

Re-defining Skills Development Landscape in India

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A recently launched annual report by Reserve Bank of India (RBI) for 2014-15, mentions that India's growth outlook is improving gradually and the real activity indicators are backing its 7.6 per cent gross domestic product (GDP) projection. Further the report states that business confidence remains robust, and as the initiatives announced in the Union Budget boosting investment in infrastructure roll out, they should crowd in private investment and revive consumer sentiment, especially as inflation ebbs. These are some of the indicators which suggest that despite having a slow-down across countries world over, India's story looks bright and well-paced. Only, India has shown signs of improvement in GDP numbers among the fast growing nations.

The government has already set the ball rolling. It has relaxed FDI norms to encourage both domestic and foreign companies to manufacture in India and sell their products abroad. Make-in-India is expected to increase manufacturing activity across various sectors as well as enhance its contribution to GDP. It is also expected that with the increase in manufacturing activity, a substantial number of jobs will be created for the skilled workforce that the country is preparing. In line with the same, the Government has recently launched the Skill India Mission which will act as a

pivot for all the other national missions like Make in India, Digital India, Smart Cities and others. Only a job ready and skilled workforce will lead to the success of all these national missions hence leading to India's economic growth, improvement in GDP numbers and increasing per capita income. It is imperative that the country's youth gets the right direction to harness the country's demographic dividend and also add to his/her personal and professional growth.

At present, as the developed nations are preparing themselves to face a storm created by more advanced and technical processes of delivery of education, India's educational system is still undergoing a content reformation. A few initiatives by the current incumbent government will shift our focus to the right needs of our country's youth. Our focus has always been on education but unfortunately not on overall skill development. This is the need of the hour, in order to become a great power and utilize our biggest strength i.e. our demographic dividend. The next 5 to 10 years are extremely crucial for our country to meet the challenges ahead, in making India, the human resource capital of the world.

If there was ever a time for the demographic dividend that India is banking on to start paying off, it is now. According to the Census data released in September 2013, India's youth bulge is now sharpest at the key 15-24

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National Skill Development Corporation



The National Skill Development Corporation India, (NSDC) is a one of its kind, Public Private Partnership in India. It aims to promote skill development by catalyzing creation of large, quality, for-profit vocational institutions. NSDC provides funding to build scalable, for-profit vocational training initiatives.

Its mandate is also to enable support systems such as quality assurance, information systems and train the trainer academies either directly or through partnerships. NSDC acts as a catalyst in skill development by providing funding to enterprises, companies and organisations that provide skill training. It will also develop appropriate models to enhance, support and coordinate private sector initiatives.

age group. As India's demographics grow younger, the issue of sustainable employment becomes more important. This coupled with the volatile economic growth that the country is currently going through, springs up a challenge for the industry.

A significant opportunity that the country foresees now is that India will be expanding its most productive cohorts (population between 15-60 years) as most developed countries and some developing ones will be contracting theirs. By utilising this opportunity, we can pull the Indian economy into a virtuous cycle of growth with meaningful job creation. Approximately 15 to 17 per cent of the global working population in 2022 would be Indian.

The figures today reflect that India's working population will surpass China's working population by 2040. Clearly, our country has an advantage in terms of the 'total workable population' i.e. the number of people working in an economy. But we cannot just rely on the increase in workable population for a brighter future. Of the country's approximately 500 million workforce, 14 per cent is employed in the formal economy and 86 per cent is employed in the un-organized sector. The challenge is that this 86 per cent is not well-trained or recognized in the job market.

Today, there is a huge mismatch between education, skill training and employment. According to a report from McKinsey, only 54 per cent of youth believe that post-secondary education improved their employment

opportunities. 56 per cent of students drop out between high school and higher education. Between all these facts and figures, only a fraction of people are employed and trained. The report also suggests that 53 per cent of Indian employers find skill shortage as one of the prime reasons for entry level vacancies. Hence, we clearly see that there is a mismatch between the aspirations of the Indian youth and the expectations of the employer and thus, there exists a huge gap between employment and employability. The key challenge that the country faces is finding jobs for the millions of youth below 25 years of age constituting 50 per cent of the population.

This was imperative, as it was about time that the country realised the need and importance of skills; and all

industries, ministries, states, corporates and individuals join hands and work towards a common objective of making India the 'Skills Capital of the World'.

At this point in time, the overall wave of skill development looks extremely positive, which could bolster India's strength as a leading emerging market economy in the world and also contribute towards improving its investment appeal.

The first and foremost step that the government took in shaping the skills landscape was the creation of a separate Ministry for Skill Development & Entrepreneurship (MSDE). The country already had an existing skill ecosystem created by NSDC which includes 37 sectors skill councils and 235 training partners with 3611 training centres spread across 450 plus districts across the country. The next big step is to further empower the existing system by ensuring government support and guidance by enabling focused policies. NSDC worked with MSDE to aid the skilling process for various sectors by creating the National Occupation Standards for different job roles, which define standards and curriculum for vocational training in the respective sector. Till date NSDC has been able to train 5.5 million people of which 61 per cent have been placed. This is being

Pradhan Mantri Kaushal Vikas Yojana (PMKVY)



Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship outcome-based skill training scheme of the Government of India implemented through the National Skill Development Corporation (NSDC) under the Ministry of Skill Development & Entrepreneurship. The objective of this skill certification and reward scheme is to enable and mobilize a large number of Indian youth to take up outcome-based skill training and become employable and earn their livelihood. Under the scheme, monetary reward through direct bank transfer would be provided to trainees who are successfully trained, assessed and certified in skill courses run by affiliated training providers. PMKVY will impart skill/training to 24 lakh persons. The scheme will be implemented through the National Skill Development Corporation (NSDC).

All trainings and certification under Recognition of Prior Learning will be specifically oriented for developing skills in specific growth sectors. Assessment and training bodies for all purposes of the Scheme will be separate and no overlap of roles will be allowed to maintain transparency and objectivity. The monetary reward will be wholly funded by the Ministry of Skill Development and Entrepreneurship, Government of India and will be affected through bank transfer to the beneficiaries' accounts.

scaled up with speed so that we can fill up the huge gap across industries.

On the other hand, the Skill India Mission and the Skill Policy 2015, aimed to skill 40 crore youth in the country by 2022. The vision of the policy is to create an ecosystem conducive to an empowered economy which has a job ready skilled workforce by skilling on a large scale with speed and quality, based on industry recognised standards and to promote a culture of innovation based entrepreneurship which can generate wealth and employment so as to ensure sustainable livelihoods for all citizens in the country.

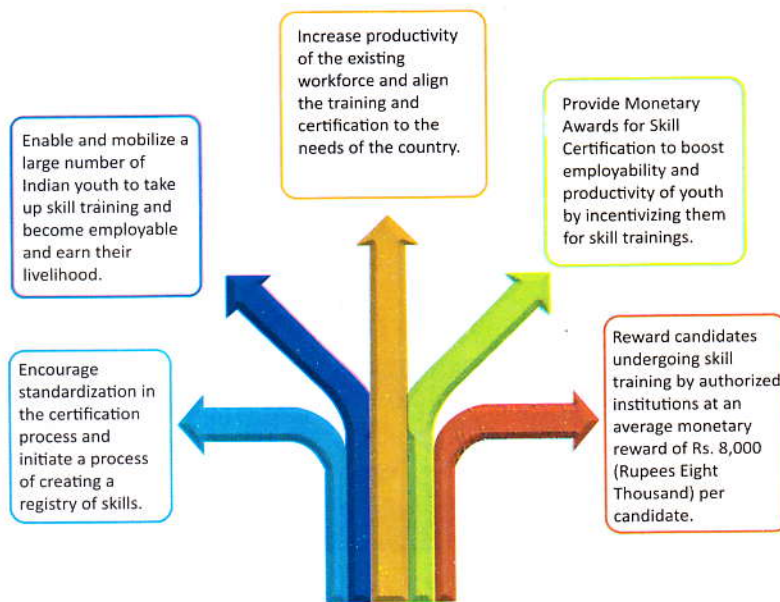
Over 70-odd Skill Development Programmes (SDPs), have been running, each with its own norms for eligibility criteria, duration of training, cost of training, outcomes, monitoring and tracking mechanism etc. The policy revision is a great move by the Government of India which will help in rationalising the whole spectrum of skill development processes and systems including inputs, outputs, funding/cost norms, third party certification and assessment, monitoring/tracking mechanisms, and empanelment of training providers and ultimately lead to a common goal.

Industry is also witnessing an increased participation from Corporates and PSUs who are coming forward and investing back in the country's youth by supporting skill development through their CSR initiatives under various partnerships such as financing, providing infrastructure, recognition of prior learning, adoption of national qualification framework and occupational standards etc. Organisations like PowerGrid, NTPC, Coal India, Ambuja Cements, CIFCL, Essar and Coca-Cola are some of the leading examples. PSUs have been very forthcoming in their agenda towards skill development. The three PSUs, PowerGrid, Coal India Limited and NTPC have contributed more than Rs. 200 crores for this purpose.

On the other hand, government's initiatives like Pradhan Mantri Kaushal Vikas Yojna (PMKVY) - flagship program of MSDE, Skill Loan Scheme,

PMKVY - Objectives

The objective of this Scheme is to encourage skill development for youth by providing monetary rewards for successful completion of approved training programs. Specifically, the Scheme aims to:



Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Nai Manzil and the Credit Guarantee Fund will certainly enhance access, equality, quality, innovation and institutional credit in the area of skill development.

Schemes like PMKVY will help in mobilization of the youth through a monetary reward for skill certification and will in turn, help boost their employability and productivity. The scheme also aims at recognising the existing skills of individuals through recognition of prior learning. The overall target is to benefit 24 lakh youth in the country over the next one year.

Overall, there is a feel-good factor. The skill ecosystem is currently seen getting a clear direction for a progressive India and it is the best time to align ourselves to one objective of 'Kushal Bharat, Kaushal Bharat'. There is growth in parts of the economy. Now with the launch of the Skill India Campaign, the approach is likely to become widespread and more impactful. The next challenge is to create the training capacity to meet the increasing demand of the industry and ensure enough jobs for the empowered

and skilled workforce, along with enough respect for the job they do.

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National Web Portal for Apprenticeship Training

The Centre launched the National Web Portal for Apprenticeship Training for Graduates, Diploma holders and 10+2 pass-outs vocational certificate holders, with the slogan "Sashakt Yuva, Samarth Bharat". This portal enables door step delivery of service, streamlines processes and saves time for students. This portal would offer security for women at workplace and ensure grievance redressal for the apprentice through the mechanism of internal complaints committee. The Portal will enable viable contract for students and industry partnership and also ensure seamless connectivity with all stake holders including students, establishments and technical institutions across the country for transparent administration through e-Governance. It will serve as a multilingual platform which currently engages with the user in Marathi, Bengali, Tamil and Hindi.