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# Lemon Into A Lemonade

## VRS Can Also Mean Vital Restart Strategy

### VRS – A Virtual Rebuilding Scheme?

#### We Can Make VRS A Virtual Regeneration Scheme

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#### INTRODUCTION :

When you are handed over a lemon, you can make it into a lemonade. That is an old saying. Can we not make this saying applicable to the VRS?

In the last couple of years, industries, banks and even governments have been implementing VRS – 'voluntary' retrenchment scheme for their employees. Some companies even boast of the fact that the number of employees they have released can compare 'favourably' with the number U.S. companies are reported to have released. In any thing U.S. corporations do, it should be of a 'Texan' size and pink slip is no exception I suppose.

The number involved and the speed with which it is done makes, it is sad to admit, sought after news.

In his budgetary proposal made to the Lok Sabha on 28 February, the Finance Minister stated that the government proposes to permit organisations employing less than 1000 people to let their people go after paying a price for so separating them.

The standard reaction to this proposal by some of the political and trade union leaders is that this shall not be – VRS will not be, easing people into the job market will not be.

While the union leaders vehemently oppose the VRS scheme, we also hear that in the case of banks, the VRS scheme has been 'over-subscribed'. In other words, those affected see a big advantage to themselves in the scheme.

We occasionally hear – as in the case of Standard Chartered Bank – that specialists are even flown over to advise the bank to help out the VRS-affected by way of outplacement.

Both in the parliament and outside we hear people shouting: Where are the jobs? Jobs are going and along with that the job-holders.

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#### VRS CREATED PROBLEMS

It is not merely union leaders that are deeply concerned by this development. The affected – especially those at the lower levels of hierarchy – also are greatly concerned. In fact, they spend sleepless nights. "Yes, I get some big money but where is my next place of work, if any?"

The money received by the VRS employees is substantial. It runs into a few lakhs of rupees. That is the attractive part of the scheme.

lose status in society, even in the eyes of the family members.

I recall one person telling me: "My son asked me this morning. Dad, all are going to work and you are not. I felt like twisting his throat or cutting mine." It is not economics that is the essence of work; it is the human dignity.

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## FINDING WORK A CHALLENGE

When I was doing my doctoral study on micro entrepreneurship, what I noted was India is not a country of employment jobs but a country of enterprise opportunities, endless enterprise opportunities.

There are not ONE million jobs going but there are TEN million work opportunities going.

There are ten million or more opportunities for those who are willing to do productive work. In Martin Luther King Jr.'s words, everybody can be great because everybody can serve.

And for this work, they do NOT need the help of the banks who proverbially offer a life boat once you reach the shore.

In fact, they can talk to corporations on equal terms. They will be employers themselves – may be employers of one or ten but still employers.

My study showed that even in the tiniest village there are enterprise opportunities, especially in the service sector. For example, a tiny village near Rajkot,

a half day survey showed, offers 4 enterprise opportunities and a suburb of Madurai 67 enterprise opportunities.

The investment often does not exceed Rs.10,000.

If this possibility-opportunity idea is explored and exploited, the VRS scheme is the best thing that could have happened to an individual and to the country.

I say country because there are so many things to be done and many of them are of a local nature. After all, what is the essence of an enterprise. It is to find a (legitimate and paying) need and fill it. When these needs are met, the quality of life of thousands of people both in the rural and urban areas visibly and rapidly increases.

So many needs are not met in so many places and so many other needs are not adequately met. That means there are so many enterprise opportunities.

There will be this 'disadvantage' though. Only performers of the service will be compensated. For those few who have spent years getting paid for attending office and not attending to work, this cannot be an attractive proposal!

Many believe that enterprise is not safe, it is not as safe as a job and they are right in believing so.

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## THE GOOD NEWS

The good news, again according to my research

in India, is that we are in a fortunate country. We can feel safe here. In U.S., out of 1000 enterprises that are set up in a year, over 900 fail. In India, out of 1000 enterprises set up, not even 100 fail!. If this is not our good fortune, tell me what is.

My thought to the VRS blessed – I use this word guardedly; they are indeed blessed. They are blessed to start a second career, an enterprise career – a career where they can choose the retirement date! All that they need do is to set aside say 25 per cent of the VRS money for a tiny enterprise and invest the rest in safe securities. That way the financial needs of the family can be taken care of. More importantly, their self respect, human dignity, worthwhile work needs can be taken care of.

The colonial rulers found it convenient for to breed the job culture – a culture that is an enfeebling culture, a needy-greedy culture. Our rulers did not realise this trap and they continued it. Otherwise, they would have gone for the enterprise culture – an enabling culture, an enriching culture.

This enterprise culture comes naturally to us. For centuries, both in this country and other countries we have demonstrated this culture. In more recent times, atleast in one industry, namely, IT industry, we have demonstrated this.

Starting a tiny enterprise is a self help proposition. We can start a day enterprise just 'tomorrow'.

It may or may not give big money. Enterprise is a seed and it may grow into a creeper or skyscraper.

That is secondary but for us the VRS affected what is IMPORTANT is work, chosen work, worthwhile work.

I agree it calls for a different mind set, a reorientation in work habits but is manageable.

Others also can help.

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## HOW OTHERS CAN HELP

The government can help the negative way. They can scrap the many hindrances they place before person who wants to start an enterprise. An economist pointed out that to get your clearance for a medium sized unit, it takes 7 HOURS in Singapore, 7 DAYS in Washington and 7 MONTHS in Peru.

The economist has not given data regarding India. Those who are in India and those who had experience in starting an enterprise can give figures.

We have to update the laws of the country especially relating to the starting of an enterprise. The colonial rules have made laws to say that if you wish to sneeze, you should take the permission of the authorities, failing which you should promptly report in a prescribed form which you will be prosecuted! The tiny

I am commending are unlike industries. We need  
need to no sanctions from the government.

A cartoonist once made a protest. His point was  
that when he was starving, the government did not  
take notice of him. After years of struggle, the  
moment he was on his legs, the government  
demanded of him this tax and that tax with  
retrospective effect.

We can hope the government will realise the  
place of jobs the enterprise way and facilitate men  
and women becoming enterprisers and thereby  
becoming an asset to the society and not a liability.

Big business can help in a big way.

The way the big business can help is to give the  
tiny enterprisers the initial hand of help. If they give  
part of their business to them for a year or two, the  
new tiny enterprisers will be on their feet.

The way the public spirited citizens can help is  
to set up Tiny Enterprise Resources Centres to guide  
and assist those who wish to set up tiny enterprises.

The really big and practical help will be from  
people who are in tiny business themselves. If I run  
a bakery in Pune and you want to run one in  
Mumbai, I don't see you as a competitor. I see  
you as a professional colleague who can be and  
should be helped.

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## OPPORTUNITIES GALORE

Many of the tiny enterprises are of the nature of

multiplier models. For example, we have in Bombay  
tiny enterprises selling fresh juices. This enterprise  
can be duplicated a hundred times in Bombay itself  
and in the country many thousand times. The outlay  
is little, the working hours are limited and it is cash  
business. In every service area, whether educational,  
entertainment or eating or other, there are enterprise  
opportunities. Such opportunities are even now  
availed by a number of people who are often  
"uneducated"

But they are street smart. They have the ability  
to sense a peoples' need and the willingness to meet  
that need.

The enterprise need not be an economic one. It  
may be one of what is generally described as social  
service. There are so many that are more  
disadvantaged than ourselves and they need a hand  
of help; a shoulder to rest on. We may enjoy  
providing it. We have worthwhile work to do.

Perhaps when we were very young, we wanted  
to have an enterprise of our own and we could not  
have it because we did not have the money and our  
near and dear discouraged us to do that. Now that  
we have a life's opportunity, why not do just what  
we once wanted. If we take it that way, VRS becomes  
really a rejuvenating scheme.

In retrospect, we may find after a few years that  
we have built a small empire for our children and  
children's children but it is not with that prospect  
we should start a tiny enterprise. We should start it

because we want to do some meaningful work and we can create that work for ourselves. What comes out of it depends upon so many factors. At this stage of life, the economic outcome should not be a major consideration. A major part of the VRS income has been earmarked for our economic necessities. The tiny enterprise idea is to take care of our psychological and sociological need. Any other benefit that accrues should be treated as a byproduct.

In 1954, I met a Czechoslovakian refugee in Sydney, Australia. When he learnt that I am from India, he came to me and said: "One thing I cannot understand is that you have so many unemployed people in your country." I chose to listen to him fully. "I am a qualified accountant. Soon after the war, in my country there was no work for people like me. All our factories were bombed out. I looked around and I found the visiting soldiers had some work for me. Make a guess. It is repairing their shoes. I repaired the shoes. That was the work available then. Things are different today but at that time I had that work to do or no work at all. I chose." We may agree with him or not. He had a point, namely, what work you do is not material but what is material is that you do the work that is available at that moment, at that place. If we look at work this way, our country is certainly a worker's paradise. There are so many opportunities for work. And VRS offers us a bonus. It enables us to do the thing we want to do, where we want to do, and how we want to do.

## ABOUT THE AUTHOR

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