

# Socio Economic Conditions of Unemployed Graduates in Udumalpet Taluk, Tirupur District

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## Article Info

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## Abstract:

Our nation is confronting numerous issues, one such difficult issue is joblessness among the graduates. The unemployment rate between the age group 15-29 has been expanded since 2009-2010. As indicated by the Global Employment Trends 2014, the unemployment rate has raised to 3.8%. In spite of the fact that with increment in school and school enrolment rates, the extent of youth in the work power has been declining. India at present experiences high rate of joblessness and questions are raised about the employability of the adolescent as a result of their lacking training, preparing, and market prepared aptitude. This study indicates about adolescent joblessness has many negative impacts to the society, economy, family, and individual. From the response got from the surveys uncovered that young joblessness promotes poverty, low efficiency, low income generation, provincial urban movement, unlawful exercises which builds instability, against social exercises, for example, outfitted burglary, prostitution, viciousness, grabbing, anxiety and other social indecencies obvious among the jobless adolescents and this establishes threat to the stability, development and advancement of the state. The present study examines that the issues of unemployment among the graduates, recommendations from the investigation may provide strategy estimates which would decline unemployment and poverty.

**Keywords:** *Socio Economic Conditions, Unemployed Graduates, Effects of Unemployment.*

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## 1. Introduction

Unemployment has emerged as a major source of concern to scholars, policy makers and social analysts over the globe because of its consequences for the wider society at large. A man needs to perform numerous roles in his life, the most crucial of which is that of an earning member. It is crucial not because a man spends more or less one-third of his lifetime to perform this role but because it determines both employment and status and furthermore empowers the person to help his family and satisfy his social commitment to the family and society. It also enables him to achieve power.

A person, with capacity and potential to work, but refuses to work or neglects to get work, has not gain any status in the general public but also suffer from several emotional and social problems, his predicament influences himself as well as his family and society as well. Subsequently joblessness has been depicted as the most noteworthy sociological issue in the general public.

Unemployment is often utilized as a measure of the strength of the economy. For many of us the notion of unemployment is one of those who do not have a job or, are paid no compensation. Such a notion would apply to a great extent to the educated people who are not able to find work or to those in

urban areas who come to seek employment. Unemployment has thus reached such an alarming situation today that is perhaps considered the most genuine of the issue influencing India and one that is consistently worsening as the gap between the rapid rising part of squeezing for work and the new employment opportunities being made extend.

A noteworthy element of the economic productivity of education is its association with employment. In the university and other advanced education as well as professional training programs accessible at present is very feeble in generating employment. This is a major impediment made by the system of liberal education adopted.

It has from the beginning ignored the economic purpose of education, especially in providing higher education. It is as well bound by mechanical external examinations which assess memorization more than structured unique reasoning which is essential for economic production. It merely helps acquire degrees which confer on the recipient social status of the traditional type. Since this process is generally affordable for the middle classes, youngsters, and particularly young women, take remedy to it. The task of economic productivity is taken to be the responsibility of the craftsman social class. It is, therefore, hard to adjust the present system of higher education, with productivity.

### **Causes of unemployment**

There are numerous causes behind the graduate's unemployment rate. Causes originate from issues related to the structure of employment and labor markets. There has also been a rise in the phenomenon of internships and other temporary work for youth which has a significantly impact on graduates' unemployment rates. The factors causing unemployment are as follows:

- Inflexible labour markets
- Increased educational expectations
- Temporary contracts

- Shortage of occupations
- Skills mismatch
- Lack of training for work
- Acceleration of population growth and mortality decline
- Slow growth of the economy
- Emphasis on the formal sector alone
- Non-attractive agrarian sector

### **Consequences of unemployment**

Unemployment has negatively affects social and economic growth of the country. It has not only affected the individuals but also the growth of the country. Among the different issues youth are connected to the neediness that they face as a because of unemployment. Many unemployed youth are engaged in criminal and dangerous activities in order to financially support themselves and/or to cope with the difficulties of living in poverty. Here are some of the consequences of unemployment:

- Increase in crime rate
- Poor standard of living
- Loss of skill
- Political instability
- Mental health issues
- Slow economic growth

Surprisingly, despite the negative repercussions it has on the society, unemployment is one of the most neglected issues in India. The government has found a way to control the problem, however, these have not been effective enough. The legislature ought to just initiate programs to control this issue as well as keep a check on their effectiveness.

### **Rural and Urban Unemployment in India**

The unemployment rate at all India level remained at 3.8 per cent while in rural and urban territories it was 3.4 per cent and 5.4 per cent respectively. Unemployment rate is more in urban territories than in rural areas, and furthermore in urban regions it requires some vocational training or specialized ability to carry out a responsibility when contrasted with country zones. . It isn't just excruciating at

individual level yet additionally at social level. Educated unemployment constitutes large part of urban unemployment in India and it requires huge capitalization of capital. The graduates are the ones who face the issue of unemployment to a great extent.

## 2. Area of Study

Udumalpet is a Municipality city in district of Tirupur, Tamil Nadu. It is known as "Poor man's Ooty" due to its chill atmosphere. It is bounded on the north by Palladam Taluk, on the east by Madathukulam Taluk, on the south by Munnar and on the west by Pollachi, by Valparai Taluk in the south-west and Kodikannal on the south-east. It is the taluk headquarters with a total area of 554.5sq.miles. There are 6 major textile mills, 4 paper mills, 2 sugar mills, 30 small textile mills and a number of waste cotton mills, spinning units, Pottery units, power looms etc. functioning in and around Udumalpet town.

According to the 2011 census, the Taluk of Udumalpet had the population of 237,633 with 1,18,014 males and 1,19,619 females. Literacy rate of Udumalpet city is 91.23 per cent higher than state average of 80.09 per cent. In Udumalpet, Male literacy is around 95.10 per cent while female literacy rate is 87.52 per cent. There were three Arts and Science colleges and a Polytechnic college is providing higher education in varied disciplines of education.

## 3. Scope of the Study

The social consequences of the educated unemployed are fairly severe. It could be seen that the people with superior qualifications are doing jobs which could be done by less qualified people. This results in under-utilisation of one's capacity. The graduate may do jobs which could be performed by diploma holders. Similarly there may be clerks and typists with postgraduate qualifications where matriculates could do the work. Many thieves, pickpockets, smugglers, drug traffickers etc. take up

these activities for the reason that they are unable to discover gainful employment. The frustrations of unemployed youth also can result in terrorism. The educated unemployed have anger against society for their state of affairs. Hence the present study helps to formulate the future plans and policies regarding unemployed graduates.

## 4. Objective

This study will be able to provide an answer to the following questions:

- ♣ To identify the reasons for being unemployed among graduates.
- ♣ To understand the difficulties faced by the respondents in getting employment.
- ♣ To examine the impact of unemployment on the respondents' socio-economic life.
- ♣ To suggest remedial measures to overcome this problem.

## 5. Methodology

The present study is based on primary data. The population of the study is Udumalpet Taluk. The data was collected from the sample of 75 respondents by using purposive random sampling method. The data was collected through a well-designed closed ended questions questioner. The questioner consisted of all relevant questions which were discussed with experts. The collected data was analysed by using averages like, tables, percentages and appropriate quantitative techniques.

## 6. Analysis and Interpretations

*Socio economic conditions of the respondents:*

Socio-economic factors are those factors which affect human beings mentally, physically and emotionally. They include educational level, income, standard of living and type of family etc., the socio-economic factors are discussed in the following table.

**TABLE 1: SOCIO ECONOMIC PROFILE OF THE RESPONDENT**

Particulars	Frequency (n:75)	Percentage of the Respondents (%)
<b>Gender</b>		
Female	18	24
Male	57	76
<b>Age in years</b>		
21-24	30	40
25-29	27	36
30-35	18	24
<b>Educational status</b>		
Under graduation	44	58.7
Engineering	16	21.3
Post graduation	8	10.7
MBA	7	9.3
<b>Religion</b>		
Hindu	39	52.0
Muslim	25	33.3
Christian	11	14.7
<b>Marital status</b>		
Married	21	28
Unmarried	54	72
<b>Type of family</b>		
Nuclear	41	54.7
Joint family	24	32.0
Extended family	10	13.3
<b>Monthly Family income</b>		
Less than Rs. 20,000	30	40.0
Rs.20,000 to Rs.30,000	27	36.0
Rs.30,000 to Rs.40,000	11	14.7
Above Rs.40,000	7	09.3

The above table reveals that majority of 76 per cent of the respondents are male. 40 per cent of them are in the age group of 21-24 years. 59 per cent of them are under graduates, 52 per cent of them are belonging to Hindu religion and 40 per cent of their monthly family income is less than Rs. 20,000. 72 per cent of them are unmarried. 58.7 per cent of the respondents are qualified as under graduates and nearly 11 per cent of them are educated up to post graduation level. 21.3 per cent of them are engineering graduates.

### Reasons for being unemployed

Unemployment exists where there is a mismatch between the skills and the requirements of the job opportunities. Unemployment may happen due to long-term decline in demand in an industry resulting to less jobs as demand for labour falls away. It may be due to occupational and geographical immobility of labour and requires investment to improve skills.

**Table 2: Reasons for being unemployed**

Reasons	No of Respondents	Percentage
Lack of job market information/ professional networks	70	93.3
Lack of job searching skills	62	82.7
No formal working experience	59	78.7
Mismatch between qualifications and available jobs	72	96.0
Want to do something different	26	34.6
High cost of job search	34	45.3
Lack of self-esteem or confidence	47	62.7

Out of the total 75 respondents, 96 per cent of them revealed that there is a mismatch between qualifications and available jobs. 93.3 per cent of them expressed that lack of job market information/ professional networks is the reasons for being unemployed. 82.7 per cent of them felt that they are having lack of job searching skills. Only 34.6 per cent of them expressed that they want to do something different as their carrier.

### Difficulties faced by the respondents in getting employment

The increasing automation within the service sector the employment is not being created at par with the relative increase in population and there is no gigantic industrial sector to attract these excess people. That is why India has this massive setback of

unemployment. The following table highlights the major difficulties faced by respondents regarding employment in the study area.

**Table 3: Difficulties faced by the respondents in getting employment**

Difficulties Faced by Respondents	No of Respondents	Percentage
<b>Education related difficulties</b>		
Qualification not suitable	15	20.0
Masters degree/ higher qualification needed	13	17.3
Extra courses/ Knowledge needed	11	14.7
Extra efforts/ high fees /cost	9	12.0
Less marks/ no first class	8	10.7
Not selected through campus interview	7	09.3
Cannot speak English fluently	12	16.0
<b>Market related difficulties</b>		
Few job opportunities / Competition more	8	10.7
No reasonable salary/ Compensation	9	12.0
Lack of experience	13	17.3
No future growth	11	14.7
Contract basis/ no permanent jobs	12	16.0
No rewards/ incentives	10	13.3
Not on merit/ on looks	7	09.3
No use of employment exchange	5	06.7
<b>Other difficulties</b>		
Reservation policy / caste bar	12	16.0
Corruption for permanent jobs/ influence	15	20.0
Bond demanded	8	10.7
Unsuitable working policies / environment	17	22.7
Sex differentiation	9	12.0
Timing/ shifts/ over time at night	14	18.6

Majority of 20 per cent of the respondents expressed that the most difficulty in getting job is their qualification not suitable. 17.3 per cent of them revealed that they are lacking in experience. 20 per cent opined that the corruption for permanent jobs and influence are the other sort of difficulty to find job.

#### **Distribution of respondents according to impact of unemployment**

In recent times, the labour force in India has been growing at more than 2 per cent per year. The entire adding up of labour force cannot be absorbed

in productive employment as a result of not enough instruments of production would be there to utilize them. The unemployment problem has assumed alarming dimensions.

**Table 4: Distribution of respondents according to impact of unemployment**

Impact of unemployment	No of Respondents	Percentage
Monetary problems	20	26.7
No respect/ Lack of status	16	21.3
No own identity	12	16.0
Depressed/ Low	11	14.7

morale/ Feel lonely		
Insecure about future	9	12.0
Everybody in family is scared / worried	7	09.3

The above table reveals that 26.7 per cent of the respondents felt that the problem of money to meet their basic needs are the most affecting factor and 21.3per cent of them revealed that they are not able to get respect and status in the society due to unemployment. Nearly 15 per cent of them are depressed and felt lonely.

### Respondent's perception about education

Education is about exploration of knowledge and learning which plays an important role in the employment needs of graduates.

**Table 5: Respondent's perception about education**

Observation on Education	No of Respondents	Percentage
Change in traditional education system	6	08.0
Education should be job oriented	21	28.0
Need experience	12	16.0
Need to learn soft skills	15	20.0
Keeping up to date knowledge	11	14.7
English communication problem	10	13.3

The majority 28 per cent of the respondents' perception about education is, it could be job oriented and 20 per cent of them felt that they are need to learn more soft skills to pursue good job.

### Respondent's perception to enhance job chances

Graduates are needed find employment after completion of the course, but in reality it is very hard to find employment due to various reasons.

**Table 6: Respondent's perception to enhance job chances**

Steps to Enhance Job Chances	No of Respondents	Percentage
On job training	12	16.0
Professional networks/Job information	15	20.0
Job oriented courses	9	12.0
Credit facilities to entrepreneurship	20	26.7
Emphasis on the informal sector	11	14.7
Reservation policy	8	10.6

The majority 26.7 per cent of the respondents' perception is that the availability of credit facilities to entrepreneurship could mitigate the problem of unemployment. 20 per cent of them revealed that the availability of professional networks and more information regarding job could enhance the chance of employment.

### MAJOR FINDINGS OF THE STUDY

The following findings have been brought out of the study:

- ❖ The graduate unemployment tends to be high in Udumalpet Taluk.
- ❖ Labour markets are characterized by low skilled and insecure employment.
- ❖ The opportunities for graduates to undergo training or upgrade their skills are limited.
- ❖ Most of the graduates search job by getting information from their friends and relatives.
- ❖ Nature of unemployment in Udumalpet Taluk is mostly educated (51 percent) followed by structural unemployment (21 percent) and seasonal unemployment (14 percent).
- ❖ The main causes of graduate unemployment in Udumalpet Taluk are rapid population growth, low economic development, and the present education policy and education system.
- ❖ Majority (20 per cent) of the respondents expressed that the most difficulty in getting job is their qualification not suitable.

- ❖ Most of the respondents (26.7 per cent) felt that the problem of money to meet their basic needs are the most affecting factor and 21.3 per cent of them revealed that they are not able to get respect and status in the society due to unemployment.
- ❖ The majority of (28 per cent) the respondents' perception about education is it could be job oriented.
- ❖ Majority (26.7 per cent) of the respondents' perception to enhance job chance is that the availability of credit facilities to entrepreneurship could mitigate the problem of unemployment

Make in India are the positive efforts taken by the government in this direction to boost the graduate employment opportunities. Graduates could be given the space and scope to think and innovate, to question and come up with solutions. This would prevent the problem of unemployment to becoming a major socio-economic issue in the long-run.

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#### Remedial measures to combat graduate unemployment

Based on field investigation the following measures have been suggested to combat the issue of graduate unemployment:

- ✦ Appropriate macro policies are important for generating employment.
- ✦ Improvement in skill and vocational training are needed.
- ✦ It is urgent to reduce or control the growth rate of population.
- ✦ To adopt the modern methods in agriculture.
- ✦ It is necessary to arrange special employment programme.
- ✦ Proper planning for utilization of human resources is urgently needed.

#### 7. Conclusion

The graduate unemployment problem affects the socio economic condition and livelihood pattern of both the unemployed graduate as well as the members of the family. Due to various reasons graduate unemployment rates are much higher and it is a challenging task to tackle. Although the Government has to alleviate the graduate unemployment problem via training and placement programs, a greater effort is needed to expand the economy in order to eradicate the unemployment problem. The initiatives like Start-up India and