productivity. Expenditures on employees are treated as investments now.

Infrastructural Development

Infrastructure is the backbone of a country. India is moving

from the phase of market reforms (1990-2010) to the new era of sustainable development. The priority is not only on growth, but on the triple bottom line of growth, equity/inclusion, and environmental sustainability. India has the manpower, resources, and technology to address any and all issues and challenges confronting the developing world. Looking back at the first decade of the 21st century – 2000-2010 – one can strongly believe that this decade indeed can be called – India's Decade of Development. This development has paved way for greater industrialization and in turn consumerism. A 360 degree development has created job opportunities for all streams because of better education-industry linkages.

Technological Advancement

The introduction of technological improvements starts the new cycle. The technology adoption promoted economy growth, at the same time it exerted great impact on employment quality and skill structure. New technologies opened up employment opportunities in new and emerging sectors. With the liberalization of Indian economy in 1991 a number of private players started carving a major role in the economic output and simultaneously governments both at the centre and state levels started assuming a smaller role in running businesses increased domestic and foreign competition resulting from the economic reforms induced domestic manufacturers to improve efficiency and bring into use advanced technologies on larger scale (Goldar & Kumari 1999). This is supported by the fact that during the period 1991-98 there were about 3250 technical approvals in India with the top five technical collaborators (Kumar Ajay 1999:1001). The subsequent break down of trade barriers, globalization, advancements in Information and Communications Technology (ICT) and well accepted management ideas such as TQM on quality, JIT, Computer Integrated Manufacturing(CIM) & Lean Production(LP) have served to magnify the impact of technology on employment relationship globally and India in particular.

Demography

There has been a drastic change in population parameters of the country. India is one of the highest populated countries in the world. After globalization, it has always been an attractive place for investors because of cheap labor. India has, what we call, population dividend. There is remarkable increase in the literacy rate of the country. That is why; foreign players have human resource of every kind in right quantity. There is also a change in the workforce composition. With women empowerment, we find equal percentage of male and female in the work place. This has given boom to service industry. There is an increase in the purchasing power of the family. Hospitality, entertainment and other support services. have gained advantage from that. From joint families we have shifted to either nuclear or DINKS (Dual Income No Kids) families. This has again given boost to consumerism. So, in totality demographic changes has become a catalyst in industrial growth.

Urbanization

The boundaries of rural areas are shrinking. Once restricted to only agricultural activities, rural populace is now into the mainstream of development. The companies are installing their manufacturing facilities in the rural areas because of availability of cheap labor and raw material. Besides this, rural population is moving to urban areas to overcome the problem of pseudo, under and unemployment.

Women's Liberalization

The principle of gender equality is included in the Indian Constitution in its Preamble, Fundamental Rights, Fundamental Duties and Directive Principles. With the passage of time the stereotyped society is getting modernized. Today women have proved, by their reverence, their excellence in not holding domestic responsibilities but also professional ones. The transformation of social structure of the Indian society, in terms of increased educational status of women and varied aspirations for better living, necessitated a change in the life style of Indian women. The literary and educational

status of women improved considerably during the past few decades. According to the National Sample Survey Data of 1997, the states of Kerala and Mizoram have approached universal female literacy rates. The GOI has already realized that without the support of women, India will not be able to achieve sustainable development. Private sector is not an exception too. In urban India women have impressive number in the work-force. Hence, women empowerment has been instrumental in changing the work-force composition if India.

Conclusion

India is growing despite of few difficulties; Globalization has given a positive effect to India. Future will be full of opportunities; organizations are looking Indian people with respectful eyes. Now government is focusing is and every sectors so opportunities will come from every sectors.

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