Low-end IT Occupation Jobs in Delhi
Work Pathways, Challenges and Barriers

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Background

❖ New employment opportunities in IT Sector: Net employment creation by 2.2 million by the year 2008.

❖ 45% of new Urban Jobs (1995-2005) created by the IT-BPO Sector.

❖ 30 million urban jobs in IT BPO industry soon

❖ By 2020, 50% of the sector's workforce will be constituted by women.

❖ IT industry is contributing towards inclusive growth (NASSCOM)

Background

❖ Large number of IT training institutes in recent years.

❖ Uncertainties regarding the likely size of the new employment at the lower segment of the sector.

❖ The nature of employment at the lower segments of the sector is not discussed widely.

❖ Nature of new economic opportunities for the poorer section of the society in IT/ITES jobs.

Percent Distribution of Establishments by Major Economic Activity Group and Employment in Delhi

Major Economic Activity Group	Establishments	Employment
Agricultural Activities	0.43	0.34
Manufacturing	14.76	30.9
Maint. & Repair of M/V & M/C	3.43	3.19
Electricity, Gas & Water	0.16	0.83
Construction	0.7	0.45
Wholesale Trade	2.73	4.26
Retail Trade	48.86	25.33
Restaurants and Hotels	4.76	4.41
Transport & Storage	3.63	3.06
Communications	3.56	2.53
Financial, Insurance, Real Estate & Business Services	6.99	8.35
Community, Social, Personal Services & Others	9.99	16.35
Total	100.00	100.00

Source: Report on Fifth Economic Census in Delhi 2005; Directorate of Economics and Statistics, Govt. of Delhi

Key questions
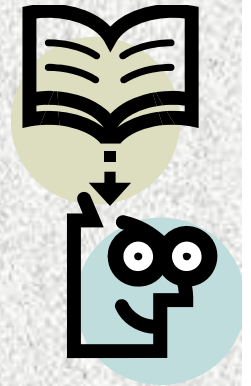
❖ Nature of low-end IT occupation jobs.

❖ Emerging sectors for low-end IT occupation jobs

❖ Nature of IT training.

❖ Modes of accessing low-end IT jobs

❖ Nature of employment: Job stability; Wages and conditions of work; Social security

❖ Further skills acquired

❖ Social and Demographic background of the workforce

❖ Pattern of migration for these jobs

Methodology

❖ Quantitative methods
❖ Qualitative methods

Survey of IT/ITES workers

❖ Census 2001 district level data on occupational spread of IT workers in Delhi
❖ Electoral roll of Delhi in listing the residential area in each district
❖ Listing of residential colonies through ward ranking
❖ Listing of households with IT/ITES workers in the household
❖ Canvassing a questionnaire

Case Studies

❖ Case studies of IT/ITES workers
❖ Case studies of key persons
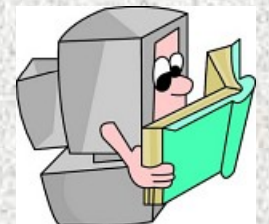❖ Case studies of IT institutes

Key Findings

Summary of the sample

In Delhi total of 1111 IT/ITES workers have been surveyed

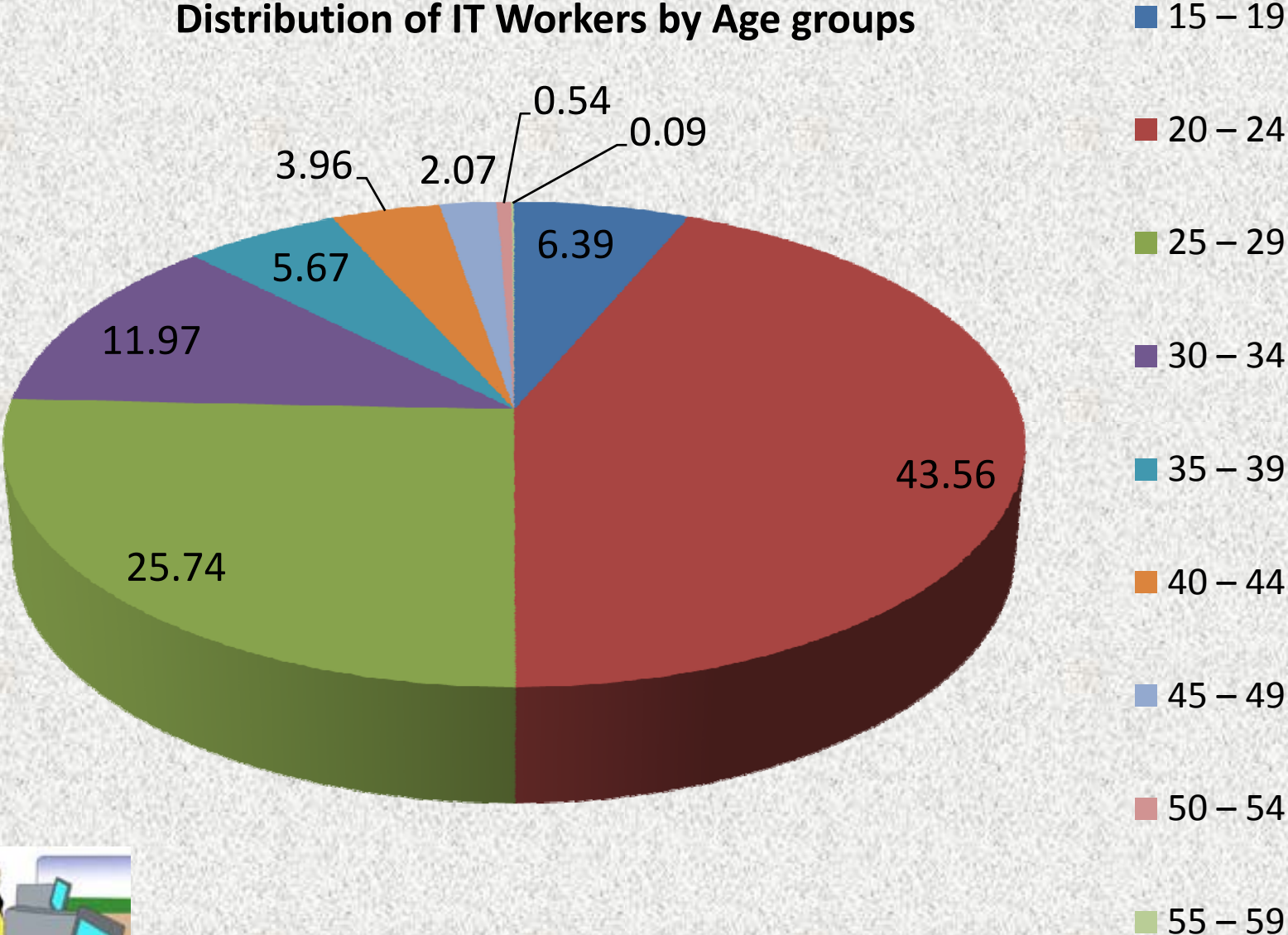Covering 74 residential colonies in 27 wards from all 9 districts

The profile of low end IT Occupation Workers

❖ Male dominated (80% m 20% f)

❖ Dominated by forward caste people. (88% from General Caste)

❖ dominated by men and women in their twenties with little work experience.

Distribution of IT Workers by Age groups

| Age group	Value
15 – 19	6.39
20 – 24	43.56
25 – 29	25.74
30 – 34	11.97
35 – 39	5.67
40 – 44	3.96
45 – 49	2.07
50 – 54	0.54
55 – 59	0.09

Most of the workers had IT trainings between six months and 24 months from small IT institutes. The presence of NGO run centres is there but without any significant contribution.

Distribution of IT Workers by Type of IT institute they undergone training and gender
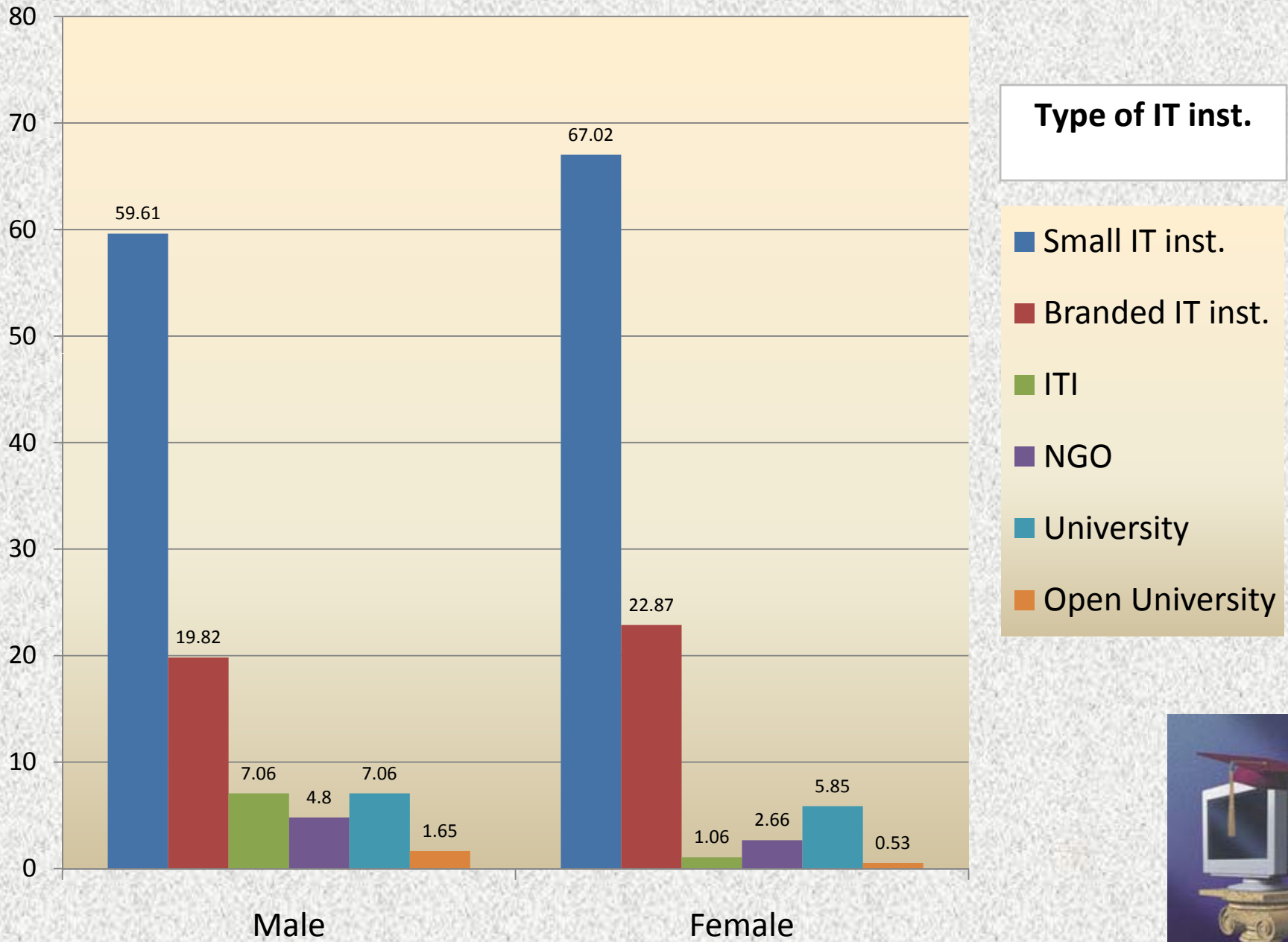
Distribution of IT workers by IT degree
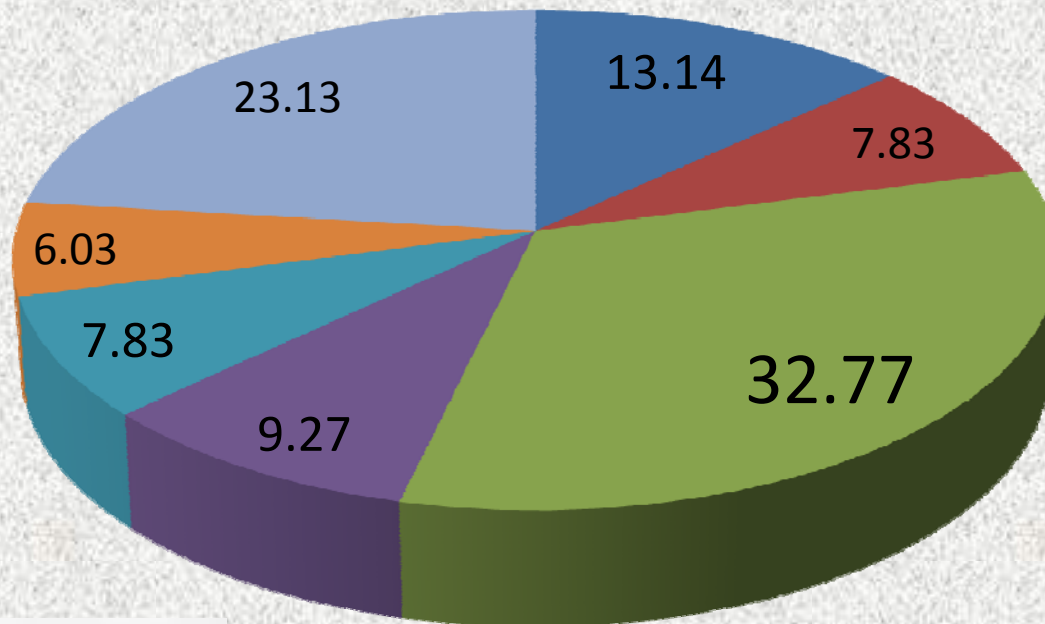
- Basic Training
- DTP course
- Dip. In Comp. Appl.
- Advanced Diploma
- Graduate softwar/hardware
- All other diplomas
- No formal training

13.14
7.83
32.77
9.27
7.83
6.03
23.13

Personal contact is the major source of accessing low-end IT/ITES jobs. Posts are mostly filled through referrals, where the IT institutes play a major role. However, other modern modes of accessing these jobs have been found too. Campus recruitment is very minimal in accessing low-end jobs, which is dominant for the high-end IT jobs, as other studies show.
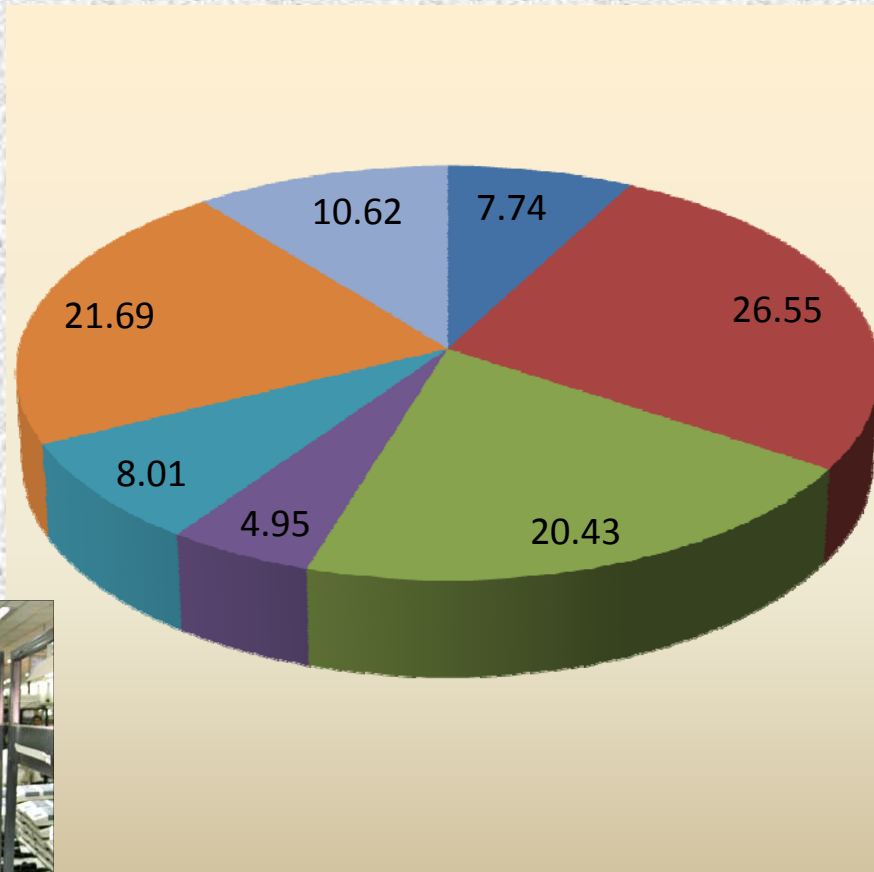
Source of accessing jobs by gender
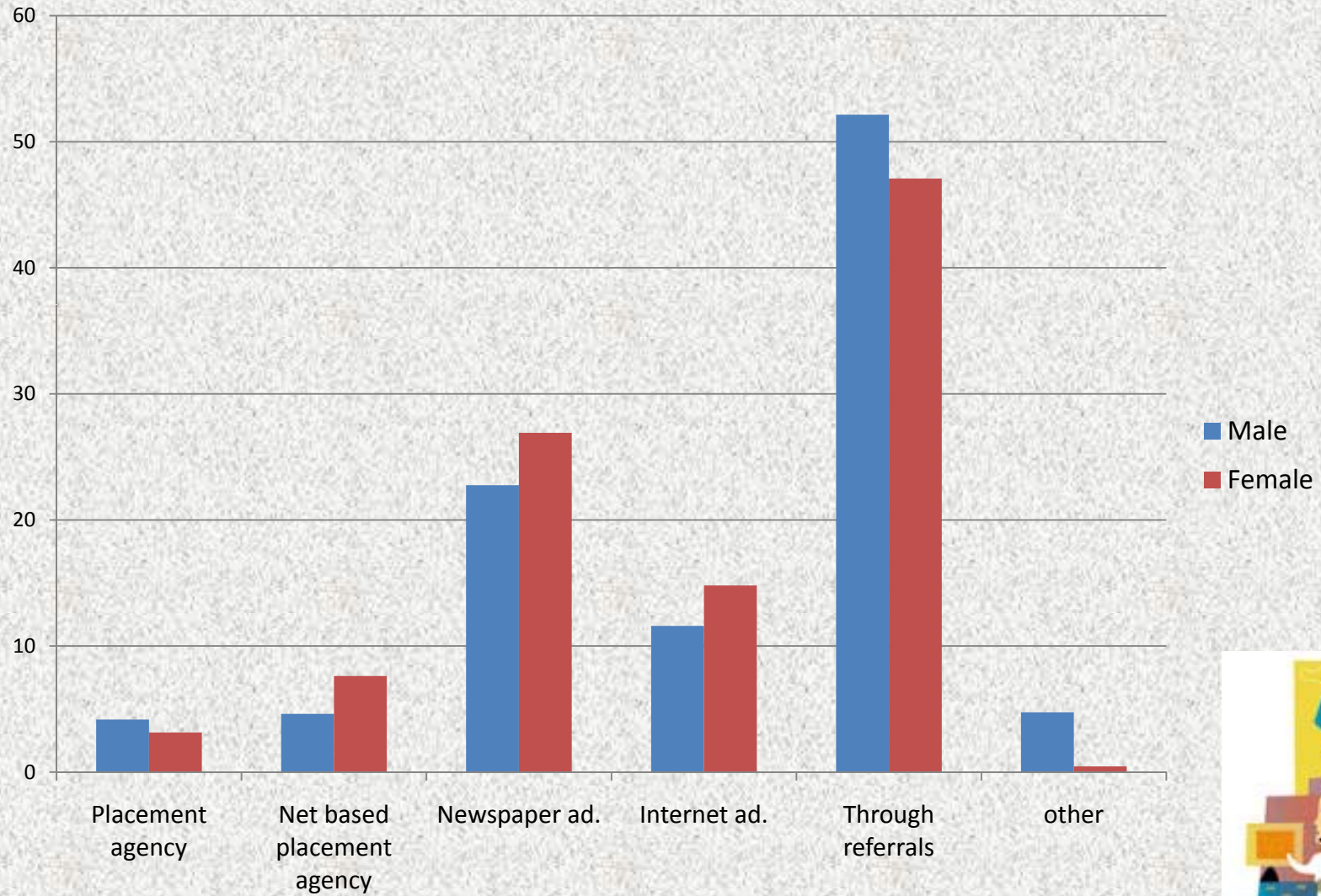
Private sector enterprises are the major job providers. Large chunks of workers are found in retail and other non-IT sectors. Only 22 percent are in the core sector of IT. Eleven percent are in Call centre jobs. 67% workers are employed outside IT/ITES sector

Distribution of IT Workers by Industry Categories

Sectors

- ■ Govt. +
- ■ Private (non-IT)
- ■ Retail (non-IT)
- ■ Bank Insurance
- ■ School, NGO, Hospital
- ■ Software /hardware / IT consultancy
- ■ Call centre

Pie chart values: 7.74, 26.55, 20.43, 4.95, 8.01, 21.69, 10.62

Most workers at the low-end are employed as computer operator or data entry operator. A sizable proportion of workers are found working as sales person.

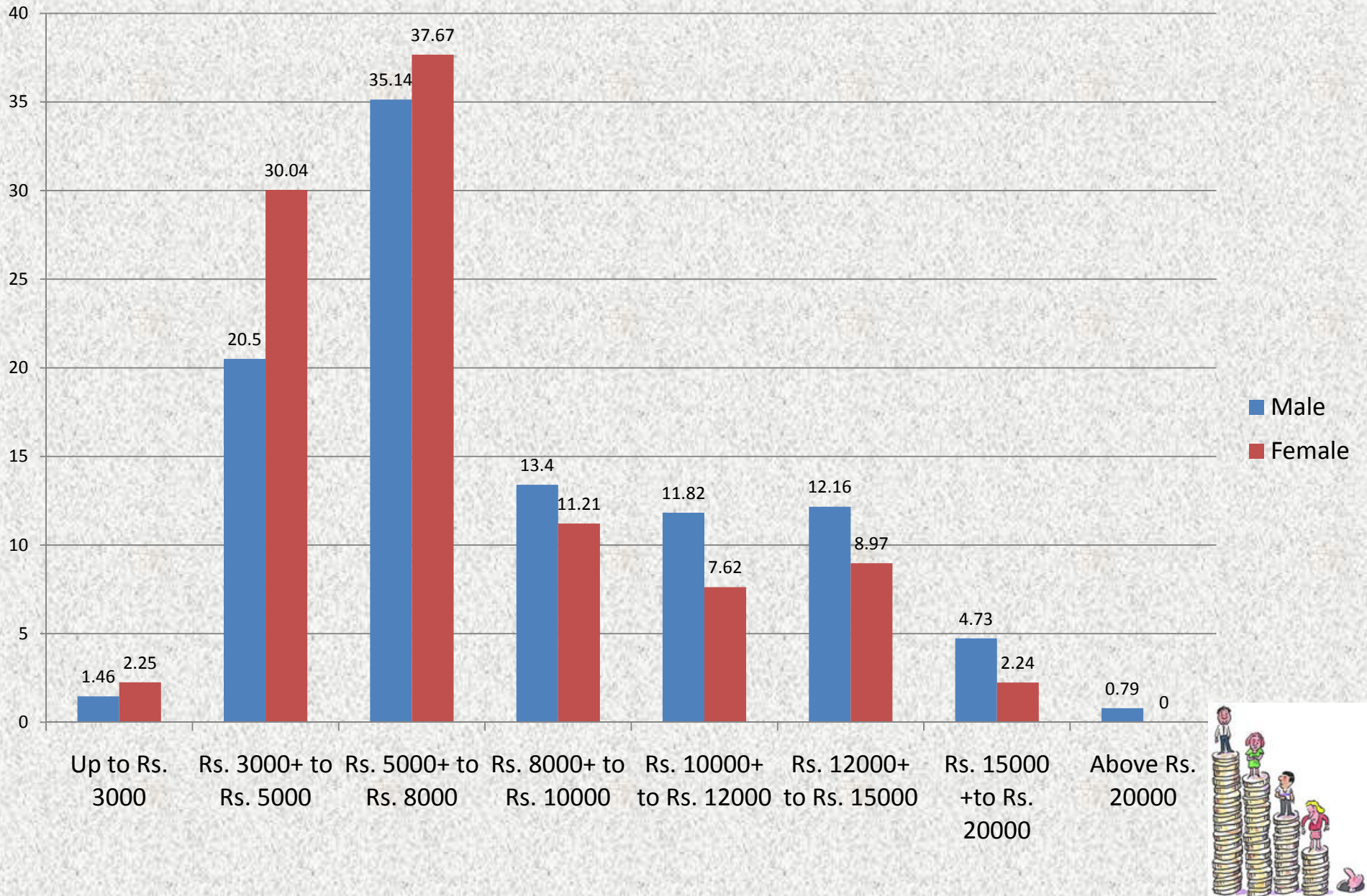**Distribution of IT Workers by Designation and Gender**
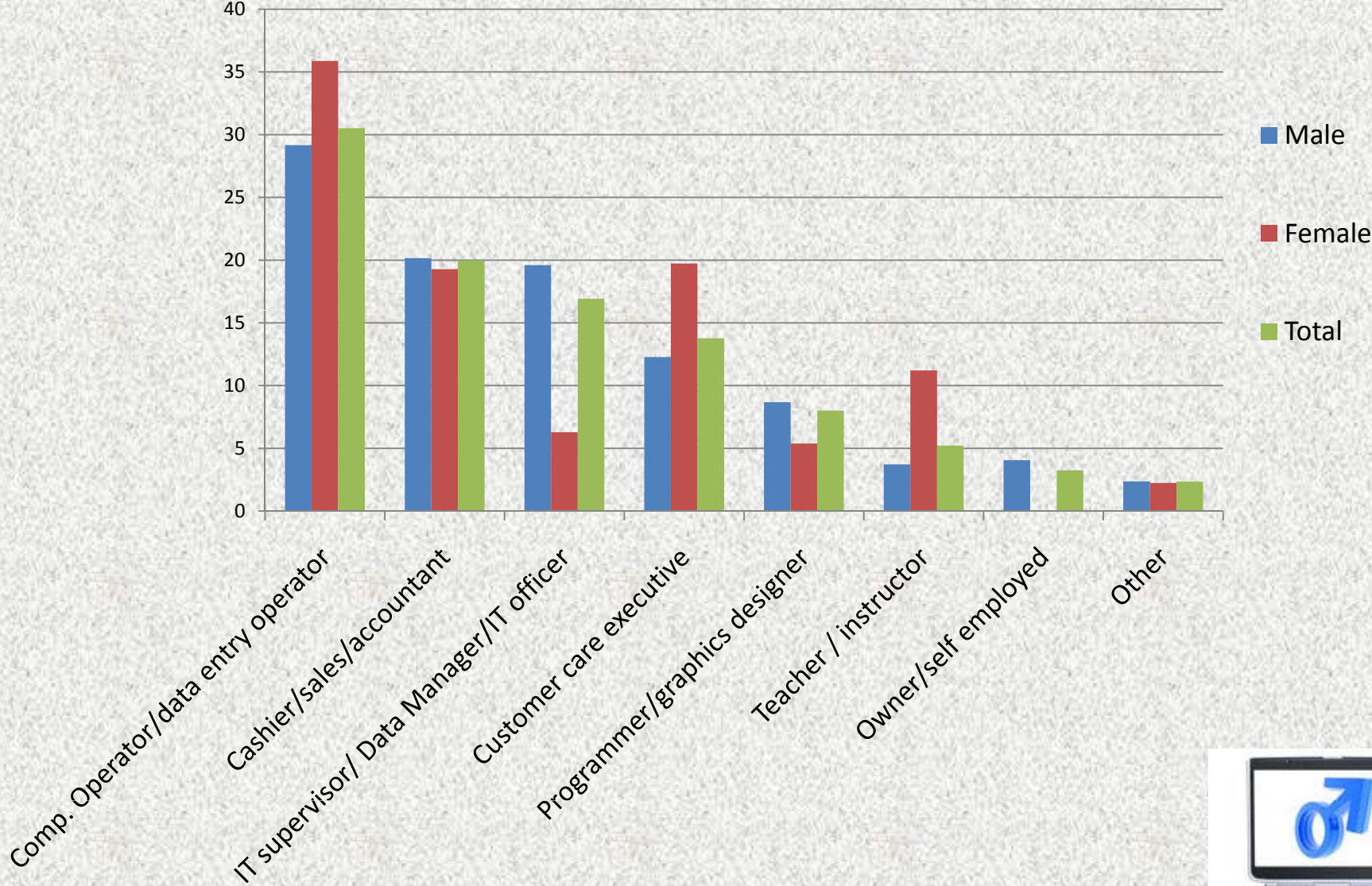
❑A visible gender bias is noted with respect to access to IT/ITES jobs and salary.

❑Workers are happy to acquire skills informally on the job.

❑Wide disparities exist in wage levels. Most low-end workers fall in the monthly wage group of Rs. 5000 to Rs. 8000.
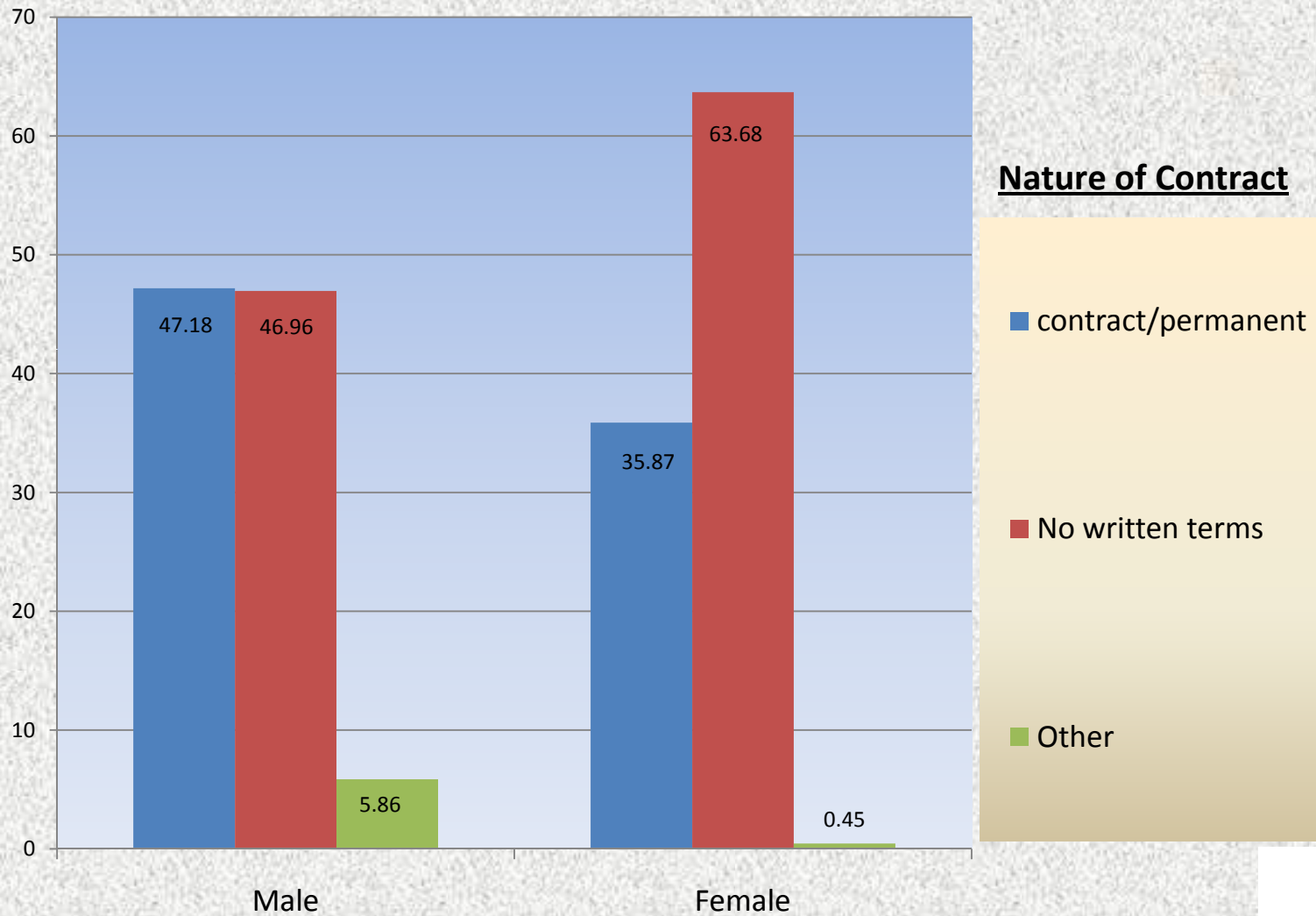
❑Most of the workers quit jobs for adequate salary, as reported.

Distribution of IT workers by their monthly income from the current job

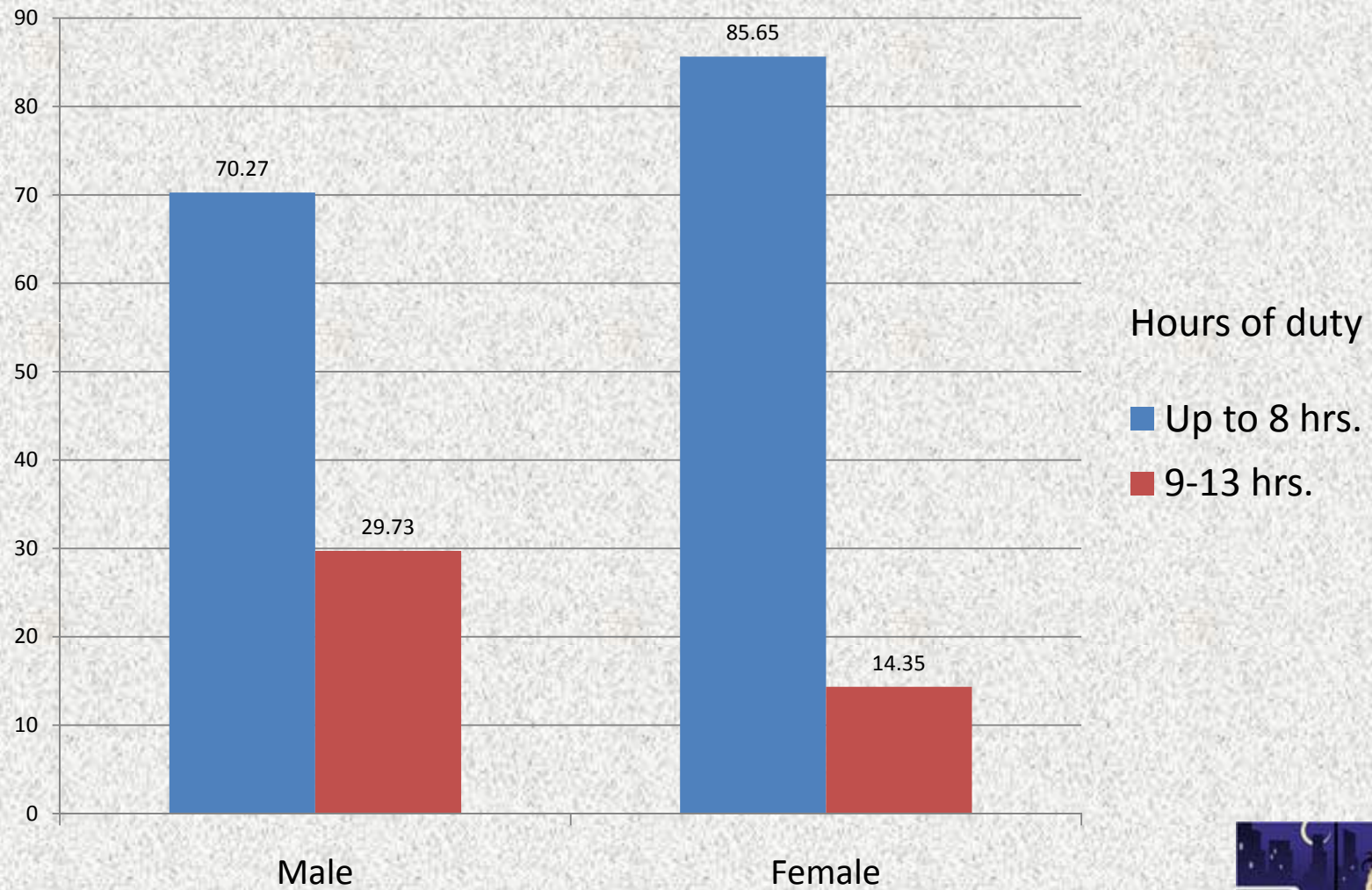| Income range	Male	Female
Up to Rs. 3000	1.46	2.25
Rs. 3000+ to Rs. 5000	20.5	30.04
Rs. 5000+ to Rs. 8000	35.14	37.67
Rs. 8000+ to Rs. 10000	13.4	11.21
Rs. 10000+ to Rs. 12000	11.82	7.62
Rs. 12000+ to Rs. 15000	12.16	8.97
Rs. 15000 +to Rs. 20000	4.73	2.24
Above Rs. 20000	0.79	0

❑Most workers are employed without any written contracts. Workers perceive their job as permanent, where they feel no threat of eviction.

❑Daily work hours range from 6 hours to 13 hours. Women work on average less hours than men.

Distribution of IT Workers by nature of contract and gender

Nature of Contract

- contract/permanent
- No written terms
- Other

Male:
- contract/permanent: 47.18
- No written terms: 46.96
- Other: 5.86

Female:
- contract/permanent: 35.87
- No written terms: 63.68
- Other: 0.45

Distribution of IT Workers by hours of Duty and gender

Hours of duty

- Up to 8 hrs.
- 9-13 hrs.

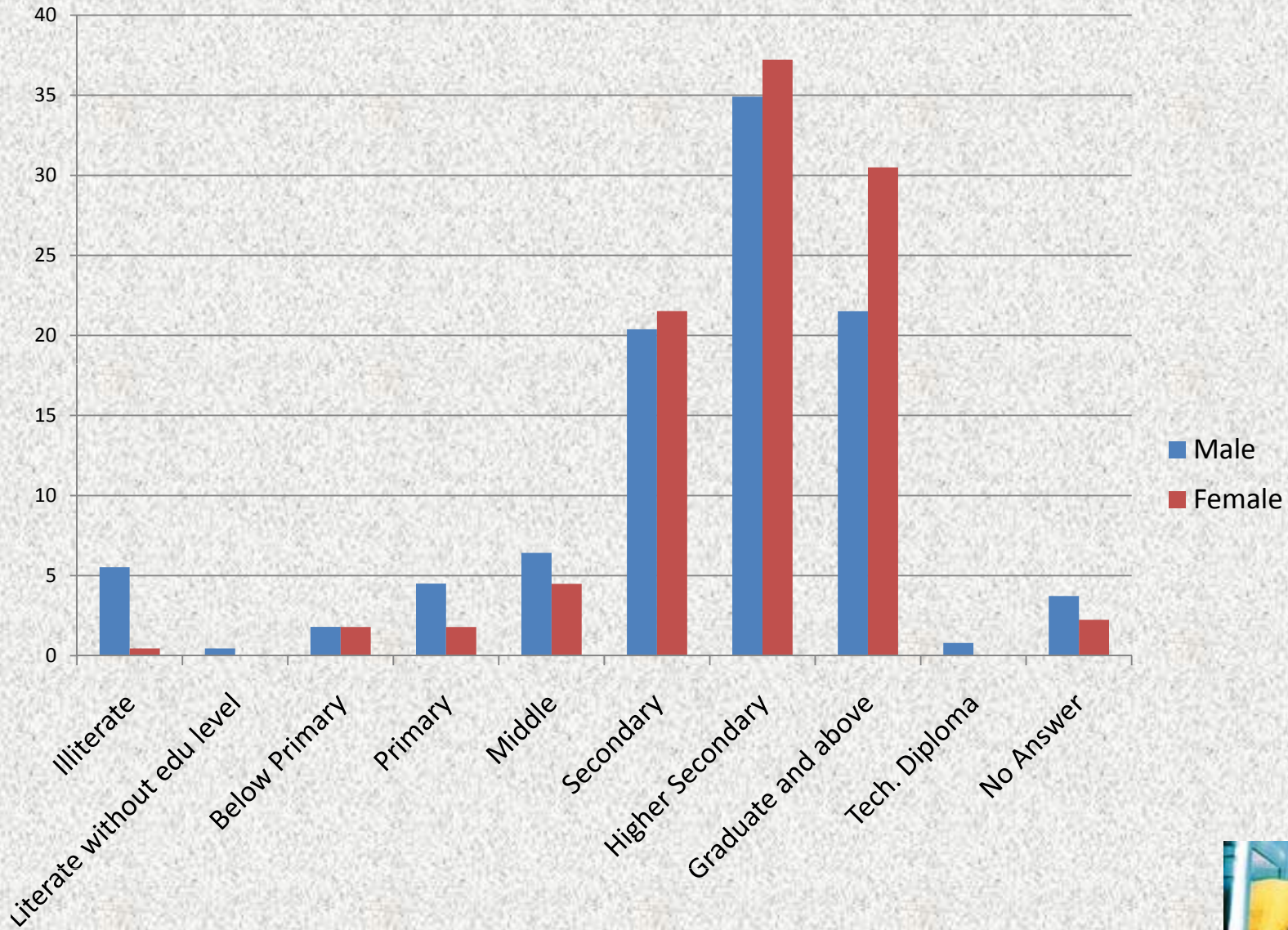Male: 70.27, 29.73
Female: 85.65, 14.35

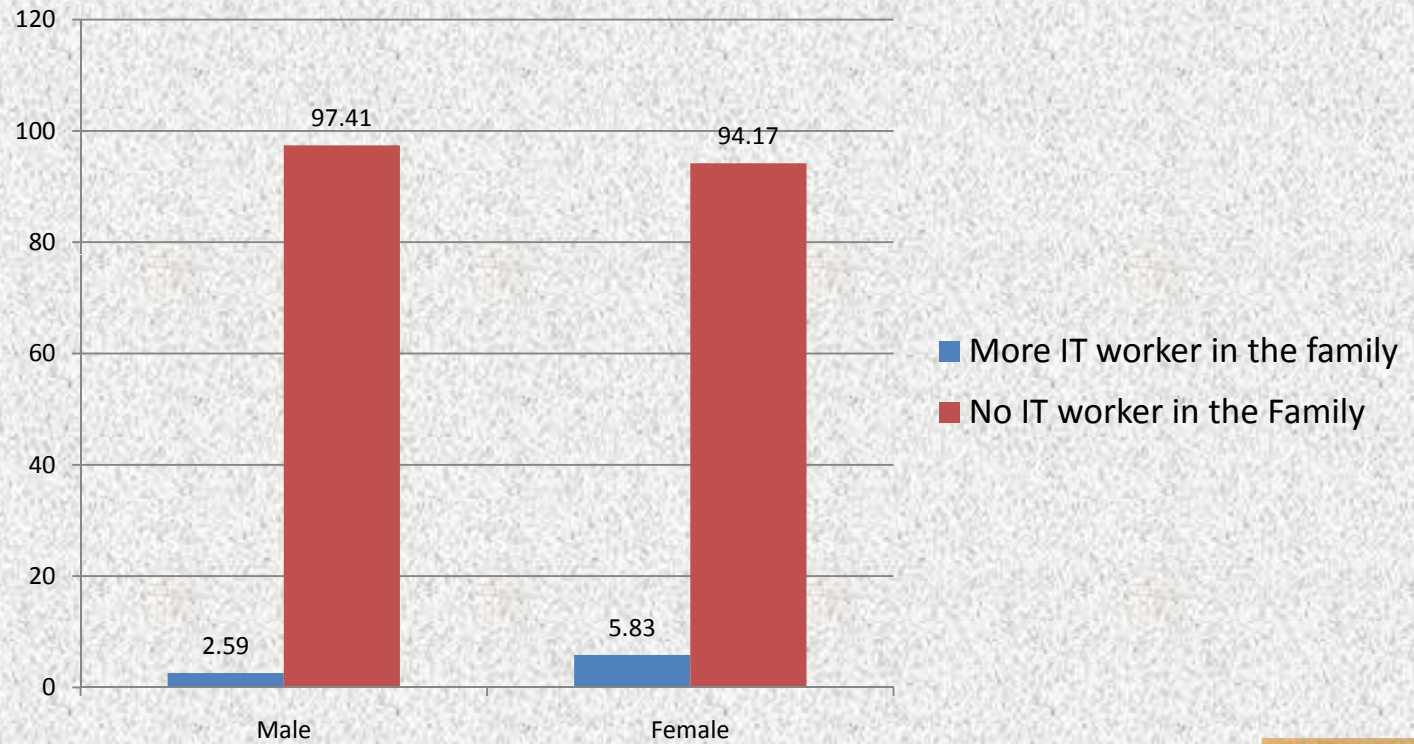❑For most of the IT workers, father is educated at least at the school level.

❑Most workers in this level are first timers in the IT/ITES sector from their respective families.

Distribution of IT/ITES workers with father's education
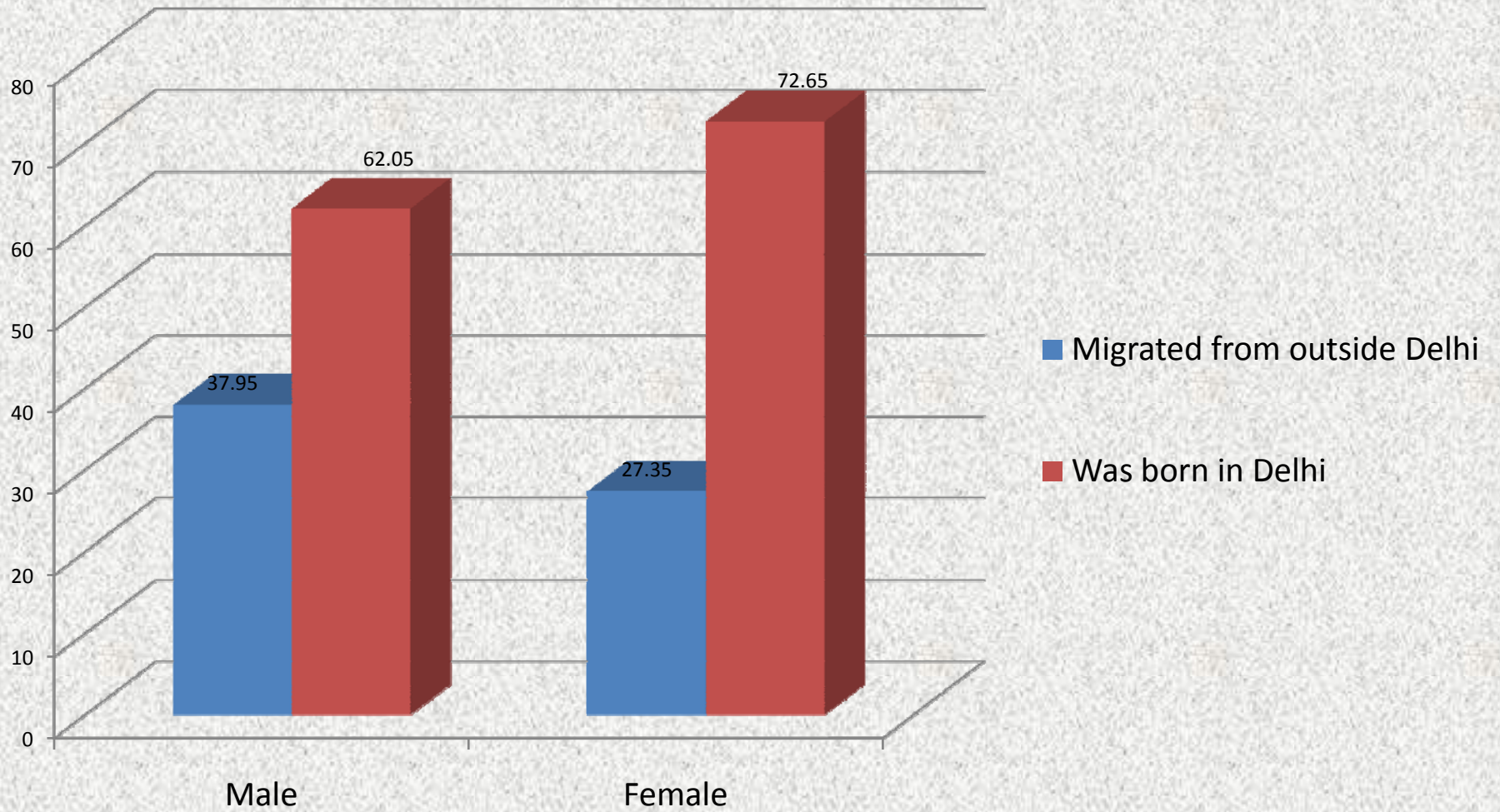
IT related activities among the family members

❑Around 36 percent workers are first generation migrants in the city.

❑Among the migrants, almost half are from Uttar Pradesh and a quarter from Bihar.

IT Workers: Delhi Born or migrated

Distribution of first generation migrated IT workers by state of origin

Legend:
- UP — 44.5
- Bihar — 23.02
- Haryana — 7.42
- Punjab — 4.35
- Uttarakhand — 3.84
- Jharkhand — 2.81
- West Bengal — 2.56
- Orissa — 2.05
- all other states — 8.68
- Nepal — 0.77
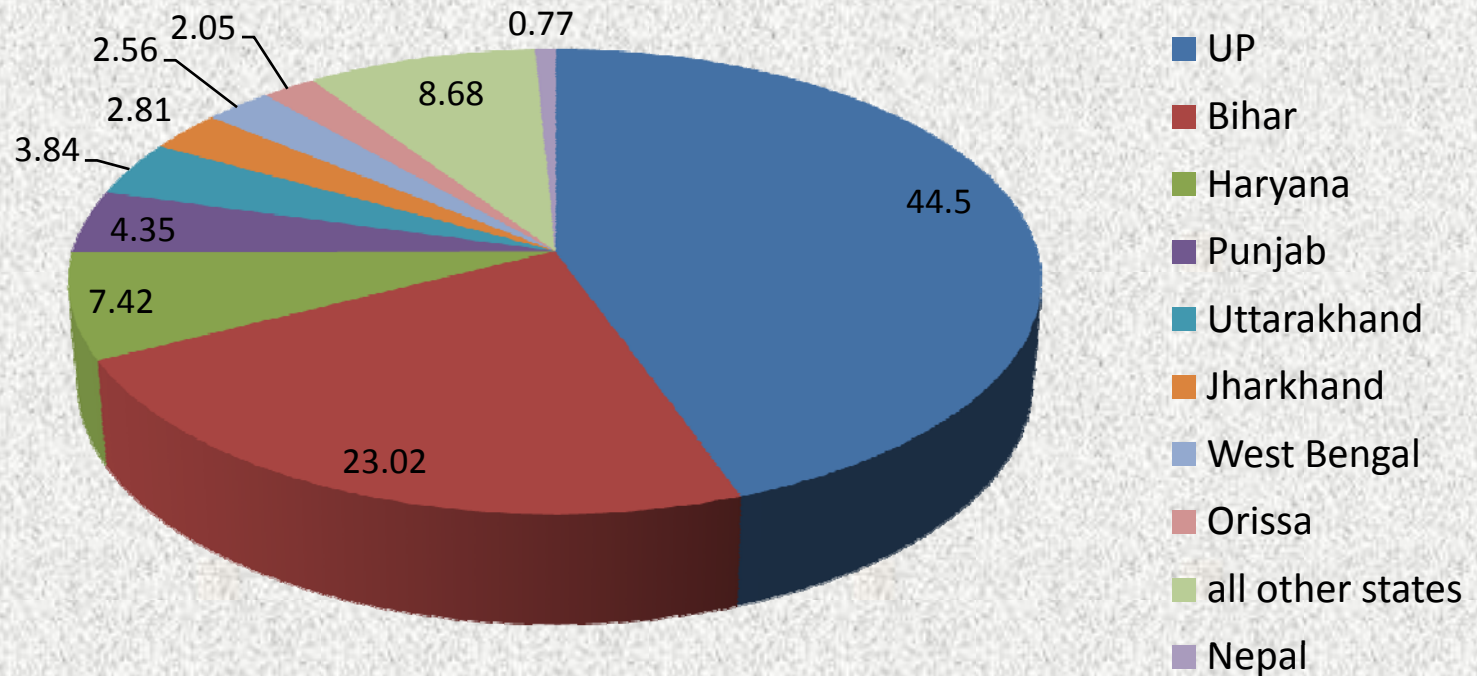
Way Forward

❖ Action
❖ Policy Implications

Issues/Lessons learnt from the study

❑ A very large number of young workers in low-end IT jobs.

❑ Large number of workers in low-end IT jobs without any formal IT training.

❑ 70 percent of these workers are employed outside IT/ITES sectors .

❑ Private sector dominates in employing low-end IT workers.

❑ Use of Information Technology by different sectors opens up more opportunities for young people.

❑ Whole lot of informality found in executing the contract/ job (Not specific informality in the context of IT. These are common informalities seen in all sectors. (no contract, more hrs. of duty and no over time, no social security, no holidays, no medical, no PF, no written contract).

❑ Recruitment policies of the firms who hire these workers are not transparent.

❑ IT training institutes play a major role in accessing the jobs informally, hence chances of high biases etc.

❑ Not much scope for any systematic skill up gradation in the job.

❑ Basic knowledge of computer operation/application is essential in accessing any jobs in Delhi.

❑ Most of the low-end IT workers are not from poor background, rather from low-income / middle income backgrounds.

❑ Apparently, the job market (low-end IT/ITES) is grabbed by lower-middle class segment, as they can afford the training.

❑ Only a handful of organizations in the ground to provide free /low-cost IT training.

Barriers in intervention

❑ Low-end IT workers are distributed across sectors and levels. It's difficult to club them as a single homogenous group.
❑ IT occupation workers is a more suitable term than IT /ITES worker for the diversity in the sectors they are employed.
❑ No union or association has been found for this segment of workers.
❑ Some kind of discrimination against people from poorer background/ poor English knowledge has been recorded during the study.
❑ Training is comparatively expensive as it requires computer systems and other infrastructure

What can be done?

At this point, intervention can be divided in three broad categories: (i) Training, (ii) accessing of IT jobs, and (iii) formalization of job contracts and work environments.

- ❑ Requisite training options for students from economically weaker sections.
- ❑ Capacity building for the students and the organizations involved in free/low-cost IT training.
- ❑ Networking among the organizations, providing free or low cost training.
- ❑ Development of an appropriate IT training programme or adoption of an existing course /programme.
- ❑ Encouraging girls to take training in IT.
- ❑ Open source software can be made use in training.
- ❑ Development of formal placement cells for these organizations.
- ❑ Development and management of common talent pool for people from weaker sections.
- ❑ Networking with industries / private sector enterprises - the potential recruiters.
- ❑ Development of networking society.
- ❑ Required intervention in the field of governance and social security to do away with the informalities in this segment of work.
- ❑ Convergence and coordination.