# CHANGING SCENARIO OF SKILL DEVELOPMENT IN INDIA

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#### Abstract :

India is fast developing country. From primary sector of agriculture, we are moving to secondary sector of manufacturing, construction and also territory sector of trade, transport and finance. India's workforce is second largest in the world after China. Over 65% of India's large population is below 35 years of age. Working age group of 15-59 years is increasing steadily.

#### INTRODUCTION

India is fast developing country. From primary sector of agriculture, we are moving to secondary sector of manufacturing, construction and also territory sector of trade, transport and finance. India's workforce is second largest in the world after China. Over 65% of India's large population is below 35 years of age. Working age group of 15-59 years is increasing steadily. India has the advantage of productive workforce over the world. Increasing population was earlier drawback but now the same has turned to be an asset of the nation. Government has realized that labour workforce is not skilled. To contribute to the growth of economy, we need to have skilled workforce which can be available by vocational education and training system. Skilled workers increase the efficiency and flexibility of the labor market and can be more easily absorbed into the economy is expected to witness a skilled man power shortage to the extent of around 56 million by 2020. Hence there is an opportunity for India to meet the skilled manpower requirements in India as well as abroad. Thus skill building is necessary to improve the effectiveness of production.

Eleventh Five Year Plan focused on creation of National Skill Development Mission. The capacity of the skill development programs is 3.1 million by 2009. Expected increase in the capacity to 15 million annually. India has set a target of skilling 500 million people by 2022. India is to revise its national skill development policy of 2009 so that schemes are routed through the newly formed skills ministry. Prime Minister Narendra Modi introduced make in India campaign and also invited companies across the world to make their products in India and create jobs. We have skill development courses for a decade but they mainly aimed at wage employment and lack in quality assurance or career progression or retention. Now govt wants to make placement not only in domestic industry but also fulfill the skilled manpower demand abroad and also give global recognition through certification. Workers will be trained in the basics in English and information technology that will equip them to deal with the challenges of working in advanced economies.

Skill development refers to equipping an individual with marketable skills. Skills and knowledge are important factors for economic growth of the country. Skills are imparted through the process of 'learning by doing' and are 'done on the job'. The main aim of skill development is to support achieving rapid and inclusive growth through: a) Enhancing individuals? employability to meet labour market demands. b) Improving productivity and living standards of the people. c) Strengthening competitiveness of the country. d) Attracting investment in skill development. As India moves progressively towards

becoming a 'knowledge economy' it becomes increasingly important that the country should focus on advancement of skills. India has that potential of skill labour force from organized and unorganized sector. Our formal education and training system is not producing "work ready" youth. Thus skill up gradation is fundamental to personal development, employment and employability.

# **OBJECTIVES:**

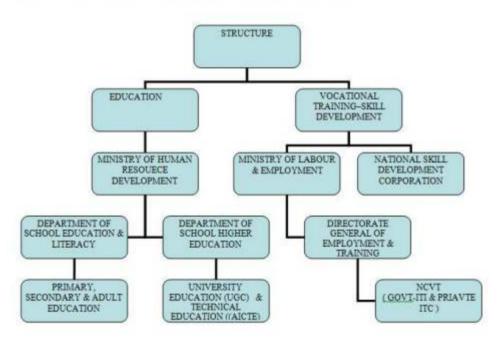
The objectives of the study are:

- To understand the concept of skill development.
- To study the provisions and initiative taken by government.

# METHODOLOGY

The present work is conceptual in nature and based on secondary data made available from reports, government documents and publications, websites etc.

#### Structure of the Education and Skill Development system in India



# COORDINATED ACTION ON SKILL DEVELOPMENT

In 2008 Government created three-tier institutional structure consisting of (i) PM's National Council (ii) National Skill Development Coordination Board (NSDCB), (iii) National Skill Development Corporation (NSDC). PM's National Council makes policies gives advice and direction, NSDCB coordinates the skill development efforts of various Central Ministries/Departments and States. Whereas NSDC prepares the National Skill Development Policy (NSDP).

#### SKILL DEVELOPMENT INITIATIVES

This provides trained workers who can be adjusted dynamically to the changing demands of employment and technologies.

A. NATIONAL COUNCIL FOR VOCATIONAL TRAINING: (NCVT) It will be strengthened and reengineered with a broader mandate and representation. The main functions include:

a) Design, development and maintenance of National Vocational Qualification Framework (NVQF) for Quality control mechanism.

b) Labour market information system and dissemination of information..

c) Monitoring and evaluation on the effectiveness and efficiency of national skill development efforts

through appropriate reporting and communication mechanism.

#### **B. INITIATIVES OF MINISTRY OF RURAL DEVELOPMENT**

The Ministry of Rural Development has launched schemes that aims at empowering young people from the poor and weaker sections of the society through schemes like "Special Projects for Placement Linked Skill Development of Rural BPL youth under SwarnaJayanti Gram Swarozgar Yojana(SGSY-SP) with an objective of ensuring time bound training aimed of BPL families above the poverty line through placement services. Also Rural Development and Self Employment Training Institutes (RUDSETI) were launched with an objective of setting up a dedicated Skills development infrastructure in each district in the country aimed

#### C. MINISTRY OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION

The Ministry of Urban Development and Poverty Alleviation had launched the Swarna Jayanti Shahari ROZGAR Yojana (SJSRY) in 1997 to address the Skill development issues of the urban poor. It had been comprehensively revamped in view of addressing the drawbacks observed in implementation. The revised guidelines had come into effect from 1.4.2009 with three key objectives as under:

- Gainful employment to the urban unemployed or underemployed poor;
- Supporting skill development and training to urban poor to undertake self-employment;
- Empowering the community to tackle the issues of urban poverty.

# D. SOCIAL PARTNERS IN SKILL DEVELOPMENT:

Partnerships will be consciously promoted between Government, industry, trade unions, local governments, civil society institutions and all skill providers. It includes training providers, professional societies, Self Help Groups, Cooperatives and NGOs/civil society institutions. Creation of an institutional mechanism and regular consultation with stake holders will form the corner stone of Skill Development Initiative.

#### E. INDUSTRY INITIATIVES

The private sector has been taking various initiatives on its own and in collaboration with the government and international entities, to upgrade in-house training facilities and also to provide training to potential employees to make them job ready. Many large corporations like Larsen & Toubro, Bharti Group, Hero Group, Maruti, ITC, Infrastructure Leasing & Finance Services Ltd. Etc. have established world class training programs.

# F. NATIONAL SKILL DEVELOPMENT POLICY

The policy is aimed at empowering workers to get employment, to promote inclusive national growth and to increase competitiveness. The policy covers following:

- a. Institution-based skill development.
- b. Learning initiatives of sectoral skill development.
- c. Formal and informal apprenticeships and other types of training by enterprises.
- d. Training for self-employment/entrepreneurial development and adult learning,

f. E-learning, web-based learning and distance learning

#### G. MODULAR EMPLOYABLE SKILLS (MES) SCHEME

The Ministry of Labour and Employment undertook the development of a new strategic framework for skill development for early school leavers and existing workers, especially in the unorganised sector. Skill levels of persons already employed can also be tested and certified under this scheme, i.e., certification of prior/experiential learning. Eg. Vocational Training Providers (VTP)

# H. UPGRADATION OF EXISTING INSTITUTIONS

•Upgradation of 500 Government it is. Of which, ?100 domestically funded and 400 World Bank assisted initiatives.

•Upgradation of 1,396 Government ITIs through Public Partnership (PPP).

•Establishment of 1,500 new ITIs through the DGET.

•Establishment of 50,000 Skill Development Centres through the DGET.

#### I. NATIONAL SKILL DEVELOPMENT CORPORATION (NSDC)

It is a one of Public Private Partnership in India. It supports quality assurance, information systems and train the trainer academies either directly or through partnerships. Its objective is to contribute significantly (about 30%) to the overall target of skilling/upskilling 500 million people in India by 2022, mainly by fostering private sector initiatives in skill development programmes and providing viability gap funding. It has an equity base of Rs. 10 crore, of which the Government of India accounts for 49%, while the private sector has the balance 51%. Private Part.

# J. FUNDING OF SKILL DEVELOPMENT INITIATIVES IN THE MINISTRY OF LABOUR AND EMPLOYMENT

Outlay required for 'Ongoing Plan Schemes' during XI Plan – Rs. 2,430 crore
Outlay required for proposed 'New Schemes' during XI Plan – Rs. 8,521 crore
Total outlay required Vocational Training during XI Plan – Rs. 10,951 crore.
NSDC has signed an agreement with the Central Bank of India (CBI) by virtue of which students at NSDC-funded institutions can avail skill loans from the CBI.

### K. OTHER MINISTRIES/DEPARTMENTS

Apart from the initiatives mentioned earlier and initiatives of the Ministry of Labour and Employment and DGET, about 17 Ministries of the Government of India are also engaged in skill development activities. These include the following ministries/department: Ministry of Textiles, ?Ministry of Rural Development,? Ministry of Human Resource Development, Ministry of Urban Development and Poverty Alleviation

#### L. IL&FS SKILLS DEVELOPMENT CORPORATION (ISDC)

IL&FS education has a joint venture with NSDC called the established with an objective to build and manage 100 multi skill schools across India. ISDC aims to train around 2 million people (over the next 10 years) across various skill sectors including textiles, engineering, construction, leather, auto and various service sectors. ISDC plays a major role in addressing India's demand for highly skilled workers.

#### M. SUSTAINABLE LIVELIHOODS FOR ALLEVIATION OF POVERTY

This is the essence of inclusive growth requiring strong boost to various employment promotion schemes for those workers who are at the bottom of the pyramid such as:

1) Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA

3) Swarn Jayanti Shahri Rozgar Yojana

4) National Urban Employment Guarantee Scheme.

5) Kaushal Vikas Yojana

#### N. INTERNATIONAL COLLABORATIONS

The Government is fostering several international collaborations with developed and industrialized countries like the UK, Germany, Australia and so on.

1. The UK India Skills Forum (UKISF) established in April 2002 is an initiative led by the UK India Joint Economic and Trade Committee (JETCO). It provides a platform for organizations across the technical and vocational education sectors in UK and India.

2.Germany, a pioneer in the manufacturing industry has been providing both financial and technical assistance to India since 1958 through Ministry of Economic and Cooperation.

3. Australia is also collaborating with India in various skill development initiatives so as to share expertise and experiences. This is facilitated through the new bilateral Australia India Education Links website. 4.New Zealand Open Polytechnic is government owned and funded, and delivers distant learning courses across New Zealand as well as internationally. 1200 courses have been developed in consultation with the industry and other appropriate professionals. It has adopted internationally proven models for distant learning course design, student support and quality control.

### O. RESEARCH AND DEVELOPMENT (R&D)

A successful R-EDP (Rural Entrepreneurial Development) Model has been implemented by the Grameen Bank in Bangladesh across various rural pockets. This has been customized and implemented by the Indian Government as well. Innovative E-learning Platforms have been gaining more popularity in recent times. They offer a greater mobile and flexible learning environment.

The Ministry of Human Resource Development (MHRD) has introduced multiple schemes that integrate skills training into the school curriculum in an innovative manner. The National Program on Technology Enhanced Learning (NPTEL) gives support for distance education and web based learning. These are prepared at the seven Indian Institutes of Technology (IITs). The National Institute of Open Schooling (NIOS) has distance vocational education programmes for students dropping out after the 5th, 7th , 8th and 10th standards.

# **PROPOSED ACTIONS:**

1.Incentive mechanisms will be developed to encourage the private sector to participate in skill development.

2. The expansion of public training institutions will be promoted, particularly, in rural, border, hilly and difficult areas, where the private sector may find it difficult to invest.

3.Innovative delivery models such decentralized delivery, mobile training, distance learning, e-learning and web-based learning will be used.

4. Creating institutional mechanism for research development quality assurance, examinations & certification, affiliations and accreditation.

5.Increasing participation of stakeholders, mobilizing adequate investment for financing skill development, attaining sustainability by strengthening physical and intellectual resources.

6.Skill development centres at village and block level will be promoted to provide skill development opportunity as well as to act as one-stop kiosks with information on the local labour market/employment, vocational learning opportunities and support schemes.

7.Panchayats, municipalities and other local bodies will be involved in skill development and employment generation at the local level in collaboration with SHGs, cooperatives and NGOs.

8.At present about 23,800 establishments are covered under the Apprenticeship Training Scheme imparting training to 2.58 lakh apprentices. Over the next five years, this will be increased to about 1 lakh establishments covering about 1 million apprentices. The existing Apprentices Act, 1961 will be revisited to meet desired target.

9.Equal access to all social groups particularly women and disadvantaged section of society and addressing their specific needs.

10.Entry barriers such as educational qualification, transportation, loss of wages, language etc. will be addressed.

11. Raising awareness among the target groups about the benefit of skill development, employment and learning opportunities.

12.In addition to vocational skills, the provision of soft (or life) skills – including basic literacy, numeracy, occupational safety and health, hygiene, basic labour rights, team work and confidence building – will be made as an integral component of the curricula.

13. Vocational Training for Women. They face a multitude of barriers in accessing skills and productive employment.

14. Post-training support, including mentoring for access to markets.

15. Training modules will incorporate specific needs of target groups, e.g. literacy, the level of education and the local language. The delivery of training will be flexible in terms of hours and duration to encourage participation, particularly among women.

16. The reservations applicable to Disadvantaged Groups, Scheduled Castes, Scheduled Tribes, Other Backward Classes groups will be strictly enforced, with appropriate gender composition.

17. Opportunities for minority groups will be expanded, particularly in Minority Concentrated Areas (MCAs).

18. Level of participation of persons with disabilities is very low, despite guidelines of reserving 3% of the seats for them. Skills training to bring them in the economic mainstream and make them productive citizens. Providing them reasonable accommodation that enables them to access the facilities through

suitable transport and building designs.

19. School drop-outs(leaving the schools before completing XII standard), child labour and out-of-school youth need to be given alternative education with skill development opportunities to bring them into the economic and social mainstream.

20. Short term, market oriented, demand-driven programmes will provide a flexible delivery framework suited to the characteristics and circumstances of the target group.

21. Economically Challenged Persons below Poverty Line-This Policy aims at mitigating the impact of these economic barriers by measures like special coaching for competing in admission tests, provision of non-formal skill development opportunities and the expanded provision of scholarships, books and softloans.

22. Employment Exchanges will be strengthened and upgraded under the National Employment Service to provide counselling, guidance and placement services.

# CHALLENGES IN IMPLEMENTING SKILL DEVELOPMENT INITIATIVES

1.Implementing agencies would be faced challenges like mobilizing students, courses that need to be offered, demand for courses, standardization of contents across a large number of centers, cost of infrastructure, finding qualified trainers, assessment and certification,

raising of funds, placement

2.Limited training infrastructure facilities, including schools, community centers and local government buildings.

3.India's large geographical territory and varying social economic conditions make the implementation of standardized training is a huge challenge.

4.Population of states like Bihar, Jharkhand, etc comprises of a large unskilled workforce. Also there is wide disparity in industrial development, and have little industrial activity, which makes it difficult for workers to find jobs.

5.Nearly 37 percent of the Indian population lives below the poverty line and lives on less than 1 Dollar a day. They cannot afford even basic amenities leave aside education and training.

6. Approximately 93 per cent of the country's workforce is in the unorganized sector. The sector includes rural and urban areas. It contributes to about 60 per cent of the country's GDP. Strengthening the skill base of the unorganized sector is a challenge.

7. Availability of qualified trainers

8. There are certain sectors of economy where skill requirement is very high but none of the Ministries is involved in skill development for example construction sector, IT enabled services, consumer and retail sector, financial sector etc.

# **REQUIRED ACTION**

1. The focus on funding the candidates rather than institutions to create choice.

2.Creating infrastructure for on-the-job-training and encourage apprenticeships

3.Deployment of funds more for activities than for building and other assets. But creation of infrastructure in rural, remote and difficult areas will continue.

4. Ratings of public and private institutions would be put on websites.

5.Effective assessment and credible certification will allow employers to use the certificate for fast track job applicants.

6.Employment Exchanges will be restructured as career guidance centers to channelize candidates into jobs, apprenticeships and training.

7.Reduce skills mismatch by meeting the demand as per labour market.

8. Recognition and certification of competencies in line with nationally and internationally recognized standards.

9. Targeting skill development at all levels.

10.Implementing Vocational Education in schools for students to acquire skills, both life skills and industry-specific skills during schooling.

# CONCLUSION

Occupational patterns are changing. New jobs and job titles, job enlargement, job enrichment and new flexible work arrangements are emerging. Employment demands are shifting towards higher skill categories. Hence it is necessary for India to move up the skill-ladder and produce a larger number of people

with higher education and training for knowledge work. Knowledge professionals will need support from middle-skilled workers.

Due to diversity of skills, there is a need to identify the range and depth of skills, creating skill inventory with its various levels and grades, pooling of talents and ensuring jobs, use of ICT tools etc. Research of emerging trends in the economy is necessary. Also National Policy on Skill Development shall be reviewed every five years and revised appropriately to take account of progress in implementation and emerging trends in the national and international environment. The Government would aim at useful public-private partnerships through State level Skill Development Missions.

The world's population is growing old. It leads to the widening of the demand-supply gap, especially in the developed nations like America, Germany and France. On the other hand, India is emerging with one of the youngest populations and has global opportunities due to human resource reservoir. By promoting PPP models of financing skill development, more employment can be generated. The corporate houses could participate actively in industry based skill development programmes and by channelizing funds allocated for corporate social responsibility. India suffers from skilled manpower deficiency due to absence of required skills among the workforce. If this skill gap is removed, India can become the global manpower hub for skilled manpower. Skill development efforts need to be accelerated and existing schemes shall be reviewed, strengthened. Greater focus on International Collaborations and informal sector would increase the skills. Local trainers will be upgraded and developed into master craftsmen. India will not only be ahead in the race but can also be game changer.

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