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A STUDY ON THE REQUIREMENT OF SKILLS DEVELOPMENT FOR THE SUCCESS OF "MAKE IN INDIA" PROJECT

Prof. Krunal K. Punjani

Abstract : Around five months back, Prime Minister Narendra Modi launched "Make in India" project, with an aim to make manufacturing a key engine for India's economic growth. But to make this project successful, it is important to focus on the development of the skills of Indian labours to enable them in getting and doing the right job. Planning Commission report suggests only10% of the Indian workforce get formal training and against the actual industrial training requirement of 22 million workers, only 4.3 million workers are getting trained! To overcome this, Government of India has launched various skill development initiatives, but faced various challenges while implementing the same. However, few other nations like, China, Germany, South Korea, United Kingdom and Singapore have successfully implemented their respective skill development programs. So, in order to make "Make in India" project successful, various corrective measures should be taken to bridge the gap between existing and required skills and also to improve the implementation of skill development initiatives.

Key words: Make in India, Skill Development, Indian labours, Training .

INTRODUCTION

Make in India - A national program designed to transform India into a global manufacturing hub. The focus is on attracting investment by physical infrastructure creation, foster innovation, protect intellectual property and enhancing skill development. For this project, government has released separate brochure for 25 sectors and also created a website allowing investors to seek clarifications on policy matters within 72 hours. According to Prime Minister Narendra Modi, it is important to increase the purchasing power of common man, as this would further boost demand, and result in development, in addition to benefiting the investors. The faster people are pulled out of poverty and brought into the middle class, the more opportunity will there be for global business. Therefore, investors from abroad should create jobs. More employment help will in increasing the purchasing power. But this requires equipping the workforce with the appropriate skills acceptable across the globe and Indian market. Therefore, it is essential to focus on skill development for the success of "Make in India".

INTRODUCTION OF SKILL DEVELOPMENT

Skill development acts as an instrument to improve the overall effectiveness and empowers an individual to work more efficiently. The economy becomes more productive, innovative and competitive through the existence of more skilled human potential. Increasing pace of globalization and technological changes provide both challenges and growing opportunities for economic expansion and job creation. Countries with higher and better levels of skills adjust more effectively to the challenges and opportunities of globalization.

OBJECTIVES OF THE STUDY

- To know about the existing level of Skill Development in India
- To analyze the requirement of Skill Development
- To find out the suitable ways to fulfill the requirement of Skill Development

SIGNIFICANCE OF THE STUDY

This paper helps to understand the requirement of skill development in India, to make our manpower employable for the international investors who start their business under "Make in India" project. It is an attempt to know the gap between existing and required level skill development in India.

RESEARCH METHODOLOGY

Research Design selected for this research is descriptive design. In order to collect desired data, Secondary data method of data collection is adopted in this study. The data were collected from journals, magazines, publications, articles, research papers and websites.

LIMITATION

The research was limited to the secondary data available in journals, magazines, publications, articles, research papers and websites only.

FINDINGS

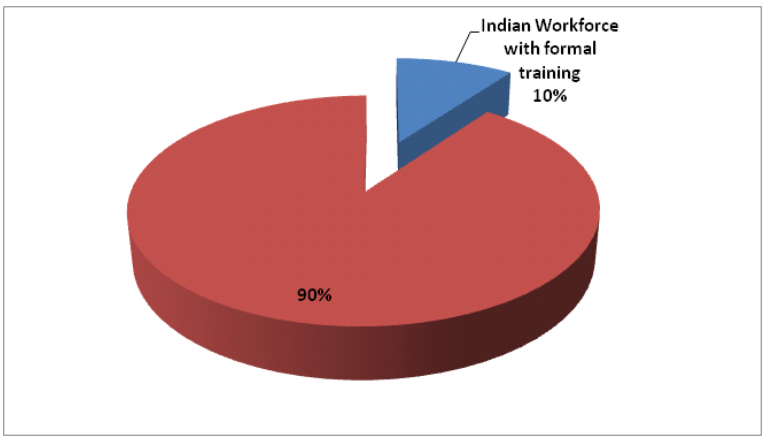

Chart 1 (Source: Planning Commission India - 11th five year plan)

As shown in the above chart, only 10% of the Indian workforce has formal training in the form of higher education, technical education or vocational training.

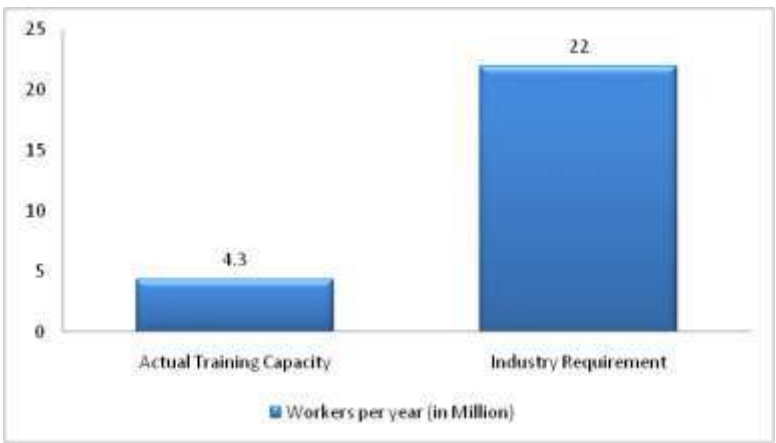

Chart 2 (Source: Planning Commission India - 11th five year plan)

As shown in the above chart, India currently has an annual training capacity of 4.3 million, which is less than 20% of the industry requirement of 22 million skilled workers a year.

KEY SKILL DEVELOPMENT INITIATIVES OF THE GOVERNMENT:

- Establishment of 1,500 new ITIs through the DGET
- Establishment of 50,000 Skill Development Centers through the DGET
- Setting up of PM National Council on Skill Development (operational)
- Setting up of National Skill Development Coordination Board (operational)

Apart from these, several ministries of the Government of India are also engaged in skill development, which are as follows:

- Ministry of Textiles
- Ministry of Rural Development
- Ministry of Human Resource Development (for Higher and Technical Education) including the setting up and up gradation of polytechnics
- Ministry of Urban Development and Poverty Alleviation
- Ministry of MSME
- Ministry of Food Processing Industries

CHALLENGES OF EXISTING STRUCTURE OF SKILL DEVELOPMENT:

- The existing institutional structure for skill development includes various agencies with overlapping and conflicting priorities. The government's own estimates reveal that currently, skill development efforts are spread across approximately 20 separate ministries, and 35 state governments and union territories. Given this complex institutional setup, the National Skill Development Agency was created last year to consolidate efforts in this domain. But it mainly has a coordination role, lacks any effective powers and remains significantly under-resourced.
- The training infrastructure for imparting technical and vocational skills is inadequate. In terms of current capacity, it is estimated that various publicly funded organizations produce 3.5 million trained personnel per annum against the 12.8 million new entrants into the workforce each year.
- The infrastructure in the skill development sector today is largely government-owned then also, private sector investment hasn't been incentivized.
- The focus of vocational training offered in India is not matching with the needs of casual workers who constitute 90% of the labour force, resulting in a shortage of skilled workers at the national level. Casual workers, such as construction workers, from rural areas with little or no education and need support and training.

HOW OTHER COUNTRIES ARE IMPLEMENTING SKILL DEVELOPMENT:

Germany

Germany's dual system of vocational education integrates work-based and school-based learning to prepare apprentices for a successful transition to full-time employment. This training would ideally last two to three and a half years, depending on one's occupation. Each week, trainees spend one or two days in a vocational school and three or four days in their company. Progress is evaluated through final examinations in which trainees must show that they have acquired the necessary skills, and practical and theoretical knowledge from their companies and that they have mastered the course material. The aim of training in the dual system is to provide a broad-based basic to advanced vocational training and impart the skills and knowledge necessary to practice a skilled occupation within a structured course of training. The key success factor for the German system is the added focus on apprenticeship.

South Korea

South Korea also provides a neat illustration of a developing economy reaping the benefits of a concerted strategy. South Korea underwent reforms in the 1990s in order to ensure a mass supply of skilled workers to the industry and protect vulnerable groups of the population from unemployment. South Korea's job skill development program, under the framework of the employment insurance system, expanded the existing levy-grant system, where employers received a rebate for training existing

employees. This led to an increase of over 27% in training participation by employees and the number of employees trained by employers increased by almost 13 times.

China

China's VET (Vocational Education & Training) includes pre-employment training, apprenticeship training, on-the-job training and re-training for laid-off workers. It is conducted through government employment training centers, enterprise-sponsored training centers, and non-governmental vocational training organizations.Chinese government has also launched specific initiatives at the local government-level to train unskilled and uneducated migrant labour for sectors like construction.

United Kingdom

The National Vocational Qualifications (NVQs) were created in response for the felt need for qualifications to be made flexible but rigorous and nationally recognized. NVQs are also part of 'Modern Apprenticeships' which are funded through work-based learning.At the industry level, Sector Skills Councils (SSCs) have been licensed and social partners are also engaged. SSCs are tasked with drawing up occupational standards for their sector that will feed into the national reform of qualifications. The Government expects each SSC to draw up a Sector Skills Agreement, in which employers and unions identify skills and productivity needs in their sector and the necessary actions to meet those needs.

Singapore

The National Skills Recognition System (NSRS) is Singapore's national framework for establishing work performance standards, identifying job competencies and certifying skills acquisition. It is implemented by the Standards, Productivity and Innovation Board with the support of the Ministry of Manpower and the Ministry of Trade and Industry. This has helped the industry train skills-standards consultants and assessors, as well as to develop On Job Training (OJT) blueprints for the skills-standards established. To assess the workers, assessment centers were set up. Workers can be certified at centralized assessment centers, workplace or a combination of both. NSRS is promoted at four levels, i.e., national, industry, company and workforce, in collaboration with employer groups, industry associations, economic agencies and unions.

SUGGESTIONS

◆ Sector-specific skill councils should be established by the State Governments for such industry sectors which have major share in State Gross Domestic Product or have high potential for growth. It should have participation from the regulatory body, industry leaders/ associations, external professional consultants.
◆ There should be a regularly evaluation of the course content and pedagogy and if needed, should do modifications in design/delivery to meet industry's requirements.
◆ VET (Vocational Education & Training) should be made compulsory and should start in every secondary school.
◆ There should be certain amount of stipend to be paid for vocational students, which will encourage the studentsto opt for vocational training.
◆ To encourage participation from local industries, the local governments should help local enterprises by incentives such as allotment of land at subsidized prices, or preferential treatment in case of award of government projects. Such measures can prove to be influential in encouraging industry to actively participate in vocational education and training

CONCLUSION

The existing skill development policy in India needs an urgenttreatment. The institutional structure needs simplification with greater investment in training infrastructure and an emphasis on supporting a casual labour force that needs to be accompanied with incentives for private sector participation too. Put simply, for the success of "Make in India" project it is important to equip India's youthful millions with the right skills to compete in a global race for jobs.

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