



# Industrial Human Resource of Nepal

A Case Study of Manufacturing Sector

Researcher: Dr Keshav Bashyal, Ph D

[keshavbashyal@gmail.com](mailto:keshavbashyal@gmail.com)


Contact: 9851218120

# Background

- Federation of Nepalese Chambers of Commerce and Industry (FNCCI) and International Labour Organization (ILO) have signed agreement to conduct industrial human resources need assessment and organizing skills and employment/job fair on August 2016 to facilitate effective implementation of Labour Market Information for Employment Services (LifE) project.

# **Objectives**

- The overall objective of the assignment was to conduct a human resource need assessment survey to collect information from five industrial corridors namely Biratnagar (Morang and Sunsari), Kathmandu (Kathmandu, Lalitpur and Bhaktapur), Butwal (Rupandehi), Nepalgunj (Banke) and Dhangadhi (Kailali).


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- Likewise, the assessment seeks to provide current and accurate information about industrial human resource needs with analytical information that will support for better match of demand and supply of HR.

# Specific objectives:

- Find out the quantitative and qualitative aspects of human resource and skill gap in the industries; and
- Find out occupations that will fulfill need of industries and types of training required for it.

# Surveyed in five industrial corridors

- Activities under this assignment are carried out in Biratnagar, Kathmandu, Butwal, Nepalgunj and Dhangadhi and their respective industrial corridors in collaboration with District Chamber of Commerce and Industry (DCCIs) and Employment Service Centers (ESCs) in respective locations and concerned districts.

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- The survey conducted in close coordination and consultation with district level industry or chambers committee in respective industrial corridors and also with ESC.
  - And workshops were also held in all respective corridors.

# Study tool and technique

- A questionnaire has been developed to inquire the labour situation of industries. The skill and occupation categorization in this report was made on the basis of the definition provided by the employer of industries.

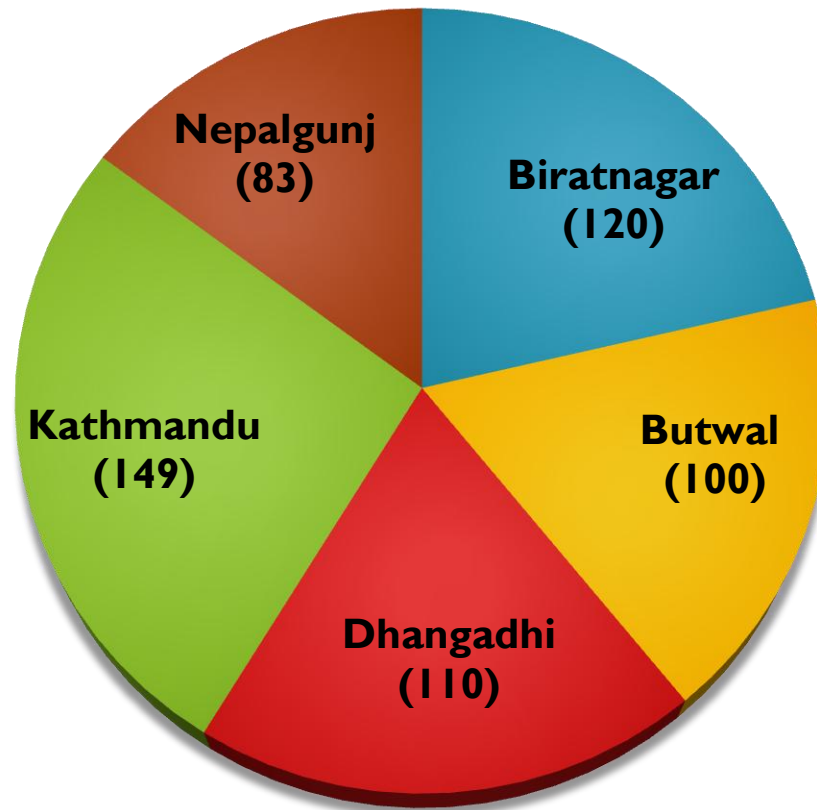


# Findings of the Study

- Existing information
- Detailed information about technical occupations in industry.
- Further need of technical or skilled workforce in manufacturing industries

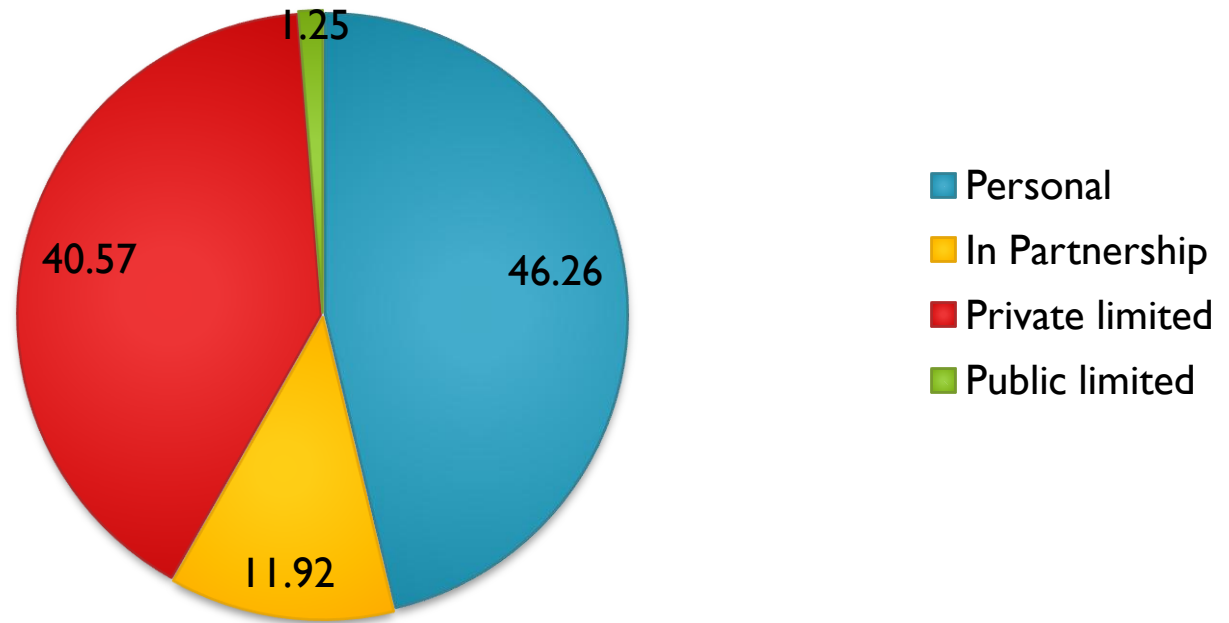
# Employment Scenario in Industries in Nepal

Number of industries selected (562)

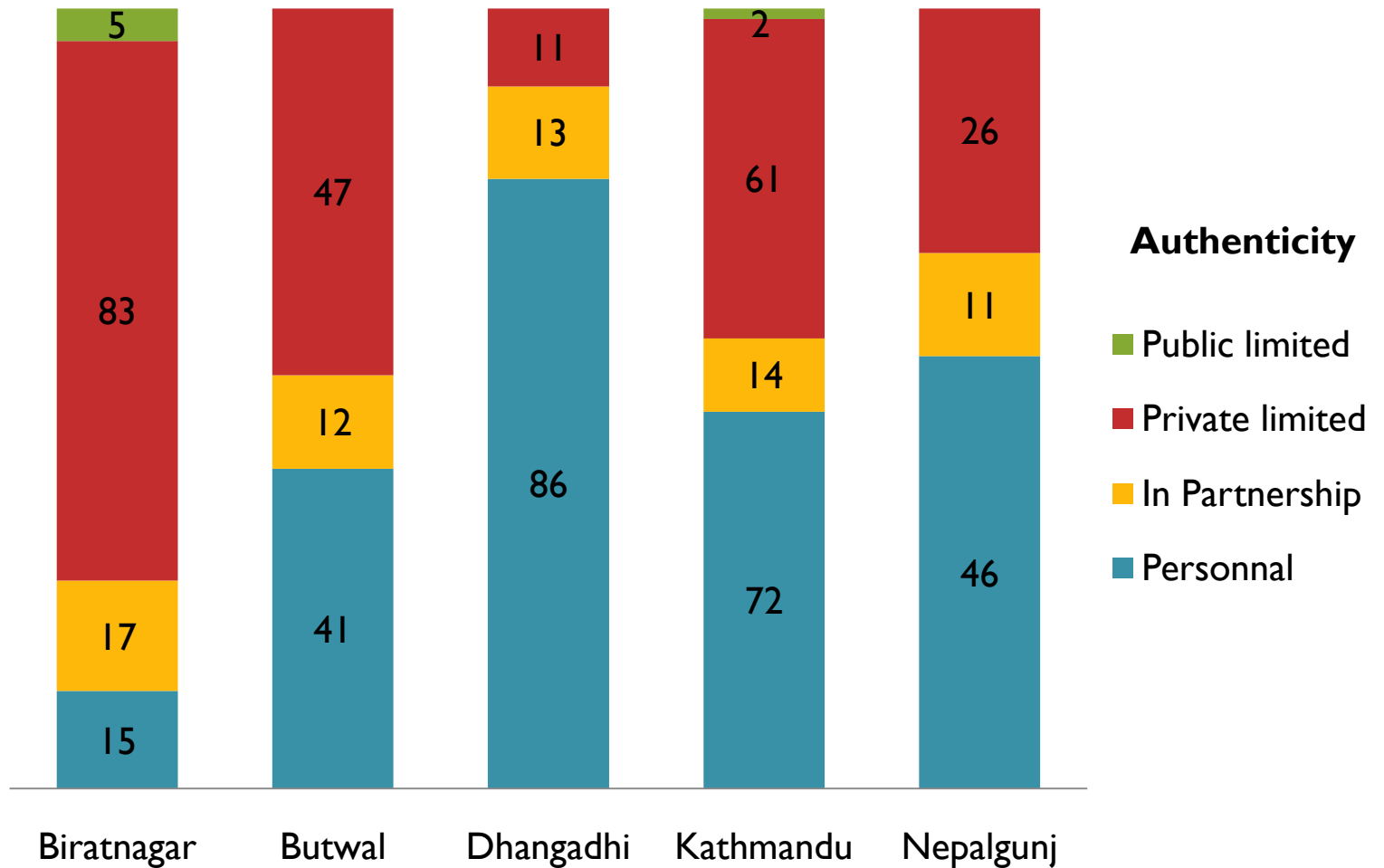


# Legal status of surveyed industries

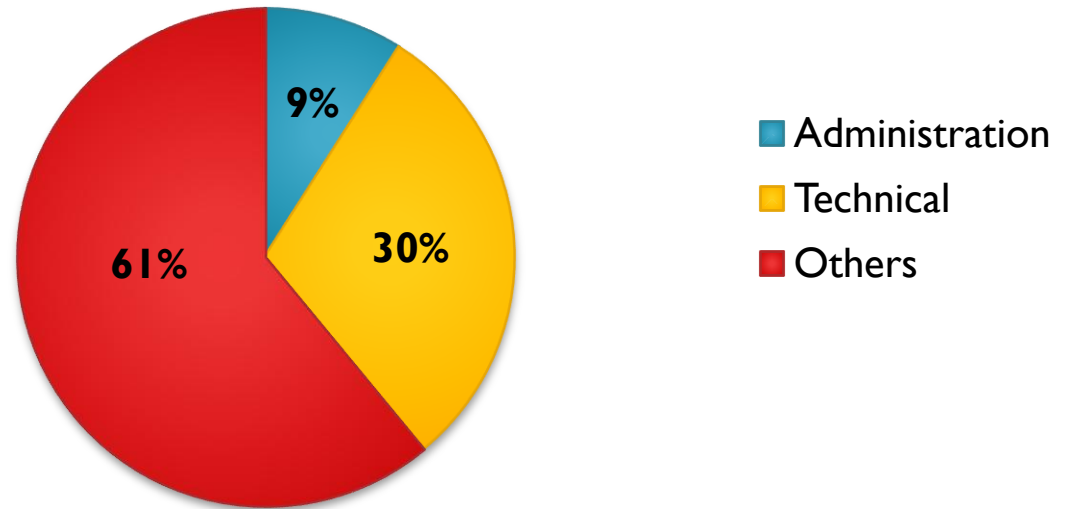
## Authenticity of industries



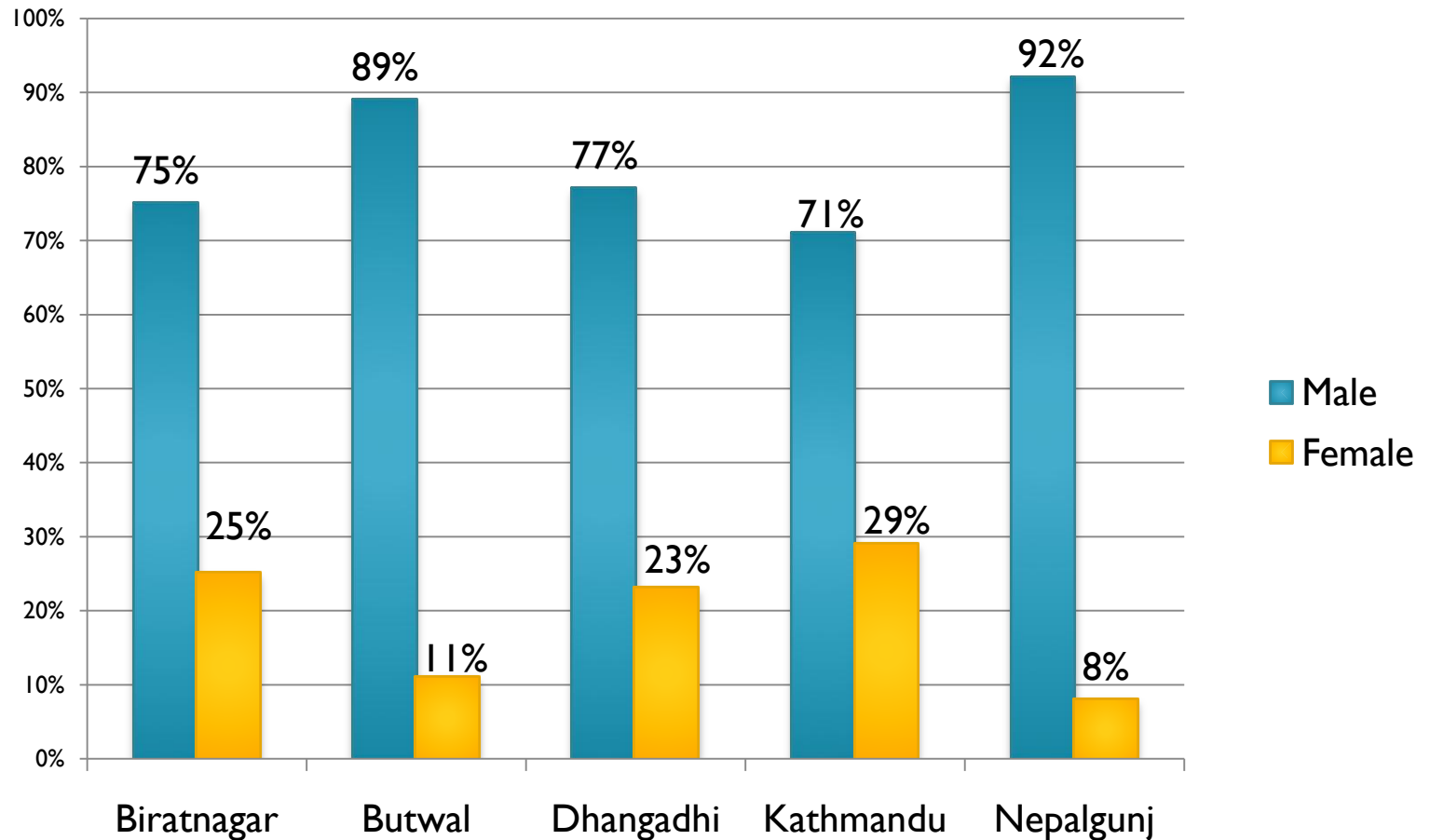
# Corridor wise segregation of legal status of industries



# Ratio of workforce in industries

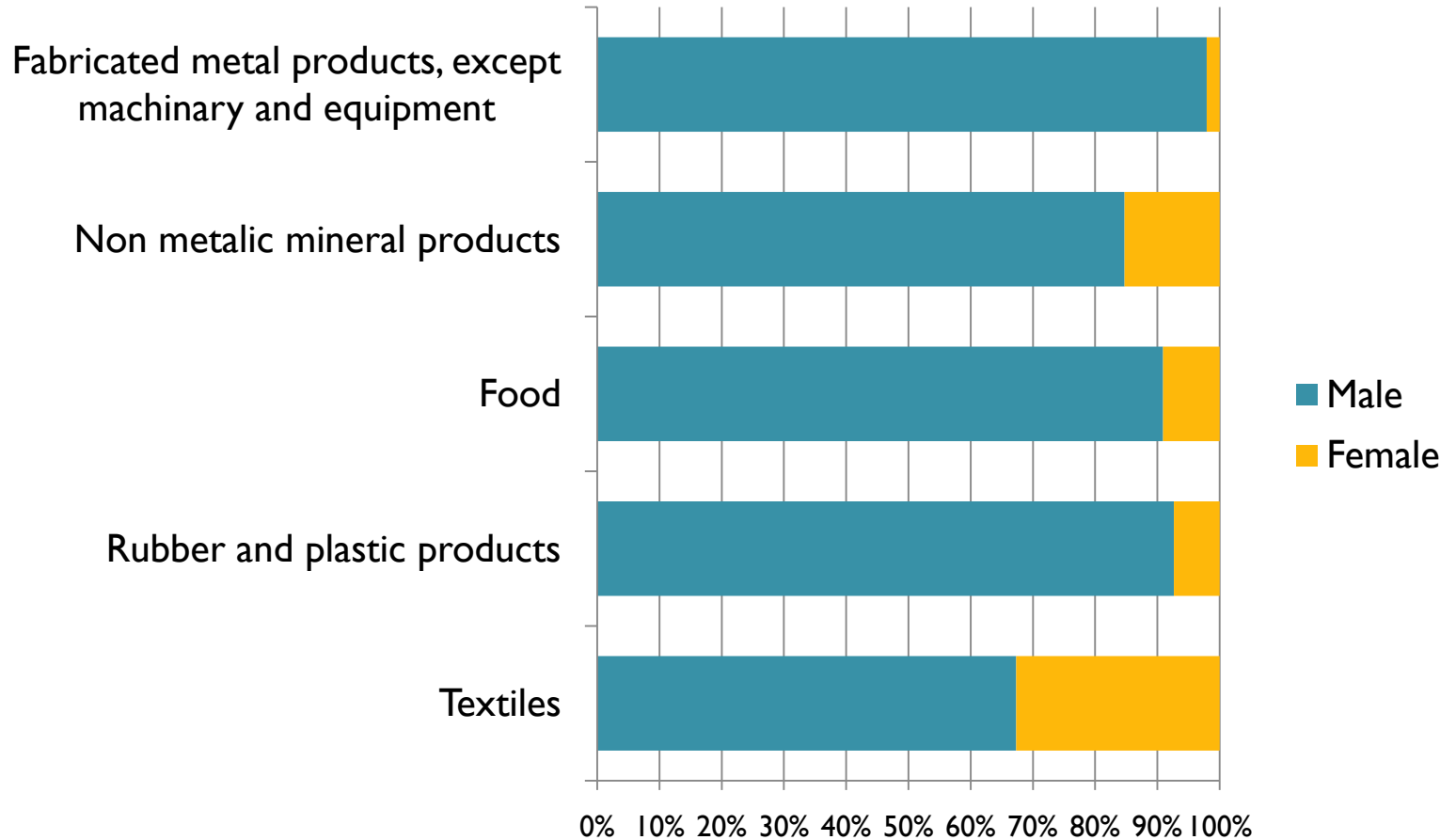


# Sex ratio of current workers in different corridors



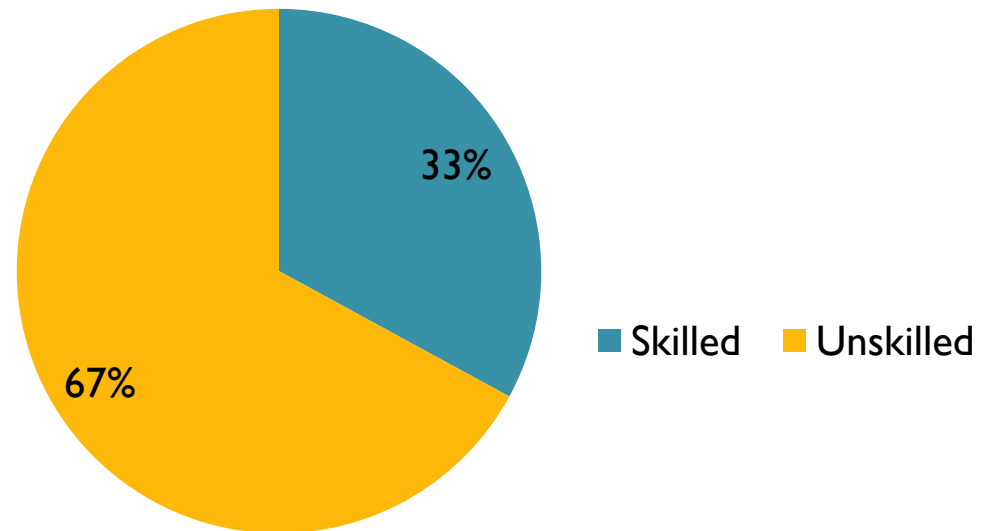
# Gender ratio of workers in major five types of industries

Gender ratio in major five sector



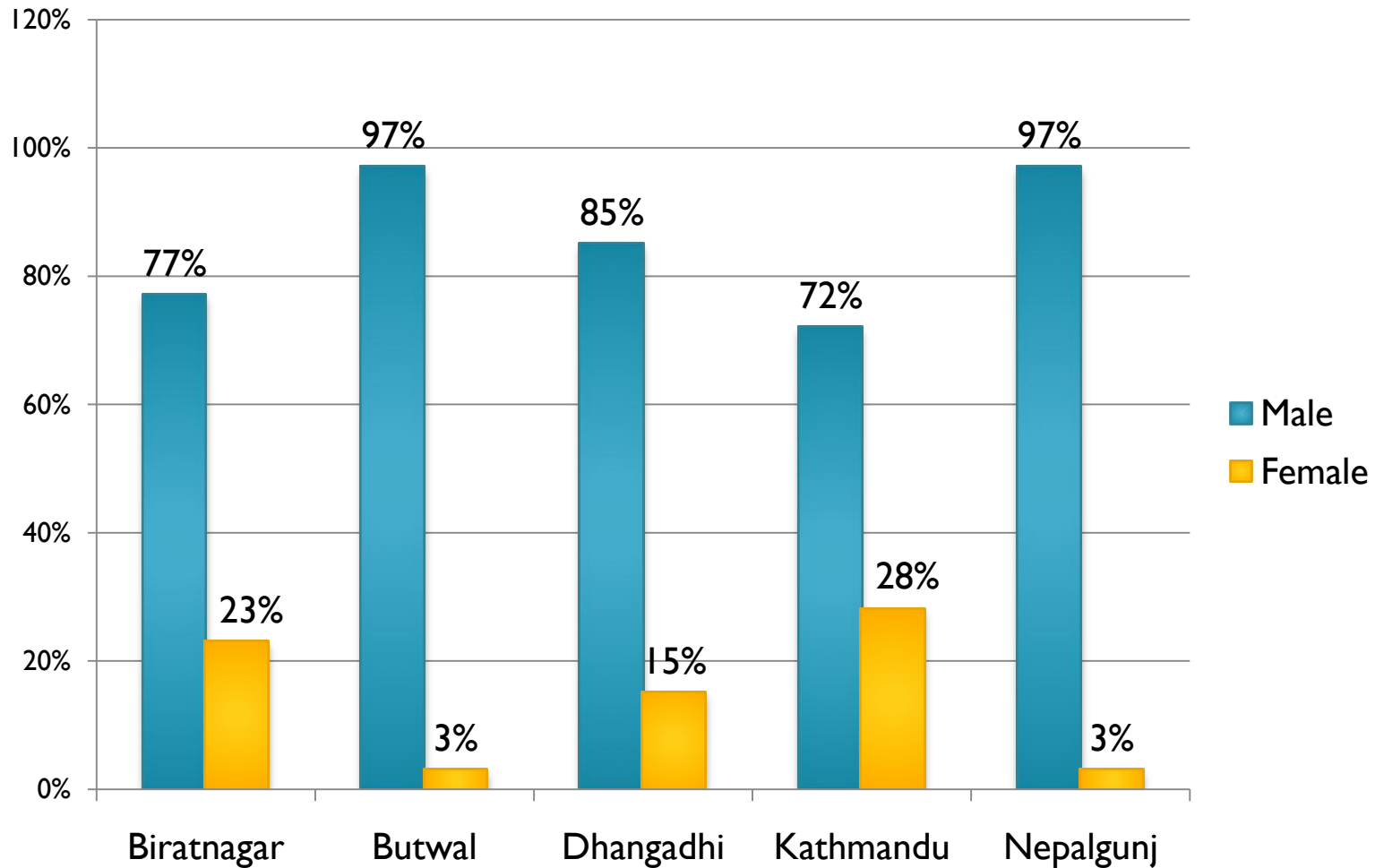
# Skilled workers in industries

Percentage of Skilled workers





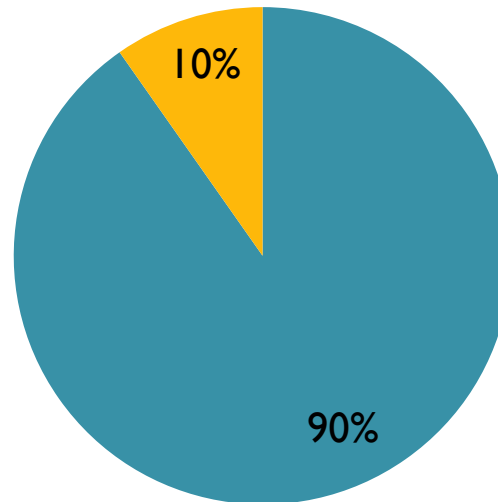
# Corridor wise ratio of workers based on sex



# Non Nepalese workers in manufacturing sector industries

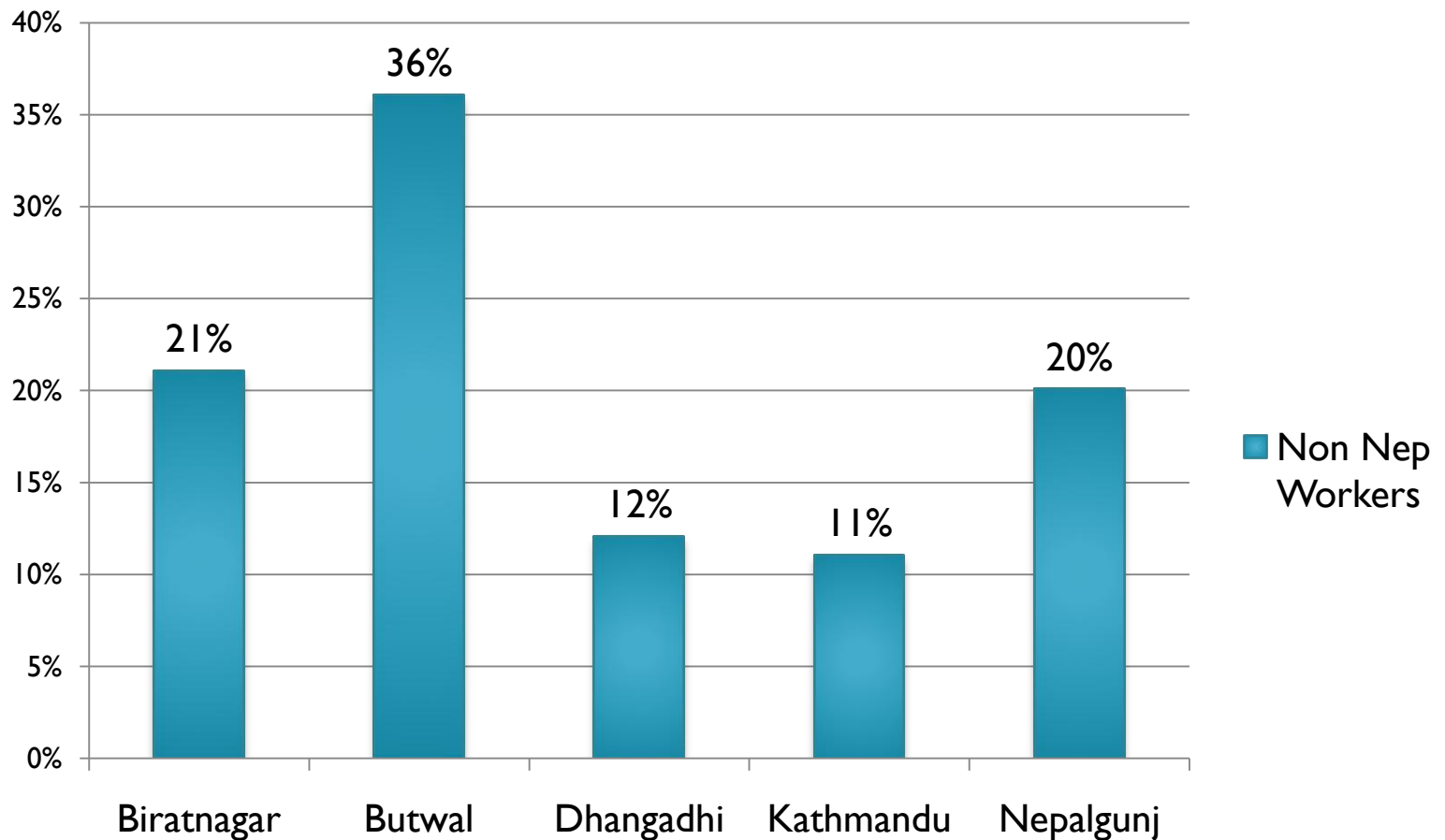
## Non Nepalese workers

■ Nepalese ■ Non Nepalese

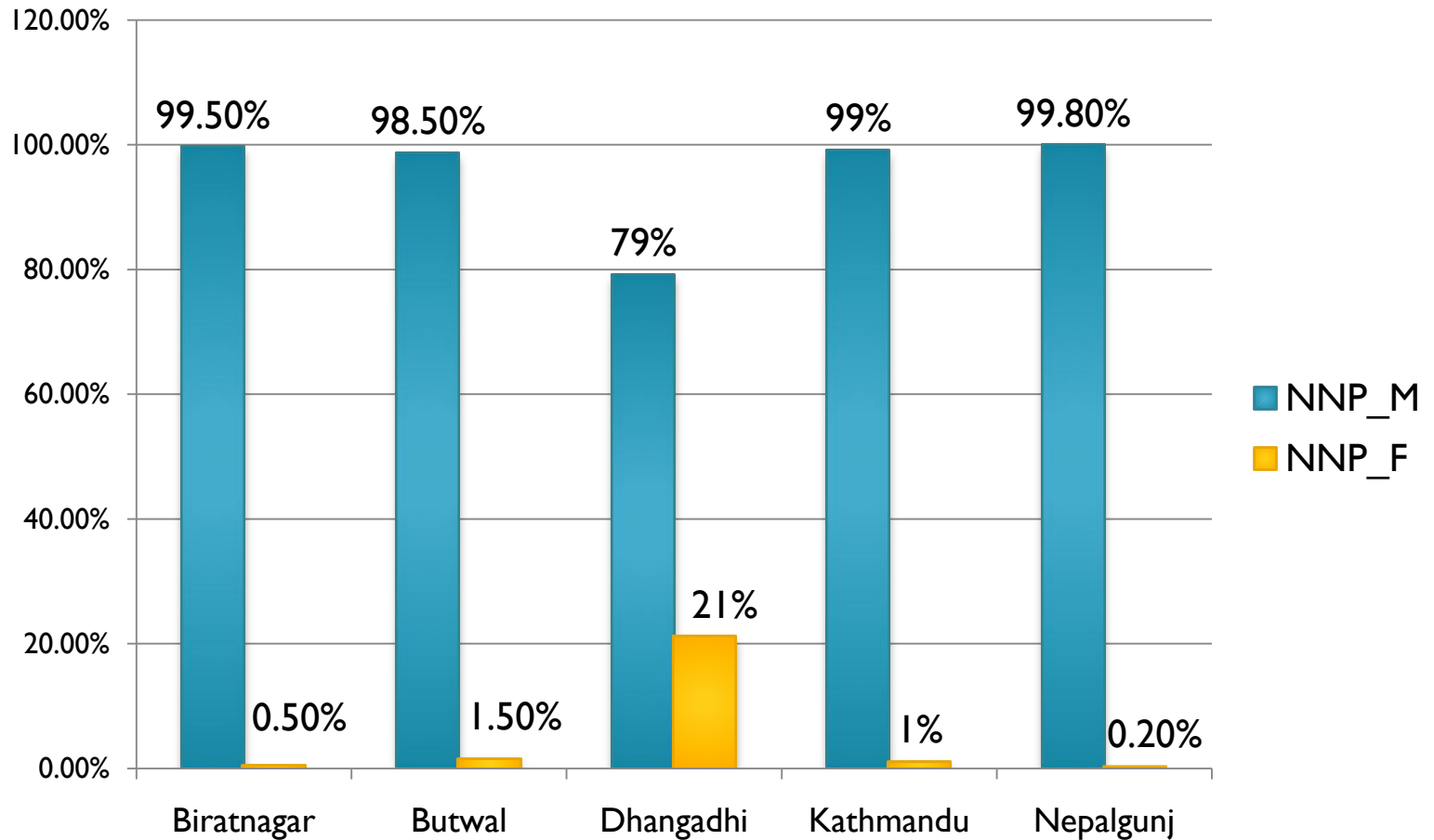


# Non Nepalese workers in corridor wise

## Non Nep Workers



# Non-Nepalese workforce in corridor wise sex ratio



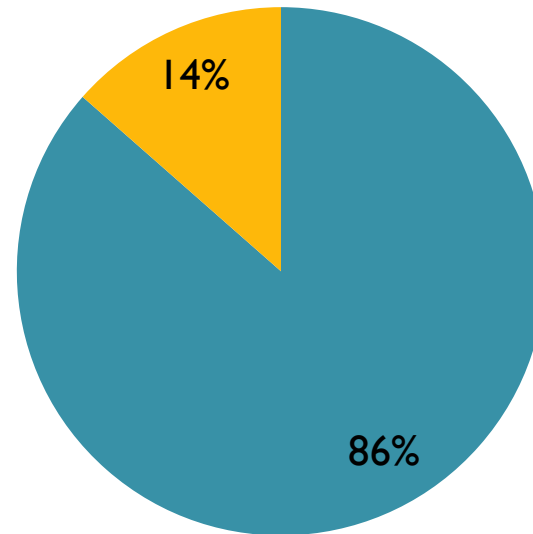


# Recruitment practices of industries

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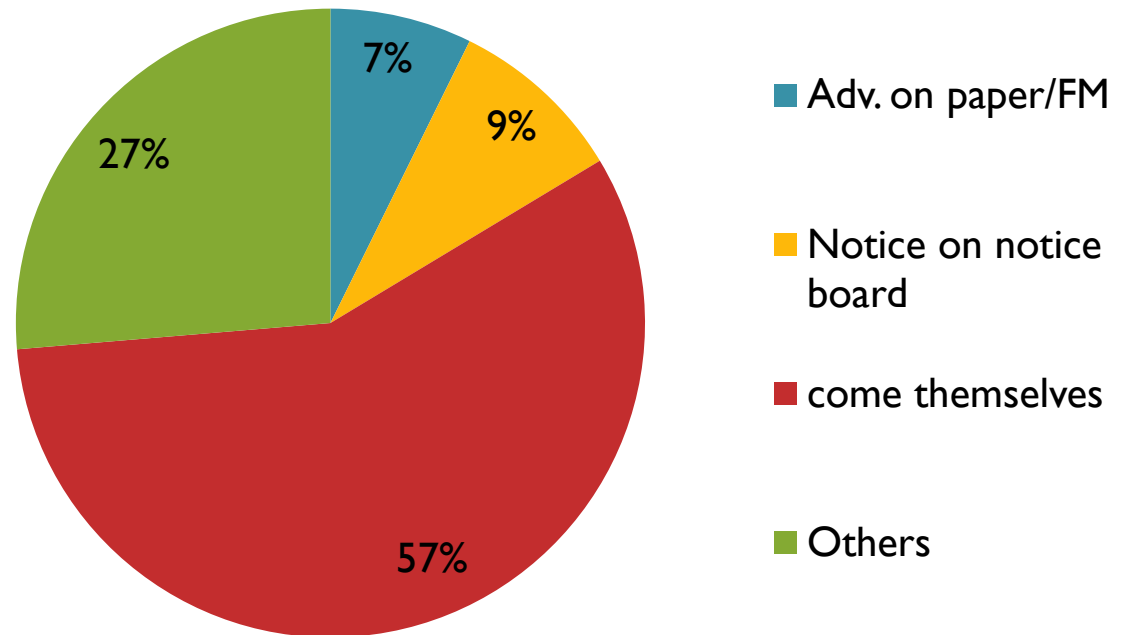
## Recruitment Practices by Industries

■ Company itself ■ By suppliers

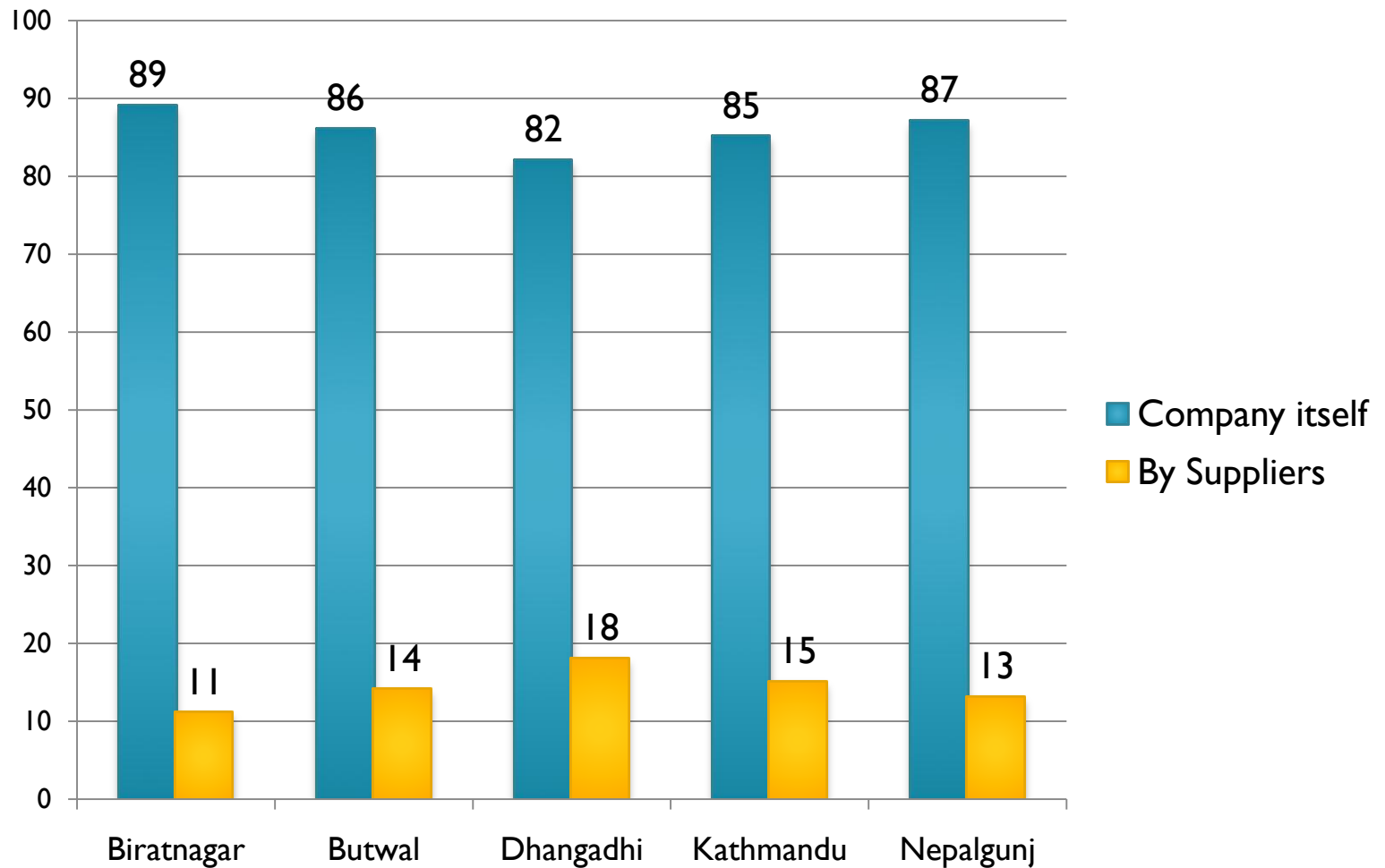


# Methods of recruitment in manufacturing sector industries

## Recruitment Methods

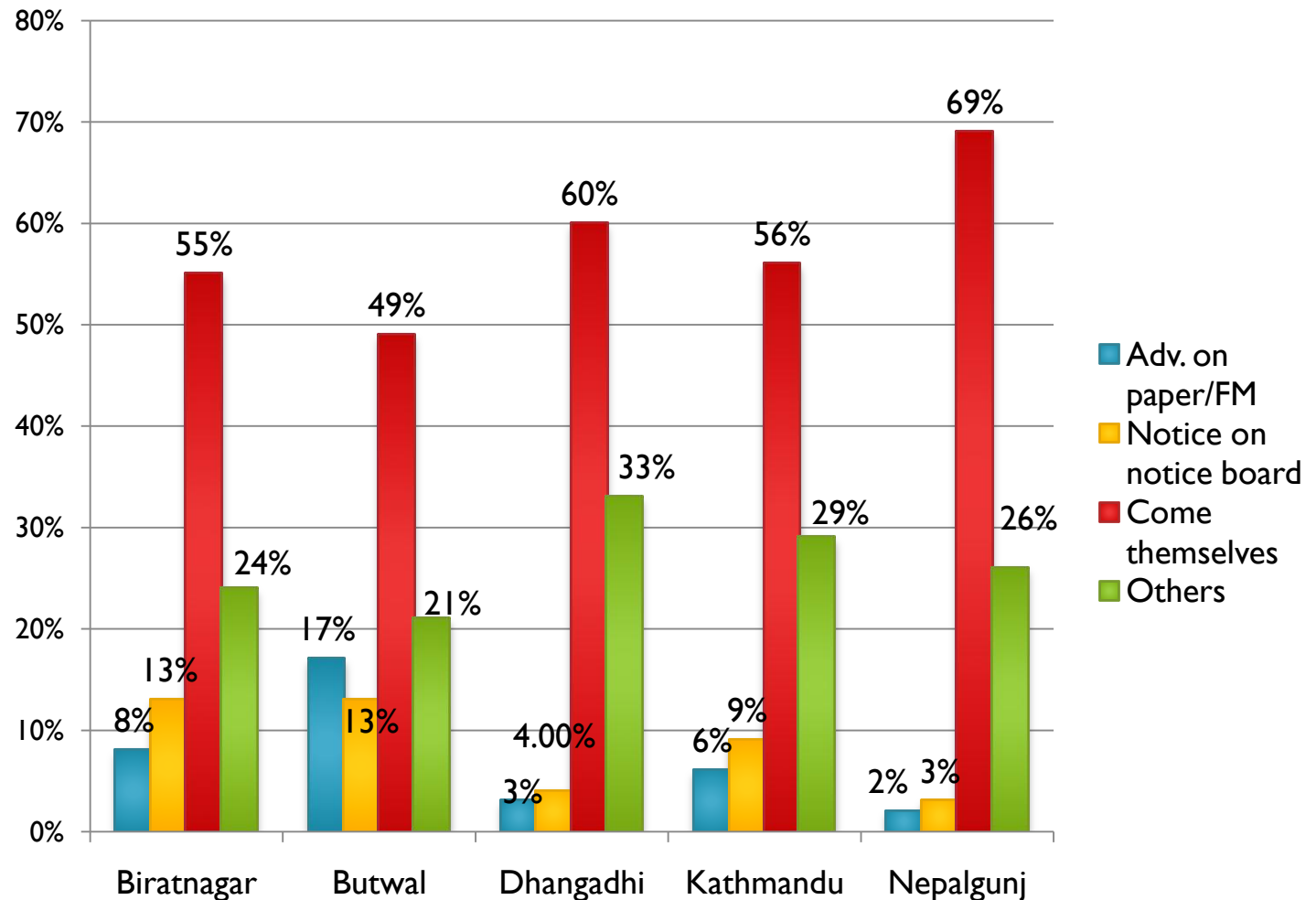


# Mode of recruitment in different corridor





# Recruitment methods in Different Corridors

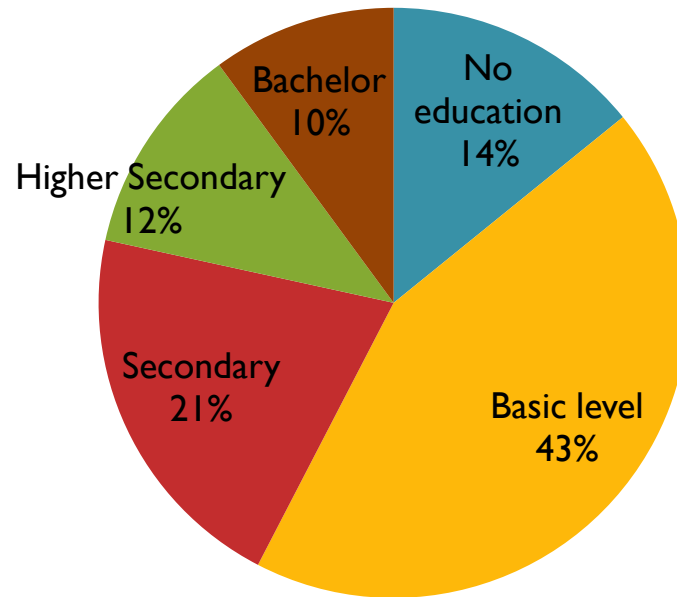




# **Human resource, education and training of skilled workers in industries**

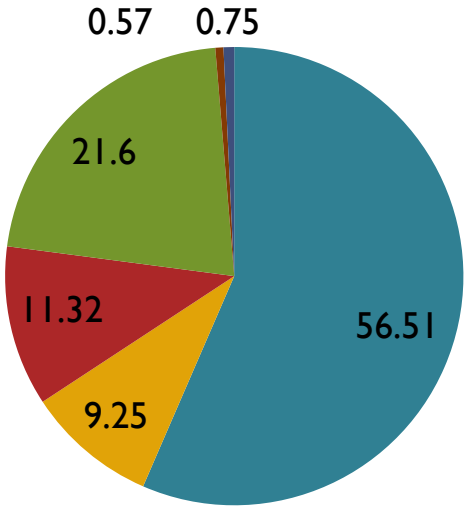
# Level of education among skilled workers in manufacturing sector industries

## Education level of skilled workers



# Place where skilled workers learn their skills

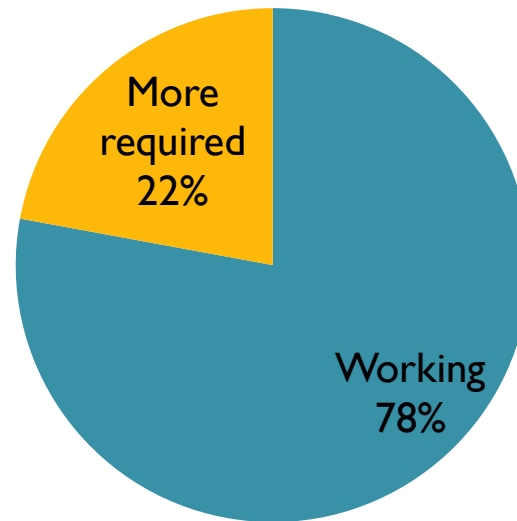
Place for training



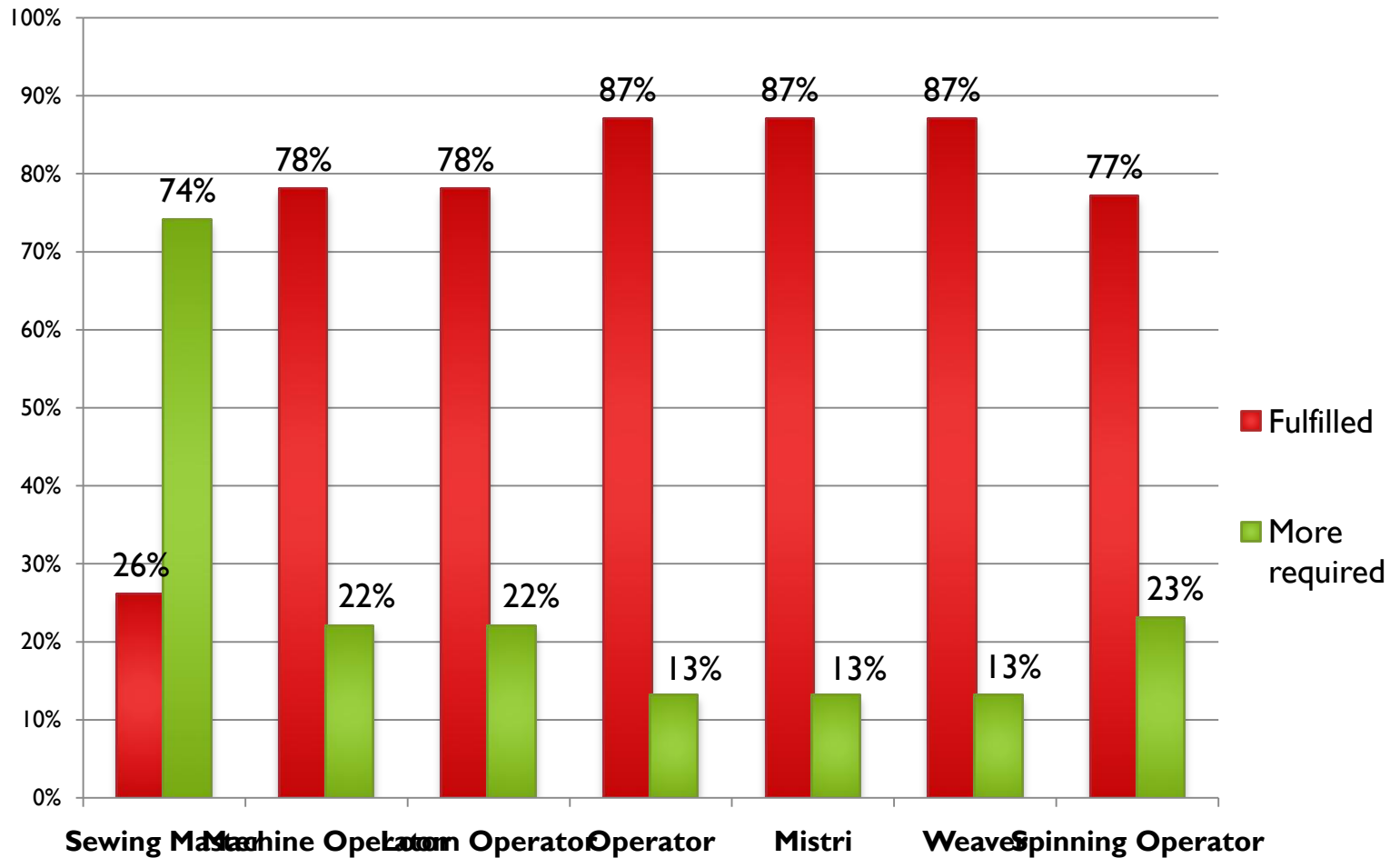
■ Working Establishments ■ CTEVT ■ Training Centers ■ Others ■ No Need ■ No response

# Scarcity of workers in industries

## Workers Demand

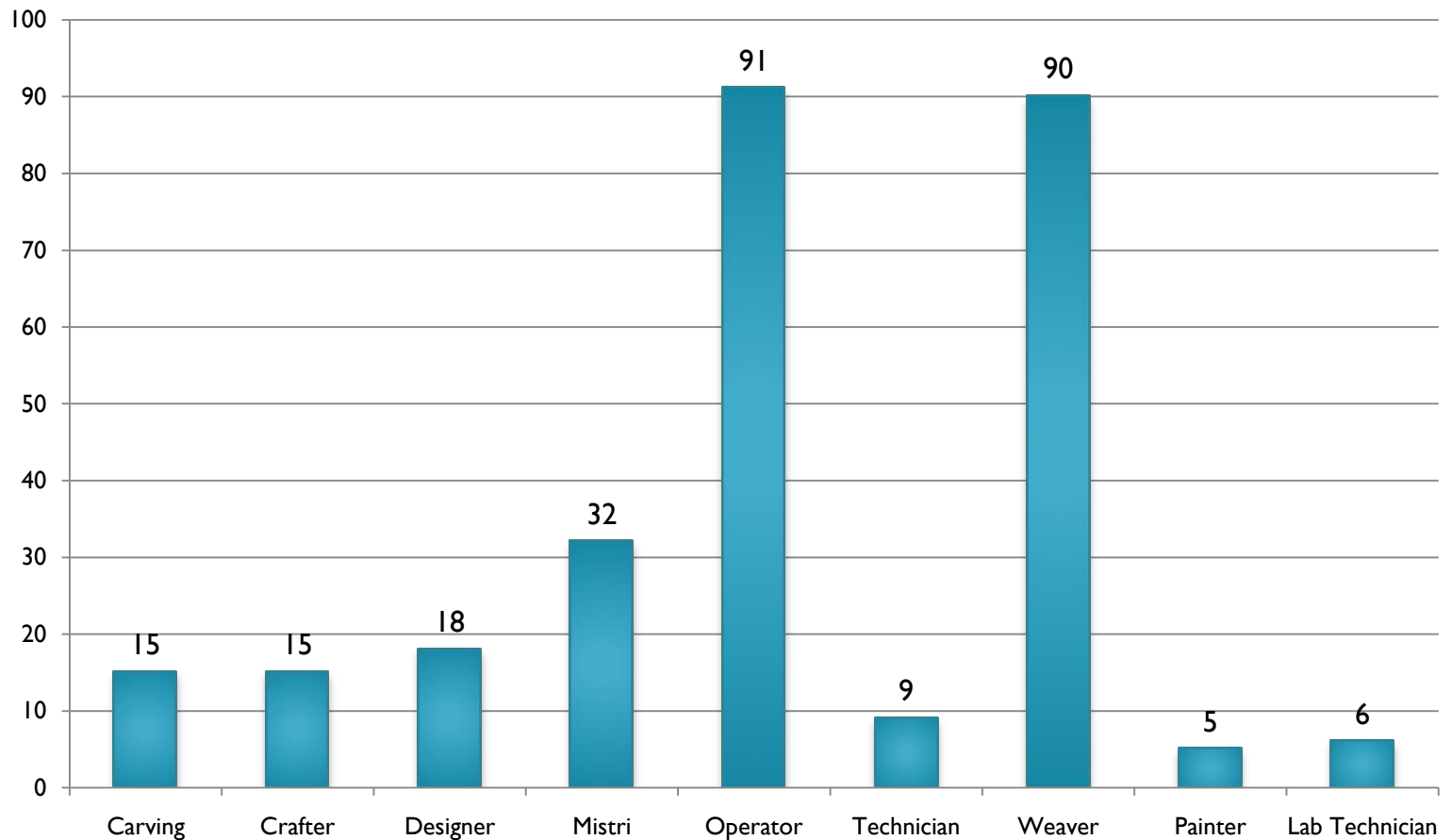


# Scarcity of workers in major occupations



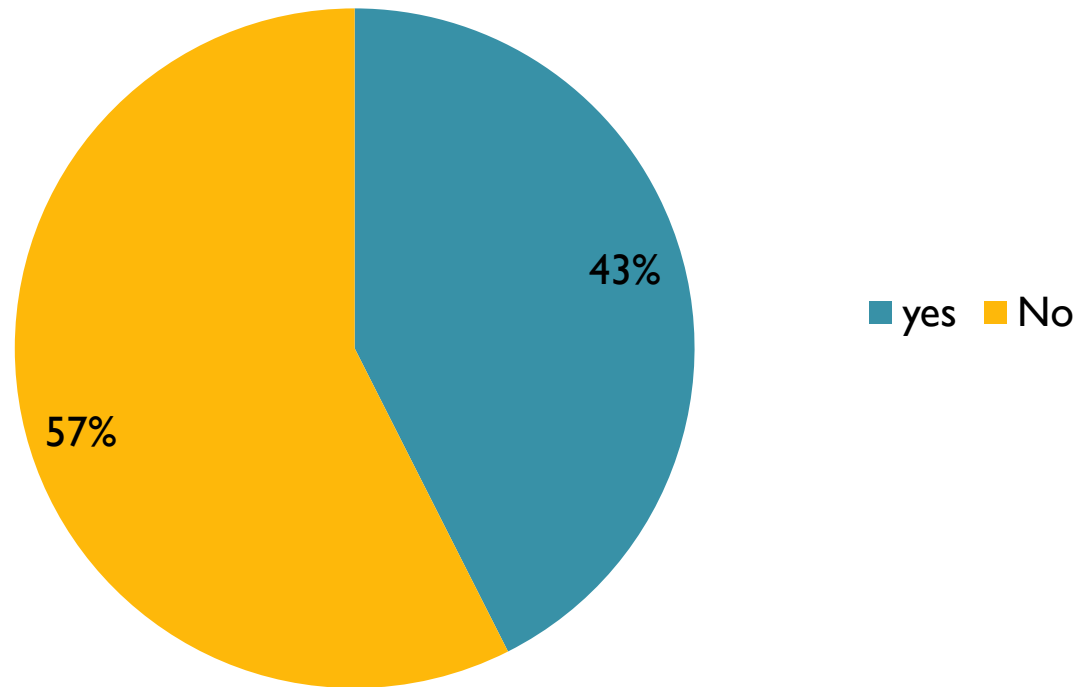
# Scarcity of Skilled workers in Kathmandu corridor (in numbers)

## Kathmandu



# Skill sufficiency of workers

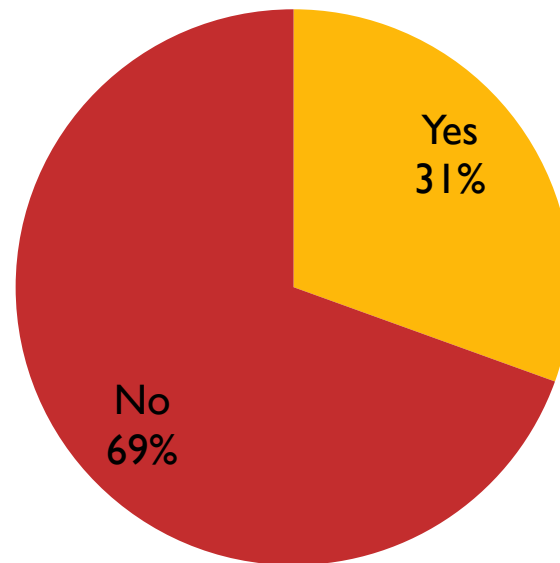
## Sufficiency of skilled worker by occupation





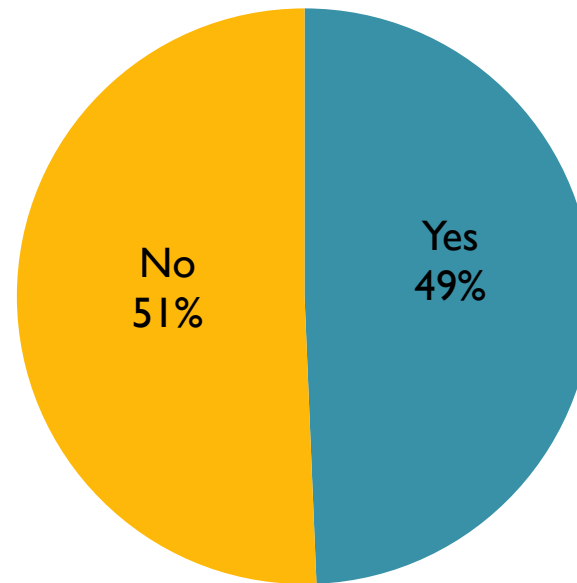
# Capacity development training by employers

Training by employer



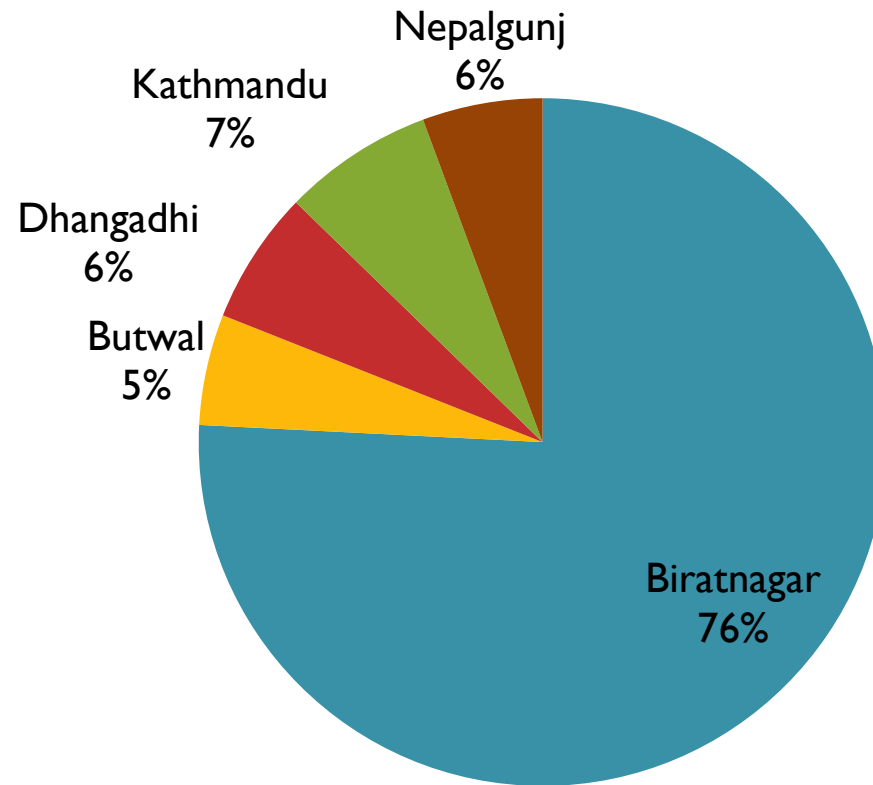
# Requirement of additional training to current workers

Need for additional training



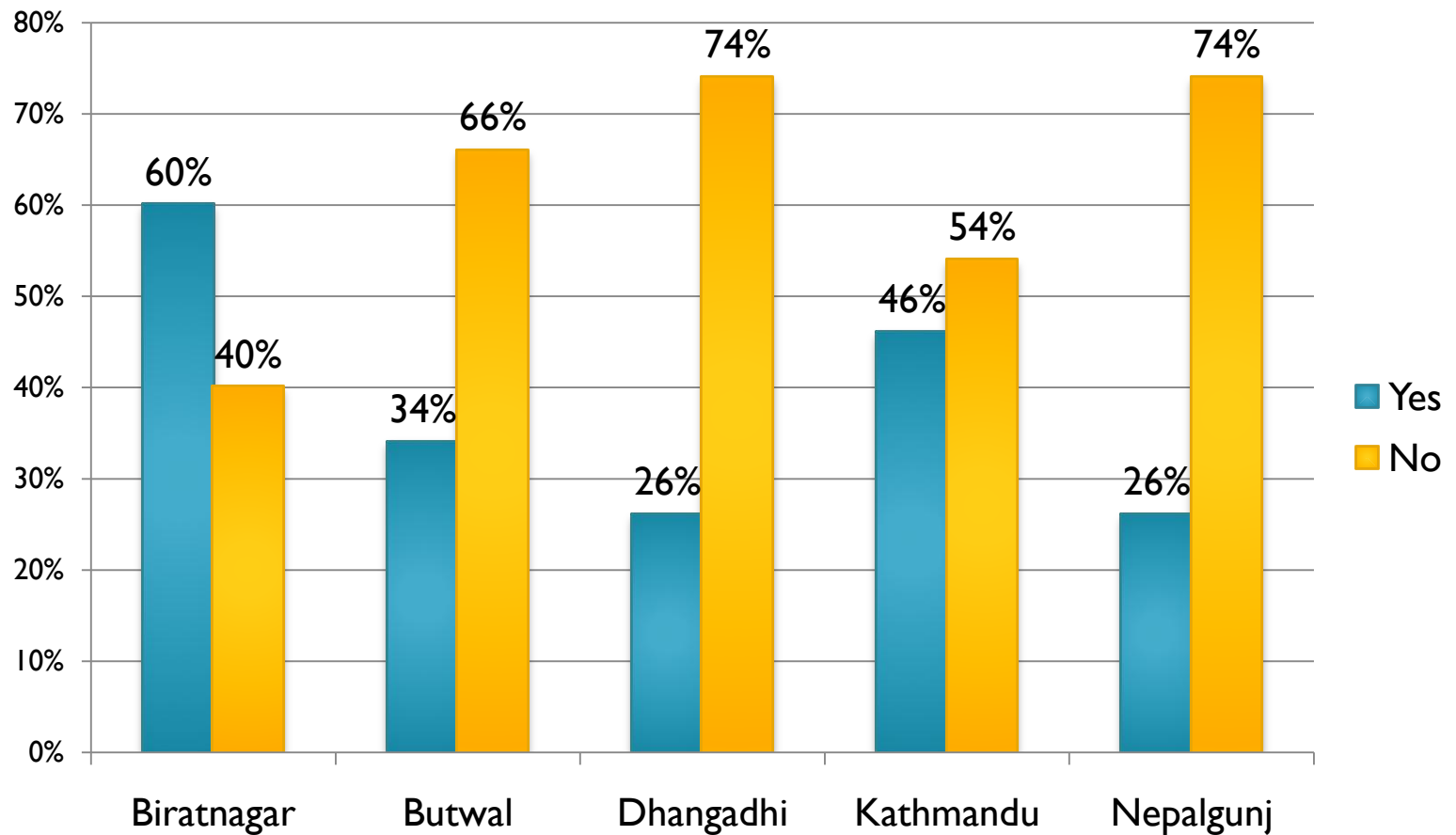
# Corridor wise scarcity of workers

**Demand of workers in total**



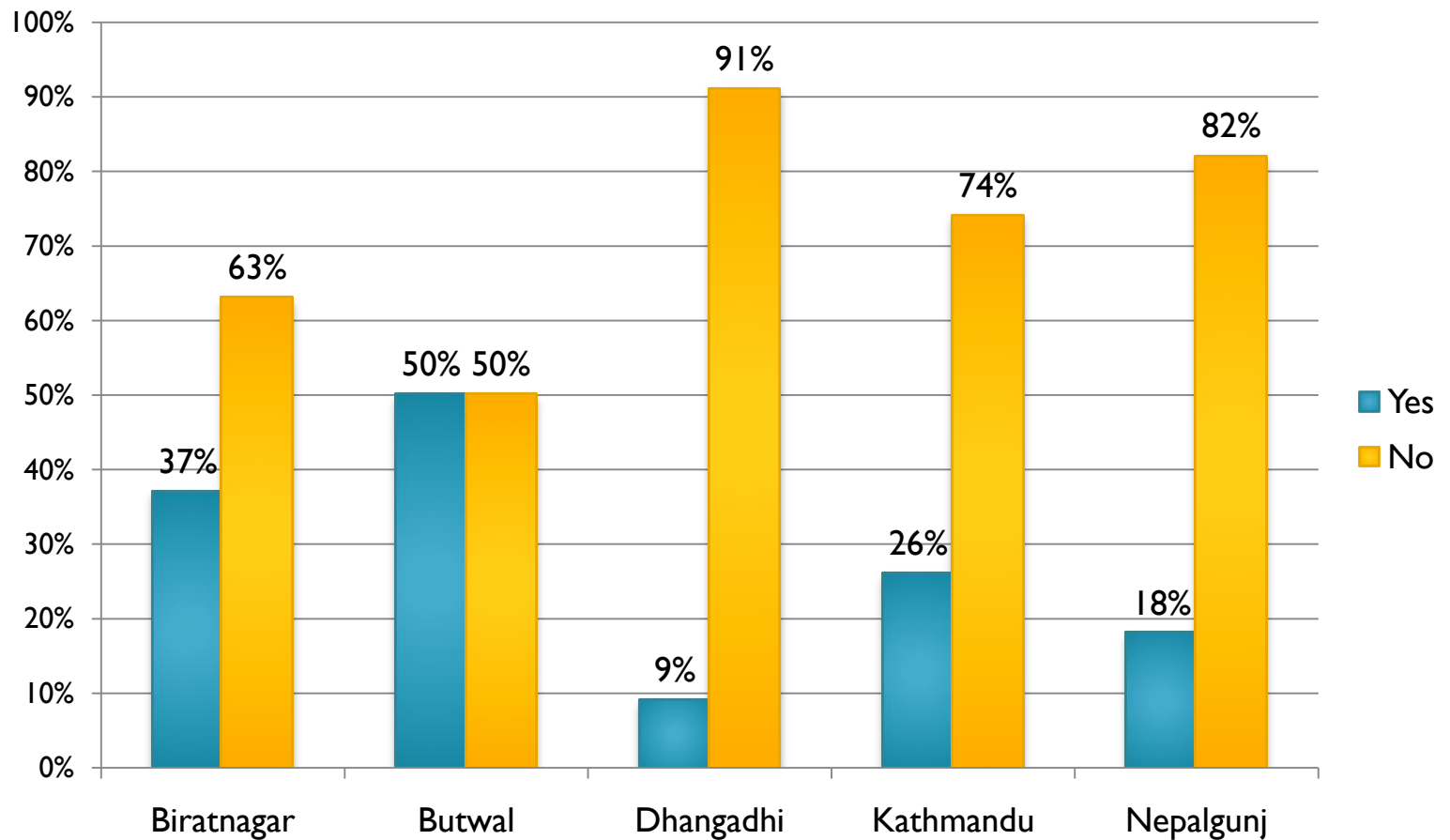
# Skill sufficiency of workers in each industrial corridor

## Sufficiency of Skilled Worker



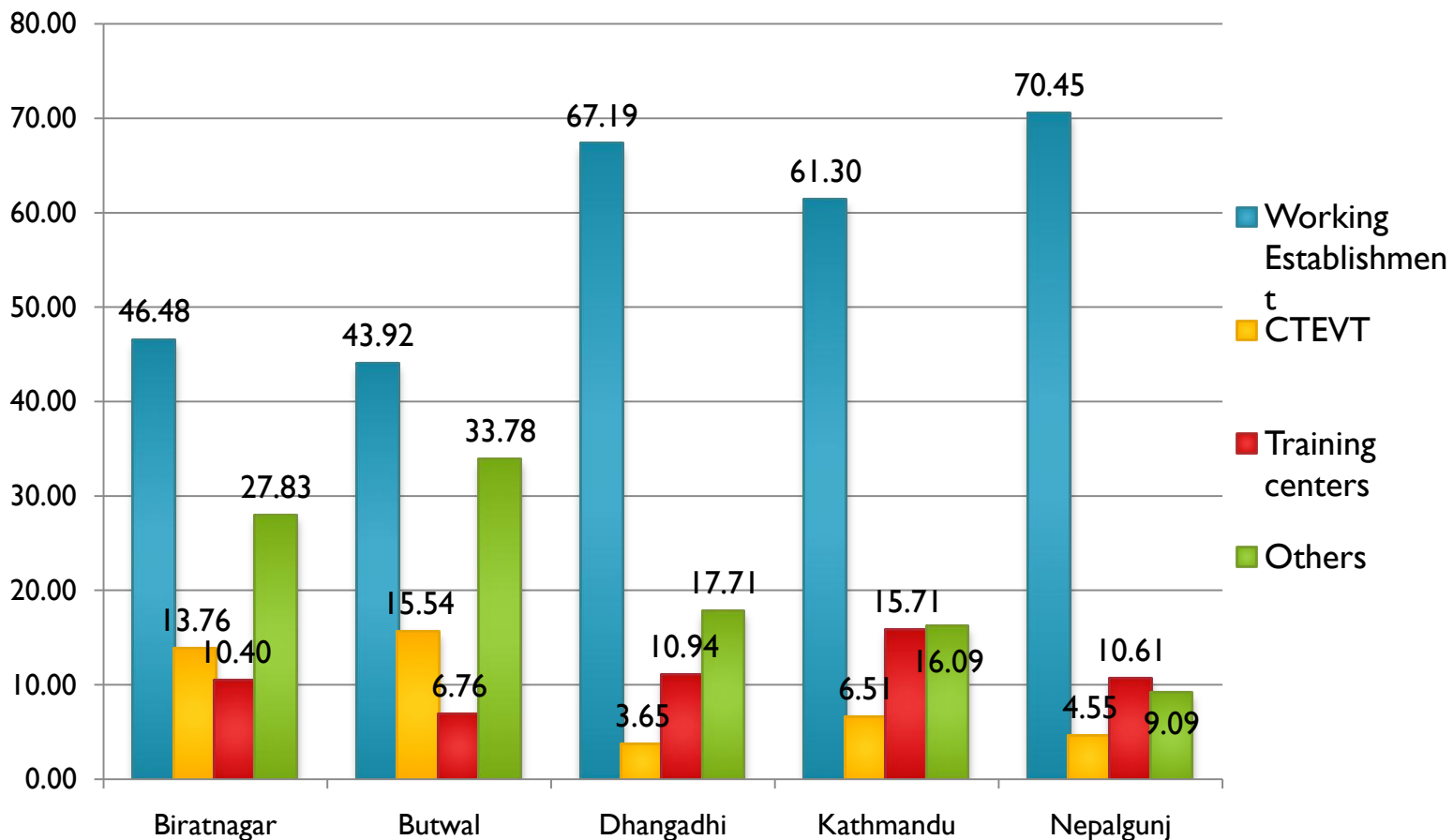
# Corridor wise segregation of employers providing training to their workers

## Training Providing by Employer



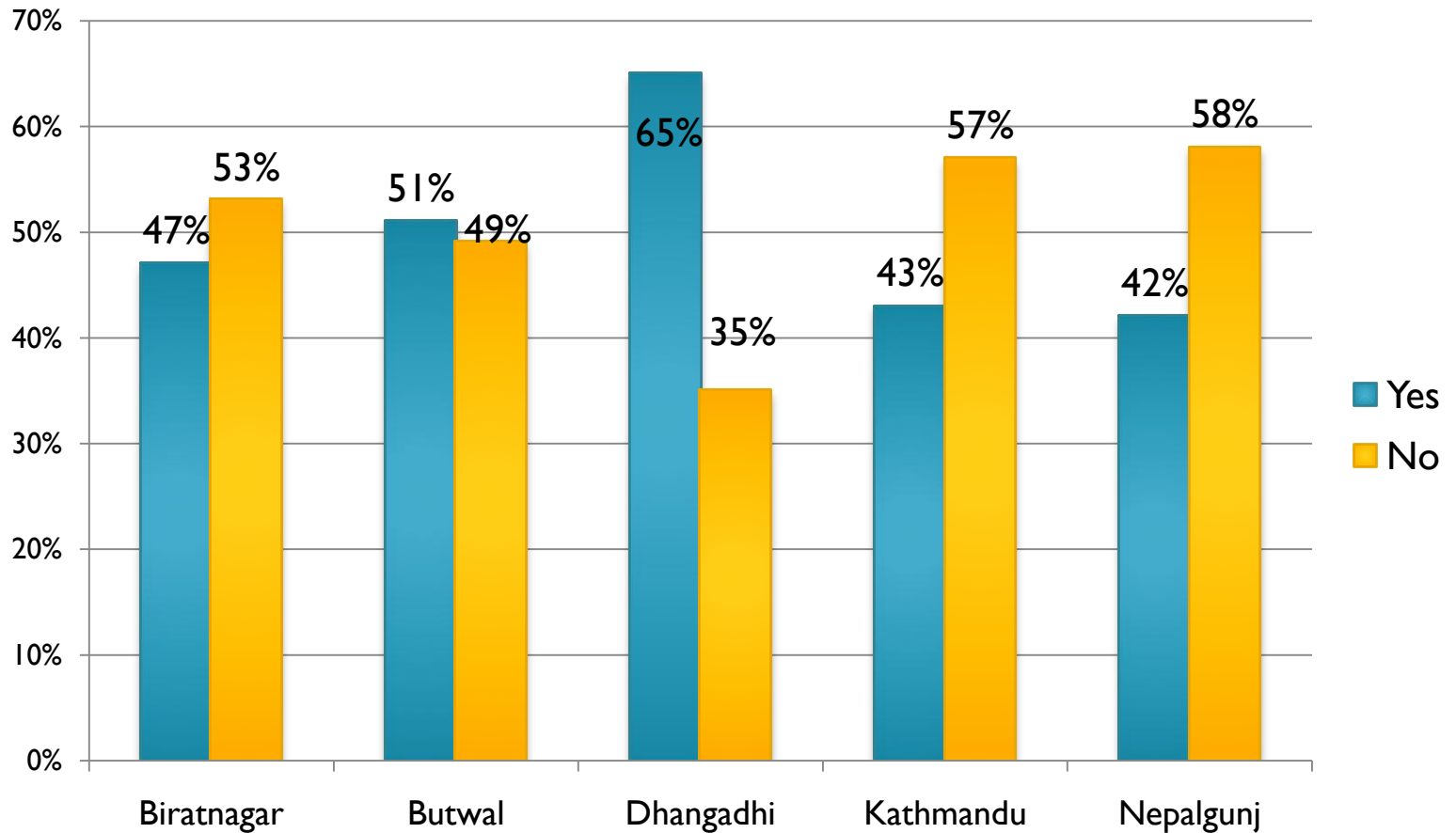
# Corridor wise segregation of training received by skilled workers in past

## Training Place



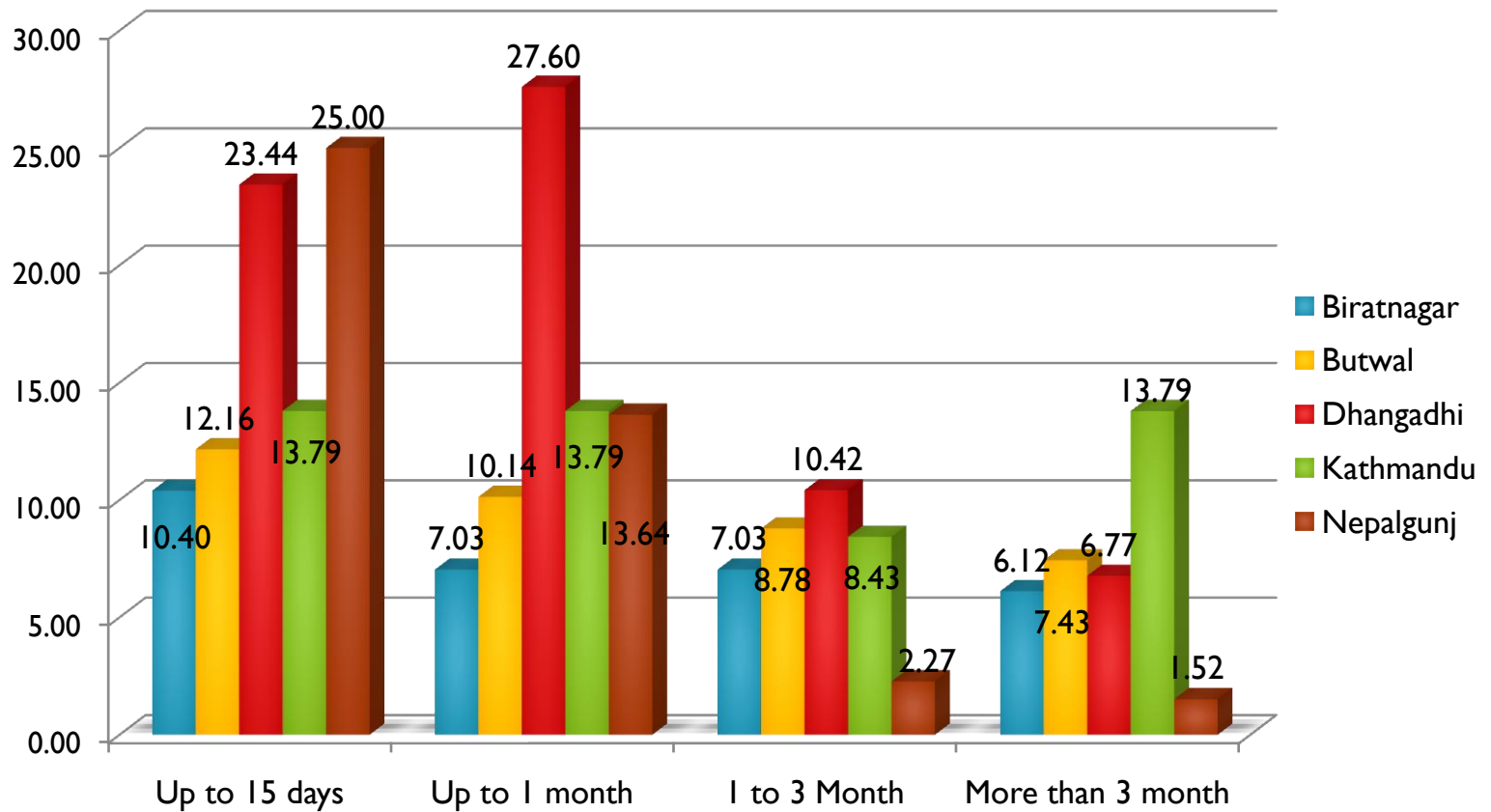
# Corridor wise segregation of additional training requirement

Required Additional Training



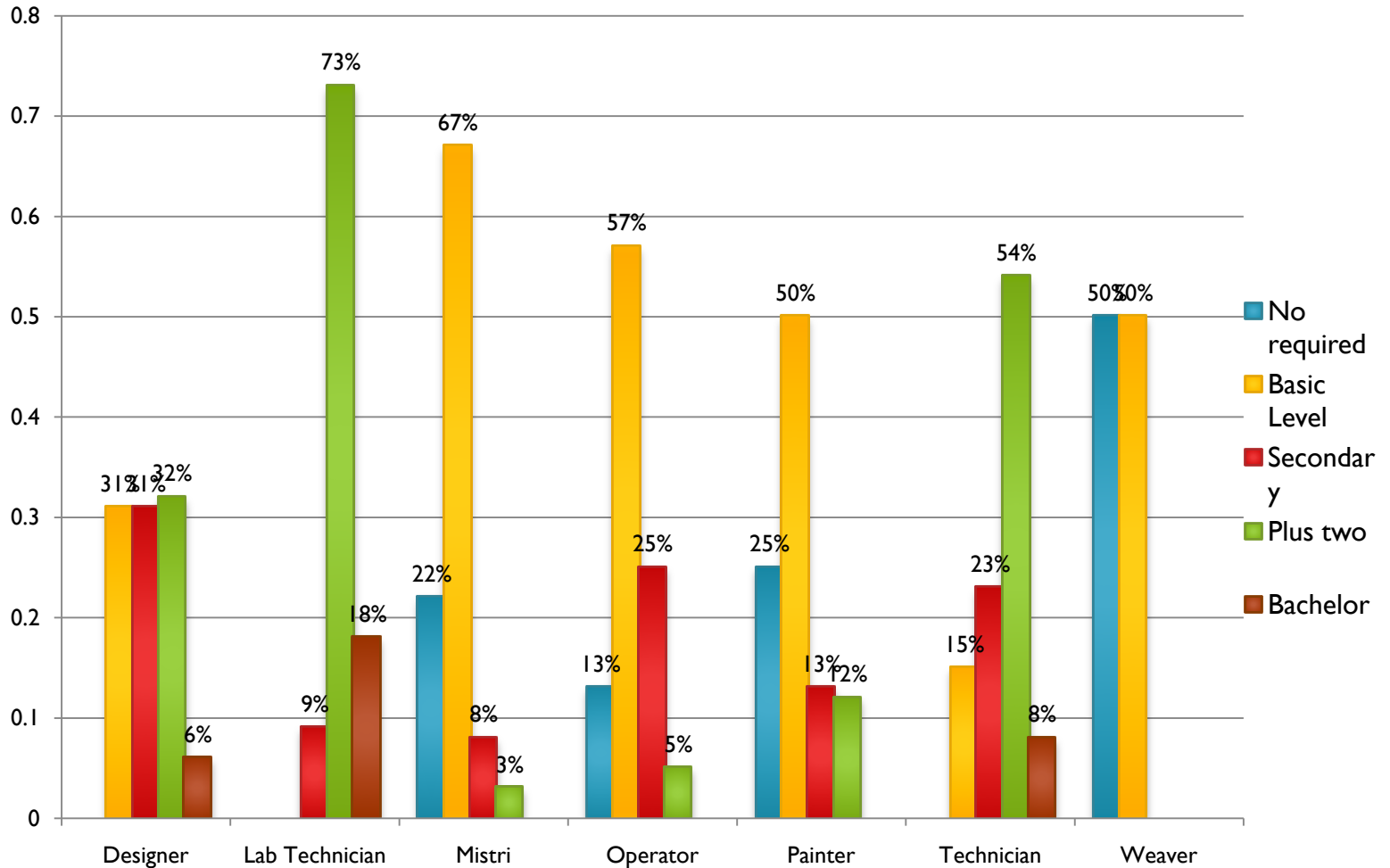
# Corridor wise segregation of required duration of training

Duration for training required

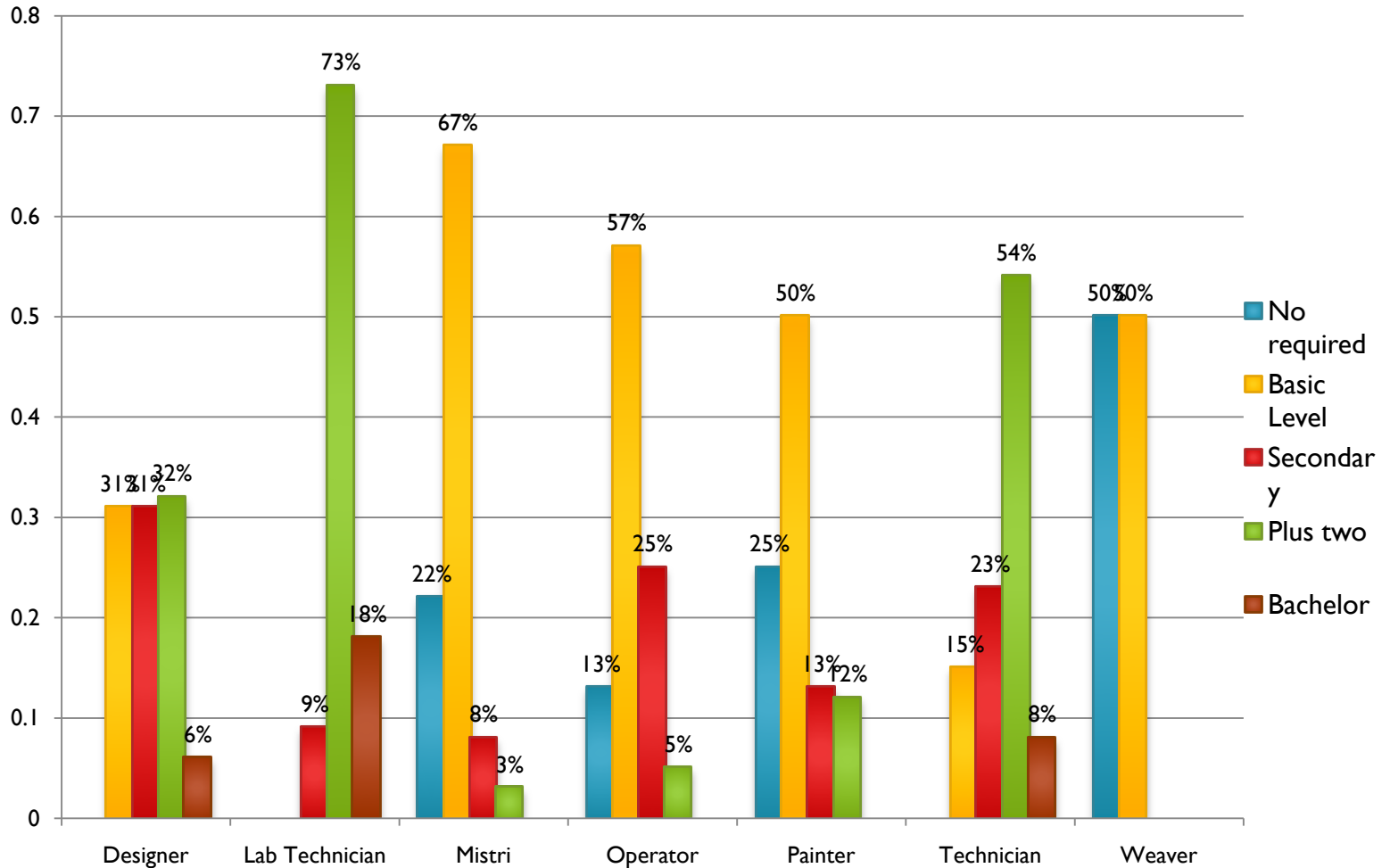




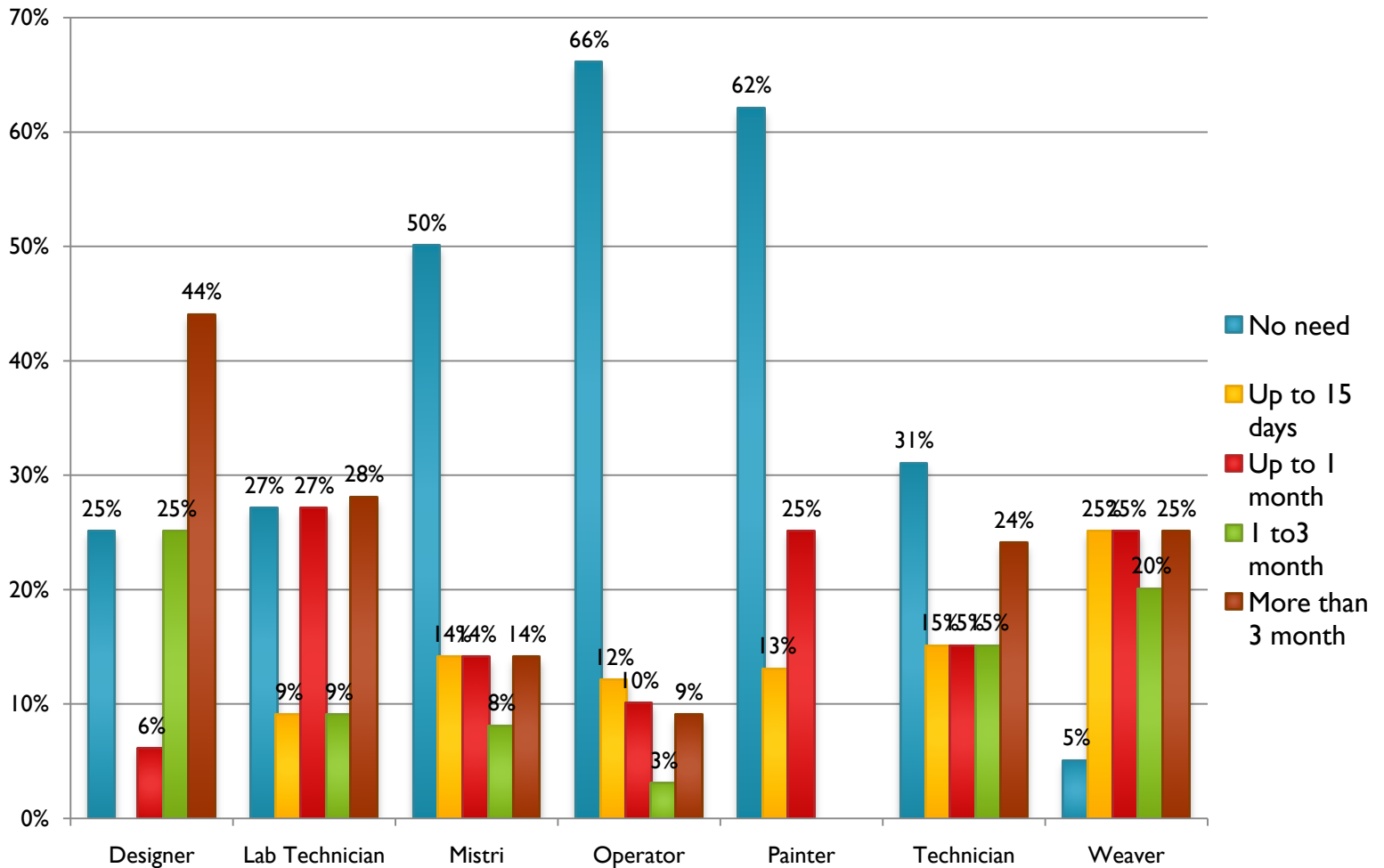
# Kathmandu Corridor (education level of skilled workers)



# Need of additional training (Kathmandu Corridor)



# Requirement of more training (Kathmandu corridor)




# Challenges of industries related to employment

- Acute shortage of Skilled labour
- Migration
- Lack of training
- Do not matching training require for industries
- Lack of coordination with training centres
- Unionism
- No information about skilled workers
- Mismatch of supply and demand of skilled labour
- No specialized education
- Apprenticeship
- Do not stay for long time employment after getting training
- Problems of labour Act
- Not coordination among govt, industries and training institutes
- No database of need of skilled workers in industries
- No data base of occupations of industries
- Mismatch of occupation
- No standard definition of occupations in industries



**What Can be done to tackle the above challenges?**



**Need suggestions to make more effectiveness of ESC**

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- Thank you very much for your attention and cooperation !!!