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### THE SCOPE OF SKILL DEVELOPMENT THROGH VOCATIONAL TRAINING AND ITS IMPACT ON THE ECONOMIC DEVELOPMENT OF INDIA

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**Abstract**: This paper attempts to highlight the positive role that skill development can play in providing the livelihood to the large number of underprivileged and unemployed population of India. While doing so, this study will focus on the efforts taken by the Indian government in providing vocational training to these able bodied citizens who could not otherwise get suitable employment due to lack of formal education or the necessary skills. This paper also aims to establish the relationship between vocational training and the economic prosperity of our country.

Key Words: skill development, vocational training, utilization of human resources

#### INTRODUCTION

#### WHAT IS A SKILL?

According to www.businessdictionary.com, a skill is an ability and capacity acquired through deliberate, systematic, and sustained effort to smoothly and adaptively carryout complex activities or job functions involving many areas.

If ideas are involved, the skill is called cognitive skill, if things are involved, the skill is known as technical skill and if people are involved, the skill is termed as interpersonal skills.

#### WHAT IS A VOCATION?

According to Collins English Dictionary, a vocation is a specified occupation, profession or trade. It also means a special urge, inclination or predisposition to a particular calling or career.

### WHAT IS VOCATIONAL TRAINING?

Every activity performed by an individual requires a certain level of skill to achieve the desired success in that activity. Merely possessing the knowledge about that activity is not sufficient to gain an employment. The skill to perform that activity effectively is more desirable and is preferred by most of the employers as it reduces the need for the employer to invest his time and resources in making the individual ready to start the activity immediately. According to www.businessdictionary.com, vocational training is the training which focuses on the skills and knowledge required for a particular job function (such as typing or data entry) or a trade (such as carpentry or welding).

# THE RELATIONSHIP BETWEEN VOCATIONAL TRAINING AND ECONOMIC PROSPERITY

According to www.answers.com, Economic Prosperity is a relative term. It means that overall, the economy is doing well and most people have sufficient income for essentials and perhaps a little extra. It means that businesses are hiring and jobs are relatively easy to get. It does not mean that everyone has a job

or that everyone is well off. The opposite of economic prosperity is recession or depression. The Government of a country has the responsibility to provide all the means to its citizens to be able to earn sufficient money to fulfil the basic needs of life. While the government will be able to provide the facilities in the form of food, shelter, clothing, education, healthcare and infrastructure to all its citizens, it has the added responsibility of providing employment opportunities also to those citizens who are under developed due to other factors like suppression by other dominant communities or perennial poverty.

#### THE INDIAN SCENARIO

India being predominantly an agriculture based country, availability of employment to every adult could not be guaranteed due to reasons of abnormal growth of population, inadequate educational facilities, a wide difference between the rich and the poor people, etc. The large number of employed persons is working with low levels of productivity and income. The main reasons for such a situation include inadequate growth of the economy, power productivity & labour force being in adequately skilled and growth rate of labour force being higher than the growth rate of employment etc.

#### ACHIEVING SKILL DEVELOPMENT THROUGH VOCATIONAL TRAINING

The need for giving emphasis on the Skill Development, especially for the less educated, poor and out of school youth has been highlighted in various forums. The skill level and educational attainment of the work force determines the productivity, income levels as well as the adaptability of the working class in changing environment. Large percentage of population in India is living below poverty line. One of the important causes is lower percentage of skilled persons in the workforce.

The skill development at present is taking place mostly in the informal way, i.e. persons acquire skill at the work-place when they help their parents, relatives and employers etc. Such persons do not have a formal certificate and thus earn lower wages and are exploited by employers. They have come through informal system due to socio-economic circumstances of the family and the compulsions of earning a livelihood rather than attending a formal course. While their productivity is low, their contribution to the national GDP cannot be ignored.

If the country can create a system of certification which not only recognizes their skills but also provides education and training in a mode that suits their economic compulsions, it will not only benefit the workforce to earn a decent living but also contribute to the national economy by better productivity of this workforce.

Skills and knowledge are the driving forces of economic growth and social development of any country. The economy becomes more productive, innovative and competitive through the existence of more skilled human potential. The level of employment, its composition and the growth in employment opportunities are the critical indicator of the process of development in any economy. Increasing pace of globalization and technological changes provide both challenges and growing opportunities for economic expansion and job creation.

With the farming sector unable to provide employment to all those who need it, the sectors like industry, infrastructure, services, finance, defence, etc., are the other avenues open to those who are in need of jobs. The required skills for these sectors have to be developed in the majority of those people who are seeking employment. An appropriate frame work for skill development is needed for women as a means for women empowerment in particular in the rural areas and also in low income occupations in urban areas.

Adequate steps have to be taken by the government to provide vocational training and skill development programmes for rural youth. If those skills can be provided to the people seeking employment either by the Government or other bodies, it will serve two major objectives of the government. While one of those objectives is providing employment to the people, the other is that the manufacturing and service sector should contribute to the vibrant economic activity of the country. This will result in the creation of wealth, both at the individual level and at the national level.

A skilled individual contributes to the growth of the Gross Domestic Product (GDP) of the country, which is the universally accepted yard stick for the economic stability of any country. The constant increase in the GDP reflects in the higher purchasing power of people and an increase in the wealth of the country. This also results in the improved economic activity across the country, thereby contributing more money to the government by way of taxes and thereby enabling the government to allocate more resources for the overall development of the country.

# INITIATIVES TAKEN BY THE GOVERNMENT OF INDIA TOWARDS SKILL DEVELOPMENT

Having realized that developing the skills required in areas which can contribute to the economic development of our country, is the most desirable path to be followed for a quick and sustainable improvement in the economic conditions of the country, the Government of India has created a new frame work for skill development. The framework identifies the infrastructure to be created for inculcating and improving the skills of the vast number of unemployed youth, both in urban and rural areas of the country.

In order to improve the skills of the youth and make them employable, the Government of India has set a target of providing the necessary skills in various vocations in 500 million people by 2022 and in 50 million people in the 12th plan. As per the National Policy on Skill Development, this target has been planned to be achieved by focusing on improving quality, quantity, access and outreach of training. Innovative measures such as virtual classrooms, mobile vans, simulation based training, etc., have been implemented to reach the people locate in areas difficult to reach.

23 Central Ministries are involved in this task of skill development. In order to recognize this learning, workers are tested and given certificates of trained manpower. There are general programmes, group-specific and region specific, for enhancing the employability of the youth.

The National Skill Development Agency has been mandated to monitor the progress of skilling in the country, operationalise the National Skill Qualification Framework, which facilitates both horizontal and vertical mobility and makes skill aspirational among the prospective trainees. To incentivise the students and help the disadvantaged, the government has started Standard Training & Assessment Reward (STAR) Scheme, wherein the successful trainee is provided an incentive of Rs 10,000. Besides this, students are provided scholarship and other facilities, particularly in the remote areas. Further, through sector skill councils an attempt is made to link training with the industry requirement.

The Government is also working to expand access to education and vocatonal training for workers in the country side, including rural broadband networks to connect remote areas with educational opportunities as also using Common Service Centres at the Panchayat level for training.

#### KEY FEATURES OF THE NEW FRAMEWORK FOR SKILL DEVELOPMENT

- Training is to be provided by Vocational Training (VT) Providers under the Government, Private Sector and Industrial Establishments.
- Demand driven Short term training courses based on modular employable skills should be decided in consultation with Industry and organized.
- ❖ Different levels of programmes (foundation level as well as skill up gradation) are to be planned to meet the demands of various target groups.
- \*Optimum utilisation of existing infrastructure to make the training cost effective and successful.
- ❖ Testing of skills of trainees should be done by independent assessing bodies who would not be involved in conduct of the training programme. This is meant to ensure that the assessment of the individual is after the completion of the training is done impartially.
- The essence of the scheme is in the certification that will be nationally recognised by both the government agencies and industry/trade organisations.

# THE NEED FOR THE INVOLVEMENT OF THE GOVERNMENT IN SKILL DEVELOPMENT

### PERCENTAGE OF UNEMPLOYMENT IN INDIA ACCORDING TO CENSUS 2011

	AGE: 0 – 14 years	AGE: 0 – 19 years	AGE: 15 - 29 years
Numbers in Million	372.4	492.9	333.3
% share	31	41	28

The World Bank in one of its reports has highlighted that youth unemployment in India as a percentage of youth population is 10 per cent for males and 11 per cent for females. Ms. Sunita Sanghi1a, Adviser & Ms. A. Srija, Director, Planning Commission, Government of India state in their analysis of the unemployment situation in India that "the lack of decent employment opportunities

forces youth to take up self-employment and low paid contractual jobs with deplorable working conditions. This is evident from the fact that more than 93 per cent of the workforce is employed in the informal sector. The youth employment has been recognised as a priority agenda of the government and policies are being framed for enhancing their employability.'

The percentage of Indian youth in the age group of 15 to 29 years, who are unemployed, is a staggering 28 % of the population. While the inadequacy of the agricultural, industrial and service sector may be one of the reasons for their unemployment, if one looks at the issue with more objectively, it can be realised that these people are not getting employment opportunities because they do not possess the required skill for many jobs. Further analysis will also reveal that they are deprived of such skills because of their inability to acquire a formal education for various reasons ranging from economic poverty to inadequate infrastructure. The Government of a country alone has the resources, statutory authority and obligation to provide these skills to its citizens.

#### **CONCLUSION**

It is evident from the various policy statements, budgetary provisions and special schemes announced by the Government of India that it is really concerned with the unemployment situation and the consequent ill effects on the economic growth of the country. The Government has been responding to this issue of skill development positively through its five-year plans by allocating sufficient funds. It is designing and implementing various schemes to upgrade the youth by providing vocational training either free or at an affordable cost. In the ultimate analysis, vocational training fulfils many objectives - upgrading the individual, making best use of the human resources, providing employment, making available the required manpower to the industry, increasing the Gross National Product (GDP) and keeping the economy healthy.

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