

Scoping Brief

Building a Better Future of Work for India: Scenarios to a Roadmap for Action

Objectives

To better understand digital labour market changes in the context of the Global South, GIZ commissioned in-depth Future-of-Work scenario analyses of two case countries – India and Rwanda. While Rwanda is a comparatively small country with digitally enabled work just starting, India as a much larger country functions as a global driver of these changes. Despite facing a much more complex context on the future of work, India bears the potential of providing an example for future leapfrogging to other countries.

The objectives of the study are to show the potential impact of the global digital transformation on the future of work in India between today and 2030, and to help develop frameworks for coping with and taking advantage of these changes for the country's sustainable development.

Context

Two competing narratives characterize the impact of technology on India's world of work: that of **technology as an enabler for development** and another of the **failure of technology induced capital intensification** to generate enough employment.

Technology, according to the first narrative, is creating new opportunities for work through facilitating digital entrepreneurship, labour market matching by tech-companies and service-led growth through Business Process Outsourcing (BPO).

Since a sizeable number of people in India do not possess the necessary resources or skills to participate in a technologically driven economy (World Bank, 2019), the second narrative rejects the notion that the gig economy 'creates' new jobs, arguing that it redistributes existing work through technology intermediaries (Gray and Suri, 2019).

The COVID-19 pandemic is deepening the impact of technology on India's heterogeneous labour market. The present and future of work in India depends on the ability of policymakers, businesses, civil society and workers to understand these competing trends and harness the benefits of technological change while minimizing the costs.

Key Sectors

The effects of digitalisation are felt across sectors - agriculture, manufacturing, and services – with implications for changes in aggregate productivity, structural transformation, and quantity of jobs. In addition to providing a broad overview of these macro trends, this study hones in on three aspects of the evolving digital landscape – **the platform economy, digital entrepreneurship, and BPO sector** – to understand their impact on the world of work in India. The study will then examine what challenges and opportunities exist in terms of education, skills and social protection to equip workers to participate in a 21st century digital economy. It will highlight the gaps and elaborate recommendations for improving these systems.

Methodology

To understand the impact of technology on the world of work the research team proposes deploying a mixed-methods approach that relies on secondary and primary data. The secondary research will include a survey of existing literature, a systematic press scan, and the collection and analysis of macro-economic, labour market, and technology related data. The research will include a policy/regulatory framework analysis that will draw upon international and regional experience and precedents to

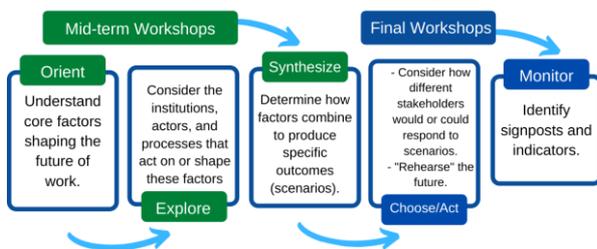
understand the existing social and regulatory protections that impact workers' engagement with platforms, BPO and digital entrepreneurship, gaps therein and policy recommendations needed to being necessary reforms.

To supplement and ground the secondary analysis in the lived realities of workers, businesses, and policymakers, the research team will also undertake 40 semi-structured qualitative interviews with a range of stakeholders.

Scenario Analysis

Given the findings of the study, the project will then devise **three scenarios** based on the method pioneered by a leading scenario planning expert, Matt Ranen, who breaks down the scenario planning process into five stages: **Orient, Explore, Synthesize, Choose/Act, and Monitor.**

Figure 1, Five Stages of Scenario Planning



In September 2021, the research team will undertake a Mid-term Workshop with relevant stakeholders to verify, assess, and refine the **relevant factors (variables)** that shape outcomes and **(causal) relationships among those factors** that the team in India has identified through their research, in addition to considering the **key institutions, actors and processes** that hold levers for shaping these factors. The Mid-term Workshop will also be an opportunity to vet the scenarios.

The final Scenario Workshop, will provide basic background for two scenarios: Scenario 1 in which the current trends in BPO, digital entrepreneurship, and gig platforms witness minimal regulatory and policy

intervention and Scenario 2, an ideal scenario, where all the actions towards fostering better labour market outcomes related to digital entrepreneurship, BPO, gig platforms are undertaken. Through a range of activities that examine how different factors interact and combine, the participants will balance the ideal with the pragmatic to chart a third path forward (Scenario 3). This will form the basis of the recommendations and a "Roadmap for Action".

Project Progress

Table 1, Deliverables & Timeline

| Deliverables | Timeline |
|--|----------------------------------|
| First draft of the Report | September 2021 |
| Mid-term Workshop | Beginning of October 2021 |
| Final Report | November 2021 |
| Final Workshop | (TBD) December 2021 – March 2022 |
| Scenario Presentation (regional & international level) | (TBD) January/March – July 2022 |

Literature

Gray, Mary and Siddharth Suri. (2019) Ghost Work: How to stop Silicon Valley from building a new global underclass (Houghton Mifflin Harcourt: Boston).
 World Bank. (2019). The Changing Nature of Work.

Project Responsibility

This study is carried out by researchers at the JustJobs Network on behalf of and funded by GIZ's global project: 'Future of Work' commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ) out of its Fund: Policy Coherence for Sustainable Development.

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