CSR in Skill Development:
Case for Traditional Artisans in India

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Introduction

Corporate Social Responsibility (CSR), defined as commitment of business to contribute to sustainable economic development, aims at creating higher standards of living, while preserving profitability of the corporation. Since 1970s, the approach to CSR focuses on social responsiveness-- the capacity of organizations to respond to social pressures. At present, CSR is expected to make a significant contribution to address issues such as poverty, exclusion and environmental degradation. This will involve both partnerships with civil society and changes in public policy. Likewise, the social dimension of CSR involves respect for local/traditional communities. According to the Indian view, CSR measures should focus on benefiting people and communities, other than those the companies are contractually obliged to, namely, the socially and/or economically disadvantaged lot. Among such groups, the traditional artisans classify skills (such as problem-solving, communications, or working in teams); technical skills (needed in specific occupations with support from academic skills); and work-related attitudes or ‘soft skills’ (motivation, volition.

Skill Development: Challenges in the Indian Labour Market

It is observed that the principal factors which affect the level of efficiency of labour are knowledge and skills (Tiwari et al 1999). The motive for acquisition of knowledge vis-à-vis skills, however, involves perspectives other than joining the employment market for livelihood. To gain efficiency, knowledge may be an important factor for labour, but it is only a component along with practice and experience. Therefore, from the perspective of developing economies, issues in skill development have assumed immediate priority in planning and practice. Broadly, skill is the learned ability of an individual to carry out a set of pre-determined tasks. There are different concepts and classifications of skills/skill-sets. Beechey (1982) classifies skills based on (1) objectively defined competencies; (2) control over conception and execution; and (3) socially defined occupational status, which may be more or less independent of objectively defined competencies. (Stasz 2001, p. 386) distinguishes between academic skills (learnt primarily in schools); generic skills (such as problem-solving, communications, or working in teams); technical skills (needed in specific occupations with support from academic skills); and work-related attitudes or ‘soft skills’ (motivation, volition...
and dispositions). According to Braverman (1974), the changing scientific and technological conditions of industrial (and office) work have rendered traditional skills redundant. This has also entailed a change in the definition of skills: “For the worker, the concept of skill is traditionally bound up with craft mastery—that is to say, the combination of knowledge of materials and processes with the practiced manual dexterities required to carry on a specific branch of production. The break-up of craft-skills and the reconstruction of production as a collective or social process have destroyed the traditional concept of skill and opened up only one way for mastery over labour processes to develop in and through scientific, technical, and engineering knowledge”. Ueli (2006) has classified rural skill sets as follows (Table 1).

<table>
<thead>
<tr>
<th>Type of Skills</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Basic skills, culture, welfare</td>
<td>1. Basic life-skills, such as in nutrition, child-care, health-care, cultural skills, literacy, numeracy etc.</td>
</tr>
</tbody>
</table>
| B) Production skills            | 2. Skills in producing something useful (a product or a service) and directly making money out of what one produces  
                                | 3. Skills in adding value to rural products (marketing chains...)                  |
| C) Organizational skills         | 4. Skills in communicating within the established environment and with new communicational partners, skills in using communicational equipment to access and distribute information, and skills to use that information for own benefit  
                                | 5. Skills in organizing informal cooperation within and among livelihood coalitions |
| D) Financial skills, Managerial skills | 6. Skills in making financial transactions, even over large distances  
                                      | 7. Skills in financial management of private investments  
                                      | 8. Skills in managing formalized cooperative efforts (all sizes from 5 member women's credit-group to large multi-village collaborations)  
                                      | Skills in the financial management of shared investments |
| E) Communal skills               | 9. Skills in communal decision making to organize and manage the public interest at the local level, particularly the management of common-property resources (natural resource management, forests, grazing, water resources, transport facilities etc.)  
                                      | 10. "Political" skills of negotiating common interests among various stakeholders, and forming and mandating the common institutions to take care of those common interests |


**Formal skills**

Formal skills are those which are developed in a structured and standardized manner and, more importantly, where the training outcomes are measured/assessed according to some objective parameters. An analysis of the data canvassed by the National Sample Survey on Employment and Unemployment: 50th Round (1993-94) India, revealed that only 10 per cent of the population reported as having any of the skills (Srivastava 2008). The NSS Survey Round on Employment-Unemployment for 2004-05, which collected information on the skill profile of youth (15-29 year-old population), found that only 3.9 per cent of them had received formal training. The number of persons informally trained was twice as large--22.3 million (7.8 per cent). Among workers in the 15-29 year age-group, 3.5 per cent were formally trained (including those receiving training). Formal vocational training is the training that took place in educational and training institutions, which followed a structured training programme with recognized certificates, diplomas or degrees. Non-formal training includes both hereditary (as in the case of traditional artisans) and other training. Since the focus of the paper is on enhancing employability of traditional artisans, greater emphasis is laid on relevant issues in
the informal skills system.

**Informal Skills**

In India, skills are generally acquired through inter-generational learning and/or systems of informal apprenticeships. The lack of formal education in such cases does not stop workers from acquiring skills. Informal skills are distributed across a wider cross-section of the population than formal skills, and they are more widespread nearer the base of the socio-economic pyramid (Srivastava 2008). In India, as noted above, twice as many people (7.8 per cent) were imbued with informal skills than with formal skills (3.7 per cent). Since traditional manufacturing skills are highest in the caste groups presently classified as OBC (Other Backward Classes), the highest proportion of people with such skills are in this group, followed by Scheduled Tribes, Scheduled Castes and other caste groups. The fairly wide dispersion of informal skills in a much broader segment, than that in the case of formal skills, is also borne out by the Logit regression analysis done by Srivastava. His analysis further shows that the highest proportion of informally trained people is in the lowest consumption expenditure categories. The main issue underlying the strong association between the existence of informal skills, on the one hand, and poverty and vulnerability, on the other, is that many of the skills reside in the workers attached to the languishing trades/sectors. Moreover, the valuation of traditional skills is also an issue. Taken together, workers with informal skills are not able to effectively exploit the opportunities in the emerging labour market; such skills are not able to provide a way out of poverty to them (Srivastava 2008). Though they are more open to skilled labour forces, employers in the highly competitive and organized sectors find it difficult to invest in skill up-gradation of labour equipped with only informal skills. Artisans and other poor workers with informal skills cannot afford, by themselves, the costly demand-led skill upgradation training. The resources of the state, with shrinking space and finance, are also unequal to the task in hand. To make skill development training accessible to all sections, public-private partnerships and social responsibility initiatives have to be further encouraged.

**Skill Hierarchies**

According to Beechey (1982) and Wood (1987), skills are both socially defined and constructed, and the socially defined occupational status may be more or less independent of objective competencies. In India, the skill hierarchies have little relation to the skill of the worker/skill content of the job, but more to do with the type of the work that is to be performed/category of person with the skill attribute. Since social status and job hierarchies are closely correlated, it is easy to create skill hierarchies, which are related to each of these. Thus, leather work and midwifery, both highly skilled tasks practiced by former untouchable castes, come at the bottom of the skill status ladder, followed by a whole range of skilled artisan occupations practiced by Muslims and Other Backward Class (OBC) Hindus (Srivastava 2008).

**Skill Gap and the Issue of Employability**

Recently in India there has been a perception that skill shortages have emerged and there is immediate need to expand skill training (GOI 2002; GOI 2008; Planning Commission 2001a; 2001b; 2002;2006;2007;2008; National Knowledge Commission 2006; NCEUS 2007; Wood 2007). According to the findings of a study on the unemployment scenario in India, conducted by the Directorate General of Employment and Training (DGE&T), 80 per cent of the total job seekers registered in employment exchanges are without any form of vocational skills. Secondly, in the existing work force, only 5 per cent have actually received formal training from institutes, unlike in the developed nations in Europe and USA where the proportion of
formally trained persons in vocational streams ranges between 60-80 per cent (Datta et al 2007). Current official estimates put the skill training capacity in the country at around 3 million. The NSS has estimated that in 2004-05, 3.95 million persons were undergoing formal skill training. Given that a component of this training is in short duration courses, the total formal training capacity would currently range between 4.5 to 5 million. This compares to an annual addition to the labour force of about 9.2 million. India, thus, has a long way to go to achieve the human capital levels of the East Asian economy (Srivastava 2008). It is also noted that public training programmes lack quality, inclusion, and sensitivity to market signals. As the term *employability* is now doing rounds in policy and industry circles more than ever, the industry is facing a crunch for finding ‘employable’ work force. The crucial question of increasing the productivity and incomes of workers (like traditional artisans) in the informal economy through appropriate employability enhancement programmes (like skill development training) continues to be a formidable challenge.

**Skill Development in India**

Skills and knowledge are the driving forces of economic growth and social development of any country. The economy becomes more productive, innovative and competitive through the development of more skilled human capital. Increasing pace of globalization and technological changes provide both challenges and growing opportunities for economic expansion and job creation. To take advantage of these opportunities as well as to minimise the social costs and dislocation, which the transition to a more open economy entails, the level and quality of skills that a nation possesses are becoming critical factors. Countries with higher and better levels of skills adjust more effectively to the challenges and opportunities of globalization than others (Planning Commission 2007). There is always a difference between ‘knowing’ and ‘performing’, and the gap is explained by inadequacy of skill. Skill development, therefore, means: all the efforts that allow somebody to learn to do something better than before, or do something new that s/he has not done before, and which results in concrete change in their livelihoods (Ueli 2006).

In India, the vocational training system that takes care of skill development is a concurrent subject of both Central and State governments. At the national level, the Directorate General of Employment and Training (DGE&T), Ministry of Labour, is the designated agency for formulation of policies on setting standards, granting affiliation to training institutes, monitoring of training programmes, trade testing and certification, and providing employment services. The Union government is advised by two bodies-- National Council for Vocational Training (NCVT) and Central Apprenticeship Council (CAC)--, having members drawn from industry, workers’ and employers’ organisations, Central and State Ministries. Opening of new institutes and actual conduct of training programmes through Industrial Training Institutes/ Centres are the responsibilities of state governments. State governments have set up State Councils for Vocational Training which advises them on vocational training. Training courses are available for school leavers, instructors of the training institutes, industrial workers, technicians, junior and middle level executives, supervisors/foremen, women, persons with disabilities, SC/STs, ex-servicemen, retrenched workers etc. The effectiveness and efficiency of the old system of vocational training are low and unequal to the task in hand because:

- There is mismatch between skills requirement of the world of work and skills produced by NCVT.
- The system caters mainly to the needs of traditional manufacturing sector, which represents less than 10 per cent of the total workforce
- The requirements of the unorganised sector are not properly taken care of.

In the above background, a number of innovative schemes for skill development have been
introduced, particularly with the Eleventh Five Year Plan (2007-12). Skill Development based on Modular Employable Skills (MES) is the most important among them.

**Skill Development Initiative (SDI) and Modular Employable Skills (MES)**

To meet the demand for specific skills of a high order, a Public Private Partnership between Government and Industry was proposed in the Budget 2005-06 to promote skills development programme under the name ‘Skill Development Initiative’. Accordingly, the Ministry of Labour and Employment undertook development of a new strategic framework for skill development for early school leavers and existing workers, especially in the unorganised sector, in close consultation with industry, micro enterprises in the unorganised sector, state governments, experts and academia. The main objective of the scheme is to provide employable skills to school leavers, existing workers, ITI graduates, etc. Existing skills of the persons can also be tested and certified under this scheme.

**Key features of the scheme**

1. Demand driven short-term training courses based on Modular Employable Skills (MES) decided in consultation with Industry. MES is the ‘minimum skills set’ which is sufficient for gainful employment.
2. Central government will facilitate and promote training while industry, private sector and State governments will train the persons.
3. Flexible delivery mechanism (part-time, weekends, full-time, onsite/offsite) to suit needs of various target groups.
4. Different levels of programmes (foundation level as well as skill up-gradation) to meet demands of various target groups.
5. Courses would also be available for persons having completed 5th standard.
6. Testing and certification of skills acquired informally.
7. The essence of the scheme is in the certification that will be nationally and internationally recognized.
8. Public Private Partnership (PPP) 6 7 is envisaged in the form of active participation of the industry/private sector in every stage of design and implementation of the scheme.
9. Target groups are: workers seeking certification of their skills acquired informally, workers and ITI graduates seeking skill up-gradation, early school drop-outs, and unemployed, child labour and their families.

**Skill Development Programmes and Traditional Artisans**

NSS 1993-94 Survey on Employment and Unemployment, 50th Round, has considered, among others, carpenter; mason; bricklayer; shoemaker; cobbler; moulder; blacksmith; goldsmith; silversmith; potter; basket maker; toymaker; brick maker, and tile maker as artisans with predominantly informal skills. Informal apprenticeship arrangements have been an important source of traditional skills development in the artisan sector. Traditional skill systems have the advantage of wider availability throughout the country, linkages with local community, use of local language, presence of trainers from similar social background, and relevance to local economic opportunity. According to official policy, instead of replacing them, all efforts will be made to improve and strengthen these mechanisms and to upgrade and diversify their activities into modern skill areas. Local trainers will be provided up-gradation training in modern techniques/pedagogy so as to develop them into master craftsmen. Opportunities for linking these arrangements with training institutions in the formal sector will be provided through the extension of pedagogical tools, equipment and expertise support. Dual-type apprenticeship will be made possible which will allow the trained apprentices to undergo further institutional training in the organized sector. Services
like post-training support, elimination of child labour, better access for girls, the disabled, other vulnerable groups etc will be provided to apprentices as social protection. The mode of informal apprenticeship will be recognized and accommodated in the National Vocational Qualification Framework (National Policy on Skill Development, GOI, draft final, May 4, 2008).

At present, skill development among artisans is taking place mostly in the informal way, i.e. persons acquire skill at the workplace, when they help their parents, relatives and employers. Such persons do not have a formal certificate; they earn lower wages and are exploited by employers. Traditional artisans have come through these informal systems of learning, due to socio-economic circumstances of the family and the compulsions of earning a livelihood rather than attending a formal course. While their productivity is low, their contribution to the national GDP cannot be ignored. Though the Skill Development Initiative Scheme under MES, currently implemented by NCVT, covers artisan trades also, for reasons stated in section 4, there is need for exclusively artisan-centred training programmes and closer industry involvement in them through CSR initiatives. If the country can expand the system of certification which not only recognises their skills but also provides training in a mode that suits their economic compulsions, it will not only benefit the artisans to earn higher income but also contribute to the national economy in terms of better productivity. The case for increasing the coverage of traditional artisans in skill development and certification of prior knowledge, under government and CSR programmes, has been conceived in the above background.

**Corporate Social Responsibility (CSR) in Skill Development**

Terms like ‘Corporate Social Responsibility’ (CSR) ‘Corporate Citizenship’ and ‘partnership’ have become buzzwords in international development discourse. This reflects the fact that an increasing number of Transnational Corporations (TNCs) and large domestic companies, supported by business and industry associations, are adopting a variety of so-called voluntary initiatives that aim to improve their social, environmental, and human rights record. Such initiatives include, for example, code of conduct; measures to improve environmental management systems and occupational health and safety; company ‘triple bottom line’ reporting on financial, social, and environmental aspects; participation in certification and labeling schemes; dialogue with stakeholders and partnerships with NGOs and UN agencies; and increased support for community development projects and programmes (Utting 2005). The term CSR is usually taken to include environmental, social and human-rights based impacts and initiatives of companies (Ward and Fox 2002). Most definitions of corporate social responsibility or corporate citizenship focus on a company’s overall impact on the society and stakeholders. However, the concept of CSR has been evolving since the early seventies, and as yet there is no uniform definition accepted globally. Corresponding to different CSR concepts, a large number of codes/conventions/principles/standards have been evolved. Reasons of varying practices, approaches and attitudes on CSR and corporate citizenship in different economies are largely due to differences in social and economic systems in which companies are operating, differences in legal and regulatory frameworks, cultural practices, local societal and public needs and expectations. CSR in a developed country context would relate to issues of governance, business ethics, and human rights, as enshrined in the UN Convention on Environment. In developing countries like India, CSR would also extend to processes in nation-building and socio-economic development spheres such as regional development, rural development, employment, education, and healthcare services.8

Despite the popularity of CSR worldwide, its precise shape, extent of incorporation in core business planning etc remain hardly agreed upon (like socialism compared often to a cap that has lost its shape because everybody wears it). A Harvard paper defines CSR as:
“voluntary actions that companies take through their core business activities, their social investment or philanthropy programs, and their broader engagement in policy dialogue that are explicitly managed to have positive net impact in society while also benefiting the company, directly or indirectly. Different types of activity, with different motivations, funding sources, and operational models, will be effective for different companies and contexts. There is no simple “one-size-fits-all”. The terminology debate is by no means over, as we struggle for more commonly accepted language to describe the wide variety of activities companies undertake or are being asked to undertake, to enhance the net impact of business in society. As one panelist put it, “CSR is dead! Long live CSR” (Harvard University 2007: p.6). In a similar tone, referring to contributions to a debate on CSR, Laughlin (2008) observes: “the interest of the editors of Development and Change was in exploring just what kind of animal ‘CSR’ is. It is certainly not a useful descriptive or analytical concept since it describes a multiplicity of different things in ways that are difficult to define”. However, over three decades, the nature of activism and civil society-business relations has changed considerably, the latest being a shift in emphasis from corporate responsibility to accountability, from voluntary initiatives to law and public policy, from codes of conduct to verification and industrial relations, as well as a resurgence of contestation (Utting 2008). But many activists are critical of the development thinking that TNCs should engage more proactively in poverty reduction through public-private partnerships, CSR, the so-called ‘bottom of the pyramid’ approach and philanthropy (UNDP 2004). Developments in the global operations of TNCs reinforce the notion that they are the principal beneficiaries of economic globalization and liberalization, that they are heavily implicated in reproducing social exclusion and inequality, that legal and governance institutions have overemphasized corporate rights, while neglecting their obligations (Utting 2008). The rise of contestation, thus, depends on the perception that CSR has largely failed in terms of scale, scope and the development of effective instruments. The quality of the main CSR instruments also remains highly inadequate, and the gap between rhetoric and policy remains significant.

**CSR and Economic Opportunity**

Expanding economic opportunity is arguably where firms have the greatest potential to create “shared values”, or value for both business and society. Business activity can create jobs and entrepreneurial opportunities, cultivate inter-firm linkages, enable technology transfer, build human capital and physical infrastructure, generate public revenue for governments, and offer a variety of products and services to consumers and other business, including those operating at what has been termed the “base of the economic pyramid”. For example, as part of developing human capital, Starwood Hotels and Resorts has established 27 enterprise development centres associated with its haciendas in the Yucatan in Mexico, enabling local communities to earn incomes reviving traditional Mayan jewelry-making and crafts. Despite its emerging significance, the role of companies in expanding economic opportunities along their value chains [through initiatives like creating inclusive business models, developing human capital, building institutional capacity and shaping public policy] has been one of the least recognized and evaluated aspects of CSR (Harvard University 2007). Thus, CSR interventions in artisan skill and entrepreneurship development need to be anchored not only as part of the concern for traditional workers, marginalised under the influx of modern science and technology, but also as development of human capital for accessing economic opportunities of the emerging market.

**Confederation of Indian Industry (CII)°: CSR and Skill Development**

CII is rendering advisory/consultancy services and technical assistance to industry on social development. The objective of consultancy service is to build CSR capacity and competency
within companies. An area of CSR consultancy with potential for artisan empowerment is its Skills Development programme, to train a "multi-collar task force - white, grey, blue and rust" with a view to make "India the Skills Capital of the World", provide state-of-the-art training to meet the skill shortage faced by businesses, provide credible certification of skills, and catalyze private sector business/commercial solutions to enhance the ability of the poor to command assets and incomes from wider markets.  

**CII Skills Development Initiative**

CII took up the task of "Making India the Skills Capital of the World" and launched the Skills Development Initiative in 2004, to become a catalyst in creating a skills movement in the country. The objective is to generate social inclusiveness and provide the socially and economically vulnerable population a chance to be part of the mainstream economy. The initiative proposes to 'Skill a million Indians' by harnessing India's 'Demographic Dividend' and to make the people qualified for better employment/self employment in India and abroad. Also, CII views skills as a 'global currency'. The key features of the Skills Development Initiative are its localized and need-based approach, scalability, output-orientation, practical hands-on skills, focus on training and testing, accessibility, quality and cost-effectiveness, independent assessment and verification, joint certification by awarding bodies and partners, centrally administered 'Train the Trainers', and most importantly 'benchmarked international standards of performance'. To take the movement further and make use of the considerable demographic strength of India, CII registered a Skills Development Trust to provide mandate to the Skills Development Initiative. CII is also conducting "Skills Gap" studies across the country through credible partners to project the skills needs and gaps of different states by 2015. Such an analysis helps understand the dimensions of the problem and opportunity within. Based on the findings, CII works to create mechanisms to fill these gaps and address the needs of both the organised and the unorganised sector.

**Advocating Skills Development**

As part of the continued efforts to advocate contemporisation of skills development in India, CII has been actively advocating the cause by interacting and spreading the message both to the industry and the government on a regular basis. The CII-led Task Force on Skills Development is an example. CII has also meaningfully contributed to the World Bank funded ITI up-gradation project and to the concept of the Modular Employable Skills programme of Government of India for the unorganised sector. CII has been actively involved in the Public-Private Partnership scheme for ITI Up-gradation. To the industry organisation, it is a media of delegating its social responsibility towards the community and stakeholders. CII co-hosted with the Ministry of Labour and Employment the "First Indo-EU Seminar on Skills Development, Training & Employment", 27-28 November 2006. In continuation with the efforts towards galvanising support and becoming a catalyst in developing effective public-private partnership, CII organised the "Skills Summit" on 19 January 2007 in Bangalore in collaboration with WorldSkills International. CII is also partnering with City & Guilds in the area of skill development.

**CII Centre of Excellence for Skill Development**

The CII Centre of Excellence for Skill Development was inaugurated in Chhindwara, Madhya Pradesh, on 22 September, 2008. This is the first initiative of its kind in the country set up by CII through Private Partnership and a small but unique step to try and bridge the skill gap. The Centre attempts to enhance employability of the youth. Initially, training will be
impacted for masons, bar-benders, welders, excavator operators and fitters for a period of 1 to 3 months by CII member companies namely, Ambuja Cement, JCB, L & T and Punj Lloyd, among others. The centre will become a catalyst in creating a skills movement in the country. The objective is to generate social inclusiveness and provide the socially and economically vulnerable population a chance to be part of the mainstream economy. Partnerships with over 120 NGOs across the country have also been established to carry forward CII initiatives in integrated development.

**Case for Skill Development Training to Traditional Artisans (TAs)**

In the light of the overview of skill development initiatives of the state and private sector (represented by the CII), the case for skill expansion and entrepreneurship training to TAs is built around the following propositions:

- Since the gap between ‘knowing’ and ‘performing’ is narrow for TAs, training would be cost-effective and less time-consuming for them
- Traditional knowledge embedded in the social life of artisans makes the movement along the skills continuum (from the informal to the formal) easy for TAs (see Table 2)
- Though they have acquired traditional skills informally, TAs can also serve as trainee-cum-trainer; in fact, it is followed already in some of the programmes
- Training and industry exposure of TAs may contribute to product/process innovations and best practices
- Training enhances ‘employability’; the industry’s willingness for enhancing ‘employability of backward classes (rather than reservation) lends priority to TAs, who belong to the backward classes
- To sustain construction activity, the most booming sector, we need trained artisans in large numbers
- CSR-driven skill development is a convenient vehicle to achieve ‘inclusive’ growth of ‘excluded’ groups like TAs
- Given the environment of better access to capital, thanks to Credit Guarantee Fund for the MSME sector, promotion of self employment ventures could be fast for TAs, when they are trained in skill up-gradation and entrepreneurship
- Skill enhancement training may open a more sustainable route to poverty eradication among TAs
- For the economically weak TAs, more exposed to changes in market, technology, materials etc, training is a source of capacity building and insulation from the forces of marginalisation.

Since the role of the government in the post-liberalization era is more of a facilitator, and the private sector is occupying wider space in the economy, artisans in the unorganized sector look forward to industry organizations to drive fast the skill development agenda through CSR platforms. In the above background, three CSR interventions in artisan development (1. skill development, 2. demonstration, training and finance for tools, and 3. training and customized product purchase) are presented as case studies. Since these are only indicative of possible CSR interventions, a larger study is necessary for documenting similar interventions and developing innovative models for sustainable development of artisans.
Table 2  
Skill Development Training: Formal and Traditional

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Formal</th>
<th>Traditional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivery/Agency</td>
<td>Institutional</td>
<td>Non-institutional</td>
</tr>
<tr>
<td>Attendance</td>
<td>Optional</td>
<td>Compulsory</td>
</tr>
<tr>
<td>Coverage</td>
<td>Limited</td>
<td>Complete</td>
</tr>
<tr>
<td>Relation</td>
<td>Trainer-Trainee</td>
<td>Father-Son/Master-Apprentice</td>
</tr>
<tr>
<td>Objectives</td>
<td>Sharpening skill</td>
<td>Cultivation &amp; Development of</td>
</tr>
<tr>
<td></td>
<td></td>
<td>skill</td>
</tr>
<tr>
<td>Design</td>
<td>Training Agency, Standardised/Rigid</td>
<td>Non-structured, Context-specific &amp; Flexible</td>
</tr>
<tr>
<td>Cost</td>
<td>Commercial/Subsidised</td>
<td>Free/paid in kind (service)</td>
</tr>
<tr>
<td>Tools</td>
<td>Lecture, Practice, Industry visit</td>
<td>Practice-driven</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>Permanent</td>
<td>Moving with workplace</td>
</tr>
<tr>
<td>Level</td>
<td>Foundation, Basic, Certificate, Diploma</td>
<td>Continuous learning</td>
</tr>
<tr>
<td>Evaluation</td>
<td>Institutional</td>
<td>Elder/Master/Client/Public</td>
</tr>
<tr>
<td>Certification</td>
<td>Institutional</td>
<td>Trainer impression/Public approval</td>
</tr>
<tr>
<td>Placement/Promotion</td>
<td>Employer/Training Agency</td>
<td>Elder/Master/Client</td>
</tr>
<tr>
<td>Chances of Vertical Mobility/Entrepreneurship</td>
<td>High</td>
<td>Moderate</td>
</tr>
<tr>
<td>Scope for Geographical Mobility</td>
<td>High</td>
<td>Moderate/Low</td>
</tr>
<tr>
<td>Advantages</td>
<td>Widely accepted certification</td>
<td>Transfer of Traditional Skill</td>
</tr>
<tr>
<td>Disadvantages</td>
<td>Limited Access</td>
<td>Poor acceptance in organized sector</td>
</tr>
</tbody>
</table>

Case Study 1: Canara Bank Caring for Artisans

In a bid to nurture and promote craftsmanship, Canara Bank (a public sector bank) has promoted at Bangalore, Karnataka State (Jogaradoddi, 33 kilometers from the city), the KPJ Prabhu Artisans Training, Production and Marketing Centre (KPJ ARTRAP) in 1991. The Centre imparts free residential long-term skill-EDP training in traditional crafts (wood and stone carving, sheet metal embossing, and terracotta) to artisans under the supervision of master craftsmen, to pursue crafts as a profession. Applicants in the age group of 18-35 years with minimum schooling of Standard VII are offered admission. Preference is given to applicants from rural areas, Scheduled Castes/Scheduled Tribes and weaker sections of society. The settlement rate of trainees is around 92 per cent. The Centre participates in exhibition-cum-sale outlets, symposia/seminars and workshops to promote art and culture. Inspired by the success of the initiative, the Bank has opened centres at Karkala, North Karnataka-- CE Kamath Institute for Rural Artisans-- in 1997 and at Karaikudi, Tamil Nadu--Canara Bank Artisans’ Training Institute. The cost of training is borne by the Canara Bank Platinum Jubilee Rural Development (CBPJRD) Trust. These Institutes symbolize the desire of the Bank to keep alive traditional crafts of the country. For its artisan and rural development interventions, Canara Bank received the FICCI-Business World Corporate Social Responsibility (CSR) Award for 2003. The bank has also sponsored another artisan-support scheme--Cantools--through which loan facility is offered for purchase of MICO-BOSCH Power Toolkit 14, 15 for carpentry, wood work, servicing and repair of automobiles, electrical and sanitary servicing. Loans covered under Credit Guarantee Fund for small industries are repayable in 3-5 years. Artisans trained in the institutes have won prestigious awards like the Kamaladevi Chattopadhyaya awards, Dasara awards, Shilpashree awards etc.

Since many artisans hail from rural areas, they face constraints like poor housing, raw material shortage, difficulty in learning higher skills, limited access to market etc. Hence, KPJ ARTRAP has promoted a Kalagrama (Artisan Village) about 40 kms from Bangalore city,
comprising 18 artisan cottages where artisans can pursue crafts after training. Kalagrama provides living-cum work-sheds, services of master craftsmen, sustainable market links and a common platform for the integrated development of artisans. Seminars, workshops and interaction sessions spice up the lives of the artisans and serve to broaden the frontiers of their skills and knowledge for self employment. Canara bank which celebrated its 100th birthday in 2006 spends Rs 8-10 crore a year on the Rural Development Institutes 16 and the 50-odd staff posted on its CSR initiatives.

[Source: Canara Bank’s Initiatives in Rural Development (2001); Canara Bank and Social Banking (2002); KPJ ARTRAP (n d) Kalagrama; Madhumathi 2004]

**Case Study 2: BOSCH Creates Employment Opportunities for Self Employed Artisans**

The Power Tools Division of BOSCH announced in Bangalore, on April 9, 2007, the expansion of `Bosch Vaahan`; (a mobile van with a Bosch Power Tool display and demonstration area, as well as bank personnel), an initiative to enhance the skills and livelihood of self employed rural artisans in India. Launched in 2006 in partnership with Canara Bank and Andhra Bank, the initiative includes a combination of product demonstration and training with financial support to empower self-employed artisans to further their trade. Based on the success of the initiative which was launched in South India, the programme has been extended to cover North India and other select locations. “We are excited to announce the flag off of our 2nd Bosch Vaahan,” said Mr. Navin Paul, Business Head, Power Tools Division. “Rural artisans are hampered by the lack of access to the latest equipment and technologies, and financial support. Through Bosch Vaahan, we aim to reach out to these artisans who have a rich cultural heritage and ensure that their skill is not just preserved but enhanced through appropriate tools”.

After its official flag off in Bangalore, the Van reached Delhi en route to Northern Uttar Pradesh, Haryana, Punjab and Jammu. The second phase covered Eastern and Western Uttar Pradesh. The van was equipped with power tools ranging from the woodworking, construction, metalworking and cordless tools catering to the needs of self employed artisans, plumbers and electricians. The tools suit different applications like drilling, tightening/loosening, cutting, grinding, planning, sanding etc., with efficiency, reliability and easy handling. They can be used for light, medium or tough tasks, both indoors and outdoors. The Bosch Vaahan demonstrates the versatility of the tools to artisans and allows artisans to touch, feel and use the product at the venue. After successful collaboration with Canara Bank and Andhra Bank, Bosch has tied up with 5 more public sector banks to provide loans to artisans.


**Case Study 3: Corporate Sustainability Initiative: Artisans Weaving a New Life**

Over the years, copies of Benarasi sarees made on power looms have flooded the market; the presence of unscrupulous middlemen and other factors have led to large scale unemployment among these weavers. Taj Hotels resolved to help them weave a new web of life, as part of their corporate sustainability initiative --building livelihoods. It was decided that the frontline staff, managers and executives from 10 of the Taj group’s luxury hotels would sport custom-made sarees, traditionally hand -woven, by the weavers from Benares. Steps in the initiative consisted of identification of villages, provision of food, organization of health camps, distribution of glasses, solar powered lamps and water pumps, finance for repairing looms, repayable advance for the design of Jacquard cards etc. Chamundi Silks in Bangalore was identified as the wholesale silk yarn producer. The company also ensured that each weaver has a separate bank account.

While Taj spends close to Rs 4,750 for the entire outfit, the weavers make about
Rs1,800 per saree, against Rs 800 before. Thanks to the Taj initiative, the weavers make five sarees (7 days per saree compared to 15 days before) and earn about Rs 9,000 a month. Jay Ramrakhiani, a fashion designer roped into this project, has designed the gossamer beige, gold and turquoise blue-bordered outfits that are now worn by the front office staff. Taj Hotels is also looking at making custom or designer sarees (jamdanis, tanchois, etc) and furnishings that they could sell through their Khazana outlets, which retail various artefacts, handlooms and textiles, to provide sustainable employment for the weavers. “It was very difficult initially and I had a tough time trying to break into the community. "The first lot of sarees was launched at the Taj Mahal Palace & Tower in Mumbai in April 2008, when the front office staff adorned them. It was given to us on the first day of basant or spring to signify a new season in more ways than one,” says Ms Hegde. Taj hotels in Kolkata and Hyderabad have also received their sarees. And Taj properties in New Delhi and Bangalore are next in line.


**Conclusion and Policy Implications**

The overview of skill development training programmes being implemented by the DGE&T, the NCVT and partnerships of industry organizations (CII), indicates that both the public and private sector agencies are fully exposed to the different channels of training services delivery. All the stakeholders in the skill development agenda share the need for certification, standard setting and deployment of workers in the unorganized sector, whose skill development at present is taking place mostly in the informal way. Given the opportunities (as also threats), presented by globalization and fast mechanization of hitherto labour-intensive processes, artisans in construction activities and utility production deserve greater attention in the training agenda. It is widely accepted that, with training in modern tools and processes (and possibly entrepreneurship), traditional artisans contribute to productivity and income generation, far better than those hailing from non-traditional communities. By birth and upbringing, they are more skill-oriented and absorptive. For example, blacksmiths used to be employed massively in automobile workshops throughout the country, before the birth of the new-generation automobile service providers, manned by workers trained exclusively for the purpose by automobile dealers/manufacturing companies. The new system of combining sales, spares and services has thrown out traditional blacksmiths from the automobile repair segment. Similarly, shortage of hardwood and the use of alternative materials (cement, plastic, glass etc) have displaced traditional carpenters in construction, and the non-artisan groups controlling capital are stealing the show. The inflow of unskilled non-traditional artisans, driven partly by forces of massive unemployment and migration, has also lowered standards of workmanship and wages in the artisanal sector.

Framed in the above backdrop, the study draws the following conclusions:

- Given their inherited traditional skills, better skill-orientation and absorption, and massive presence in construction and utility industry, the available skill development programmes for artisans are grossly inadequate in number and reach; the potential of CSR in artisan skill development is also not fully explored. In the given context, it is desirable that industry organizations step up their CSR programmes for training of artisans in skill/entrepreneurship development, certification of prior knowledge and promotion of industry-artisan interface.

- Since the CSR perception varies widely across companies/industry organizations and lacks sensitivity to national/target groups’ priorities etc, it is imperative to develop demand-driven models of CSR for artisan skill development. It is better that these models are evolved under consultation with target groups and professional agencies in CSR project design.
• Instead of proceeding with in-house CSR models of training and skill development, it is desirable that participatory and integrated approaches are evolved by industry bodies for artisan development.
• SDI scheme, with MES being adopted in the country, needs to be made more artisan-inclusive; public, private and PPP interventions in skill development have to be vigorously publicized/made artisan-chasing.
• As artisans are not organized under vibrant NGOs, information on training opportunities hardly reaches them; the poor reach of official facilitation also calls for CSR support to capacity building in artisan NGOs.
• To facilitate crafting of innovative CSR models, company level sporadic interventions (like that of Taj Hotels, Bosch etc), though not skill-specific, need to be documented by industry organizations.
• Though skill development schemes are under way, they are not matched by programmes that promote entrepreneurship. Hence, the potential of vertical mobility of artisans through self employment is not given enough attention.

However, some indications of artisan-friendly CSR and educational interventions are worth mentioning. A ‘School of Construction Artisans’ has been established recently in Coimbatore, Tamil Nadu, for imparting free residential training in concreting, carpentry and masonry as part of a CSR drive. Coimbatore Chapter of Builders’ Association of India (BAI) is cooperating with Shri Ramakrishna Mission Vidyalaya, Coimbatore to establish the country’s first school for artisans. The trainees will be inducted into the member construction companies of BAI in Coimbatore. Indira Gandhi National Open University (IGNOU) has announced a scheme for ‘Assessment and Certification of Prior Learning’, which will enable skill assessment among the workforce and accordingly certify their skills. By their long work experience, people would have acquired knowledge, but would not have a degree. IGNOU will assess the skills of artisans, carpenters, office assistants and others in related fields, and give them suitable certification. The initiative will give them opportunities for vertical mobility and it will also lead to sustainable skill development. In Madhya Pradesh, Rewa ITI has been selected in the first phase of Centre of Excellence in the sector of Construction and Woodworking Industry. In the light of the learning from the journey so far, the potential areas for CSR-driven training in skill/entrepreneurship development for artisans are indicated in Annex 1.

Notes
1. For a detailed overview of CSR concepts, and cases of CSR in the Indian context, see: Baxi & Ajith (2005).
2. Though it is not perceived as an act of CSR per se, the demand put forward by the Union government for reservation to Backward Class (BC) candidates in the private sector (which the industry organizations have rejected straightaway) turned out to be a potential field of CSR intervention. As against reservation in employment, Industry Organisations have expressed their willingness to address the issue indirectly in terms of training of BC candidates to enhance their ‘employability’. See: Sankaran & Amita (2005).
3. Artisan castes /communities with traditional skills attached to various crafts, providing a variety of goods on cottage scale like weavers, potters, blacksmiths, carpenters etc, have been engaged in secondary production for centuries. Their traditional occupations have been under different forms and degrees of threat while entry into modern sectors and facilities for upward mobility are generally denied (Saksena 2004). According to SRUTI (1995), ‘artisans are people who craft items/products or provide services, of both utilitarian and decorative value, using their hands and traditional implements/tools’. Artisan groups comprise of metal workers, wood workers, potters, textile workers, gem polishers and jewellers, cane, bamboo and fiber workers, tailors and leather workers.
4. Most of the schemes for artisan development are conceived with reference to decorative crafts and, therefore, they are implemented by the Development Commissioner (Handicrafts), GOI. They exclude majority of the traditional artisans in the production of utility goods and construction
industry.

5. In addition to the existing basic problem with the skill development system in the country, the urgency of skill development is underscored by the demographic changes taking place. It is estimated that the ageing phenomenon globally will create a skilled manpower shortage of approximately 46 million by 2020, and if India can take effective action on skill development, she could have a skilled manpower surplus of approximately 47 million. In an increasingly connected world, where national frontiers are yielding to cross-border outsourcing, it is not inconceivable that within a decade India can become a global reservoir of skilled persons.

6. Areas of partnership relevant to artisan training are: Development of instructional material for training; Assistance in the training of trainers, wherever required; Making available their training & testing facilities, wherever required; Provision of on the job training in their establishments; Development of assessment standards; Monitoring and Quality assurance; Assistance in placement of graduates; Provision of trade experts to work as assessors of competencies; Voluntary donation of equipment to the ITIs/other training institutions, and Providing guest faculty in new trades.

7. Initiatives of DGE&T, relevant to artisans are:
   - Construction Industry Development Council (CIDC) and National Academy of Construction (NAC), Hyderabad
     have been identified as apex bodies for carrying out testing and certification of workers in the construction sector.
   - Cane & Bamboo Technology Centre (CBTC), Guwahati has been identified as the apex body for Testing and Certification of Skills of Workers in the area of Bamboo Technology.
   - Setting up of an Apex Institute for Skill Building in the informal sector, especially for testing and certification in the area of construction, brass ware, glass work, fisheries, Khadi etc. with a capacity output of 2,50,000. This would also help qualitative improvement in the sector.


9. The Confederation of Indian Industry (CII), founded over 114 years ago, is India's premier business association, with a direct membership of over 7500 organisations from the private as well as public sectors and an indirect membership of over 83,000 companies from around 380 national and regional/sectoral associations. CII lays special emphasis on projecting a positive image of business, assisting industry to identify and execute corporate citizenship programmes for integrated and inclusive development (health, education, livelihood, diversity management, skill development, water etc), through partnerships with 120 NGOs. With 64 offices in India, 9 overseas (Australia, Austria, China, France, Germany, Japan, Singapore, UK & USA) and institutional partnerships with 211 counterpart organisations in 87 countries, CII serves as a reference point for Indian industry. Other national level chambers of commerce are: Federation of Indian Chambers of Commerce and Industry (FICCI), Federation of Indian Export Organisation (FIEO) and The Associated Chambers of Commerce and Industries of India (ASSOCHAM).

10. Other areas of consultancy are: Project Management; Need Assessment; Proposal Writing & Development; Monitoring and Evaluation of projects; Training on Project Management Principles; Guidelines & Frameworks; Reporting & Measuring CSR Performance; Accreditation Services: to develop accreditation processes and standards to become a nodal point to provide accreditation services for NGO's; social audits for companies and certification, and Global Platform: to project the CSR done by Indian Businesses and learn from global CSR practices.

11. About 1396 Industrial Training Institutes (ITI) has been proposed for up-gradation into Centers of Excellence in specific trades and skills. It is envisioned to upgrade at least 300 ITIs every year beginning 2007-08 under the PPP mode. Member organizations of CII from over 17 states have expressed their interest in joining hands for the scheme. Companies like Hero Honda, ITC, L&T, Ashok Leyland, BHEL, Coca Cola, HCL, Wipro, Kirloskar & TATA have shown interest in adopting ITIs for up-gradation.

12. *WorldSkills International* is a not-for-profit membership association, open to agencies or bodies which have a responsibility for promoting vocational education and training in their respective countries/regions.

13. City & Guilds is the world's leading vocational skills awarding body, inclusive of construction. It is a non-government, not-for-profit organization and a registered charity. It has over 500 different
qualifications covering almost every occupational sector. In India, it is represented by City & Guilds (South Asia) Pvt. Ltd., based in Gurgaon with operations in India, Pakistan, Nepal, Bangladesh and Bhutan. It has over 150 centres in India and works at various levels that include Corporate Members, Industry Associations, Training Organizations, Governments, Services, Schools, Colleges etc.

14. Motor Industries Company Limited (MICO), the flagship of the Bosch Group in India, founded in 1951 has grown over the years to become India’s largest auto component manufacturer. It is also one of the largest Indo-German companies in India.

15. The Bosch Group is a leading global manufacturer of automotive and industrial technology, consumer goods and building technology. Set up in Stuttgart in 1886 by Robert Bosch (1861-1942) as "Workshop for Precision Mechanics and Electrical Engineering," the Bosch Group today comprises a manufacturing, sales, and after-sales service network of some 300 subsidiaries and more than 13,000 Bosch service centers in over 140 countries. A total of 92% of the share capital of Robert Bosch GmbH is held by the charitable foundation, Robert Bosch Stiftung.

16. Apart from the art gurukulas, the other schools offer their students free courses over two weeks and up to three months in a range of skills from two-wheeler repair and servicing, photography, screen printing and DTP, to dress making, bee-keeping, soft toy making and beauty and healthcare. Canara bank has also established 20 Rural Entrepreneurship Development Institutes across the country in a 40: 40: 20 partnership with competitor Syndicate Bank and the Dharmasthala Manjunatheswara Educational Trust.


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## Annex 1
### Potential areas for CSR-driven Training in Skill Development of Artisans

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<thead>
<tr>
<th>(a) Building Materials and Components</th>
<th>(b) Building Technology</th>
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<tr>
<td>Adhesives; Aggregates; Aluminum Composite Panels; Architectural Hardware; Bathroom Fittings &amp; Accessories; Brick &amp; Block; Ceramic Tiles; Concrete; Construction Chemicals; Doors &amp; Windows; Electrical System; Escalators &amp; Elevators; Flooring; Facades &amp; Wall Cladding; Glass &amp; Glazing</td>
<td>Hardware &amp; Fittings; Insulation; Kitchen &amp; General Household Fittings; Light &amp; Lighting; Roofing Materials; Paints &amp; Coatings; Pipes &amp; Fittings; Plywood &amp; Timber Product; Sanitary &amp; Plumbing; Steel / Composite Material; Specialist Tools; Water Proofing; Drainage</td>
</tr>
<tr>
<td><strong>Building Automation; Earthmoving Equipments; Air-conditioning and Air Treatment; Energy Management Systems; Telecommunication Network; Safety, Security, Fire Safety and Access Control</strong></td>
<td><strong>Cable, Cabling Systems; Insulation; Lighting &amp; Lighting Management; Solar Energy Technology for Buildings; Facilities Management; Parking Management Systems; Water Treatment &amp; Conservation Products and systems</strong></td>
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<tr>
<th>(c) Construction Technologies</th>
<th>(d) Concrete Technologies</th>
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<tbody>
<tr>
<td>Building Systems</td>
<td>Composite Materials and Technologies</td>
</tr>
<tr>
<td><strong>Concrete Technologies</strong></td>
<td><strong>Low Temperature Concrete Admixture; Pre-packed Concrete Admixture; Smart Concrete; Self Placing Concrete; High Performance Concrete (HPC); Demolition</strong></td>
</tr>
<tr>
<td>Concrete Technologies; Fiber Reinforced Cellular Concrete; Conductive Concrete; Reactive Power Concrete; Corrosion Inhibitors for Reinforced Concrete; Construction Equipment and Methods; Foundations</td>
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<tr>
<th>(e) Construction Machinery &amp; Equipments</th>
<th>(f) Masonry Technologies</th>
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<tbody>
<tr>
<td>Brick Making Machinery; Construction Vehicles; Earthmoving Equipments; Material Handling Equipments; Glass and Ceramics Manufacturing Plants &amp; Machinery</td>
<td>Mortar-less Concrete Block Systems; Roofing System Technologies; Structural Connection Technologies</td>
</tr>
<tr>
<td><strong>Tower Cranes; Stone Cutting and Polishing Machinery; Ready-mix Concrete; Pre-cast Factory Machinery</strong></td>
<td><strong>Autoclaved Aerated Concrete; Retrofitting Technologies; Steel Technologies; Trench-less Technologies</strong></td>
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| (g) Other Technologies | |
|------------------------| |
| **Steel Technologies** | **Other Technologies** |
| **Other Technologies** | |