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An Analytical Study on Assessing Competencies of Backward Class Workers with Reference to MSME Nagpur

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Abstract:

MSMEs, or micro, small, and medium-sized enterprises, are vital to the Indian economy since they greatly increase GDP, employment, and innovation. Backward class workers make up a sizable portion of the workforce in this industry and face particular possibilities and difficulties. It is critical to comprehend the abilities and performance of this vital workforce in order to promote inclusive growth and realise its full potential. The assessment of backward class workers' performance and capabilities in Nagpur's MSME sector is the main objective of this study. Through investigating the variables that impact their professional growth and pinpointing obstacles they face; the study seeks to improve efficiency and provide a nurturing workplace. The results underline the significance of technical competence, cross-cultural communication skills, and strategic planning for these workers, and they also point to specific areas that might benefit from focused interventions to support equitable and sustainable growth in the MSME sector.

Keywords: MSME, competencies, backward class workers, proficiency, communication, etc.

1. Introduction:

Micro, Small, and Medium-Sized Enterprises (MSMEs) have a major impact on employment, GDP, and innovation, and are essential to India's economic growth. Backward class workers make up a sizable percentage of the diversified workforce in this industry, and they frequently face particular possibilities and problems. To promote inclusive growth and optimise the future possibilities of this crucial workforce sector, it is imperative to comprehend their skills and performance.

For a number of reasons, this study on the competences of workers from the backward classes in Nagpur's MSME sector is especially important. By concentrating on a marginalised population, it meets the demand for fair growth and advances social justice as well as economic inclusion. In addition, evaluating these workers' performance and skills can give stakeholders, legislators, and company owners important information for developing focused interventions that will boost output and job satisfaction.

Within this framework, the current study endeavours to scrutinise the proficiencies and output of marginalised labourers in Nagpur's micro, little, and medium-sized enterprise (MSMEs), pinpointing the elements that impact their career advancement and the obstacles they face. Additionally, this research will look at ways to enhance their productivity and working environment, which will eventually help the MSME sector's larger goal of inclusive and sustainable growth.

1.2 Research Objectives:

- To identify the key competencies required for backward class workers in MSMEs.
- To evaluate the current performance levels of backward class workers in the MSME sector.

2.1 Literature Review:

Khang, A. et al. (2023) state that the 21st century has seen a rise in the significance of computerization, digitization, and new technological developments, such as automation, robotization, and artificial intelligence in a number of Industry 4.0 industries. The workforce has a significant problem in keeping up with the rapid advancements in artificial intelligence (AI) and modern technologies. Industry 4.0 requires a skilled labour model in order to obtain a competitive edge over its rivals in the increasingly globalised and automated world. Human resource (HR) tasks have been mechanised by artificial intelligence (AI), and the number of telecommuters has increased as a result of internationalisation and globalisation, which are

facilitated by 4G internet connections. The nature of work, workers, and the workplace have fundamentally transformed as a result of chatbots, independent service providers, outsourced service providers, and HR service centres. Artificial Intelligence has entered the workforce development area, enabling and quickly stopping all HR functions. AI is utilised in HR procedures such as hiring and managing applicants, managing incentives and performance, supervising learning and development, retaining top talent, and motivating employees. Artificial Intelligence (AI) seeks to synthesise large amounts of data fast by gathering, assessing, and interpreting information in a way that is most comprehensible to everybody. AI enables HR professionals to make choices quickly by analysing data and drawing conclusions. As a result, it's critical to train and develop a staff capable of leading the company in the cutthroat global marketplace.

According to Ingram P. et al. (2022), it is important for individuals, organisations, and society as a whole if some groups encounter prejudice while applying for jobs in management. Research on the relationship between social background and achieving managerial positions is lacking, particularly when contrasted to other potential causes of disadvantage such as gender and ethnicity. Given that low social class entry is associated with negative outcomes on other performance metrics, it is likely the cause of this disadvantage. Studies show that those with lower socioeconomic status have a far lower chance of becoming managers in the US—a disadvantage that is comparable to that experienced by women and African Americans. In addition to other variables, most of which are related to cultural capital limitations associated with lower social class origins, education plays a significant role in this social class disadvantage. They also examine the extent to which social class disadvantages hinder people from achieving management positions internationally. This leads them to the conclusion that social class disadvantages are significant in almost every country and are correlated with indicators of national culture such as materialism and individualism, economic indicators such as the GDP per capita and unemployment rate, and indicators of human development such as child mortality.

3. Research Methodology:

This study employed a descriptive research approach to outline the essential skills needed by workers from the lower class in MSMEs. Purposive sampling is used to choose a group of 100 backward class people who work for MSMEs in Nagpur for this purpose. A semi-structured questionnaire was used to gather primary data from workers in the backward class, while secondary data was gathered from online resources, journals, papers, and other sources.

4.1 Competencies required for backward class workers:

The MSME sector's requirements for backward class workers include a variety of abilities and qualities necessary for their efficient work and advancement in their careers. Technical abilities related to their particular work functions, such as operating machinery, control of quality, and fundamental computer literacy, are examples of core competencies. These skills are becoming more and more crucial in relation to Industry 4.0. Additionally, in order to improve collaborative efforts and facilitate their incorporation into varied work contexts, soft skills like problem-solving, communication, and cooperation are essential. In addition, considering the speed at which technology is developing and the dynamic nature of the business, flexibility and an openness to new ideas are essential. By empowering workers from lower socioeconomic classes to overcome obstacles, developing these competences enhances their performance and promotes more equitable and sustainable development in the MSME sector.

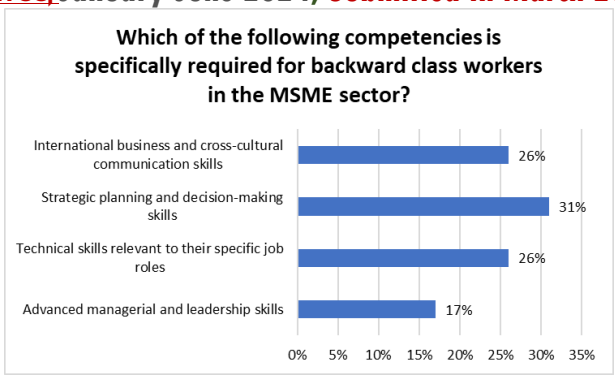

Fig. 1 Skills required for backward class workers

According to the study results, backward class workers in the MSME sector value strategic planning and decision-making abilities the most (31%), which highlights the significance of their participation in intricate problem-solving and choice-making processes. A significant proportion of respondents (26%) deemed technical skills pertinent to particular work roles, worldwide commerce, and cross-cultural communication abilities crucial. This underscores the necessity of possessing both practical competence and international interpersonal abilities. On the other hand, just 17% of respondents said that these professionals needed sophisticated managerial and leadership qualities, suggesting that these abilities are not as important.

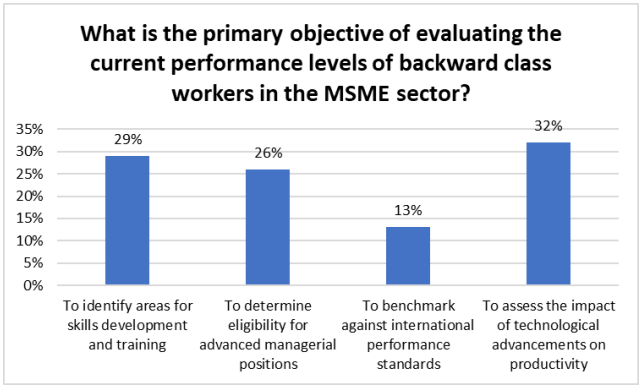

Fig. 2 Objectives of evaluating the current performance level

According to the study results, the main goal of assessing the present performance levels of workers from the backward class in the MSME sector is primarily to determine how technical improvements affect productivity (32%). This suggests that there is a strong emphasis on comprehending how new technologies affect the productivity of employees. Finding areas for training and skill development (29%) is another important goal, indicating the need for focused interventions to improve worker competences. Determining one's eligibility for advanced management jobs is somewhat significant (26%), indicating that these employees may be somewhat interested in pursuing leadership roles. The least important method (13%) involves comparing results against worldwide standards, suggesting that in this case, international comparisons are not the main issue.

5. Findings and conclusions:

The study concludes that workers from the backward class prioritise strategic planning and decision-making skills in the MSME sector, emphasising the importance of these skills in intricate problem-solving and decision-making procedures. Practical competence and cross-cultural interpersonal skills are very important. Understanding of global business and cross-cultural communication, as well as technical capabilities related to certain work tasks, are particularly highly appreciated. On the other hand, advanced leadership and managerial skills are not as highly valued. Assessing suitability for higher management roles, pinpointing areas for focused skill development, and comprehending the influence of technology improvements

on productivity are the key goals of evaluating present performance levels. In contrast, benchmarking to international norms is ranked lower in importance, indicating that local improvements should take precedence over cross-border comparisons.

6. Suggestions:

It is advised that MSMEs concentrate on improving backward class workers' strategic thinking and decision-making ability through focused training programmes in light of the findings. Their efficacy in the workplace may be further increased by placing an emphasis on the creation of technical skills pertinent to their positions, as well as by encouraging cross-cultural communication skills and an awareness of international markets. Even if management and leadership abilities are viewed as less important, professional advancement can still benefit from possibilities for improvement in these areas. Furthermore, by implementing feedback loops to gauge the effects of technology improvements on productivity and routinely comparing results to industry-specific benchmarks, MSMEs may maximise the potential of their staff and stay competitive in the global market.

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