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In India Skill Development is Not Luxury, It Became Necessity

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ABSTRACT

Skill development programs help individuals by generating an opportunities to be employable by providing them cognitive, technical, & interpersonal skills. Indian government in collaboration with private sector elites started many institutions such as National Skill Development Corporations of India, Pradhan Mantri Kaushal Vikas Yojna, & many more with thousands of training centers all across states, helping millions of all age groups & genders; the process in itself provides employment to thousands. Fields like Manufacturing, Agriculture, Allied Services etc are facilitated by the respective institutions to candidates depends upon their skills & background. Unfortunately in India skill development is not a luxury but has become necessity considering unemployment, illiteracy, poverty, drug abuse, & crime rate situations. The integrity of our education system is at question here! 80% of engineer graduates are unemployable, & youth unemployment rate is 12.90% which hikes frustration within & pushes them for opting detrimental means to earn, like indulging in cyber crimes, dealing in drugs etc. According to census data only 8.15% of Indians are graduate, which means 1 out of 10 Indian is a graduate, in Chandigarh & Delhi this proportion is little better 1 in every 5, but in Bihar & Assam it is 1 in every 20. There are 13 out of 100 Indians from the age group of 5-29 not attending school just because they do not consider education necessary; dropout rate from schools in rural area is 34.8% & 22.8% in urban areas. Through this report my attempt is to analyze the affectivity of ongoing skill development programs, & contribution towards productivity in our economy in terms of GDP, although they provide platform for millions, but is that enough? In spite of all initiatives there is large chunk of population seeking for livelihood opportunities. What steps should to be taken in order to improve education system & employment scenario of our country?

Keywords: Cognitive Skills, Allied Services, Unemployable.

Meaning: Vice chancellor administration and finance Berkeley HR, university of California explained skill development by the help of 70 / 20 / 10 rule (University of California, Berkeley)

1. 70% skills learned from on the job activities and action learning,
 - Managing a project
 - Cross functional learning team
 - New tasks
 - Job shadowing
 - Job rotation.
2. 20% skills learned from interaction with others.
 - Having a mentor
 - Being a mentor
 - Coaching
 - Participating in communities
3. 10% skills development from training,
 - Vestibule training
 - Classes
 - Seminars
 - Conferences.

1. INTRODUCTION

India with the population of approximately 133.6 crores out of which Last measured in 2015 by World Bank resides in rural areas was 67.25%, which means heavy proportion of population of our country still seeking the benefits of urbanization. India has a large youth population & only 5% of the Indian labour force age group 20-24 has obtained vocational training through formal means. According to Ministry of Labour & Employment 63% of students drop out before they finish high school, & out of 2.5 million available vocational seats there are approx. 12.8 million people entered in labour market.

In India skills development & livelihood programs contributes a crucial role in generating employment, particularly in unorganised & informal sector which accounts for 83% of India's workforce. Top contributions from organisations such as Deen Dayal Upadhyay Gram Kaushal Yojna (DDU-GKY), Ministry of Labor & Employment - MOLE, Mahatma Gandhi National Rural Employment Guarantee Act – NREGA, Ministry of Skill Development & entrepreneurship – MSDE, National Skill Development Corporation – NSDC, Pradhan Mantri Kaushal Vikas Yojna – PMKVY & many more working closely with the government of India. There are various plans & schemes that are dedicated to achieve scalable skilling with quality & higher productivity.

Skills development & livelihood programs directly linked with growth in Gross Domestic Product (GDP), & gross domestic product of economy are associated with population & their employment, which means resource utilization. Employment in economy categorised into organised sector & unorganised sector, organised sector includes public sector & private sector employment & so as in unorganised sector. A NICEUS report estimates that in 2005 out of 458 million individuals employed in India 86% or 395 million worked in the unorganised sector; generating 50.6% of country's Gross Domestic Product. Stats mention above simply states the importance of skills & livelihood programs among the left outs willing to be employed & self employed.

Requirement for vocational training: The whole point of getting education is to teach & trained individual in such a manner so he/she can perform practically in the field of their knowledge. Quantitative terms our education system is doing wonders, Annual Status Education Report (ASER) 2012 shows 96.5% of rural children between the age group 6-14 were enrolled in school. The ratio of public & private sector in our country are 7:5. Quantitatively, the education system of our country is on a rise mode, most population of rural & urban areas going to school, but qualitatively there are question to be raised, such as fulfilling basic requirements of basic infrastructure (toilets & washrooms), availability of quality teachers & mentors, most importantly the curriculum for student needed to be upgraded according to contemporary environment which should be productive & constructive. Practically trained individual is always better than subjective trained, 80% engineer's graduates & 50% as a whole graduates possessing degrees are unemployable in our country, and lack of practical application at work has been a genuine cause. Large chunk of educated population either unemployed or partially unemployed (doing jobs which are not desired, just doing it out of necessity) either way it ignites frustration among youth.

Only 5% of Indian labor from the age group of 20-24 years having a formal training while entering into professional work environment, as per ministry of labor & employment, government of India, 63% of students are dropout before they reach high school, & there are very few training programs available for early dropouts from school, reasons of such high number of dropouts are most of them do not think education necessary, poor infrastructure & teachers, no easy accessibility to education institutions for migrants because of high pre-admission formalities in consideration to certification, overall it is a burdensome educational system.

Approximately 2.1 million seats are available for vocational training, & where as 12.8 million labors are entered into the labor market every year. The gap as you notice is significant & indeed worrisome for our labor force, which pushes youth lot to indulge in detrimental means of earnings (drugs, frauds, stealing, cyber crimes, etc.)

At crisis like this in our economy skill development & livelihood programs are must needed so the young population seeking employment opportunities or trying to be self employed & might create employment in future if given a chance, & in our democratic country chance is all anyone could hope for. Skills Development Programs covers many sectors in which the training has been provided such as electronics, construction, agriculture, gem & jeweler, plumbing, healthcare, media & entertainment, telecommunication, automobile, retail sectors & many more areas been covered to generate employment & create skilled labor, directly leads our economy towards optimum utilization of resources (especially human resources) & better productivity.

2. CONTRIBUTION OF SKILL DEVELOPMENT PROGRAMS IN INDIA

National Skills Network : 83% of the labor workforce works as in informal & unorganized sector, these organizations collaborate with industry bodies like CII & FICCI that takes ownership on various Sector Skills Council.

- 1. National Development Skill Corporation (NDSC):** NDSC was setup as one of its kind Public Private Partnership Company, with the objective of upgrade skill through standards, curriculum, & quality assurance, & playing role of Market Maker. NDSC operates with partnerships of Private Sector, International engagements, Central
- 2. Ministries, State Government, University/School Systems, Non-Profit Organizations:** Under this program so far 5.2 million students has been trained, & they plan to open 235 private sector partnerships for training & partnership for training & capacity building, each to train 50,000 individuals in over 10 years period. 1386 qualification packs with 6,744 Unique National Occupation Standard (NOS), validated by more than 1000 companies. Training introduces in 10 states, covering 2400+ schools, 2 boards, benefitting over 2.5 lakh students, working with 21 Universities, Communities, Colleges, under UGC/AICTE. Also begins with voucher based skills development program “Pradhan Mantri Kaushal Vikas Yojna”.
- 3. Pradhan Mantri Kaushal Vikas Yojna (PMKVY):** This scheme launched on 16th July 2015 to encourage the aptitude towards employable skills & to encourage the efficiency of daily wage earners & became more productive. The government provide monetary rewards & also quality training. On an average basis the reward amount eight grand (8000 rupees), & to the labor who already achieved certain standards receive the reward amount 2000-2500 rupees. Initially government targets to distribute 15 billion rupees as reward under this scheme. All training system has been delivered according to the guidelines on National Occupational Standards (NOS), all qualification packs has been developed by Sector Skills Council (SSC) & National Skills Development Council (NSDC). Target of this scheme is to train 1 crore youth in between year 2016-2020 & so far 17.93 lakh youth has been trained out of 18 lakh enrolled ones & still counting. Total outlay of 120 billion rupees had been sanctioned for this project by the cabinet.
- 4. Deen dayal upadhaya grameen kaushal yojna (DDU-GKY):** Under this yojna attempt is to provide placements to the youth residing in rural regions. So far approximately 66 special projects has been taken in 15 states under this scheme. This scheme provide funds for skill development all over India which includes many sections of trade such as retail, hospitality, health, automotive, construction, gems & jewelers, leather, plumbing, electrical etc. In the year 2016-17 till 31st January, number of candidates trained were 1,38,623. 73,502 is the number of total candidates were placed on jobs in 642 centers at 329 trades.
- 5. Ministry of labor & Employment (MOLE):** This scheme is the traditional one in the field of skill development & created with the motive of helping & safeguard the interest of poor in rural & urban, deprived & disadvantageous section reside into our society. They aim to create healthy work environment which leads to high productivity. They are responsible providing best form of Industrial Training, Apprenticeship, which is transferred to Ministry of Skill Development & entrepreneurship from 9th November 2014. Later ministry also launches national career service

portal on 20th July 2015 to help all those who seek jobs, this portal simply bridges the gap between job seeker & job provider. Main functions performed by the ministry was to make policies on labor welfare, safety & health, social security, consideration to target groups such as women & labor child, workers education, industrial relations, solving industrial disputes through tribunals for fair functioning.

6. **Ministry of Skill Development & Entrepreneurship (MSDE):** As the name suggests this ministry targets to train individuals to get better jobs, but they also encourages them to be creative & innovative so in future they are able to generate employment into our economy. This ministry associated themselves into other projects that also associated in skill development, like National Skill Development Agency (NSDA), National Skill Development Corporation (NSDC), National Skill Development Fund (NSDF), & 33 Sector Skill Councils (SSCs), as well as 187 training partners registered with (NSDC).
7. **National Skills Development Corporations (NSDC):** This is the unique organization under Public-Private Partnership mode, under the ministry of skills development & entrepreneurship. Aim of this corporation was to open as much quality oriented training institutions in all over the country to introduce quality work force in our economy, they also fund those organizations & companies who provides training to the existing & new recruits.

There are many more schemes & projects already initiated & plan to be initiated by the government, public & private sector towards skills development through which millions are already benefitted & many more going to be in almost every possible sector of trade.

3. OPPORTUNITIES

1. **Increase on employment:** According to ministry of labour and employment In India working age group is 15 – 59 years, Proportion of population in the working age group is increased from 58 % in 2001 to 64 % in 2021 (Ministry of Labour & Employment-Wages and Statistics, 2011). To be more precise, Approximately 63.5 million new entrants to working age group (15 – 59 years) in 2011 – 2016, bulk of this increase are likely to be the age group 20 – 35 years. Such trend would make India the youngest nation in the world, In 2020 average working Indian will be 29 year old as compare to 37 in China and US, 45 in West Europe, 48 in Japan. Skill development programmes helps providing more employment opportunities
2. **Balance in distribution of income and wealth in economy:** India is a democratic country but there is huge disparity when it comes to distribution of wealth, In 2014 Article in the newspaper The Hindu says in India the richest 10 % of the population holds 75 % of the total wealth, Top 1 % of the super rich population holds almost half of the total wealth in India (Rukmini, 2014). More skilled workforce leads more employment led to balance in distribution.

Constraints: In spite of all those schemes to develop skill there are large section of population left unskilled & unemployed & struggling. But what is the actual problem? Where is the root cause to this problem? & to solve any problem we need to strong our fundamentals.

1. Why 50% of our college graduates are unemployable?
2. Why 80% of our engineers are not able to find jobs?

13 out of every 100 Indian in between the age group of 5-29 not attending school, sources says they simply do not consider education necessary, portion is significantly higher for school going kids 10-14 years.

School dropout rate in rural area are 34.8 out of every 100, & in urban area this number is 22.8. the reason behind this is lack of interest, poor infrastructure & under qualified teaching faculty, & most importantly the procedure followed for the admission is way complicated, also called burdensome education system. Beyond every constraints there are some undeniable problems explained below:

- 1. Large population to accommodate:** As per World Bank database India is a country with 133.6 crore population. So many religions, communities, sections, with that large number of population with different back grounds it is not an easy task to perform. Even though the government and private sector taking initiative to develop skill among work force, but due to large population still way more ground to cover.
- 2. Lack of awareness:** Information asymmetry exists widely in a developing economy due to inconsistent models of application at the bottom level of a social chain. Under a central planning system the dependency of successful execution depends highly on local bodies on the ground. In a widespread system of bureaucracy like we have in India, many such projects suffer from simply lack of awareness in the intended populace regarding the social programs available to them. Also, ensuring the swift and just execution of such programs also proves challenging when the political goals of the ruling bodies at State level are not co-aligned with the party/faction ruling at the Centre.
- 3. Political games/tricks/intervention:** In an indirect democracy such as we have in India (Indirect: People choosing representative to vote on critical issues that impact them) we've witnessed over the years that incentives for chosen representatives to honestly represent their ward are often diluted in lieu of personal gains whether monetary or political. This directly impacts the efficiency of any social program which further reduces the return expected of these programs in terms of opportunity cost (time), resources (Labour participation) and investment (financial costs). The viability of such programs therefore is impacted immensely by these factors which, quite frankly, are an unnecessary constraint on the economy.
- 4. Illiteracy:** The majority of unskilled labour in India, that gets by on earning day-to-day incomes have extremely low incentives to educate their children, as the alternative to spending time in school is child labour which in the short term is indeed lucrative for such households (Marginal increase in daily income). The returns from higher education often taken a long time to yield results (higher standard of living after 12-15 years of education). Such skewed incentives cause illiteracy to exist in parallel with a flawed education system that needs to be critically altered primarily for such households. An example could be providing more skill-based education than theoretical for households that depend on daily wages.
- 5. Partial unemployment:** Partial unemployment is when an individual have a job which is not desired, working just for the sake of earning. Unemployed ratio for the age group of 18-29 is 12.9%, where as this ratio is significantly diminish for the age group above 30 years, which implies lesser chances for new/fresh entrants in professional world. Unemployment among those with degrees is 28%, among graduates 14%, post-graduates 12%, & other alternates unemployment

rate is 2%. Youth unemployment in total population amounting to about 6 crore. In Uttar Pradesh for the post of peon at secretariat office 23 lakh people applied for 368 vacancies, out of which 250 were doctorates, 2500 were post-grads, 1.5 lakh graduates, 7.5 lakh +2, 11.2 lakh were high school pass outs. On the basis of this analogy we seriously need to restructure the whole economical system for employment.

4. RECOMMENDATIONS:

1. Require more training centers
2. Practical based knowledge in schools & colleges
3. Regular counseling sessions for teenager & adults

Recommendations can be endless but what's important is to have proper implication on those opinions, it is understandable that accommodating large population of our country is not an easy task but what can be done is perform efficiently at every step of the way to be good at what you want to be professionally & otherwise. For instance better schooling & after better higher education & with the help of proper guidance any individual can make a change. Unfortunately we are facing issues at every step, hence I strongly recommend that we need to make our basics strong in order to make change.

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