

### Skill Development: An Uphill Task

**KEYWORDS** 

Skill, Initiative, work force

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ABSTRACT Skills and knowledge are key drivers of macro economic growth and socioeconomic stability. Many people around the world are faced with the problems of being unable to find viable employment or not being qualified for the employment that is available. To combat rising unemployment and poverty levels and an increasing lack of qualified workers, Indian governments is creating skill development programs which help build vocational skills in workers. Appropriate policies for the skill development occupy a dominant place in the development of economy. According to five year plan, India has set aggressive goals for faster and sustainable economic growth of nation. With the demographic dividend, India needs to impart adequate skills to its workforce. Skill development has emerged as national priority for which a number of measures have been taken and in process for future. In this context, present paper studies and analyses the present status of skill development and the challenges India faces while implementation of different initiatives and strategies.

Introduction-India is the largest democratic country in the world and youngest nation in the world as compared to developed countries like Australia, Austria, China, France, Japan etc. In India 54% of the population is under the age of 25 years as compared to 41 years for Japan and 38 years for Europe. In next 20 years the labour force in developed countries will decline by 4% while in India it will increase by 32%. India has an opportunity to sheaf this demographic dividend and it will lead to sustainable development and high growth. India is presently facing scarcity of highly trained and quality labour. India need skilled workforce which are acceptable across the world and in Indian market. Skills and knowledge are impetus forces for growth and development of any country. Countries which have rapid and high standards of skill attract foreign investment. Skill development includes not only education but it also includes technical and vocational training and life learning. Skill development is essential for eradicating poverty and for sustainable development and increased productivity.

#### Objectives Of The Study-

- To understand the current status of skill development in India
- Skill development initiatives and challenges faced by skill development system in India.

**Research Methodology-** The research paper is descriptive in nature and is based on secondary data collected from journals, publications, articles, documents of various ministries/department papers and websites are used in this study.

**Need of Skill Development-**Skills are the need of the hour. Skill building is the force which can push production possibility frontier outward and growth rate of economy at a higher trajectory. Due to ageing economy phenomenon there will be shortage of skilled workforce. India has the opportunity to become a global reservoir of work force and it has assumed that by 2030 half of the population will be of 28 or under 28. But to become a global reservoir workforce must equip appropriate skills which are acceptable across the world and Indian market. So it is necessary to focus on skill development.

Skill Development helps to improve the overall efficiency of the Country. So various initiatives have been taken which are outlined below:

#### Main Skill development initiatives of the Government

- Establishment of 1,500 new ITIs through the DGET
- Establishment of 50,000 Skill Development Centres through the DGET
- Setting up of PM National Council on Skill Development(operational)
- Setting up of National Skill Development Coordination Board(operational)
- National Skill and Entrepreneur Research Institute
- National Skill Development Corporation(NSDC)
- National Skill Development Agency(NSDA)

#### Skill development initiatives by PM Narendra Modi

- National skill Development Mission
- National Policy for Skill Development and Entrepreneurship 2015
- Pradhan Mantri Kaushal Vikas Yojana(PMKVY) scheme
- Skill Loan Scheme
- Special camps have been organised at 100 locations with Nehru Yuva Kendra Sangathan(NYKS)

# Various 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 Urban Development and Poverty Alleviation
- Ministry of MSME
- Ministry of Food Processing Industries
- Ministry of skill development and Entrepreneurship
- National Mission for skill development and Entrepreneurship

#### International Collaborations with Developed Countries

- UK skills Forum(UKISF) India, the UK India Business Council acts as secretariat for UKISF
- Germany has also been providing technical and financial help to develop institutes like Foreign Training Institute(FTI), National Instructional Media Institute, Chennai
- MoU has been signed between Singapore's Institute

- of technical education and State government of the National Capital territory of Delhi's department of training and technical Education for the setting of skill centre in Delhi
- India and Australia will enhance cooperation in skill development in the mining sector by setting up training centres to improve productivity and minimise plant accidents
- Afghanistan also join hands with India for skill development. MoU may be signed between the two sides.

#### Challenges to skill development initiatives in India

As India, is the youngest nation in the world and working age population has been increasing which will contribute to sustainable growth and economic development. But there are many challenges in the path of skill development. Some of the challenges to skilling in India and there possible solutions are outlined below:

- Less training capacity and shortage of trainers and training institution- the capacity of training institutes and number of private and government training institutes is very low. In India the number of entrants is 12.8 million per annum but training capacity is 4.3 million per annum, which is very low.
- Geographical problem-the majority of the institutes are located in urban areas. States like Bihar, Jharkhand, etc. have very little access to skill training. The dispersal of the mission is less in rural, hilly and remote areas.
- Demand supply gap- small portion of work force is undergoing for training. The number of people skilled is low than the demanded. At low skill level there are more people than demanded and at high skill level there are less people than demanded.
- Eligibility criteria- the eligibility criterion for vocational training is 8th class, due to which less educated or illiterate person cannot get vocational training.
- Training infrastructure- training infrastructure to impart the training is inadequate.
- Course content- the content of the vocational training is not as per the needs of the casual workers like construction workers, which constitute 90% of total work force.
- Women Workforce-majority of the female workforce is unskilled and those who are engaged are in informal sector with low wages.

## To reap the benefits of demographic dividend, India needs to focus on:

- Upgradation of existing institutions
- Vocational training in schools
- Use of information and communication training tools to reach out to remote areas
- Training of trainers
- Training cum placements cells in all ITIs
- Employment should be ensured otherwise people will lose their interest in joining these training institutes.
- Course content must be evaluated regularly

Skill development has innumerable benefits for a country, economy, society and individual. Various efforts have been taken by government, ministries and private sector

 Finance Minister Arun Jaitley allocates over Rs.2000 Crore for Higher Education and Skill Development- FM announced the setting up of a higher education financing agenc with an initial budget of Rs.1000 crore. He also allocates Rs. 1700 crore

- for setting up skill development institutes across the country.
- Defence Minister Manohar Parrikar Pitches for investments in skill development-There will be 50000 high skilled jobs in aviation manufacturing sector in the next 2-3 years, Defence Minister Manohar Parrikar pitched for investments in skill development. Start-ups should be given five year relaxation from taxes and other regulations. Prime Minister Narendra Modi's new initiative Start-up India offers a three-year tax rebate. Source-Economic Times, 16th February,2016
- ICSI plans initiatives to boost job skills of aspirants. The institute is looking at initiatives that would help aspirants who are unable to clear the examination boost their employability skills. "The idea is to improve their skills and make them more employable"-Mamta Binani, ICSI President. Source-Economic Times,7th February,2016
- Manipal Foundation and City & Guilds Group partner for skill development-Manipal Foundation, the charitable arm of the Manipal Group, and UK-based skill development agency City & Guilds Group, announced a joint scholarship programme in India, committing a combined investment of Rs1.46 crore over the next three years for scholarships in Vocational educatin and training(VET). Scholarship will be awarded based on need and merit. It will be given to women, learners with disabilities, prisoners seeking rehabilitation; and learners who demonstrate exceptional promise and a desire to learn. Source-Economic Times, 22nd January,2016
- MSDE and DoT sign MoU for national action plan for skill development in telecom sector-Ministry of Skill Development and Entrepreneurship(MSDE) has signed a Memorandum of Understanding(MoU) with Department of Telecommunication(DoT), a department under Ministry of communication& IT, to develop and implement National Action Plan for skill development in telecom sector, utilising PSUs under DoT with a common objective of fulfilling skilled manpower requirement of the telecom sector and at the same time providing quality opportunities for employment/entrepreneurship. Source-Economic Times, 22<sup>nd</sup> January, 2016
- CREDAI initiates skill development training for construction workers in Mumbai- Reality developers body Confederation of Real Estate Developers Association of India (CRDEAI) has started skills training program for construction workers across the country in line with the Pradan Mantri Kaushal Vikas Yojna (PMKVY)

Economic Times, 6th January, 2016

#### Conclusion-

To make India internationally competitive and further boost its economic activity, a skilled workforce and a functioning labour market are essential. Technical and vocational education in a broad sense lay down the foundation for innovation and knowhow. Technical expertise, combined with innovation, can pave the path for India toward being a developed nation. By improving the learners' employability, the public and private sector create a substantial labour market, thus contributing toward reducing unemployment and underemployment. Furthermore, the mentioned private sector initiatives satisfy the high demand for technical skilled workforce, which in turn delivers results to the rapidly growing demand of the modern economic sectors. These steps define India as an attractive destination for foreign investment and also new multinational companies



looking to enter the country.

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