



## SKILL INDIA AND ITS IMPACT

## Economics

**Dr Pooja  
Bhhandari**

Assistant Professor, Patrician College for Women

## ABSTRACT

The National Skill Development Mission launched on 15th July 2015 has successfully completed two years. The paper attempts to study the goals, objectives and features of the mission, its implementation and the extent to which the mission has been successful in achieving the goals in these two years. As skills and knowledge are the driving forces of economic growth and social development for any country, it becomes imperative to analyze the impact of the NSDM.

## KEYWORDS

## INTRODUCTION

The Skill India Mission is a flagship programme of India. It includes various initiatives like National Skill Development Mission, National Policy for Skill Development and Entrepreneurship, Pradhan Mantri Kaushal Viskas Yojana and the Skill Loan Scheme. The aim of the programme is to impart skill to over 400 million people by 2022.

## Skill India and Make in India

Skill India is an ambitious programme of the government of India. If the government is able to achieve the set target, it will have a very positive impact on Make in India program as well. This is because the growth in the manufacturing sector that is desired by the Make in India programme could not be achieved until the country has skilled manforce. Presently, India faces a shortage of trained workers. Only 2.3% of India's workforce has formal skill training compared to 68% in the UK, 75% in Germany, 52% in USA, 80% in Japan and 96% in South Korea. Thus, there is an urgent need to impart skills to the people for the overall development of the economy.

Only skilled workforce would be able to provide desired results by joining the production process and fasten the achievements of the goals of Make in India scheme to encourage companies to manufacture their products in India and also increase their investment.

## Skill-based Education

It is very important to work on providing skill-based education to the students from school level only in order to bridge the gap between the kind of educated unskilled youth our education system is providing to the market and the employable skilled manforce which the market demands.

In order to reap the benefits of the demographic dividend that our country enjoys, it is important to move ahead from the conventional education system and provide skill-based education to the masses.

## Objectives

The National Skill Development Mission was approved by the government on 01.07.2015 and launched on 15.7.2015. As the mission success fully completes two years, it becomes imperative to analyze the following:

1. to know the importance and objectives of the mission.
2. to study the implementation of the mission.
3. to know the impact of the mission.
4. to analyze the scope of improvement.

Keeping the above objectives in picture, the paper attempts to study all the objectives in detail.

## Importance and objectives of Skill India Mission

The mission has been developed to create convergence across sectors and states in terms of skill training activities. The emphasis is to skill the youths in a way that they get employment and also able to improve entrepreneurship.

## OBJECTIVES :

The objectives of the NSIM are as follows :

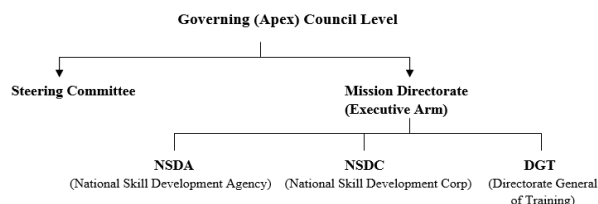
- (i) bridging the gap for employment generation.
- (ii) to reduce poverty.
- (iii) enhancing competitiveness of Indian Business.
- (iv) to prepare the youth of India an manpower resource for world markets.
- (v) to diversify the skill development programmes to meet the changing requirements, particularly of the emerging knowledge economy.
- (vi) to ensure quality and relevance of training.
- (vii) to build the market place competencies rather than mere qualifications.
- (viii) to provide opportunities for life-long learning for skill development.
- (ix) to promote greater and active involvement of social partners and forging a strong, symbiotic, public-private partnership in skill development.
- (x) to mobilize adequate investments for financing skills development sustainable.

## Implementation of Skill Development Mission

Ministry of Skill Development and Entrepreneurship (MSDE) is the main body working towards achievement of the objectives of the Skill Development Mission. The key institutional mechanisms for achieving the objectives of the Mission have been divided into three tiers :

- (i) Governing Council for policy guidance at apex level.
- (ii) a steering committee.
- (iii) a Mission Directorate (alongwith Executive Committee)

The entire structure of the system responsible for implementing the mission can be shown by the following diagram:



Initially, sub—missions were proposed to act as building blocks for achieving overall objectives of the Mission.

They are :

- (i) Institutional Training
- (ii) Infrastructure
- (iii) Convergence
- (iv) Trainers
- (v) Overseas Employment
- (vi) Sustainable livelihoods
- (vii) Coveraging public infrastructure

## Impact of the Mission

**PMKVY** – Pradhan Mantri Kaushal Vikas Yojana is a government appointed panel has spent Rs. 15000 crore in imparting skills to over 18 lakh people but has failed to achieve key objectives. The various targets that was allocated to the various agencies were very high and

without regard to any sectoral requirement.

There was no evaluation conducted of PMKVY 2015 to find out the outcomes of the scheme and whether it was serving the twin purpose of providing employment to the youth and meeting the skill needs of the industry before launching such an ambitious scheme.

The focus was on short-term skill courses, resulting in low placements. The Controller and Auditor General (CAG) has pointed out flaws in the design and operations of the NSDC and NSDF which has resulted in falling short of skill development goals. NSDC has not been able to discharge its responsibilities for setting up Sector Skill Councils (SSCs) owing to lots of instances of serious conflict of interest and unethical practices.

#### **Role of Sector Skills Council**

The National Skill Development Corporation (NSDC) was set up by the Ministry of Finance back in 2009 in an effort to centralize India's Sector Skill Councils (SSC) operated. These SSCs subsequently are meant to sum such training, specific to their respective industries. The entire focus has been on the implementation of the PMKVY without regard to whether it will really meet the exact skill needs of the sectoral industry or turn out skilled manpower of global standards or persons that would get placed after the training.

#### **CONCLUSION AND SUGGESTIONS**

The major problem with skill training is the absence of job-linkages. This is only aggravating the problem of unemployment. The Public Private Partnership Model of operation of SSCs presents a great chance of bringing industry best practices in learning and development into such training modules. There is also need to increase the accessibility of the training programmes. It is in this way that the problem of unskilled labor in India can be tackled, thus reducing the increasing unemployment levels.

#### **REFERENCES**

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