

RSDC Webinar – ACTION Document

“Demand of skilled workforce in the Rubber Sector Post Covid-19 Lockdown”

15 May 2020 | Key messages & Action Plan

Key Highlights			
		<i>Impact/Challenges</i>	<i>Way Forward</i>
Moderator	Mr Vinod Simon <i>Chairman RSDC</i>	<ul style="list-style-type: none"> • Rubber sector is facing several challenges such as order cancellations, liquidity crisis etc. However, one of the biggest challenges post lockdown is related to workforce. Uncertainty connected with pandemic is adding to the challenge. Uncertainty makes it the worst crisis ever witnessed over the last 3 to 4 decades. • Many industries have started operations. However, 20-40% of the workforce are not there in the respective locations in view of reverse migration. 	<ul style="list-style-type: none"> • In view of paucity of workforce, companies will need to run operations with nearly 30% less workforce. That can be made possible with extremely efficient workforce who are well trained & certified. Skill training is therefore going to play a major role and less workforce if seen as an opportunity could add to the bottom lines of the companies. • Multi-skilling is another requirement going forward. Re-skilling of existing workforce to make them more productive and multi-skilled is the need of the hour.

<p>Speaker</p>	<p>Mr Rajiv Budhraja <i>Director General Automotive Tyre Manufacturer's Association (ATMA)</i></p>	<ul style="list-style-type: none"> • Pandemic has pressed the reset button. No other event has altered our thought processes and response to the situations as much as this Covid-19. • Companies were caught unawares. They didn't have a remote work programme across different sectors. • Covid has changed all that. There is an acute realization of being vulnerable to uncertainties/ shocks. Remote work is now an integral part of life and will continue to be so. • HR is in the spot light and needs to do comprehensive mapping across job roles, across functions, across geographies. There is lot of focus on prioritization – what is essential and what not. • Covid times have necessitated the need for real time response to a given situation instead of a planned one. 	<ul style="list-style-type: none"> • Crisis has thrown up new opportunities too – remote working allows companies to be scaleable, 24x7 operations can be assured to the customers. Number of efficient hours have improved. • Current challenge can lead to business transformation. There is need for constant reskilling • On the horizon - companies will prefer to have lesser dependence on long distance work force. Wherever possible, substitution of workforce by automation will be explored. • More flexibility on state labour laws will be required. It will need to be understood that automation can be a bridge between career growth path and bringing in efficiencies which could be a win-win for companies and the workforce.
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<p>Speaker</p>	<p>Dr K N Raghavan, IRS <i>Executive Director</i> <i>Rubber Board of India</i></p>	<ul style="list-style-type: none"> • These are very challenging times for the 1.3 million NR holdings mostly small and marginal farmers hit hard by the lockdown. Small growers are quickly able to encash the produce by selling to local dealers. System is so organized that a farmer is able to get more than 90% of the farm gate price which is without parallel across commodities. However, business activity came to a standstill and dealers were not buying leading to much distress for rubber plantation workers. • Production in tyre manufacturing was also stalled in view of lockdown. Their inventories were stuck. Other raw materials were also not available. 	<p>Rubber Board is embarking on two projects:</p> <ul style="list-style-type: none"> • First, an incubation centre is being set up by Rubber Board for developing new products. Rubber Board will provide technical advice, consultancy, testing facilities etc all under one roof at Rubber Research Institute. • Second is Entrepreneurship – Returnees from Middle East countries need to be skilled up as future entrepreneurs. Rubber Board has started a programme for adopting untapped plantations so that plantations lying untapped could be tapped and returnees could become entrepreneurs. • Third, we need graduates in the field of plantation management, rubber technology so that they could be trained, do an apprenticeship with Rubber Board so that their services are hired by Rubber Producer societies. • Multi skill workers need of the hour. Besides technical knowledge, need management training for management of plantations. • Rubber Board is running a full-fledged rubber products centre which we plan to expand that into the incubation centre. • Our holdings are comparatively smaller so automation is not feasible. Moreover, we still have enough human resource for plantation sector.
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<p>Speaker</p>	<p>Dr Sudhansu Pathak <i>Chief General Manager – HR/OD JK Tyre & Industries</i></p>	<ul style="list-style-type: none"> • Tyre Industry is a significant part of the economy and accounts for 3% of the manufacturing GDP of the country. As many as 20 lakh people get their livelihood from the Tyre Industry. As such the industry was moving in a slow lane and lockdown has finally put the brakes. • While plants have been allowed to be started, several permissions from state and local authorities need to be sought for even clearing the Work in Progress. • There are restrictions on number of people employed to start operations. • Supply chain issues continue to affect the performance of tyre plants. • Labour force that makes the bottom of the pyramid has migrated. That's another issue Tyre Industry needs to contend with. 	<ul style="list-style-type: none"> • As industry has been allowed to start operations, it needs to follow strict implementation of SOPs and initiate a confidence building exercise amongst Government, employees and other stakeholders. • Drastic cost cutting and cost innovation drive needs to be initiated. <p>Lockdown has also been a learning opportunity for initiating new concepts such as Work from Home, digitization etc.</p> <p>Health and happiness of employees will take priority in the short term.</p> <ul style="list-style-type: none"> • In the long term, process innovation will assume priority. Digitization drive will gather acceleration. Supply chain will be leaner. • Multi-skilling will be the order of the day for which RSDC will need to play a bigger role. • There will be more demand for safety, sanitation and hygiene in sales and services. • Digitally equipped better skilled manpower will be required. Imparting skills to local level people will be another imperative. • On the positive side, people's preference for having own vehicle might boost the industry.
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<p>Speaker</p>	<p>Mr V T Chandhrasekharan <i>President All India Rubber Industries Association (AIRIA)</i></p>	<ul style="list-style-type: none"> • Rubber Industry is a labour intensive sector engaging around 6 lakh people directly and 7 lakhs indirectly. • Besides being labour intensive, Rubber Industry is dominated by MSMEs. There are around 4700 operative rubber units in India. • Most of the workers employed are unskilled or semi-skilled. The general practice has been to get the unskilled people on board, put them on the job and train them over the job. The coming in of RSDC was a great boon for the non-tyre sector. • As industries are opening up, we are facing lot of shortage of labour. Workers migrating to their villages have left a severe shortage crunch. 	<ul style="list-style-type: none"> • Going forward there are lots of opportunities too. PM's idea of looking inwards puts the emphasis on skilling our workers to look at future market, export market too. • It is expected that the industry would recover in a year's time. We need to spend resources now for a trained manpower so that when normalcy returns, the companies are ready with a skilled manpower. • In non-tyre sector most of the job roles can't be performed by operating from home. However making short term adjustments to workforce deployment which includes new local workforce or limited skilled workforce can ensure employee safety. • Having a motivated workforce is a must during these difficult times. Evaluation of employee benefits to maximize productivity will help. • Skilled workforce is the need of the hour to maximize productivity & output and for that services of RSDC and its job portal for getting technically trained candidates is of immense value.
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<p>Speaker</p>	<p>Mr Gaurav Kapoor Senior Head- SSC Governance National Skill Development Corporation (NSDC)</p>	<ul style="list-style-type: none"> • Currently all training centres are closed. Restarting the physical training will also be a big challenge. • Demand for high-end products could fall short in the near-term. How to revive the demand at the earliest is a major concern. 	<ul style="list-style-type: none"> • As far as plantations are concerned, we will need to look at reskilling of local people since lot of people from northern and eastern states who were involved in plantations have migrated. On the industry side, few jobs can be looked at through automation. • Going forward, capital cost will be lower than the labour cost. Locally available labour force who will need to be reskilled would probably come at a higher cost. • There is opportunity for some vocational training to come into online and digital formats. • Common denominators across sectors will be health and hygiene or protective gear. Sanitation training can be created in a digital format and can be delivered online. • Secondly Apprenticeship should emerge in a big way. Companies who require manpower could actually attract apprentices. Government is funding the stipend partly. Both tyre end non tyre sectors could look at more hiring more apprentices.
<p>Speaker</p>	<p>Ms Sangeeta Gupta Sr Vice President 2Coms</p>	<ul style="list-style-type: none"> • Industries demand for manpower will be upmost post the Covid19 Lockdown phase. We have to think of manpower management • The workforce which is backbone of the Industries are now in fear Many of those already have reached back to their native places and quite a large volume are struggling and looking for first option to catch their drive towards their home town. 	<ul style="list-style-type: none"> • Manpower oriented industries such as Rubber sector have to come up with new strategies considering large migration of workforce. • National Apprenticeship Promotion Scheme (NAPS) is one of the strong tools to overcome the post-Covid manpower crunch. • NAPS has several benefits. It brings down the cost of acquisition, brings down high salary cost, reduces a part of the training cost and reduces attrition.

Industry Strategy

Manpower- oriented Industries have to come up with a new policy to retain their workforce and to motivate them to get back to their place of work. They need to provide enough confidence and help them to regain their enthusiasm to work. Companies need to look for replacement of those manpower who find it difficult to return back, with new trainings and engagement.

RSDC Action Plan:

- RSDC is in the process of developing online training content and created an in-house platform for the students, in-service professionals, trainer and assessors to access the E-Learning content on their mobile / laptop / tab etc.
- Manpower support to the various Industrial segments across the country and with the present manpower network available in regions, RSDC training organizations can support effectively as per the industry requirements.
- Training organizations will mobilize candidates from the same region or adjacent to the industry locations if possible to get the right candidate.
- RSDC is working closing with state governments to train and deploy the migrant workers back to the industry

Next Steps for the Industry:

- Industry can share their manpower requirement on the RSDC job portal <http://placements.rsdcindia.in>
- To hire apprentice and participate in National Apprenticeship Promotion Scheme (NAPS), industry can register at www.apprenticeshipindia.org
- Industry can also share their employee's reskilling needs.
- Industry members can reach out to following RSDC officials to know more.

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