

Realtors build training hubs to get skilled staff

By Anuradha Shukla
in New Delhi

THE BURGEONING real estate sector is facing an acute shortage of skilled labour. But far from being cowed down by the problem, the industrial segment is finding its own solution to it — setting up skill training institutes to train workers.

“The construction sector is facing an acute skill shortage. It is difficult to put an exact number to it. But compared to the requirement, the shortage is around 10 million persons,” Santosh Rungta, president of the Confederation of Real Estate Developers’ Associations of India (Credai), an apex body of real estate developers, told MAIL TODAY.

The second-largest employment generating sector in the country is facing a shortage of skilled labour at all levels — right from bricklayers to carpenters to site supervisors to construction engineers.

“The situation is not going to improve. Given the massive construction works that are happening across the country, the situation will worsen. So, we have already started setting up skill-training institutes to train them in specific skills,” Rungta said.

Credai has set up one institute in Pune

Credai sets up 1 centre in Pune & plans a dozen more in India

and is planning about a dozen such institutes across the country. Developers with large projects in their kitty are setting up their own skill development institutes.

Sobha Developers has set up its own skill training institute for blue-collar workers. The module involves one month of rigorous training in the institute that is followed by two months of on-site training. Following this, they are absorbed in various projects.

“Let’s accept that there is a shortage. Rather than waiting for some plans by the government we are looking for practical solutions by training people as per our requirements,” J.C. Sharma, managing director, Sobha Developers, told MAIL TODAY.

The company offers regular incremental programs as well so that once trained, they do not join competitors’ projects. It has currently engaged more than 10,000 workers and is looking to train 5,000 more.

However, the trend is not new. Reliance Industries faced a similar labour shortage when it started building the new oil refinery. The petrochemicals giant plugged the shortage by training about 10,000 carpenters, welders and electricians, who helped complete the project on time.

According to Credai, the labour shortage is threatening to delay many projects and result in cost overruns. And the realtors’ apex body blames it all on government initiatives like the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).

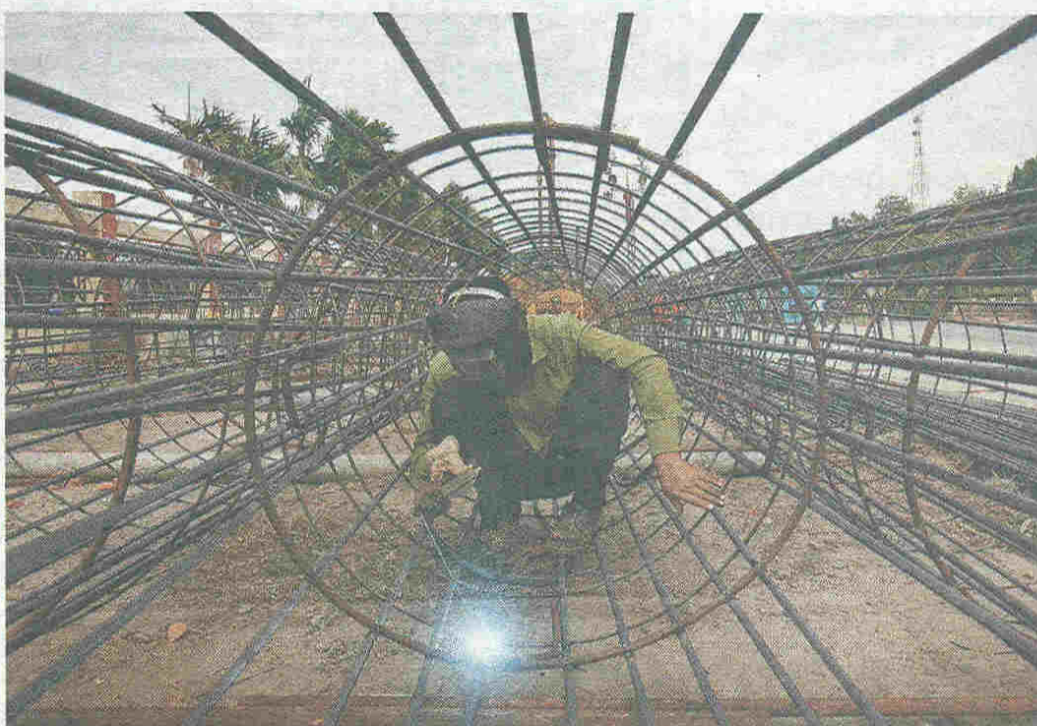
“There is a flip side to the scheme. The construction sector is dominated by migrant labourers. As most of the people are getting employment in their home states, they are not migrating. This has created a problem for the developers. Even when the developers are ready to pay more they are not getting the desired manpower,” Rungta added.

Others are seeking the help of hiring firms. Head-hunters like Adecco, TeamLease and LabourNet are now providing semi-skilled and skilled blue-collar employees, such as bricklayers, welders, electricians and

carpenters to construction companies. The three companies together employ about 35,000 blue-collar staff for real estate industry.

“Getting workers is a problem. Even when you get them, it becomes very difficult to retain them as the demand is huge. Poaching is very common as there is a huge dependency on them,” Solomon J.P., chief executive, LabourNet, said.

Builders are trying to lure them not just by offering good wages but also sops like joining and retention bonuses, advance salary, accommodation and crèche facilities.



REAL TROUBLE: Getting skilled labourers is a problem as poaching is common in the real estate industry.

SEEKING MORE HANDS

- Labour shortage in real estate biz is estimated to be around 10 million
- Credai says the shortage is threatening to delay many projects
- Skill shortage is seen right from bricklayers to carpenters to supervisors to engineers
- Sobha Developers has set up its own skill training

- ing institute for blue-collar workers
- Firms like Adecco, TeamLease and LabourNet are providing semi-skilled and skilled blue-collar staff
- These three head-hunters together supply about 35,000 blue-collar executives to the real estate developers

Let’s accept that there is a shortage of skilled staff. Rather than waiting for some plans by the govt we are looking for practical solutions by training people as per our need.

— J.C. Sharma, MD, Sobha Developers