

Workers' Welfare and Corporate Strategies - A Case Study of India

CUTS INTERNATIONAL

INTRODUCTION AND BACKGROUND

- In 2021, India's GDP growth was 8.7 per cent, while unemployment rate was 7.7 per cent
- Numbers hide real stories of millions of workers employed in the informal or unorganised sector



CUTS International conducted a study titled **Workers' Welfare and Corporate Strategies: A Case Study in India**

Aims

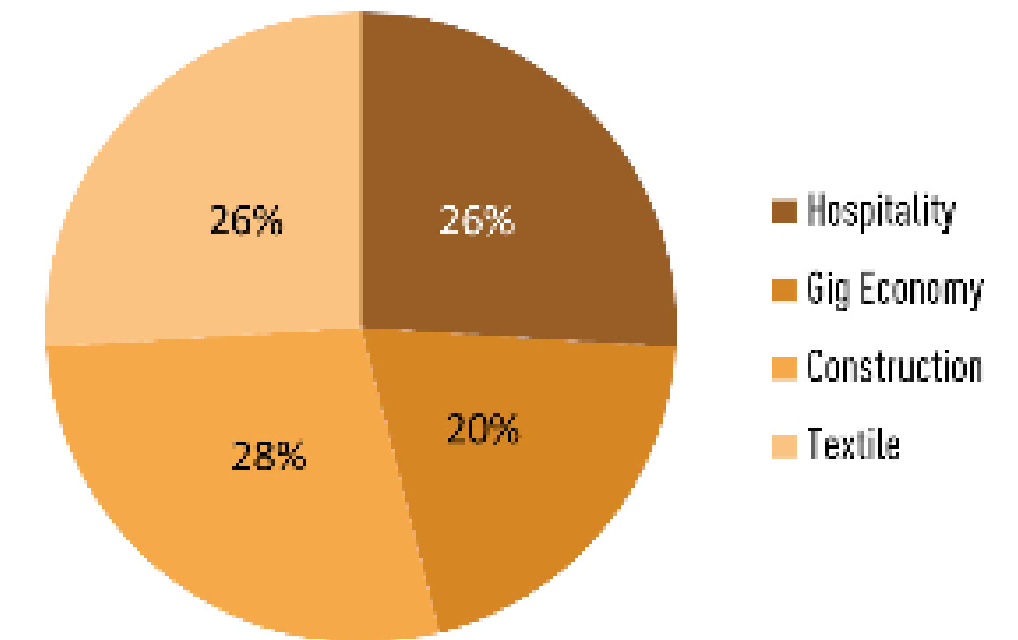
- Understand employers' perspective on workers' welfare
- Identify and learn from the best practices of employers
- Make recommendations for the betterment of workers

METHODOLOGY AND STAKEHOLDERS

- Literature Review
- Primary survey

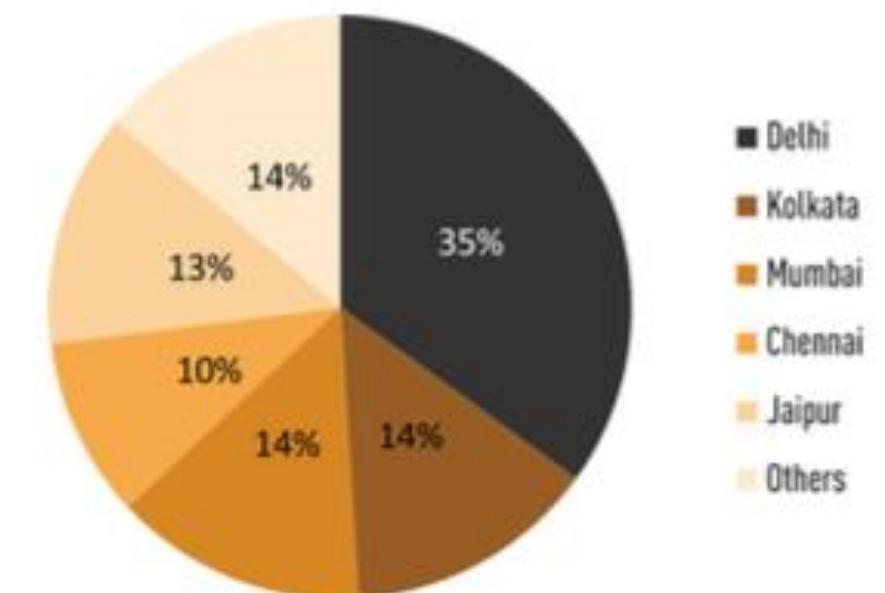
The aim was to capture a comprehensive picture of conventional as well as emerging employment scenarios.

Figure 1: Respondents in terms of Sectors

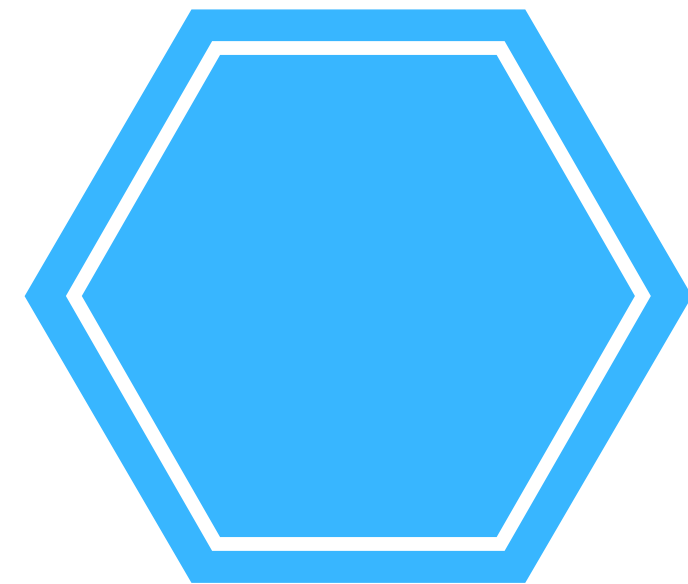
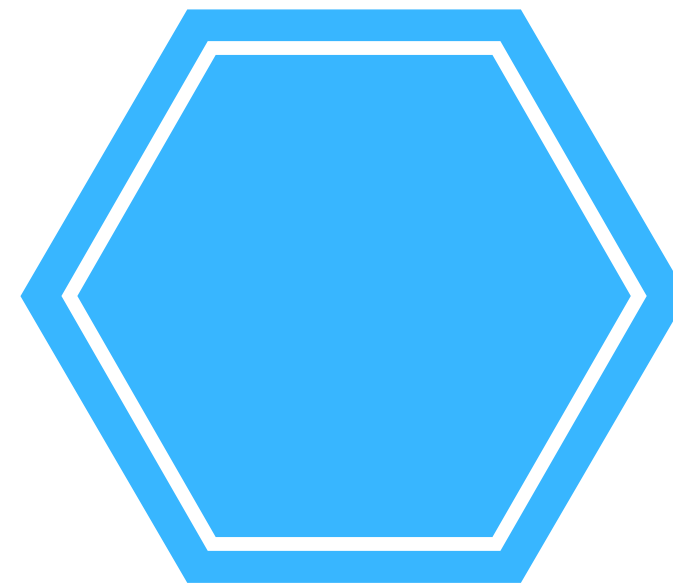
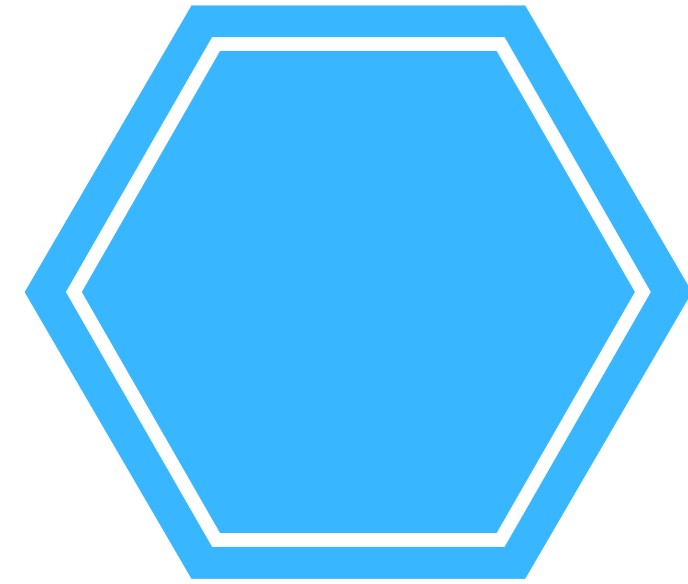
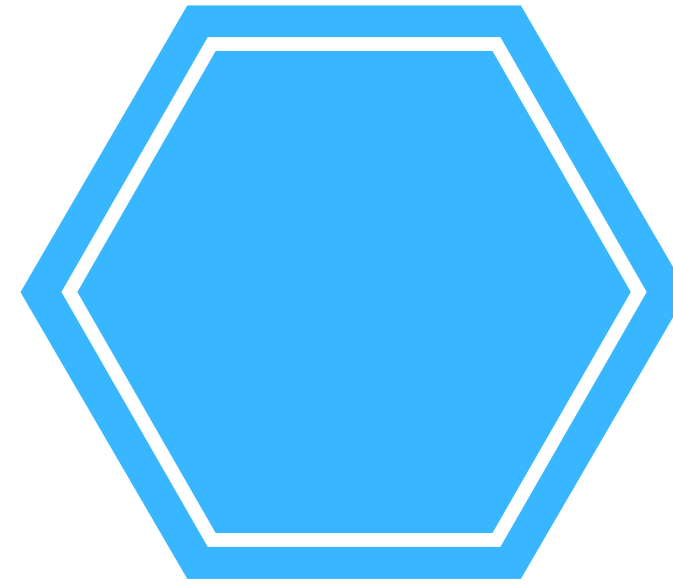


There were 43 respondents from four sectors

Figure 2: Respondents in terms of Geography



FINDINGS AND RECOMMENDATIONS



Status of Contractual Workers

FINDING

Contractual or unskilled workers undergo less formalised hiring methods, have high attrition rates, experience different HR practices than that of on-roll employees, and suffer from skills gap



RECOMMENDATION

CREATE NATIONAL PORTAL

Create new portal or utilise existing ones to connect employers, employees, skills demand and supply, and job opportunities and job seekers

Why and How? : A portal such as this will help to centralise recruitment and help employers and employees. E-Shram - an existing portal - can be developed to incorporate the above-mentioned elements

Workers' Perspective

FINDING

Overall, contractual or unskilled workers are dissatisfied with their working conditions and companies are concerned about attrition rates and disciplinary issues among their workers.



RECOMMENDATION

CONDUCT WORKERS' SURVEY

Conduct a comprehensive workers' survey to obtain a complete picture of workers' welfare in India to provide policy inputs to central and state governments

Why and How? : A survey such as this will complement the current study and can be taken up as the next natural step after the conclusion of the current project

Trainings for Contractual Workers

FINDING

Though a few companies have systems and practices to retain, promote and upskill blue-collared employees, overall contractual or blue-collared workers receive minimal training and often not in ideal conditions



RECOMMENDATION

STRENGTHENING TRAININGS

Organise training programmes and courses through different formats and methods, accounting for realities of blue-collared workers, e.g. by providing stipends, organising trainings on-site etc.

Why and How? : It was felt across-the-board that mostly current format of trainings do not benefit contractual workers. Trainings should be joint effort of governments, National Skill Development Council, sector skills councils, industry associations, companies and civil society

Government as an Enabler

FINDING

Companies even within the same sectors presented a disparate picture on welfare for all categories of workers



RECOMMENDATION

STREAMLINING GOVERNMENTS' ROLE

Make governments enablers to ensure employers follow recommended norms and rules vis-à-vis blue-collared workers and create labour markets which employers find easy to manoeuvre.

Why and How? : There is a need for government intervention to correct current disparities. Greater dialogue between government, employers, employees, labour unions and civil society will help in creating an enabling framework

Impact of Automation

FINDING

Blue-collared jobs will be impacted by automation and advanced technologies as several jobs are forecasted to become redundant and demands for new skills will rise



RECOMMENDATION

NATIONAL STRATEGY ON WORKERS' WELFARE

Draft a national strategy on workers' welfare, automation and advanced technologies that include implementable steps and timelines. Among other issues it should deal with skilling and reskilling

Why and How? : Automation and application advanced technologies are expected to negatively impact unskilled workers. The government should consult related parties while drafting such a strategy

Women's Participation

FINDING

Even though companies have special initiatives to attract and retain women employees, percentage of women workers, especially in blue-collared jobs in these sectors is quite low



RECOMMENDATION

WOMEN'S PARTICIPATION IN WORKFORCE

Adopt measures for boosting women's participation in the workforce by tackling attitudes and making provisions as per women's needs

Why and How? : Increased women's participation in workforce will be beneficial for the economy. Led by relevant government departments, dialogues and frameworks should be developed to approach the issue holistically

Enhancing Awareness on ESG

FINDING

Mostly respondents demonstrated an overall lack of understanding of ESG and CSR (though less for CSR)



RECOMMENDATION

BUILDING CAPACITIES ON ESG

Build capacities and increase awareness on ESG (and CSR) to encourage greater uptake of these by companies

Why and How? : ESG in particular has provided to be a useful vehicle of ensuring social justice is integrated in corporate strategies. Various stakeholders (companies, civil society organisations, industry associations) can jointly organise customised trainings to companies, esp SMEs

Incorporate Sustainability Parameters

FINDING

Mostly sustainable development issues are not a priority for employers in their application of welfare measures for blue-collar workers



RECOMMENDATION

INTEGRATE SUSTAINABILITY PARAMETERS

Ensure sustainability parameters are integrated into policies and strategies for workers such as ensuring health and safety of workers

Why and How? : Impact of adoption of sustainable measures on workers is an oft-neglected topic. Both governments and the corporate sector must be made aware of these aspects so that they can integrate these elements in strategies

TAKING THE RECOMMENDATIONS FORWARD



SPREADING THE MESSAGE

CUTS Team will communicate the findings and recommendations through brief papers and notes, op-eds and articles, and presentations in seminars/ meetings

DIALOGUE WITH GOVERNMENT AGENCIES

CUTS will seek to have dialogues and meetings with relevant government agencies in centre and states to discuss the recommendations

CONTINUITY IN FUTURE WORK

CUTS will incorporate the suggestions in its future work plan and project concepts.



THANK YOU