VOLUME 19

सत्यमेव जयते
GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT
& ENTREPRENEURSHIP

N·S·D·C
National
Skill Development
Corporation
Transforming the skill landscape

Human Resource and Skill Requirements in the Private Security Services Sector

(2013-17, 2017-22)

cutting through complexity

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Narayanan Ramaswamy
Head – Education Advisory
KPMG India
(+91) 44 3914 5208
Email: narayananr@kpmg.com

Madhavan Vilvarayanallur
Director – Education
Advisory, KPMG India
(+91) 44 39145286
Email: vmadhavan@kpmg.com

Gaurav Kumar
Associate Director – Education
Advisory, KPMG India
(+91) 124 3345203
Email: gauravkumar1@kpmg.com

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Acknowledgement

We are grateful to the Government of India and its various departments, State Governments, Industry Associations, Sector Skill Councils, Skill Training Institutions, Academia and NGOs, for their contribution towards the successful completion of the Sector Skill Gap study (2013-2017, 2017-2022).

We would like to thank all NSDC's industry and training partners for their active participation. The success of the study has been possible through their collaborative efforts.

In addition, we convey our gratitude to all those who have, in some way or other, contributed towards the successful completion of this study.

Executive Summary

The estimated market size of Private Security Services is expected to be in excess of INR 1,500 billion by 2022…

Key Growth Drivers

- Penetration of organized players in industry is expected to witness significant jump from current level of 35% to ~50% in the next five years with global players entering India through own operations and buyouts
- Cash Management Services has a higher degree of consolidation with the top 7-8 players accounting for about 75-80% of the market owing to high level security concerns associated with the operations in this segment
- Industry is witnessing significant technological advancements in the form of electronic surveillance creating a need for skills in the segment
- Considering the growing demand for security services, domestic firms are seeking capital to expand rapidly. And international firms are also considering entering the market. This is expected to further organise the market

India's Competitive Advantage

Competitive Wage Structure

With USD 125 (Minimum wages of Rs7500 per month) for trained guards in India, country has competitive advantage with regard to availability cheap labour

Availability of Human Resources

Over 85% of the population (aged 15 – 19), predominantly below the poverty line, had not progressed beyond higher secondary schooling resulting in limited avenues for employment

Policy Thrust on Skills

Schemes such as the STAR (Standard Training Assessment & Reward) Scheme, introduction of Modular Employable Skills (MES) Schemes are expected to train more number of individuals

Investments in the sector

Securitas AB

A Swedish Security major, recently paid over $15 million to acquire a 49 per cent stake in Walsons, India's fourth-largest national security services company

Tops group

Bought a 51 per cent stake in The Shield Guarding Company Ltd, a leading UK firm

Sources: KPMG in India analysis

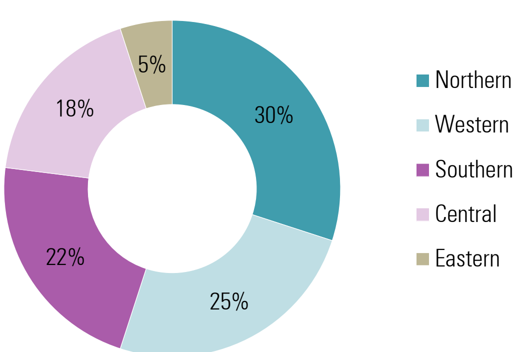
Demographic characteristics of workforce

Manpower is largely sourced from East and North East India…

Native of the Workforce	▪ Key regions from where manpower is sourced include Bihar, Uttar Pradesh, Jharkhand, Madhya Pradesh, Rajasthan and Assam ▪ Manpower largely comes from states/ regions that have either a large population of ex-servicemen, policemen and paramilitary personnel or a significant unemployed youth. ▪ The concentration in the identified geographies predominantly revolves around cities, towns and industrial hubs and varies depending on opportunities and remunerations.
Socio Economic Background	▪ Over 90 per cent of this work force constitutes security guards who are at the base of the pyramid with little to no relevant experience or expertise ▪ Most individuals come in search of employment to urban centres and resort to working as security guards as a last option.
Gender Distribution	▪ Current penetration levels of women guards are low ▪ The requirements of women guards are expected to increase at select points; however this increase is not expected be drastic
Youth Aspirations	▪ Low aspirations due to poor working conditions, extended working hours (no limit in unorganized segment) and lack of social security benefits ▪ Aspirations also depend on the job profile ▪ Orissa, Bihar, UP and Jharkhand have emerged as sourcing destinations owing to limited employment opportunities in those regions ▪ Aspiration for employment is high among youth from lower economic strata of the society with minimal education qualification
Changing workforce profile	▪ Increasingly employers are beginning to understand the need to have competitive and well trained security guards and are offering on the job and customised training programs ▪ With the surge of training providers, enabling schemes and industry initiatives the industry is moving in to a formal set up from a predominantly informal set up

Key Characteristics of Workforce

Geographical distribution of manpower



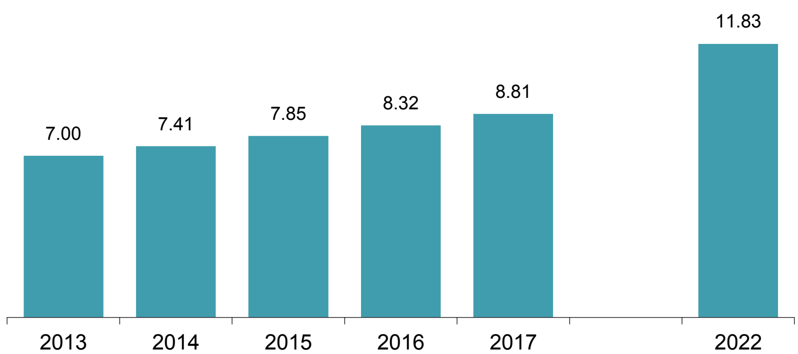
- Youth aspirations of working in this sector remain low
- Mobilization of workforce is focused on rural areas and slums in urban pockets
- Industry predominantly operates on migrated workforce from sourcing clusters which has posed serious threats due to poor background check mechanisms
- Minimum labour wage structure, subject to individual state jurisdictions, creates imbalances in wage levels

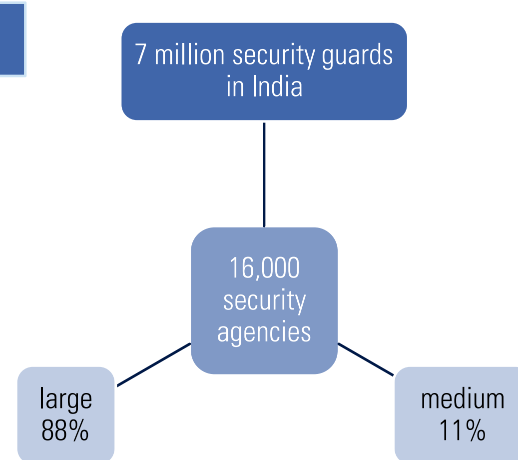
Sources: Industry Interactions; KPMG in India analysis

Incremental Human Resource Requirement (2013-22)

The sector currently employs over 7 million employees and is slated to employ more than 11.8 million employees by 2022

Human Resource Growth Trends in the Sector (in million)





Job Roles	Representative Skill Gaps
Unarmed Security Guard	Guards need more rigorous training on fitness, firefighting, english communication skills
CCTV Supervisor	Guards need more rigorous training on fitness, firefighting, english communication skills
Security Supervisor	Team management skills, medium-term vision and resource planning are key issues faced by the industry currently
Armed Security Guard	Proficiency in handling of firearms Awareness levels about safety in handling
Personal Security Officer	Proficiency in local languages of regions where the security guards are employed

41% guards are employed in the commercial sector followed by 39% in residential sector

Penetration of organized players in industry is expected to witness significant jump from current level of 35% to ~50% in the next five years with global players entering India through own operations and buyouts

70% of the residential demand will come from New Delhi NCR, Mumbai, Chennai, Bangalore, Kolkata, Pune, Chandigarh, Hyderabad, Mysore, Lucknow, Ahmadabad, Jaipur

Industrial demand is expected to come from Rajasthan, Gujarat, Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh

The private security services market is projected to grow to INR 1501 billion by 2022 from INR 360 billion in 2013. Some of the factors driving growth include

- Growing need for property, information, human security
- High rates of urbanization and economic liberalization have generated an increase in crime rate

Supply & Training Infrastructure

While lack of premium attached to skills still remains a challenge in the sector, policy impetus is driving the focus on training

- Industry consultations suggest that supply is likely to grow at a CAGR of 10% over the next decade. In absolute numbers; approximately seventy lakh to one million individuals are added to the pool ever year.
- Of this only 20% is expected through organised supply (compliant with PSAR training requirements and those who are likely to stay from more than one year).
- Current attrition levels stand at 40% for untrained guards and 15% for trained guards. The numbers are likely to remain the same over the next decade. However, more number of guards are expected to be trained given the direction the industry is likely to take.

The introduction of the the Private Security Agencies (Regulation) Act, 2005 has led more private agencies to adopt in-house training practices . Kapston, G4S, Tops Group, Checkmate are few of such companies that are currently following in-house training practices.

Seventy lakh to one million individuals are added to the pool ever year

Of this only 20% is expected through organized supply

Training Providers for Security Guards
Laurus Edutech Life Skills Pvt Ltd
Terrier Security Services (India) Pvt. Ltd.
Eagle Hunter Solutions
Ranchi Security Private Limited
Scientific Security Management Services
Bhootpurv Sainik Kalyan Sangh
Globsyn Skills Development Ltd

Challenges associated with training institutes

Premium attached to skills and training

- Most players prefer training their workforce in-house and there is little or no premium attached to trained manpower given that many stick to minimum wages.

Standards in training

- Types of institutes/ training providers :
  - One that provides general training for the sector
  - In house training by leading industry players
- The training in the sector is unorganized and fragmented and there is no single body that gives accreditation..

Skill requirements in the industry

- Currently security guards are being sourced from a common pool of guards
- However skills required for guards at corporate offices vary significantly from those at malls or residential complexes

Select recommendations & implications

Recommendation	Implications
Increase supply of quality trainers for the industry	▪ Courses for trainers to be made more scientific and methodical with structured modules and clearly defined learning outcomes for the trainers
Initiate schemes to enable rural/ deep rural mobilisation	▪ Government to assist in facilitating deep rural/ rural mobilisation of candidates – Schemes such as Society for Employment Generation and Marketing Mission, AP Government have proven to be useful
Create awareness on a typical career path within the sector mapped to long term benefits	▪ The government must encourage security guards related courses as an option in popular ITI institutes so as to avoid isolation of the industry related courses ▪ Awareness needs to be created at deep rural areas on prospects and benefits of a career in the security guards sector
Training curriculum to be made industry specific.	▪ The SSC as a platform should function as the gateway of information exchange that will form the basis for all skill development initiatives ▪ Security automation and technology along with CCTV and other devices have become the order of the day - it will be important for guards to be adept at evolving technologies
Training curriculum needs to include skills to address needs of security guards ecosystem	▪ Training to include other skills to complement core role – manage reception area, manage EPABX systems, valet parking, soft skills etc.
Effective iimplementation of NOS based training and standard certification through SSSDC	▪ Scheme based training programs by central / state governments to mandate adherence to NOS standards & Training institutes to map and align existing courses to the SSSDC standards
Provide long term benefits to formalize the employment and to reduce attrition at various levels	▪ Design a clear career progression path mapping benefits to levels. Design long term employment benefit schemes for employees to ensure job continuity and reduce attrition ▪ Medical Insurance is the amongst the most desired benefits by the employees. If not for private insurance, employers should proactively support government insurance schemes covering life and health ▪ Concept of Paid Leave under Sick Leave category and personal leave is not very common in the unorganized sector
Have an industry standard for wages	It is important to have a salary structure such in alignment with the cost and evolved standards of living, especially, in urban India . Also, given that there are discrepancies in minimum wages across States; it is important to bring an industry standard for minimum wages

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Abbreviations

AP	Andhra Pradesh
ASI	Annual Survey of Industries
CAGR	Compounded Average Growth Rate
CAPSI	Central Association of Private Security Industry
FY	Financial Year
FYP	Five Year Plan
GDP	Gross Domestic Product
GoI	Government of India
INR	Indian National Rupee
IPO	Initial Public Offering
MOSPI	Ministry of Statistics and Programme Implementation
MSMEs	Micro, Small and Medium Enterprises
NCRB	National Crime Records Bureau
NIC	National Industry Classification
NREGA	National Rural Employment Guarantee Act
NSCMRS	National Skill Certification & Monetary Reward Scheme
NSDC	National Skill Development Corporation
PSARA	Private Security Agencies Regulation Act
PSS	Private Security Sector
SEZ	Special Economic Zone
SSSDC	Security Sector Skill Development Council
STAR	Standard Training Assessment & Reward
UAE	United Arab Emirates
USD	United States Dollar
YoY	Year on Year

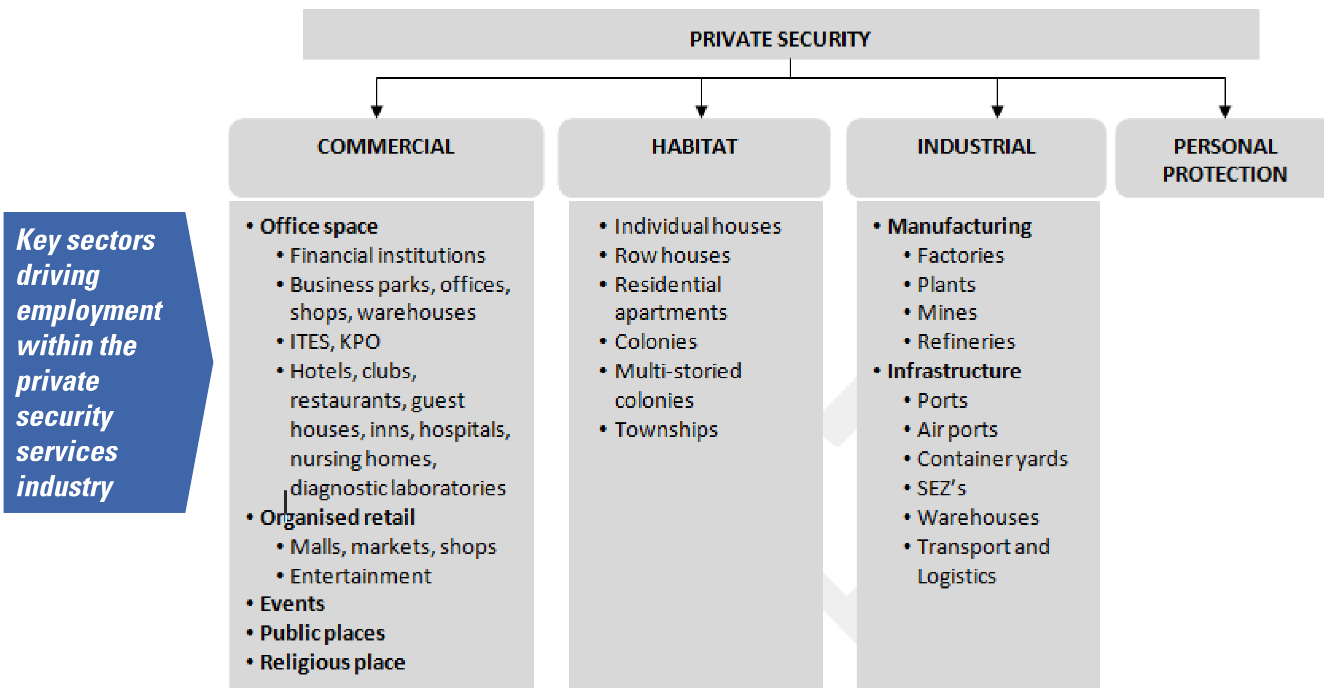
Context and approach

Brief background	NSDC had conducted sector-wise skill gap studies for 19 high priority sectors in 2008–09 . ▪ KPMG has been engaged as a consultant to help evaluate the skill gap across 25 sectors and develop actionable recommendations for its stakeholders. ▪ Mandate includes sector and sub-sector level analysis, demand-supply projection, estimation of incremental man-power requirement between 2013-2017 and 2017-2022, identification of key-employment clusters, and SWOT analysis of each sector ▪ Study also aims to take qualitative insights from stakeholders on enablers and challenges for each sector, way forward in terms of specific policy level actionable recommendations,
Inclusions over the previous study	▪ Study led by industry – Sector Skill Councils and a panel of professionals from different sub-sectors were consulted for their inputs on industry trends, key takeaways in terms of skill requirement, qualitative insights to understand specific interventions required for each sector and to validate the quantitative results and recommendations ▪ 6 sectors were added to the list of NSDC priority sectors for studying the skill gaps Updated study also includes ▪ Identification of top 20 job-roles in each sector, case studies around good training practices, sub-sector level indicators and growth factors ▪ Study also includes understanding of existing training infrastructure, work-force characteristics and employment clusters, ▪ Macro economic factors, central and state governments policies and their envisaged impact ▪ Synchronisation of the sector wise demand from the district level skill gap studies ▪ Recommendations for key stakeholders - Industry, NSDC, Training organizations and Government ▪ Environment scans every year till 2015-16 including SWOT analysis for the sector

Industry Classification

Private security services sector has been comprehensively covered under the following sub sectors

PRIVATE SECURITY SERVICES SECTOR – NIC CLASSIFICATION				
Group	**Class**	**Sub-class**	**Description**	**Comments**
801	8010	80100	Private security activities	This class includes armoured car services, bodyguard services security guard services, polygraph services, finger printing services and other private security services



- High rates of urbanization and economic liberalization have generated an increase in crime rate across society - homes, offices, public places, government establishments, and industries
- Economic rationalities as a result of rapid economic growth has left malls, business parks, industrial areas, special economic zones (SEZs), entertainment venues, sports complexes, hotels vulnerable to security threats
- High rates of urbanization and economic liberalization have generated an increase in safety needs across society - homes, offices, public places, government establishments, and industries
- The government security apparatus is inadequate to provide security cover both to individuals and to corporates
- In these circumstances, there has been an impending need to have a solid security system in place to supplement government initiatives
- A significant portion of the current guards pool is under-educated, under-trained and under-paid. There is an impending need to train this lot

Sources: NIC Classifications, MOSPI (2008); Secondary research/ and validated by industry members Secondary research/ National Crime Records Bureau

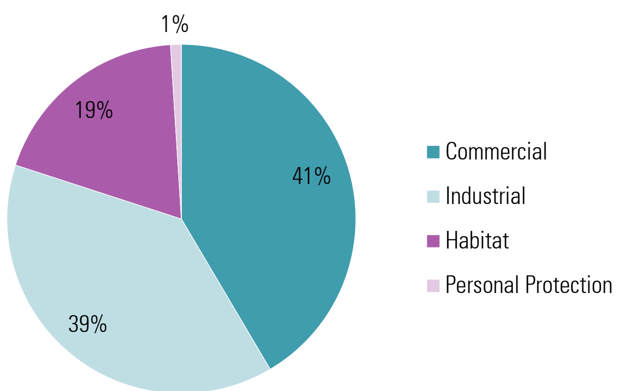
Industry Overview

Industry Overview

The current market size of Private Security Services is estimated at INR 360 billion…

Current Market Indicators

Security Guard Composition

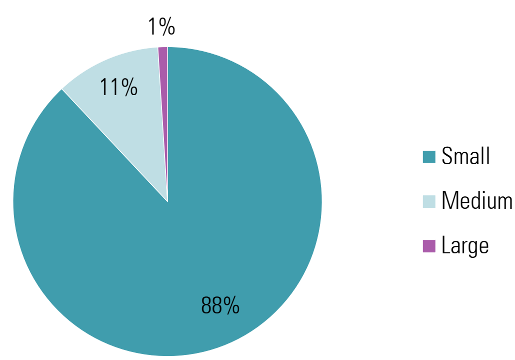


Sector specific indicators	
Market size (2016)	~ USD 10 Billion
Manned guards (%)	75%
CAGR (%)	25%
Organised players (%)	20%
Revenue from Organised players	80 %
Contribution to the exchequer ('06)	~ INR 10,000 Crore

Distribution of security agencies in India

- Stakeholder consultations suggest that there are approximately 7 million security guards in India
- The requirements are catered to by roughly 16,000 security agencies – large, medium and small.
- Of these, 14,000 agencies are small players which on an average provide approximately 250 security guards per agency a year
- Around 1800 agencies supply at an average of 500 guards per agency a year
- 200 agencies supply an average of 2000 guards per agency per year

Distribution of security agencies in India



Currently

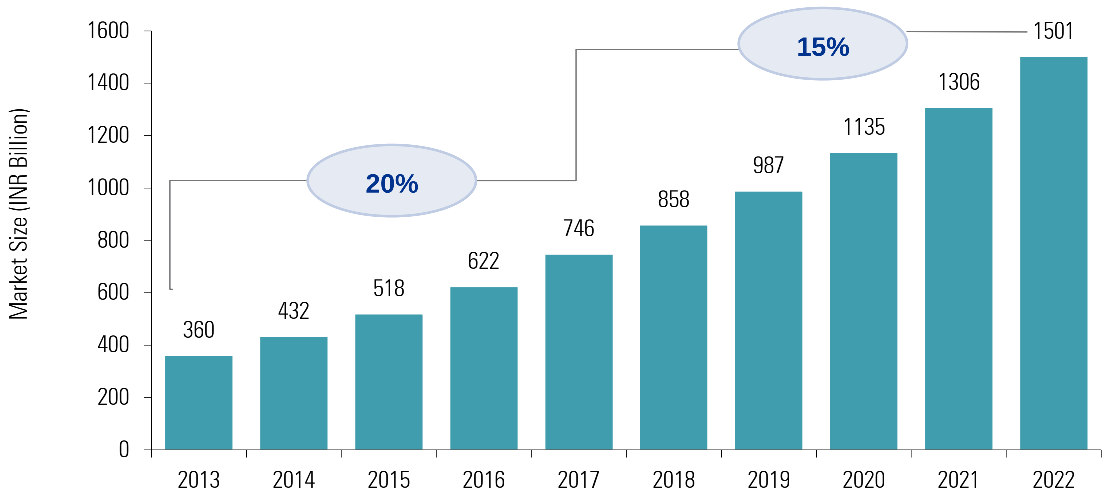
- Currently there are no sector specific expertise
- It is hence difficult to apportion guards to a particular sector
- Most guards move around sectors depending on the client requirement
- No major changes are expected; except in commercial space where the number of guards are likely to increase
- Currently most guards are sourced from rural or deep rural areas.

It must be noted that issues exist with determining a precise number because there are no standard data collection repository or mechanism to register agencies and their details.

Sources: KPMG in India analysis

The estimated market size of Private Security Services is expected to be in excess of INR 1,500 billion by 2022

Growth Trend in private security (2013 - 22)



Key Growth Drivers

- Growing need for property, information, human security is driving the growth of the sector
- High rates of urbanization and economic liberalization have generated an increase in crime rate across society - homes, offices, public places, government establishments, and industries
- There has been notable increase in organized groups, gangsters, professional criminals, youths, and juveniles
- Industry is dominated by unorganized players owing to the predominantly informal origin of the activities in the sector
- Penetration of organized players in industry is expected to witness significant jump from current level of 35% to ~50% in the next five years with global players entering India through own operations and buyouts
- Cash Management Services has a higher degree of consolidation with the top 7-8 players accounting for about 75-80% of the market owing to high level security concerns associated with the operations in this segment
- Industry is witnessing significant technological advancements in the form of electronic surveillance creating a need for skills in the segment
- Considering the growing demand for security services, domestic firms are seeking capital to expand rapidly. And international firms are also considering entering the market. This is expected to further organise the market

Sources: KPMG in India analysis

Demand for private security guards are likely to increase by a CAGR of 25% over the next decade; however supply will not grow to that extent

DEMAND

- Stakeholder consultations suggest that demand is likely to grow at an average of 25% CAGR for the period 2012 – 2023.
- A major chunk of the demand is likely to come from South India focussed on five main states – Karnataka, Andhra Pradesh, Tamil Nadu and Kerala.
- Maharashtra and Gujarat are also expected to contribute to this growing demand owing to rapid industrial and infrastructure expansions. This includes the Delhi-Mumbai Industrial Corridor.
- South of India is likely to see a CAGR of 35% over the next decade.
- Industry inputs suggest that 70% of the residential demand will come from New Delhi NCR, Mumbai, Chennai, Bangalore, Kolkata, Pune, Chandigarh, Hyderabad, Mysore, Lucknow, Ahmadabad, Jaipur.
- 60**%** Industrial demand are expected to come from Rajasthan, Gujarat, Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh.
- Key sectors that are expected to see increased requirements are Organised Retail, Office space, industrial corridor and Residence.
- A split among these sectors will be difficult to arrive given that all sectors recruit guards from this common pool. Currently, there is an absence of sector specific experts.
- There has been demand for women guards at retail outlets, diamond workshops, airports and other places where female visitors are being frisked providing job opportunities for women guards. However, these numbers are still fairly miniscule.

SUPPLY

- Industry consultations suggest that supply is likely to grow at a CAGR of 10% over the next decade. In absolute numbers; approximately seventy lakh to one million individuals are added to the pool ever year.
- Of this only 20% is expected through organised supply (compliant with PSAR training requirements and those who are likely to stay from more than one year).
- Current attrition levels stand at 40% for untrained guards and 15% for trained guards. The numbers are likely to remain the same over the next decade. However, more number of guards are expected to be trained given the direction the industry is likely to take.

Sources: Industry Interactions; KPMG in India analysis

Coupled with a large and young human resource base and subsidized training opportunities, India offer tremendous competitive advantage

India presents significant competitive advantage ...

India's competitive advantage	Cheap labour	▪ Average salary in Europe is around USD 1200 per month; approximately USD 545 in the UAE; compared to an average of USD 125 (Minimum wages of Rs 7500 per month) for trained guards in India.
	Large and young Human resource base	▪ Over 85% of the population (aged 15 – 19), predominantly below the poverty line, had not progressed beyond higher secondary schooling resulting in limited avenues for employment. ▪ Private security services provides them with ample opportunities, for the local and international markets.
	Subsidised training	▪ Schemes such as the STAR (Standard Training Assessment & Reward) Scheme, introduction of Modular Employable Skills (MES) Schemes are expected to train more number of individuals at affordable cost thereby producing a large cohort of well trained guards

... which have already started showing results through

International interest in the sector	▪ Given the increasing demand for security guards within the country; as well as the increasing attempts to organise the sector and provide trained manpower, the sector is witnessing increased interests from established international players. ▪ Instances of this include interest shown by some of the major international players including Securitas AB, SDB-Cisco among others
Indian security guards for international markets	▪ Significant guards will be required in international markets – Besides UAE; Europe and Japan are key markets for the year 2020 where the average age is increasing and hence the need for security*. ▪ With subsidised training currently on offer through the STAR scheme, it provides immense opportunity to send a sizeable part of the human capital to these countries.

Sources: Status of Education and Vocational Training in India as of 2009-10 (66th Round), MOSPI, Industry Interaction

There are several trends emerging in the industry which augurs well for growth of the industry, especially the organized segment

Sector Trends

Growth of Mass Private Property

- It include shopping malls, private educational campuses, high-rise apartments, commercial banks, commercial complexes, sports complexes, recreation complexes, and other entertainment centres
- Significant current inventory as well as structures being added over the next few years

Economic rationalities

- Rapid economic growth has left malls, business parks, industrial areas, special economic zones (SEZs), entertainment venues, sports complexes, five star hotels etc vulnerable to security threats
- This has led to the increased requirement of security guards

Poor police – people ratio

- The number of policemen per 100,000 populations is 137 in India against the standard of 222 prescribed by the United Nations
- Currently, the state police are catering to these needs
- Significant human resource is required

Professionalization of Private Security Services

- A significant portion of manned guards in the unorganised pool is under-educated and under-trained. There is an impending need to train them
- Domestic firms are increasingly seeking capital to expand. And international firms are also considering entering the market. This is expected to further organise the market

Changing structure of industry

- After the 9/11 Mumbai attacks, the industry is likely to experience CAGR of 25% for the period 2013 - 23
- The sector is evolving with time as it moves from primarily providing security guards to the use of biometric devices and other high tech solutions
- Electronic security equipments in India is estimated at over USD 10 billion by 2016
- Security agencies in India have mostly proliferated in Indian metropolitan areas due to the large industrial base, concentration of corporate and trading houses, and the diversity of the population
- While women guards are increasingly being employed, the current share is negligible and is not expected to see major recruitments
- Indian security agencies are actively forming joint ventures with multinational security agencies.

Sources: Industry Interactions; KPMG in India analysis

The PSARA sets down the norms for regulating security agencies in the country

Policy / Regulatory Initiatives

- The Government of India has permitted foreign direct investment up to 49% in the security industry and the same has attracted big foreign players. However, the Private Security Agencies (Regulation) Act, 2005 does not specify foreign shareholding.
- Most of the security agencies normally get themselves registered under Shops and Establishment Act in order to avoid a number of obligations towards the security personnel engaged by them under the provisions of the Contract Labour Act
- A large number of State Governments are yet to adopt the Private Security Service Agencies (Regulation) Act, 2005 and make institutional arrangements for the regulation of the industry. Only West Bengal, Gujarat, Madhya Pradesh, Rajasthan, and Maharashtra have implement it.
- According to PSARA, a person between 18-65 years can be a security guard. Average age of entry level workforce is between 25-30 years as an individual joins private security sector after exhausting all opportunities in other sectors.
- The law covers only manned security guard services. It excludes detective services, locks & safes, electronic sensor & surveillance, surveillance equipment manufacturers / suppliers / installers, intelligence & detective service, risk management services and security consultancy services etc. under the ambit of regulations.
- Government thrust in licensing through PSAR Act is expected to change the composition of the industry

Investments in the sector

- Considering the growing demand for security services, domestic firms are seeking capital to expand rapidly. And international firms are also considering entering the market.
- Securitas AB, a Swedish security major, recently paid over $15 million to acquire a 49 per cent stake in Walsons, India's fourth-largest national security services company.
- Indo-Singaporean joint venture of SDB-Cisco, is looking to raise additional capital for expansion through an initial public offer (IPO).
- Tops group, a leading Indian firm, which bought a 51 per cent stake in The Shield Guarding Company Ltd, a leading UK firm. Tops Security Ltd, the flagship of the group, was the first in the domestic industry to receive private equity funding in 2007. ICICI Venture acquired a 13.69 per cent equity, while Indivision, the private equity arm of Future Capital Holdings also acquired additional equity taking its total exposure to 7.08 per cent

PSARA has organised the industry which was highly fragmented before

Executive Director of a leading private security services agency

Sources: KPMG in India analysis

Registered security agencies across states

S.No.	State	Registered Agencies
1	Tamil Nadu	700
2	Uttar Pradesh	671
3	Punjab	517
4	Delhi	512
5	West Bengal	464
6	Haryana	292
7	Karnataka	280
8	Rajasthan	267
9	Andhra Pradesh	165
10	Assam	143
11	Maharashtra (navi mumbai)	135
12	Bihar	66
13	Kerala	50
14	Himachal Pradesh	35
15	Odisha	23
16	Tripura	16
17	Meghalaya	11
	Total	**4347**

- Based on the available market information, more than 4,300 registrations are available (including proposals waiting for approval) across states
- However, a particular agency could get registered under multiple states and hence the actual number of companies registered across India could be lower
- Tamil Nadu accounts maximum number of registrations, followed by Uttar Pradesh
- Delhi NCR region has highest presence of registered security agencies with combined registrations in Delhi and Haryana accounting for 800 agencies

Sources: KPMG in India analysis, State PSAR implementing Agencies

Concerns and challenges in the sector

1 Unorganised sector

Security services sector is highly unorganized with limited number of registered players

2 Competition

Competition from unorganized segment is driving the industry to thin margins and low profitability affecting the wage structure

3 Mobilisation

As per industry sources, mobilization of workforce is focussed on rural areas and slums in urban pockets; with limited penetration of deep rural areas

4 Workforce characteristics

Industry predominantly operates on migrated workforce from sourcing clusters which has posed serious threats due to poor background check mechanisms.

5 Salaries

Entry level salaries in the sector are based on minimum labour wage structure which are subject to individual state jurisdictions creating imbalances in wage levels

6 Not a career option

Often a last resort employment option for urban individuals. For rural individuals; they take up this profession only during poor agriculture season leading to seasonal skill gaps

7 Attrition

High cost of living in the cities and poor working conditions are leading to higher attrition rates;. Further sourcing from far off regions and low wage structure is resulting in high attrition rates in the sector. 40% and 20% among untrained and trained guards respectively

8 Policy clarity

Lack of policy clearances pertaining to armed guards is leading to security issues with armed guards predominantly working on personal gun licenses in unorganized segments

Sources: Industry Interactions; KPMG in India analysis

SWOT Analysis of the sector

Strengths	▪ Sector offers good employment opportunities to a large segment of school dropouts and unemployed youth ▪ Current annual growth rate of 25% - has potential for generating employment as it currently faces a 30 percent shortfall ▪ The STAR scheme which rewards the employees undergoing training with an average reward of INR10,000 per candidate as incentive under the National Skill Certification & Monetary Reward Scheme (NSCMRS) is expected to organise and address demand issues ▪ A number of private institutes are opening up around the country which is expected to improve capacity and quality of training significantly
Weaknesses	▪ Highly unorganized sector dominated by small players with limited use of training . ▪ Commoditisation of security services has led to production of a standardised, low skilled, and minimally trained manpower ▪ Inadequate sector specific training has led to the current pool being devoid of critical skills ▪ Extremely tough to source manpower from the South of India creating large demand issues in the region ▪ State specific minimum wage is an issue leading to quantitative gaps across states with lower wages ▪ Attrition among untrained guards 50% ▪ Lack of uniformity across multiple bodies on training requirements – SSSDC and PSARA ▪ Discrepancies in minimum wages across States may leave a void across select states in India ▪ Guards will have to take other roles - receptionist/ valet parking/ floor attendants etc. The current pool of guards have issues with soft skills and personality ▪ Armed guards usually comprise of ex-army staff and there are issues with obtaining licenses. This is expected to continue in the future

Sources: Industry Interactions; KPMG in India analysis

SWOT Analysis of the sector

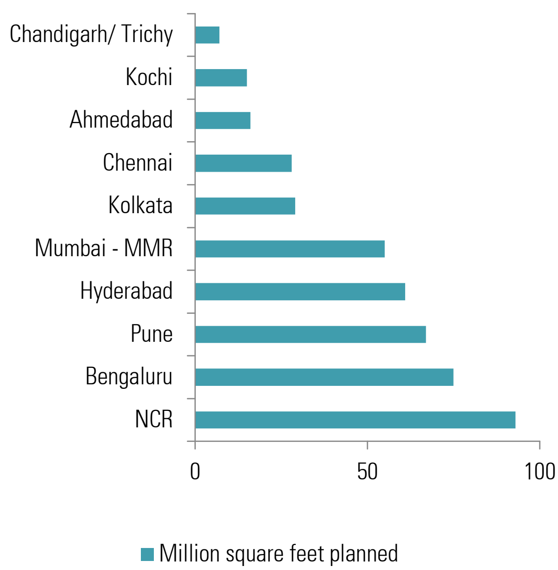
Opportunities	▪ Requirement of skilled and elaborately trained manpower to use technology given the advent of intelligence and detective services, investigative services, forensic services, data security services and security consultancy besides the traditional model ▪ A number of private security agencies have diversified into allied sectors such as investigation and detective services, cash and valuable transit services, security training and risk management (however these are not governed by PSARA) ▪ Significant opportunities will arise from international markets – Besides UAE; Europe and Japan are key markets for the year 2020 where the average age is increasing and hence the need for security. ▪ Sector specific training – for instance a retail store guard needs to understand shop lifting against a guard at a construction site or residential building ▪ Considering the growing demand for security services, domestic firms are seeking capital to expand rapidly. ▪ Global recognition of Indian guards provided global benchmarks/ standards are adopted
Threats	▪ Security guards is not perceived as a career option ▪ Growth of electronic systems market may lead to reduction in requirement of security guards ▪ Unregulated and unorganised market may prevent penetration of interventions - including skill/ training related interventions ▪ With the advent of schemes like the NREGA; people are better off working in their own villages than migrating to towns ▪ Currently there are only 300 trainers across the country (Industry research). There is hence a severe shortage in human resources to train potential candidates ▪ Continued lack of awareness on security guards sectors as a career opportunity than merely a last resort career option ▪ Not penetrating the deep rural areas to mobilize new staff ▪ Not enough measures in terms of training of trainers

Sources: Industry Interactions; KPMG in India analysis

Sub – Sectoral overview

India sees significant and positive activities in key sectors that are expected to drive employment for security guards

Million Square Feet planned - (2013 - 2015) for commercial space



Key trends on sub-sector growth:

COMMERCIAL

Office space

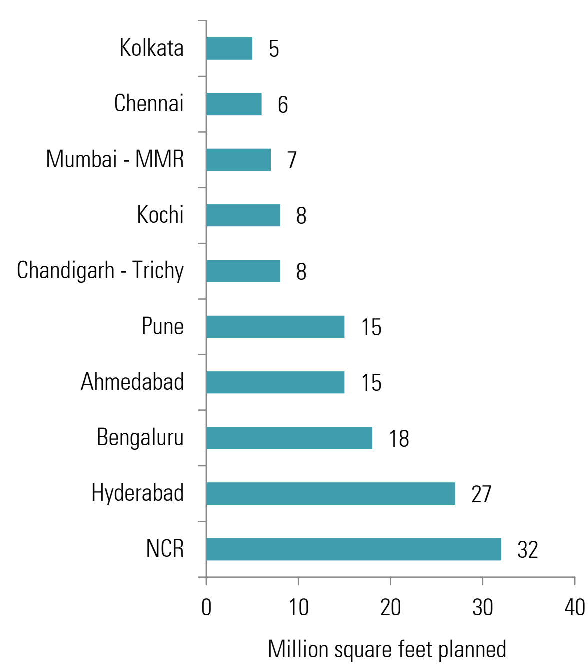
- Demand for available space has seen a fall in recent times. Demand for commercial space especially from the IT/ITES and BFSI sectors have seen a drop accounting for 25% - 30% rental corrections.
- Insofar as new commercial space is concerned; approximately 445 million square feet is expected to be added among 10 cities in the next 2 -3 year period.
- This indicates a likely supply of an additional 15,000 buildings in the next three years assuming an average of 30,000 square feet per building.
- Currently the sector employs around 1 million people.

Key trends on sub-sector growth:

Organised retail

- The segment has struggled to grow - presently an oversupply. Rental values have remained flat
- Mall space of 67 million square feet is expected to come up in the next 2 – 3 years across 10 major cities.
- Assuming an average mall size of 500,000 square feet; an additional 130 malls are expected to come up over the next 2 – 3 year period
- Currently this sector employs more than 1.7 million people

Million Square Feet planned - (2013 - 2015) for mall space

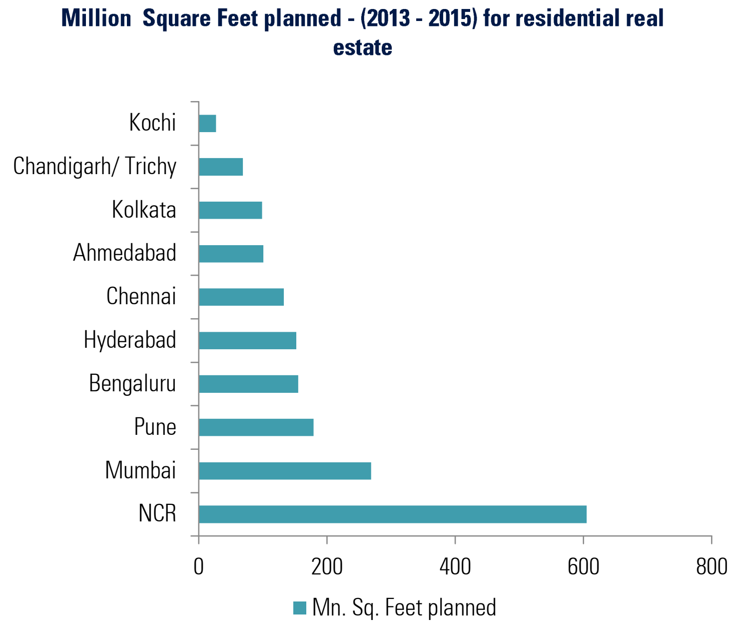


Sources: IBEF Report – Indian manufacturing: Overview and prospects, KPMG Analysis based on IndiaStat, CAPSI

India sees significant and positive activities in key sectors that are expected to drive employment for security guards

Residential

- Macro-economic factors dampened growth of capital values of properties in the recent past
- However, nearly 2.1 billion square feet is planned across 10 major cities in India over the next 2 – 3 years.
- Assuming an average residential property comprises of 15,000 square feet; the total residential buildings added translate to approximately 67,000 buildings
- Currently there are more than 1.3 million individuals engaged within this sub-sector as security guards



Industrial

- **Manufacturing**
  - In FY12, manufacturing accounted for 16% of the GDP as its employment share stood at 12% of India's labour force
  - Employment in the manufacturing sector is expected to grow to 64 million in the next 5 years at a year on year average of 4%.
  - The manufacturing sector currently employs more than 1.5 million security guards

- **Infrastructure**
  - India's infrastructure requirements are continuously expanding, presenting huge opportunities. The government has called for $1 trillion in infrastructure spending in the five years through 2017
  - At 32 million individuals; the infrastructure construction sector constitutes 80% of the total employment within infrastructure sector.
  - Number of security guards translates to a bit over 0.5 million individuals

Sources: IBEF Report – Indian manufacturing: Overview and prospects, Planning Commission; KPMG Analysis based on India Stat,

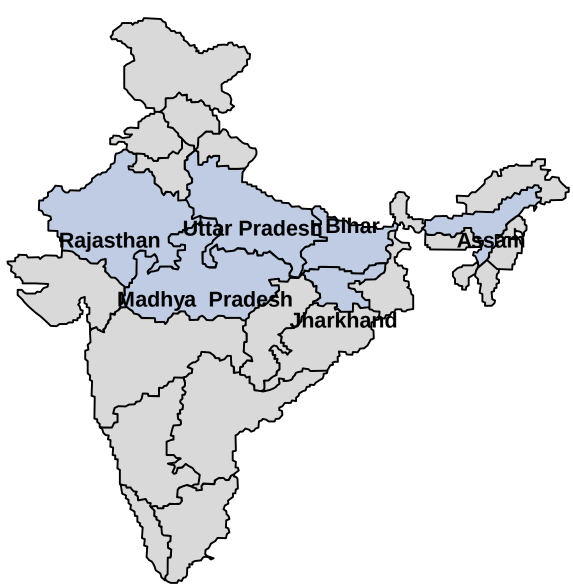
Demographic characteristic of workforce

Demographic characteristics of workforce

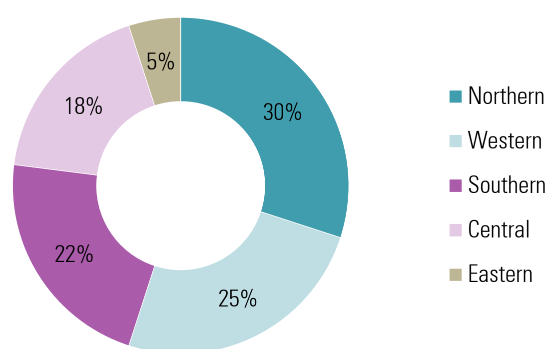
Manpower is largely sourced from East or North East India. Youth aspirations of working in this sector remain low

Native of the Workforce	▪ Key regions from where manpower is sourced include Bihar, Uttar Pradesh, Jharkhand, Madhya Pradesh, Rajasthan and Assam ▪ Manpower largely comes from states/ regions that have either a large population of ex-servicemen, policemen and paramilitary personnel or a significant unemployed youth. ▪ The concentration in the identified geographies predominantly revolves around cities, towns and industrial hubs and varies depending on opportunities and remunerations.
Socio Economic Background	▪ Over 90 per cent of this work force constitutes security guards who are at the base of the pyramid with little to no relevant experience or expertise ▪ Most individuals come in search of employment to urban centres and resort to working as security guards as a last option.
Gender Distribution	▪ Current penetration levels of women guards are low ▪ The requirements of women guards are expected to increase at select points; however this increase is not expected be drastic
Youth Aspirations	▪ Low aspirations due to poor working conditions, extended working hours (no limit in unorganized segment) and lack of social security benefits ▪ Aspirations also depend on the job profile ▪ Orissa, Bihar, UP and Jharkhand have emerged as sourcing destinations owing to limited employment opportunities in those regions ▪ Aspiration for employment is high among youth from lower economic strata of the society with minimal education qualification
Changing workforce profile	▪ Increasingly employers are beginning to understand the need to have competitive and well trained security guards and are offering on the job and customised training programs ▪ With the surge of training providers, enabling schemes and industry initiatives the industry is moving in to a formal set up from a predominantly informal set up

Key regions for sourcing manpower



Geographical distribution of manpower



Lack of expertise in the current cohort indicates opportunity for increased penetration of vocational education in the sector

Sources: Industry Interactions; KPMG in India analysis

There are several socio-economic challenges faced by the workforce that manifest as areas of concerns for the sector

Social Stigma

Social Stigma and low dignity associated with being a security guard has been a significant dampener for the sector. Hence retaining individuals has increasingly been a challenge for the sector

Absence of social safety net

Lack of social security benefits such as job security, continuity of job, paid leave, medical leave, insurance and benefits; Long working hours with no additional benefits leads to frequent job hopping. This encourages individuals to leave and there is little permanency in this profession.

Migration

Migration in labor is noticed in various segments, predominantly from North Eastern states, West Bengal and Nepal to major Indian cities and towns for work. However, there is still reluctance in the other parts of the country to take up work in the sector. Further migration takes a seasonal pattern depending on the agricultural season in India/

Attrition

Lack of clearly defined career progression in small and unorganized leads to high attrition rates of over 40 percentage in the unorganized sector. Attrition in the organized sector is lower at 15%.

Attrition is observed at the highest levels amongst the security guards at the lowest levels indicating the requirement of creating awareness on benefits as well as creating a well defined and progressive career path

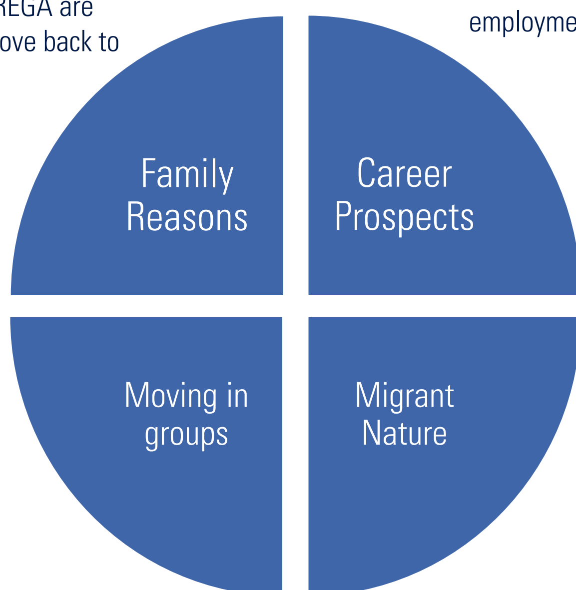
Sources: Industry Interactions; KPMG in India analysis

Demographic characteristics of workforce

Workforce Characteristics

- A number of guards move out of rural areas in search for employment in urban areas leaving their family behind.
- A number of them are workers in the agriculture sector who move to make additional income.
- Most move back to the rural areas should the harvest be good.
- Also schemes such as the NREGA are encouraging individuals to move back to rural areas

- Sector is basically informal and unorganized
- Lack of social security benefits such as job security, continuity of job, paid leave, medical leave, insurance and benefits
- Long working hours with no additional benefits leads to frequent job hopping; and in many cases changing areas of employment.



- In most cases; guards in a particular area come from the same villages or from a group of villages
- Most security guards, especially at the unorganised level, join and move in groups
- This often leaves significant quantitative gaps at unanticipated intervals

- As the industry employs significant migrant labour from Eastern and North Eastern States and from neighboring countries of Nepal, the workers undertake long sabbaticals leading to attrition
- By the time, the employees return from their vacations, the post is already filled
- Most of the workforce is migrant in nature. Once the harvest season starts or during festivals people move back to their respective natives. Hence, they are employed only for 8-9 months in a year

Sources: Industry Interactions; KPMG in India analysis

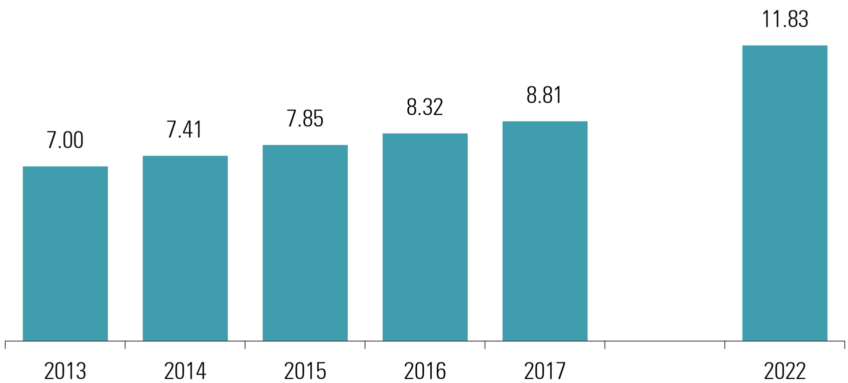
Incremental human resource requirement (2013-17, 2017-22) and skill gaps

Incremental human resource requirement (2013-17, 2017-22) and skill gaps

Current workforce of 7 million (2013) is expected to increase to ~11.8 million by 2022

Sector Workforce in 2013-22

Human Resource Growth Trends in the Sector (in million)

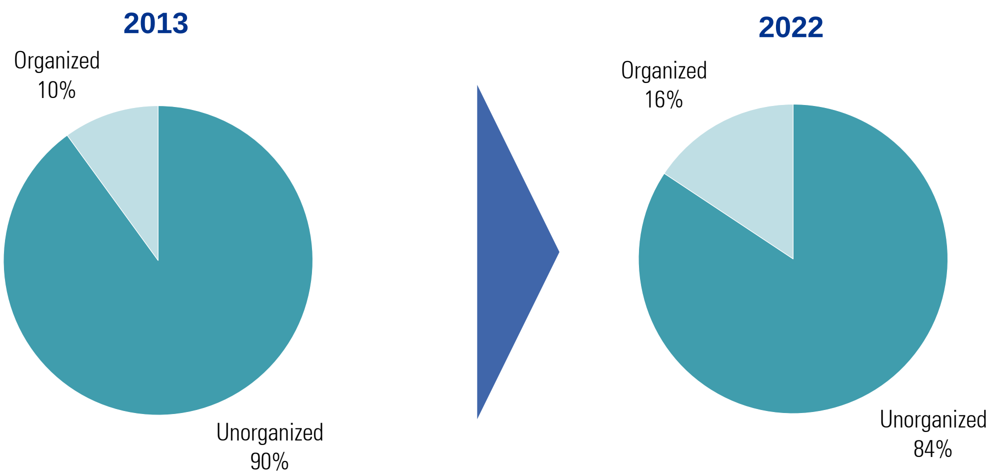


The sector currently employs over 7 million employees and is slated to employ more than 11.8 million employees by 2022. This implies additional creation of ~4.8 million jobs in the 9 year period.

Key sectors that are expected to see increased requirements are Organized Retail, Office space, industrial corridor and Residence.

Analysis of NSQF level mapping of employment in the Private Security Services sector indicates that the roles of Level 4, Level 5 and Level 6 would witness significant employment growth during 2013-22

Workforce distribution trends in the Security Services Sector (2013-22)



An analysis of the breakup of workforce indicates that the share of organized employment would increase from current levels of around 10% to 16% by 2022. Implementation PSAR Act is expected to drive the consolidation of the industry

Sources: Industry Interactions; KPMG in India analysis

Incremental human resource requirement (2013-17, 2017-22) and skill gaps

Job roles across sub-segments

Security Services Industry Employment (100%)

Core Job Roles (95%)

Job Roles	Composition
Security Guard	Base
Assignment Manager	1 assignment officer for 100 guards
Security Officer	I security officer for 50 - 60 guards
Security Supervisor	1 supervisor for 20 guards
CCTV Supervisor	NA
Armed Security Guard	NA
Personal Security Officer	NA

Support Functions (5%)

Training	Accounts & Finance	HR	IT
Manager – Training	Accounts Executive	HR Executive	IT Manager
Trainers	Accounts Manager / Finance Manager	HR Manager	IT Executives

Core employment accounts for over 95 percent of the workforce in the industry

The industry predominantly comprises of unarmed security guards

Sources: Industry Interactions; KPMG in India analysis

Changing skill requirements

Job Roles	Skills required	Skill gaps
Unarmed Security Guard	▪ Record and report incidents ▪ Communication skills ▪ Respond to risks and threats ▪ Carry out assigned task as per organizational procedure ▪ Take decisions in line with role and responsibility ▪ Adept in the use of firearms, communication equipment, unarmed combat and in administering of first-aid.	▪ Guards need more rigorous training on fitness, firefighting, english communication skills ▪ Sensitivity of gender issues ▪ Awareness levels on safety and personal hygiene ▪ Efficient responsiveness for crisis issues like burglary, theft etc.
CCTV Supervisor	▪ Basics of private security, supervision of security unit operations and spectrum of threats and risks ▪ Read, write and prepare shift reports ▪ Manage and motivate a team ▪ Manage stakeholders ▪ Impart instructions to team ▪ Collect information and intelligence ▪ Report on performances of team members ▪ Keen observation ▪ Awareness of PSARA ▪ Maintain operational performance of a CCTV system	▪ Lack ability to handle basic issues in CCTV handling and trouble shooting ▪ Ability in understanding the information flow across security and surveillance systems ▪ Proper communication skills ▪ Personal hygiene ▪ Sensitivity of gender issues
Security Supervisor	▪ All skill required at an entry level ▪ Security supervisors are expected to have strong and dominating personality – a key for discipline at the entry level ▪ Ability to connect with staff given that most guards migrate to town with minimal money and no family support ▪ Use personal protective equipment	▪ Team management skills, medium-term vision and resource planning are key issues faced by the industry currently ▪ Inability to connect with staff is an issue. A number of guards leave because of overly strict supervisors ▪ Very difficult to find the right people from the pool of unarmed guards and hence recruitment happens laterally

Sources: Industry Interactions; KPMG in India analysis

Changing skill requirements

Job Roles	Skills required	Skill gaps
Security Officers/ Assignment officers	▪ Ability to communicate effectively with and manage large teams ▪ Ability to contribute to quality of work and development of improved work processes ▪ Medium-to-long term vision on work and impact of external environment ▪ Use personal protective equipment	▪ Largely quantitative with a shortage of well trained officers ▪ High level of reliance on ex-army staff makes it expensive ▪ Communication and interpersonal skills ▪ Issues with hygiene factors ▪ Proper crisis management skills
Armed Security Guard	▪ Communicate effectively ▪ Maintenance and safe handling of weapon and ammunition ▪ Respond to risks and threats ▪ Carry out assigned task as per organizational procedure ▪ Take decisions in line with role and responsibility ▪ Use weapon and ammunition effectively ▪ Use personal protective equipment	▪ Proficiency in handling of firearms ▪ Awareness levels about safety in handling ▪ Communication skills has been an issue ▪ Responsiveness to crisis situations
Personal Security Officer	▪ Spot a threat, having an eye for detail ▪ Remain calm and composed during crisis ▪ Take quick decisions ▪ Communicate effectively ▪ Co-ordinate with multiple stakeholders ▪ Anticipate threats and risks ▪ Take precautionary measures ▪ Use firearms effectively ▪ Use personal protective equipment ▪ Effectively use communication equipment	▪ Interpersonal and communication skills ▪ Proficiency in local languages of regions where the security guards are employed ▪ Sensitivity of gender issues ▪ Personal hygiene ▪ Responsiveness to crisis situations

Sources: Industry Interactions; KPMG in India analysis

Training Infrastructure

Current skill and training infrastructure for the sector

SELECT LIST OF TRAINING PROVIDERS FOR SECURITY GUARDS	
Scientific Security Management Services	▪ SMS provides highly trained security personnel and has a Control Room system of communication, command and response whereby daily reports of security guards are updated onto a database. The team of 5000 professionals are trained in techniques of internal and external security, watch and ward, traffic management, fire fighting, self-defense, etc
Advanced Security Training and Management	▪ ASTM offers corporate training programs for security personnel already on the field, as well as educational training. Courses are also offered at the student levels.
Bhootpurv Sainik Kalyan Sangh	▪ BSKS is a voluntary organisation based in Jharkhand with its services catering the society, military circle and civil administration. Over 1500 disciplined and professionally trained personnel's exist, providing armed and unarmed security in various domains (event security, hotel security, retail security etc.)
Globsyn Skills Development Ltd.	▪ The organisation offers security services through the provision of unarmed guards. Over 10,000 students are enrolled in 6 courses with access to 146 members of faculty
Indianeye Security Pvt Ltd	▪ Provides strategic and tactical security services for corporate institutions, government institutions and individuals, covering a wide spectrum of security services and solutions. The training academy is called Indianeye Institute of Homeland Security and has the facility to train 500 personnel in a single batch
International College for Security Studies	▪ Asia’s first institution dedicated to research and development of Security Skills. A range of security courses (PG Diplomas, medium term diplomas and short term courses)

Sources: KPMG in India analysis

Current skill and training infrastructure for the sector

SELECT LIST OF TRAINING PROVIDERS FOR SECURITY GUARDS	
Laurus Edutech Life Skills Pvt Ltd	▪ An ISO 9001:2008 certified premier skill development group with over 34 years of experience in the field of security. LE currently operates in about 439 vocational training centres with a capacity to train 1,25,330 people every year
Optaamaze Corporate Solutions Pvt Ltd	▪ Established in the private security training field and expanded its services to include hospitality. It is a provider of vocational education and training in the country, and adopts a 4-tiered solution methodology (Mobilisation, Training, Placement, Monitoring).
Terrier Security Services (India) Pvt. Ltd.	▪ A security organisation with a guarding strength of around 15,000 persons over the past 2 decades. It provides 10 different guarding services (i.e. armed security personnel, Ceremonial guard service)
Virasat Security Services	▪ An organisation that offers security services utilizing quality management systems. It has obtained the necessary PSAR licenses to work within various sectors of the private security industry. SIA approved security training courses are offered across the UK.
Eagle Hunter Solutions	▪ An integrated Security Solutions provider with service offerings in 'Security and Manned Guarding Services' and 'Event Security'. It has a workforce of 53,000 employees in 21 countries
Ranchi Security Private Limited	▪ A Private Security Service established in the state of Jharkhand in 1997 with a group deployment of over 10,000 till date. It provides 10 different security services, including Industrial, Retail and Hotel Security.

Sources: KPMG in India analysis

Besides private training providers, government has also gradually increased its training capacity through different schemes

Modular Employable Skills (MES) Schemes	▪ Offered under the Skill Development Initiative Scheme (SDIS) ▪ The scheme has an objective to improve skill development for early school leavers and existing workers, IT/ITC graduates, etc, especially in the unorganized sector in close consultation with industry, micro enterprises in the unorganized sector, State Governments, experts and academia ▪ The scheme also benefits skill levels of persons already employed can also be tested and certified under this scheme, i.e., certification of prior/experiential learning ▪ It has provided a pathway for multiple entry and exits as well as transforming skill development from long term skill acquisition periods (1 to 2 years) to short term (about 3 months)
STAR Scheme	▪ Security Knowledge & Skill Development Council is the sector skill council for the security guards sector. ▪ To promote skill development in the sector, SSSDC is participating in the national certification and reward scheme – the STAR (Standard Training Assessment & Reward) Scheme and is targeted at reaching one million youth. ▪ The program rewards the employees undergoing training with an average reward of INR10,000 per candidate as incentive under the National Skill Certification & Monetary Reward Scheme (NSCMRS) contingent upon the candidate passing the assessment with minimum 90 percent attendance. ▪ The Government of India (GoI) plans to reimburse the cost of the training of Security Guards to the trainees under this scheme. ▪ The program is aimed at training workforce across 200 cities in 23 states

Sources: News Articles; KPMG in India analysis

Challenges in the sector

Little or no premium attached to skills and training

- Most players prefer training their workforce in-house and there is little or no premium attached to trained manpower given that many stick to minimum wages.
- This creates a mismatch between entry level employee aspirations and the industry's pay scales.
- In general, the skill premium seems to be absent, there is no recognition for trained manpower since the industry does not find any noticeable difference between trained and untrained manpower

Non standardization in training curriculum and standards

- The training in the sector is unorganized and fragmented and there is no single body that gives accreditation. Most of them though follow the Private Security Agency Regulation Act (PSAR) 2005 to set the curriculum
- A lot of them are looking at SSC for standardisation and accreditation
- The varying quality of training does not ensure either standard job role or pay for the trained students.

No specialized training

- Currently security guards are being sourced from a common pool of guards
- However skills required for guards at corporate offices vary significantly from those at malls or residential complexes.
- Such sector specific skills are currently not being imparted

Lack of knowledge of career path amongst youth

- On the whole, the attractiveness of the sector as an employer is low
- There is a lack of awareness amongst the youth about various roles in the sector.
- There is also a lack of clear path for the students
- Awareness on entitlements in extremely low

Sources: Industry Interactions; KPMG in India analysis

Recommendations for stakeholders

Inadequate availability of skilled trainers in the industry

- Lack of an adequate number of good trainers and training facilities has been felt to be one of the key reasons for low levels of trained guards. Currently there are only 300 trainers across the country (SSSDC
- Most training institutes provide only classroom training with limited simulated setup.
- Limited use of equipment's/ e-learning techniques etc.

Recommendation 1 : Increase supply of quality trainers for the industry

- Train the trainer" course should be initiated on full scale to meet the demand of different institutions
- Courses for trainers to be made more scientific and methodical with structured modules and clearly defined learning outcomes for the trainers
- Industry driven training for trainers

Establishment of Appropriate Channels for Mobilisation especially in rural/ deep rural India

- Most of the recruitment in the sector is undertaken through NGOs or through references from already employed persons. Walk-ins are the norm in the un-organized sector while organized sector takes the traditional marketing route for recruitment
- Given that the channel for recruitment is very narrow, prospective employees are unaware of the existing means of entry into the sector especially in deep rural India

Recommendation 2: Initiate schemes to enable rural/ deep rural mobilisation

- Government to assist in facilitating deep rural/ rural mobilisation of candidates – Schemes such as Society for Employment Generation and Marketing Mission, AP Government have proven to be useful

Poor Perceptions amongst the Youth regarding Career Prospects in the sector

- No aspiration or aspiration mismatch among the youth to get trained in this sector. The ones who do get trained aspire for a government job(be in Army, BSF, Navy, Air Force, Police) instead of a private sector job which has no job security and has no pension
- Further most unorganised guards come from the agriculture pool in rural India. Their stay as guards is predominantly dependent on harvest.

Recommendation 3: Create awareness on a typical career path within the sector mapped to long term benefits

- The government must encourage security guards related courses as an option in popular ITI institutes so as to avoid isolation of the industry related courses
- Awareness needs to be created at deep rural areas on prospects and benefits of a career in the security guards sector

Recommendations for stakeholders

Need to strengthen the training curriculum framework

- Stakeholder consultations indicate that sector specific training will be required going forward – for instance a retail store guard will need to understand shop lifting tendencies against a guard at a construction site or residential building
- Currently guards for all sectors are sourced from one common pool.
- Each time the guard enters a new sector or organisation; training specific training is offered making the process expensive and cumbersome

Recommendation 4 : Training curriculum to be made industry specific.

- Critical to the success of developing an industry responsive training program is the clarity of inputs and information exchanged between the training system and industry.
- The SSC as a platform should function as the gateway of information exchange that will form the basis for all skill development initiatives
- Security automation and technology along with CCTV and other devices have become the order of the day - it will be important for guards to be adept at evolving technologies

Increasing emphasis on multi skill training

- Guards will have to take other roles - receptionist/ valet parking/ floor attendants etc
- The case will be especially prevalent at corporates and organised retail where the current and expected trend is on cost-cutting

Recommendation 5: Training curriculum needs to include skills to address needs of security guards ecosystem

- Training to include other skills to complement core role – manage reception area, manage EPABX systems, valet parking, soft skills etc.

Standardising training requirements across India

- The varying quality of training does not ensure either standard job role or pay for the trained students.
- There are variations in training requirement mandated by the PSARA and SSSDC - PSARA mandates160 hours of training; against SSSDC at 240 hours of training
- Currently there is no clarity in job role with security guards being used for multiple tasks
- Very few guards perform the essential role of a security guard – observing, reporting, preparing register among others

Recommendation 6: Effective iimplementation of NOS based training and standard certification through SSSDC

- Scheme based training programs by central / state governments to mandate adherence to NOS standards
- Industry to consider standard certification for employment promotions
- Training institutes to map and align existing courses to the SSSDC standards

High levels of Attritions within the sector needs to addressed through provision of long term benefits

- People from rural areas often do not see merit in migrating to cities where the cost of living is high and dignity of labour is absent
- Further schemes such as the NREGA have disincentivised people from migrating to cities or taking up other low paying jobs
- Further most guards come from the same area and play a huge influence in sticking to a job. Guards hence come and move in groups leading to fairly high attrition – Attrition among untrained guards is as high as 40%
- There is an overall lack of awareness on entitlements and career progression amongst the guards
- This is largely due to improper communication during road shows and recruitment campaigns

Recommendation 7 : Provide long term benefits to formalize the employment and to reduce attrition at various levels

- Design a clear career progression path mapping benefits to levels.
- Design long term employment benefit schemes for employees to ensure job continuity and reduce attrition
- Medical Insurance is the amongst the most desired benefits by the employees. If not for private insurance, employers should proactively support government insurance schemes covering life and health
- Concept of Paid Leave under Sick Leave category and personal leave is not very common in the unorganized sector

Most qualified guards are paid Minimum wages, whereas untrained guards are paid much lesser

- State specific minimum wage is an issue leading to quantitative gaps across states with lower wages.
- Most trained guards get paid only minimum wages which is not very high from what untrained guards get paid. Further untrained guards in the unorganized stream have the opportunity to work longer hours and do multiple tasks giving them multiple source of income.

Recommendation 8: Have an industry standard for wages

- It is important to have a salary structure such in alignment with the cost and evolved standards of living, especially, in urban India
- Further schemes such as the NREGA have disincentivised people from migrating to cities or taking up other low paying jobs
- Also, given that there are discrepancies in minimum wages across States; it is important to bring an industry standard for minimum wages

Alignment of captive training initiatives with SSC Assessment and Certification providing mobility passport to employees

- Significant proportion of the training is provided in-house, either as on-the-job training or through exclusive training academies for captive absorption
- This leads to varying standards of quality and efficiency amongst players in the industry
- Further, there is no single entity to assess, certify and thus standardize the entire training program for the industry

Recommendation 9: Align captive training initiatives with SSC Assessment and Certification

- Aligning captive training initiatives with SSSDC Assessment and Certification activity will provide a level playing platform for the candidates
- This will also lead to easy mobility between organizations, from an employee perspective

Increased focus on language and communication in training curriculum given the deficit in soft skills in current manpower

- Current in-house training programs are tailored for technical
- With individuals working across the country with inadequate knowledge of local language high standards of soft skills and communication skills in English and Hindi is important
- This aspect needs greater attention from the training program coordinators

Recommendation 10: Increased focus on language and communication

- Industry bodies to increase attention on soft skills as much as the technical skills
- Training tie-ups could be considered with leading English and Communication institutions

Development of Recognition of Prior Learning (RPL) framework

- Significant proportion of the learning happens on the job, which is difficult to quantify and certify
- Despite possessing the required skills in varying degrees of competencies, skill levels are grossly under-reported
- Without formal certification of skill, workforce will not be able to demand a skill premium

Recommendation 11: Development of Recognition of Prior Learning framework

- Development of Recognition of Prior Learning (RPL) framework whereby current workforce across sub-sectors can register and be certified by the SSC, increasing their employability quotient
- This will also assist employers in identifying the right candidate with the appropriate skillset

सत्यमेव जयते
GOVERNMENT OF INDIA
MINISTRY OF SKILL DEVELOPMENT
& ENTREPRENEURSHIP

N·S·D·C
National
Skill Development
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Transforming the skill landscape

National Skill Development Corporation
Block A, Clarion Collection, (Qutab Hotel)
Shaheed Jeet Singh Marg, New Delhi 110 016
Tel: +91-11-47451600, Fax: +91-11-46560417
Email: skillgapstudies@nsdcindia.org
Web: www.nsdcindia.org