Empirical Research on Second Career Options for Ex-Service Personnel in 'India Incorporated'

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Introduction

The primary task of the 1.3 million strong Indian Army is to safeguard India's territorial integrity against external aggression. In addition to its primary role, the Army is actively involved in internal security duties and provides aid to civil authority when called upon to do so, for the maintenance of law and order and disaster relief operations.[1] The structure of the Army has been accordingly fine-tuned to meet India's internal and external threat perceptions given the existing geo-political construct. In order to maintain a youthful profile of the armed forces, approximately 60,000 Service personnel are retired every year at a significantly younger age of 34 to 48, depending upon the rank. Almost all Ex-Servicemen (ESM) owing to their early retirement and resultant familial responsibilities-require assistance for resettlement, rehabilitation and absorption in the civilian stream. This reservoir of disciplined, motivated and skilled manpower is seldom utilised to its true potential by either the public or private sector. In 1919, post World War I, the British government had established the Indian Soldier's Board for management of ESM issues which related mainly to payment of pension and allied issues. Over the years, the management issues of ESM have grown in vast proportions, especially towards their rehabilitation aspects. The availability of government jobs is diminishing while there is stiff competition in the employment market due to lack of information and job related skills, preventing ESM from tapping India's fast growing corporate sector that in currently in dire need of skilled manpower. The Director General of Resettlement[2] (DGR) a major stakeholder in the resettlement of ESM has taken a number of initiatives in this direction such as signing of specific Memorandums of Understanding (MoUs)[3] with the industry associations such as Confederation of Indian Industry (CII). However, till date, there exists no effective mechanism which can bridge the gap

between the employment aspirations of the ESM and the Human Resource (HR) requirements of the corporate sector.

Research Methodology

This study has been undertaken by the author as primary research covering a cross-section of stakeholders, with its scope covering the employment avenues for ESM only in the corporate sector. The underlying problem statement that has prompted this research is that "there exists a systemic problem resulting in suboptimal utilisation of skilled human resources of the Army by India Inc, leading to a non-fulfilment of its HR requirements as well as the aspirations of the ESM, at the same time, leading to a low utilisation of a vast pool of this national talent". The objectives that the study sets out for itself are, *firstly*, to ascertain the HR requirements of the Indian corporate sector in terms of both numbers and competencies desired by them and, *secondly*, to examine the optimality of the existing resettlement apparatus towards meeting the HR requirements of the Indian corporate sector. The study recommends measures for equipping the ESM with the requisite skills for making them industry ready by identifying the gaps in the existing resettlement apparatus. Based on a cross-sectional research design[4] the first sampling frame consists of 526 samples from three categories of population *viz*, *firstly*, the ESM; *secondly*, the retired and reemployed soldiers of the Defence Security Corps (DSC); and, *thirdly*, the serving soldiers from the Regular Army (RA) who have been examined as a part of the primary survey. All three categories have certain defining characteristics which also underscores their need for a second career. *Firstly*, they possess a low level of educational qualification which is a result of their induction into Service at a very early age and the hostile Service conditions. *Secondly*, most of the soldiers retire between the ages of 34 to 37 in the prime of their life and are burdened by all familial responsibilities. *Thirdly*, the annual income of the soldiers, in the case of all three population samples, is quite low, with 81.6 percent of the samples surveyed logging an income below INR 2 lakh per annum, thus, forcing them to look for a second career after retirement. *Fourthly*, 80.6 percent of the soldiers surveyed belong to a rural background and 50 percent of them have agriculture as their traditional family profession which does not generate any substantial income. *Fifthly*, their wives are also

not very well qualified, with 91.7 percent of wives having a qualification of higher secondary and below, hence, they are unable to contribute significantly to the family income.

As a second sampling frame, 42 entities from the corporate sector to cover the 21 high employment growth sectors identified by the National Skill Development Corporation (NSDC) were also surveyed in order to arrive at their HR requirements[5] . Presently, the Information Technology (IT) sector employment of ESM ranges from 2 to 6 percent while the Services sector has maximum ESM employed at 60 percent in certain sub-sectors such as the private security services while the manufacturing units surveyed employ up to 30 percent. The retail sector, on the other hand, employs between 15 to 20 percent ESM. The overall optimality of the existing resettlement system in terms of meeting the HR requirements of India Inc was measured by dividing the concept into suitable constructs and variables using exploratory factor analysis as elaborated in the subsequent paragraphs, and remedial measures have been suggested in the form of recommendations. Both 'Statistical' and 'Systems' approaches have been used to arrive at the recommendations in terms of 'process' and 'structural' reforms. The subject research concludes that the Indian corporate sector is not utilising the trained and skilled manpower resources released by the Indian Army[6] due to the absence of an optimal resettlement system and Army-industry interface.

Global and National HR Trends
There is a global HR shortage of skilled manpower with employers finding it difficult to get the right people to fill jobs. Japan leads the count with upto 85 percent of skilled manpower followed by Brazil with 68 percent, Hong Kong with 57 percent, New Zealand with 51 percent and India with 48 percent [7] which is more than the global average of 34 percent. At the same time, 41.2 percent of the working age manpower is either unemployed or underemployed globally. India has been ranked 78th in terms of talent competitiveness of its human capital which indicates a shortage of skilled workforce in the country[8]. Talent mismatch is, thus, a tangible problem in the country today and the deficit is not confined only to the highly skilled category but also pertains to moderate crafts such as carpenters, plumbers, masons, and electricians which have topped the global list of jobs difficult

to fill. At the macro level, factors affecting HR placements are demographic shifts, changing economic conditions, motivations and preference which are profoundly affecting individual choice as also the role of customer sophistication and the technological revolution.

Governments and employers are taking steps to address the existing talent shortage trends. These include improving educational and vocational training provisions, adopting strategic migration policies, bringing the economically inactive into a more inclusive labour market, and encouraging skilled and experienced older individuals to remain in employment. India lags far behind in imparting skill training as compared to other countries. Despite making considerable progress in terms of literacy, particularly after the launching of the Sarva Shiksha Abhiyan, the high incidence of illiteracy continues to cripple the workforce.[9] Only 10 percent of the total workforce in the country receives some kind of skill training of which a mere 2 percent is formal. Further, 80 percent of the entrants into the workforce do not have the opportunity for skill training.[10] Only about 8 percent of the total workforce between the ages of 15 to 59 out of 431 million is in the organised sector. Moreover, only 25 percent of the total Indian professionals are considered employable by the organised sector.[11] The unorganised sector, on the other hand, is not supported by any structured skill development and training system of acquiring or upgrading skills.

India is expected to grow at a rate of 8 percent, on an average, in the next ten years. More than 700 million Indians are estimated to be of working age by 2022. The country had set a tough challenge in the field of vocational education in the Twelfth Five-Year Plan which aims to increase the percentage of the workforce with formal skills to 25 percent. Unfortunately, a vast majority of students still prefer the dead-end and non-value adding graduate degree to a more useful vocational training.[12] It is estimated that 50 to 70 million jobs will be created in India over the next five years and about 75 to 90 percent of these additional employment avenues will require some vocational training. At least 3.2 million jobs will be created in the private sector by 2017, with retail slated to be the biggest generator of mass jobs, followed by IT and IT-Enabled Services (ITES) fuelled by total IT exports rising from USD 10 billion in 2000 to USD 112 billion by 2015[13]. Logistics and warehousing, telecom services, financial services, hospitality and automobiles

are other such employment generating and growth areas. Given the skill deficit faced by the corporate sector, it is imperative that it should also focus on meeting its HR requirements from the rich resource pool of the Indian armed forces[14] as one of its principal strategies.

Appraisal of the Existing Army Resettlement Apparatus

Existing Resettlement Structure

The union and state governments are jointly responsible for the resettlement of ESM. The Ministry of Defence (MoD) is the controlling ministry for ESM affairs, represented by a 45 member Kendriya Sainik Board (KSB) chaired by the Raksha Mantri (RM), as the apex body at the central government level. The KSB lays down policies, guidelines and schemes for the welfare and resettlement of ESM, for implementation by the central and state governments. At the state level, this subject is allocated to one of the nodal ministers in the state government and the Secretary of the department concerned oversees the work of the Rajya Sainik Board (RSB). The department of ESM Welfare[15] (DESW) has the Zila Sainik Boards (ZSBs) in the states and is headed by a Director. The RSB exercises general control and supervision over the ZSBs, some of which cover more than one revenue district. The District Collector is the Chairman of the ZSB.

DGR is a tri-Service organisation functioning directly under the MoD, responsible for management of ESM affairs. DGR deals with policy, planning and placement of retired, regular and Short Service Commissioned (SSC) officers and Personnel Below Officer Rank (PBOR) of the three Services, who have registered themselves with DGR for employment assistance. It also provides opportunities to eligible ESM through providing access to the concessions authorised to them by various central and state governments in civil government jobs. These concessions are reservations in government departments, Public Sector Undertakings (PSU), nationalised banks and Central Armed Police Forces (CAPF). One of the prime responsibilities of DGR is to provide training to the ESM post retirement in order to make them industry-ready. A number of training courses are being conducted in the fields of management, administration, IT and security which would help the industry to absorb the ESM. DGR endeavours to carry out constant

improvement to these courses to enable them to meet the requirement of the industry, however, its success rate in generating employment, especially in the corporate sector is not very encouraging.

Another major stakeholder in the entire gamut of resettlement is the Army Placement Agency (APA) which functions directly under the Army. Established in 1999 to assist ESM in seeking avenues for suitable jobs in civil as second career option, APA is in addition to, yet independent of, DGR. The present set-up of APA has a network of a dozen Army Placement Nodes (APNs) and 46 Army Placement Satellite Nodes (APSNs). These nodes undertake all functions, including registration, placement and business promotion activities. To cater for wide dispersal of ESM and to provide a larger reach to APA, APSNs have also been established at the regimental centres and formation headquarters to help Army personnel in registering with APA without difficulty. This facility also enables regimental centres and formations to undertake placement assistance activities in real time and cut down on processing delays. The resettlement apparatus is presently unable to meet the aspirations of the ESM in terms of initiating them into a second career in the corporate sector. The resettlement endeavour so far seems to be a parochial Army effort rather than a national commitment though a number of steps are now being taken by the government through alliances with industrial conglomerates.

Aspirations of ESM

As a part of the subject research, the aspirations of ESM with regard to obtaining a second career were measured through primary structured face-to-face interactions and fielding a survey questionnaire to the first sampling frame. The aspirations were sought to be measured in respect of certain primary concerns of the ESM and the detailed findings have been discussed in the subsequent paragraphs. Examination of survey data reveals that there is a wide variation between the aspirations of the PBOR, both serving and ESM, from the resettlement system and the ground reality faced by them in the job market once they retire. PBOR aspirations were measured to cover the following areas:

- Preferred place for choosing a second career.
- Type of job preference for a second career.

- Salary expectations from a second career.
- Skills and education qualifications held by ESM *vis a vis* the career desired.
- Resettlement support.

Place Preferred for Second Career: Some 79.7 percent of PBOR respondents prefer a job in their home district while 97.3 percent respondents indicated that they aspire for a job in their home state. However, the survey also revealed that 80.6 percent of the ESM reside in rural areas post retirement where the job availability is very limited,[16] making it is very difficult for ESM to seek out corporate jobs unless the DGR makes concerted marketing efforts to motivate them away to urban centres where corporate jobs are available. When the place for a job preference was compared to the 'category' of PBOR i.e. both serving and retired, it revealed a positive statistical co-relation between the two (chi sq .002) which indicates a common response to this issue by both ESM and serving soldiers. Similarly, a comparison of place of post retirement 'preferred second career' with the 'annual income' also revealed a significant association (chi sq .002). Hence, it concludes that income will have a relation with the choice of place of work. Since 79.8 percent of respondents have an annual income between INR 2 to 5 lakh, most of them would prefer to work closer home in view of family commitments. However, if the remuneration is good enough, the ESM may accept a private job away from their home district. While, surprisingly, there is no statistical association visible between the educational qualification of respondents and the choice of place for a second job (chi sq .091). However, when the wife's qualification is taken into account and compared, it shows a significant statistical association (chi sq .017) with the choice of place of the second career. Hence financial security which is embedded in the qualification of the wife is a deciding factor in the choice of place for the next career. Any rehabilitation decision for ESM, therefore, needs to be sensitive to this fact.

Type of Job Preferred: The primary survey for preference by ESM of type of job for a second career also threw up certain pertinent observations: 85.9 percent respondents indicated a preference for government jobs followed by 11 percent for self-employed opportunities, followed by 3 percent for the private sector. This figure when compared with the DGR's low success in getting government jobs indicates a mismatch between the

the aspirations of ESM and the delivery of the system. There is a significant statistical relationship between the preference for government jobs across both categories of serving and ESM (chi sq .002). Similarly, education level has a significant association with the choice of job of the respondents (chi sq .027). However, when we compare the job preference with the income parameter of the respondents, it reveals a non-significant value (chi sq .706) which concludes that there is no statistical association between the income of respondents and their choice for a government job which may be fuelled by alternative considerations of comfort, security, power and perks associated with a government job rather than financial considerations. The preference for a government job is also not linked to the wife's educational qualification statistically (chi sq 1.000). The government jobs are limited and efforts have not proved successful to motivate ESM to opt for private sector jobs which display a very low percentage in their choice. There is, thus, a requirement on the part of DGR to carry out extensive perception management so as to attract the ESM towards corporate sector jobs in urban centres.

Salary Expectations: Range of salary expected by soldiers seeking a second career was surveyed and it was revealed that as high as 72.7 percent respondents are seeking a salary between 75 to 100 percent of the last salary drawn in their second job. Given the constant level of income across the strata, there is also no significant association between income levels and salary expectations (chi sq .801). The wife's educational qualification also has no statistical relationship with the salary expectations (chi sq 0.298). On the other hand, if marital status is compared to salary expectations, it is seen that the association is significant (chi sq .003). Also, both categories of ESM and serving personnel exhibit a significant association with the expected salary (chi sq 0.000). Unfortunately, salary expectations of ESM are not matched by their educational qualification and skills, hence, jobs are hard to come by. The education qualifications held by the population surveyed are low, with 89.5 percent having a qualification of HSC and below. Skill sets held by various categories of personnel are limited to maximum in the security sector followed by storekeeping and driving skills. Certain skills in office work and the clerical side were also held by these personnel. The primary survey reveals that 35.2 percent are trained in security duties, followed by

12.8 percent of drivers, followed by 10.4 percent in IT related skills. The corporate sector today desires job related skills such as IT skills, English language skills, data management skills, planning skills, decision making skills and negotiation skills. These are the areas in which the ESM are not equipped by the existing resettlement system to the extent and the proficiency desired of them. This aspect needs to be remedied.

Resettlement Support: A soldier aspires to be supported by the resettlement system to provide him with a second career. These aspirations are not matched because, *firstly*, the DGR is perceived to be an ineffective organisation by 82.7 percent of the respondents surveyed; s*econdly,* there is no institutional counselling anytime before retirement between the soldiers and DGR and other placement agencies in the view of 83.7 percent of the respondents surveyed; and, *thirdly*, the skills gained by the individuals during their service are not aligned to the requirement of the second career in the civil stream, as emerged from the response of 83.8 percent of the respondents surveyed.

It can, therefore, be inferred from the above, that the PBOR aspire to seek a government job in their home district which gives them approximately 75 percent of their last salary drawn with their existing skill sets and educational qualifications. However, the reality is that the resettlement system is unable to offer them government job due to lack of availability, and policy constraints. Also, the resettlement apparatus is ill equipped to provide them either the requisite education qualification or the skill sets desired by the potential employers i.e. the corporate sector. This results in ESM getting low paid jobs in the private sector, usually as security guards[17] which does not meet their aspirations. Primary responses from ESM with respect to training indicate that 75.9 percent of ESM surveyed have not done DGR courses, indicative of the sub-optimal performance of the resettlement apparatus. Also, 94.7 percent respondents are willing to pay up to INR 75,000 for DGR courses, thus, highlighting the need for a second career. Surprisingly, 40.2 percent of the population surveyed responded that it had no objection to joining the Central Armed Police Force (CAPF) as a constable which again indicates that the ESM will resort to even accepting a significantly inferior position for a second career. The overall conclusion is that there is a mismatch between the aspirations of the PBOR with regard to a second career and the ground

reality of the job market, given the capabilities and limitations of the existing resettlement system.

Optimality of the Resettlement System

The resettlement system was examined from the optimality point of view by factorising it into various variables using exploratory factor analysis i.e. *firstly*, the visibility of DGR in the eyes of its customers; *secondly*, from the availability or the access to the various respondents applying for various resettlement courses; *thirdly*, the system was examined from the point of view of adequacy of resettlement training imparted by DGR as perceived by the participants and the ability of DGR training to provide them with a second career. The aspect of adequacy also focussed on the need to recommend new courses as also the perception that the skills in which the training is imparted are aligned to the competencies required in the contemporary job market, and, lastly, from the effectiveness point of view which is to define whether DGR is an effective organisation in the perception of the three sampling frames *viz* the ESM, DSC and RA. The measurement questions were fielded to the survey population and the results obtained from the above were statistically tested through various techniques to establish the significance of responses between the ESM, DSC and soldiers of the RA. The results are shown as under:

- While 68.5 percent of the population surveyed indicates a *significant lack of awareness about DGR and the courses it conducts*, the view of the ESM and DSC who have already retired and have a greater exposure to DGR is, indeed, stronger than that of the serving soldiers who have yet to interact with DGR.

- 57.3 percent of the population surveyed has faced varying degrees of *difficulty in subscribing to DGR* courses, however, the view of the ESM and DSC who have already retired and have a greater exposure to DGR is, indeed, stronger than that of the RA who have yet to interact with DGR.

- 75.5 percent of the population surveyed indicates that existing *DGR courses are not adequate* to get them a desired second career.

- 62.7 percent of the total population surveyed *agree that new courses need to be added to the DGR curriculum;* the RA has a less strong opinion on this subject when compared to the ESM and DSC since these two categories are already dealing with DGR and the courses conducted by it.

- 83.7 percent of ESM DSC and RA uniformly agree there is *no in-service interaction* between DGR and soldiers prior to their retirement.
- 83.8 percent of ESM DSC and RA uniformly agree that the skills acquired in service have very *little relevance in the outside job market.*
- 82.1 percent of the population surveyed agrees that DGR is an "ineffective organisation", however, the opinion of ESM and DSC in this regard is much stronger than that of the RA since the RA has not yet been directly dealing with DGR.

HR Requirements of the Corporate Sector

Existing and Anticipated Manpower Shortages

India is witnessing a massive increase in the number of corporate entities with the total number of companies in India Inc crossing 14 lakh[18] which represents 100 percent increase from 7.12 lakh companies in 2005.[19] The corporate sector for the last few decades have been recruiting ESM, based on their requirements, mainly in security, transport, administration and stores and maintenance jobs and the experience has been positive. The corporate sector is of the opinion that the structure for resettlement in the Army and the Army-industry interface need to be further streamlined so that a quick response to the requirements of the industry can be achieved and meet the aspirations of all stakeholders in keeping with the changing times. On the whole, ESM working with corporates have demonstrated their capability to handle the assigned jobs efficiently and effectively, given their inherent strengths in the field of inter-personal skills such as value system, integrity and leadership quotient.

A large proportion of the corporate sector is not familiar with DGR and APA and, thus, a concerted drive is required for hiring of ESM in the corporate sector in the mutual interest of the industry as well as the Army. Mechanisms for regular interactions need to be worked out for a placement drive. Interactions with major corporate entities have revealed that they do not have much interaction with DGR or APA and are not aware of the skill levels of ESM available. The private sector, in association with the government, is working to identify and quantify skill deficiencies in their respective sectors and constitute a sector plan to address these deficiencies.

The National Skill Development Corporation (NSDC) is entrusted with the job to identify areas where support and implementation will be required from the government. NSDC has identified 21 high-growth sectors to provide expanded employment. It has ten high growth sectors on the manufacturing side and an equal number on the services side. Of these, IT, manufacturing, textile, construction, automotive, retail and health care are the key focus sectors. Currently, over 200 corporate entities are associated with NSDC for imparting vocational education and training in India. With the help of private players, NSDC aims to reach its desired target of 150 million skilled persons by the year 2022. In addition, different ministries and departments have been entrusted with the job of providing skill development training to 500 million people by 2022. The existing and anticipated shortage of skilled manpower in the corporate sector have been arrived at by examination of seven high growth sectors that have a potential to employ ESM from the 21 sectors identified by NSDC. There is a lack of coordination between the private skill development organisations and the 17 ministries that offer a multiplicity of programmes. Against a target of skilling 8.5 million people in 2012-13, just about 1.4 million have been trained by various ministries and NSDC.[20] The sector-wise existing and anticipated HR requirements of the corporate sector have been discussed in the subsequent paragraphs.

The IT and ITES sector has an existing manpower requirement of approximately 12 million workers in different categories. This manpower requirement is expected to rise to 18 million by 2022. Of this incremental requirement of six million created during the 2013-22 period, 5.52 million personnel are required in the graduate and above category while 0.48 million are required in the undergraduate and below category which corresponds to the existing education level of ESM. Analysis of the DGR training curriculum also reveals that ESM are being trained in a number of IT related courses, hence, the chances of ESM being absorbed in this sector are substantial, given the inter-personal and employability skills of ESM. The logistics transportation and warehousing sector had 16.73 million employees in 2013, expected to rise to 23 million by 2017 and 28.4 million by 2022. The incremental employment opportunity of 11.67 million jobs by 2022 shall have merely 10 percent avenues for graduates and above levels, while the balance 90 percent jobs are available at the

levels of undergraduate, higher secondary and below, including vocational training level. ESM are inherently trained in the field of logistics and Supply Chain Management (SCM) during their service period and, hence, will be suitable for these jobs. The retail sector too offers tremendous scope with an expected incremental requirement of 17.35 million workers in 2022. Of this, only 1.3 million are required at graduate and above levels while the major portion of 12.25 million are required in undergraduate and below levels which is a suitable arrangement for ESM. In 2017 itself, the sector is likely to see a growth of 6.51 million job vacancies. In the infrastructure sector, which includes industries such a cement and steel, and activities such as construction of buildings, electric jobs, plumbing, roads and railway construction and utility projects, the expected incremental manpower requirement is to the tune of 29.59 million by 2022. The requirement from 2013 to 2017 is to the tune of 13.98 million. Of the total requirement in 2022, 18.04 million would be in the undergraduate category and 2.6 million in the vocational category. This sector also has ample scope for employment of ESM. The tourism and hospitality sector has seen a sharp growth of 11.4 percent in the period 2012-17 and employed 8.19 million in 2015 which is expected to increase to 8.89 million in 2016 and 9.68 million in 2017. This sector is likely to throw up a requirement of four million jobs at the undergraduate and below levels by 2022 and, hence, has a potential to employ ESM. The private security sector is an extremely suitable sector for employment of ESM due to their inherent training in this field. The sector employed 7.85 million workers in 2015, while the incremental increase is likely to reach 8.32 million in 2016 and 8.81 million in 2017. This sector is likely to grow to 11.8 million job vacancies by 2022 out of which more than 90 percent are undergraduate jobs. With the sector getting fast organised, this may well be able to meet the ESM aspirations with respect to their salaries. The automobile sector is poised for growth in the next decade or so as the global automotive industry is set to grow at 4.8 percent in the next six to seven years. This growth would primarily be fuelled by higher growth in the BRIC (Brazil, Russia, India, China) nations. The auto sector employed 10.98 million workers in 2013 which will see an increase to 12.81 million in 2017 and to 14.88 million in 2022; 90 percent of these job requirements are below undergraduate levels. This sector has ample opportunities for

employment of ESM. A summary of incremental manpower requirements in the seven high growth sectors as discussed above is given in Table 1 below. The table reveals an incremental requirement of 78 million jobs in the seven high growth sectors where ESM have the potential for employment. Of these jobs, only 15 million need graduates and the balance 63 million require undergraduates and below, hence, can be filled by ESM.
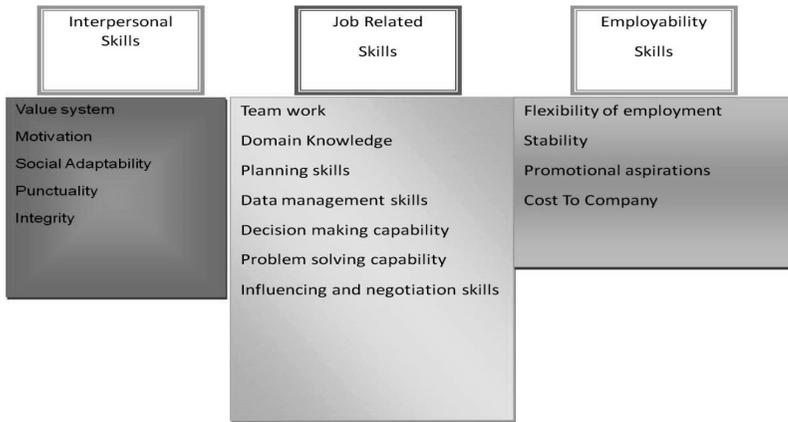
Table 1: Summary of Sector-Wise Incremental Manpower Requirements 2013-22

Sector	Total manpower employed in 2013 (millions)	Total manpower requirement in 2022 (millions)	Incremental Requirement by 2022 (millions)					
			Grand Total	Graduates	Under-graduates	Class 12	Below 12th	Vocational
Transportation & Warehousing	16.73	28.4	11.67	1.167	0.93	1.05	5.95	2.56
IT/ITES	12	18	6	5.52	0.48	0	0	0
Automobile	1.83	3.9	2.07	0.32	0.33	0.053	0.69	0.66
Retail	38.6	55.95	17.35	1.28	0.69	2.08	12.25	1.03
Tourism	6.96	13.45	6.49	0.98	0.31	4.03	0.39	0.75
Security	7	11.83	4.83	0.24	0	4.58	0	0
Infrastructure	45.4	74.99	29.59	5.91	0	2.95	18.04	2.66
Total	128.52	206.52	78	15.43	2.76	14.77	37.34	7.68

Competency Mapping of ESM: Measurement of Skills and Attributes

The HR requirements of India Inc in terms of numbers have been adequately documented by various studies carried out by the industry chambers and associations. Hence, this research has also focussed additionally on measuring the requirement of the corporate sector in terms of skills and attributes desired from ESM by them as potential employers. These skills and attributes were arrived at based on the study of competency mapping[21] recruitment and HR practices followed by various Multinational Companies (MNCs) and a number of established models such as the United States Department of Labour[22] (US DoL) model and Indian National Occupational standards[23]. Skills desired by the industry have been arrived at and have been listed in Fig 1 below.

Fig 1: Entry Level Skills and Attributes Desired by The Corporate Sectors

Interpersonal Skills	Job Related Skills	Employability Skills
Value system	Team work	Flexibility of employment
Motivation	Domain Knowledge	Stability
Social Adaptability	Planning skills	Promotional aspirations
Punctuality	Data management skills	Cost To Company
Integrity	Decision making capability	
	Problem solving capability	
	Influencing and negotiation skills	

These skills have been divided into three categories *viz* inter-personal skills, job related skills and employability skills. Thereafter, the respondents i.e. the corporate sector, was asked to rate these skills in the order of their importance as they perceived it. The rating scores from the responses provided by them obtained 27.3 percent for inter-personal skills, 43.5 percent for job related skills and 29.2 percent for employability skills respectively. The inter-personal skills were thereafter divided into five attributes which were again asked to be rated in the order of importance by the respondents i.e. the corporate sector. The ratings obtained were 27.8 percent for value system, followed by 25.3 percent for integrity, 18.1 percent for motivation and 15.6 percent for social adaptability and 13.2 percent for punctuality.

The job related skills were similarly divided into eight attributes which were asked to be ranked in the order of importance by the corporate sector. The respondents revealed that team work was voted the most important job related skill, with 19.9 percent, followed by domain knowledge with 15.2 percent, and other skills followed closely. On the similar lines, employability skills too were measured for their *inter se* importance after being sub-divided into four attributes. In this case, Cost to Company (CTC) was ranked most important with a rating of 31.9 percent, stability was a close second with 26.7 percent. The other two skills too were ranked in the range of 21 percent. Accordingly, after

the major skills were divided into 17 attributes as above and were rank ordered by the respondents, it was determined as to how the ESM fared *vs* civilian aspirants in these skills. This was done by synthesising the responses through the of Analytical Hierarchical Process[24] (AHP). The results obtained from the AHP in the instant case have been reproduced in Table 2 below and have also been depicted graphically through Fig 2 below.

Table 2: AHP Scores of Skills and Attributes Between ESM and Civilians

Serial No		**Scores** (percent)	
	Skills	ESM	Civilians
Interpersonal Skills		58	42
(a)	Value system	65.4	34.6
(b)	Motivation	65.3	34.7
(c)	Social adaptability	50	50
(d)	Punctuality	57.4	42.6
(e)	Integrity	50	50
Job Related Skills		46.7	53.3
	Team work	60.9	39.1
	Domain knowledge	35.1	64.9
	Planning skills	44.6	55.4
	Data management skills	31.5	68.5
	Decision-making capability	47.6	52.4
	Problem solving capability	50	50
	Influencing and negotiating	50	50
Employability Skills		57.3	42.7
	Flexibility of employment	38.3	61.7
	Stability	64.7	35.3
	Promotional aspirations	59	41
	CTC	62.3	37.7

Fig 2: AHP Scores of Skills and Attributes Between ESM and Civilians
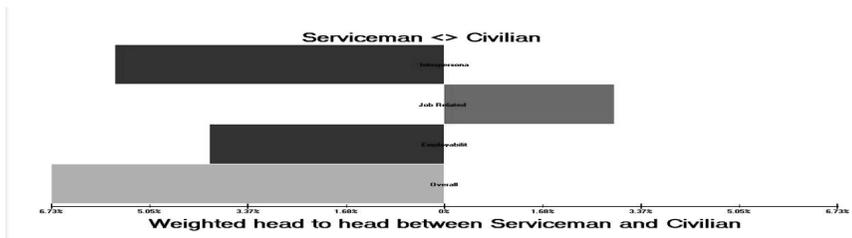
It is seen from Table 2 and Fig 2 above that in the inter-personal skills, ESM were ahead of the civilians at 58:42 while in the attributes of inter-personal skills too, the results were again in the favour of ESM. In the case of job related skills, ESM were rated lower than civilian recruits by 46.7:53.3 with other attributes also being in favour of civilian aspirants except the attribute of "team work" where ESM were higher at 60:40, and problem solving capability, influencing and negotiating, and decision-making capability where both ESM and civilians stood equal. ESM lose out in the areas of domain knowledge, planning and data management skills and also English language proficiency. Hence, the analysis reveals that ESM do not possess all the skills required by the corporate sector. The existing resettlement system needs to work towards improving the job related skills of ESM, namely, domain knowledge which would be industry specific, planning and data management skills, English language proficiency and problem solving capability and negotiating skills. Thereafter, the third major skill, namely, employability skill was measured. In this, though ESM scored better at 57.3:42.7, flexibility of employment was one attribute where they lost out to civilian recruits due to the preference of ESM to work in their home district, a fact that was corroborated by the response of ESM in their primary data questionnaire.

Thereafter, the results of the AHP obtained in the table above were separately corroborated statistically by subjecting the responses received to the paired sample 'T test' in order to measure whether the values regarding comparison of ESM vs civilians with regard to the attributes discussed above are statistically significant or not. After analysing the paired sample 'T tests' and post hoc sign tests, it was revealed that out of the 13 attributes which are significant, ESM are more acceptable for employment, as agreed by the potential employers viz, the corporate sector, in eight of them, while civilians are better in five attributes only. Also, in the case of three attributes where 'T values' are not significant, ESM are considered better in two out of three *viz* integrity and social adaptability. Hence, if training to ESM is imparted by DGR on certain attributes of job related skills such as data management skills, domain knowledge and planning skills, both the industry and ESM will stand to gain as ESM are more suitable than civilians in the other eight attributes of inter-personal skills and employability skills.

Army Industry Interface

Performance of the Existing Interface

The DGR and th APA are two agencies comprising the visible face of the Army-industry interface to the environment. These two agencies are carrying out training and job placements for both the government as well as the private sector. Analysis of primary data received from DGR and ESM with respect to providing jobs in the corporate sector reveals the following:

- 85 percent of the population surveyed prefers a government job while job opportunities in the government organisations provided as a result of reservations in various sectors are oversubscribed to the tune of 200 percent. On the other hand, only 3 percent of respondents surveyed prefer a job in the corporate sector which suffers a deficiency of manpower ranging from 5 to 35 percent across sectors easily tenated by the ESM with some job related training. Hence, there is a need for a perception management campaign to be carried out by the existing Army-industry interface highlighting the advantages of corporate sector jobs and also to enhance their training standards to meet the needs of the industry.

- Analysis of causal loops and systems archetypes as laid down in the systems approach reveals that DGR and APA, though part of the same interface, are resorting to transitional measures such as seeking more reservations in government jobs, etc rather than adopting long-term solutions such as upskilling the ESM for corporate sector opportunities during service and after retirement. These are temporary fixes which are not successful and the approach needs to change.

- Analysis of causal loops and systems archetypes carried out as a part of the research also reveals that DGR and APA are engaged in an escalatory or competitive situation for a limited pool of government jobs and are not making significant efforts to tap the private sector jobs available in the country. There is a need for division of responsibility between DGR and APA wherein one of them has to concentrate only on securing private sector jobs.

- As has already been brought out earlier, DGR and APA are largely perceived as ineffective organisations by the respondents and secondary

data reveals that almost 55 percent of ESM are left to find a job through their own efforts—the resettlement system is just 45 percent efficient.

The responses of the corporate sector entities surveyed as a part of the second sampling frame, with respect to the existing interface as well as the manpower requirements, revealed the following:

- **Awareness of DGR by Corporate Sector**: 61.9 percent of corporate respondents surveyed are not aware of DGR and APA, while 11.9 percent are partially aware. Only 26.2 percent corporates from the sample surveyed are fully aware of DGR and APA.
- **Reasons for Deficiency of Skilled Manpower**: 52.4 percent of respondents indicate that skill deficit is the biggest reason for shortage of manpower in the corporate sector. 35.7 percent respondents attribute this to attrition within sectors due to various reasons, followed by 11.9 percent respondents who attributed it to the CTC aspect.
- **Proposed Hiring Trends:** The service sector shows a positive trend towards hiring of ESM with 13 corporate entities in the services sector indicating their willingness to increase the ESM employees to 10 percent and going up to 50 percent. Manufacturing and retail sectors also show an encouraging trend.
- **Preferred Education Qualification:** 23.6 percent potential employers would prefer graduation as the basic qualification for the supervisory level, while 76.2 percent employers would accept higher secondary for the supervisory levels. This is also corroborated with the secondary data issued by NSDC on the subject.
- **Preferred Age Group:** 83.3 percent of the potential employers are not against hiring employees between the age group of 30 to 40 years at the supervisory levels. 16.7 percent are also not against hiring employees between 40 to 50 years of age.

The shortcomings of the existing resettlement system as arrived at by a holistic analysis of the system, keeping the above statistical deductions under consideration are as under:

Improvements in Existing Interface

Possible **i**mprovements to the existing interface to facilitate a smooth transition from ESM to the corporate sector have been examined using the systems approach[25]. Three conceptual models have been developed based on three Relevant Systems (RS) derived from the systems approach, and steps required to fulfil these objectives have been suggested. The first relevant system RS-1 addresses "Empowerment of PBOR while in Service"; the second relevant system RS-2 addresses "Resettlement Training" before retirement and the third relevant system RS-3 addresses "Providing Interface Between Retired PBOR and Potential Employers". The findings derived from these three conceptual models have been discussed in the subsequent paragraphs.

Relevant System 1: The conceptual model for RS 1 on "Empowerment of PBOR During Service" reveals that the following steps need to be taken in order to empower the PBOR while in service. *Firstly,* there is a need to review the authority and responsibilities associated with the ranks and appointments of PBOR in the present system while in service, in which there is a need to:

- Establish impact of change in educational qualification at the intake level on the basic capability and soldiers' positional authority while in service.
- Review of relationship between responsibility and authority to ensure that authority is being used in an appropriate manner and adequate opportunity is being provided to the soldiers for exercising authority independently.
- Define core performance attributes expected from empowered PBOR in various appointments and ranks in order to ensure that performance attributes such as initiative, resourcefulness and creativity are developed in a planned manner.
- Review present level of performance actively by, *firstly,* defining the performance in terms of responsibilities to be discharged in peace and war; *secondly,* by defining minimum awareness levels in military and other fields; *thirdly,* by identifying tangible and intangible attributes of efficient performance; and *lastly,* by establishing criteria for measuring the efficiency of performance based on tangible and intangible attributes.
- Identify reasons for occurrence of performance gap by identifying causes both within and outside the system.

- Select and implement suitable processes for bridging the gap through formulation of process options and assessment of the impact of the gap bridging process on the empowerment of PBOR.

    Relevant System 2: Examination of the conceptual model for RS 2 reveals that the following steps need to be taken to improve the "Resettlement Training" in order to develop the job related awareness and skills for the PBOR.

- Conduct awareness and capability analysis to include counselling and psychometric tests aimed at identifying individual aptitude and capability during the service career for the most suitable second career option.
- Analyse available options to include a prioritised statement of the second career option by the PBOR, and job analysis of the selected option.
- Analyse the skill gap by defining basic and complementary skills for the chosen option. and comparison of the existing skill level and aptitude.
- Conduct training to identify responsibility at various levels and analysis of options to carry out appropriate training.

    Relevant System 3: Examination of the conceptual model for RS 3 reveals that the following steps need to be taken to improve "Existing Interface Between Retired PBOR and Potential Employers" viz the corporate sector.

- Define criteria for evaluating the performance of the existing interface by ascertaining PBOR aspirations with respect to a second career and address the aspiration skill mismatch.
- Review efficiency of existing resettlement organisations and training through data analysis of performance and review of the feedback mechanism.
- Identify issues impacting performance of existing organisations through SWOT (Strengths, Weaknesses, Opportunities, Threats) and impact analysis.
- Analyse options for enhancing performance levels. i.e. strengthen existing structures and select the most responsive and suitable option.

Recommendations and Conclusions

Examination of the relevant systems as above, suggests a change in the resettlement structure and processes and generates the options as listed below. There will be a requirement to empower the ESM with skills to ensure comprehensive growth in the early years of his service i.e. during the 'in service' period. During the 'transition period', the aim should be to equip the PBOR with specific job related skills required by the corporate sector. The existing structure of DESW, including DGR and the state level components, remains unchanged. The ad hoc structure of APA in its present form is recommended to be changed to form an independent and effective body with additional financial resources, capable of securing maximum second career jobs for retired PBOR in the corporate sector, and create job opportunities by interacting with potential employers. In order to optimise the effectiveness of the system and meet the aspirations of the PBOR with respect to a second career, there is a need to modify the existing structures and processes. The recommendations have also been accordingly discussed in two parts as structures and processes.

Structures

The system approach mandates that structures control the underlying processes and govern organisational behaviour. The existing resettlement system is characterised by duplication of effort arising from multiple organisational structures without single-point accountability and a separate charter, owing to a flawed organisational structure. Hence, based on the analysis in the research and options generated by the systems approach, it is felt that a separate structure needs to be established to focus exclusively on the career options for ESM in the corporate sector. This would not entail any change in the existing structure of DESW and DGR and the resettlement training and provision of employment in the government sector will remain the onus of DESW through DGR. However, the adhoc structure of APA in its present form is recommended to be restructured to form an independent and effective body with additional financial resources capable of securing maximum second career corporate jobs for ESM. The major advantage of a restructured APA would be that, *firstly,* there will be two separate organisations existing with independent focus towards job placement in

different sectors and the gains achieved by APA in terms of job placement experience in the last two decades of its existence will be preserved. *Secondly,* the proposed organisation will be aligned to the aspirations of the PBOR and will have a greater accountability and affiliation to the PBOR, resulting in increased responsiveness.

Processes

The recommended process of ESM rehabilitation involves the following three stages i.e. the 'in service' period, 'transition period' and 'retirement period'. Interventions are proposed to be through three distinct overlapping processes during different stages of service to address various objectives as discussed in the subsequent paragraphs.

In-Service Period: The in-service stage interventions ought to address two distinct aspects i.e. "empowerment" and "enhancement of qualification and job related skills based on the requirement of the corporates". The process of empowerment will bring in an intrinsic qualitative improvement in awareness, educational qualifications and skill levels. The areas of focus for enhancement of educational qualifications and skill levels should specifically include IT awareness, personnel management, issues related to government and private sector administrative procedures, general awareness and basic financial management, along with other job related skills such as data management skills, planning skills and negotiating and influencing skills. These could be included as part of appropriate Army course curricula. Knowledge of such subjects may also be linked with promotion and up-gradation examinations. Such knowledge acquired progressively during the service career will assist in developing a self-confident and aware personality which will pay rich dividends both within Service and post retirement.

Transition Period: Resettlement training should continue to be conducted under the aegis of DGR. The retiring PBOR should be counselled on receipt of the discharge order before retirement with the objective of making him aware of the environmental realities regarding second career options as per articulation and analysis of PBOR aspirations. The counselling should focus on aligning aspirations with his potential and capabilities and thereby facilitating selection of a suitable second career. Interventions such as psychometric tests should be immediately carried out after counselling for

ascertaining the intrinsic aptitude of the PBOR with relation to the nature and type of job desired by him and modifying his aspirations, if necessary. The results of such interactions should finally assist in collation of desired areas of resettlement training and the end state at the end of the resettlement training. It is preferable that resettlement training builds on the existing skill set of the PBOR, suitably modifying and enhancing the same to achieve alignment with the skill set needed in his second career option. Such collated demand of desired areas of resettlement along with the capacities desired should be forwarded to DGR for designing resettlement training courses.

Post Retirement; the Interface: The structure recommended above, in conjunction with the efforts of the new processes, is capable of providing an effective interface between job seekers and job providers for securing second careers for PBOR in the corporate sector. A strengthened APA as envisaged to focus solely on a second career with the corporate sector will be able to show the desired improvements in the system. This will not only ensure a clear demarcation of responsibility between APA and DGR but will facilitate a single-point interface to interact with the environment comprising job providers so as to present a unified front.

Conclusion

A smooth transition of ESM into a second career in the corporate sector needs a radical approach as distinct from the prism of reservation in government jobs. Various stakeholders as also the policy-makers such as National Skill Development Agency (NSDA) as also the industrial houses and conglomerates need to be sensitised towards this nationally important cause of rehabilitation of ESM. True growth of entrepreneurs and in the number of jobs in rapidly growing India shall continue to be observed in corporate India as can be seen from a number of studies on the subject. The focus of the corporate sector to meet their HR requirements should be from the rich resource pool of the Indian armed forces[26]. The government's prime functions relate to extending quality governance and not indulging in business. This aspect gains more importance as India matures as a functional democracy. The important fallout of this is a containment or limited growth of government systems and, consequently, saturation of government jobs[27]. Various studies undertaken on the future job creation and the qualifications

and skills required to fill such jobs, the place and location of creation of jobs in the years ahead indicate rich opportunities for those adequately qualified and skilled.[28] The work ethics and culture in corporates is subtly different from that available in the armed forces, however, if the job related skills aspect, as has emerged in this study is addressed, then India incorporated shall be able to exploit the rich talent pool of the armed forces.

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