SKILL DEVELOPMENT FOR INDIAN YOUTH: CHALLENGES AND OPPORTUNITIES

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ABSTRACT:

Skills and knowledge are the driving forces of economic growth and social development of any country. They have become even more important given the increasing pace of globalization and technological changes provide both challenges that is taking place in the world. Countries with higher and better levels of skills adjust more effectively to the challenges and opportunities of globalization. The size of the current technical training infrastructure is much smaller than what is required. India currently has the capacity for training 3.1 million people per year. This is insufficient, given that every year, 12.8 million new people enter the workforce. The distribution of training capacities is unbalanced, with the industrially-advanced states of Maharashtra, Andhra Pradesh, Tamil Nadu and Karnataka, accounting for 48 percent of recognised technical training institutions.

Keywords: *Skills Capacity; Challenges; Ways Forward*

INTRODUCTION

The Indian economy grew at an advanced rate of 7.1 percent year in the quarter July – Sep 2018, thereby making it a fastest economy to grow. India's demographic profile is helping the country to aim for an accelerated economic growth. India is expecting a huge growth in the labour market by having 64.8 percent of the population as the working population. It gives a lot of benefit to the country in the labour market. Skill India is a campaign launched by Prime Minister Narendra Modi on 15 July 2015 which aim to train over 40 crore people in India in different skills by 2022. It includes various initiatives of the government like "National Skill Development Mission", "National Policy for Skill Development and Entrepreneurship, 2015", "Pradhan Mantri Kaushal Vikas Yojana (PMKVY)" and the "Skill Loan scheme". The MAKE IN INDIA program laid the foundation of India's latest policy to bring an Economic revolution by making India a global manufacturing hub and welcoming both domestic and international industrialists to invest in India that will generate employment and overall development of India. Manufacturing sector is the strength of an economy as it fuels employment generation, better quality of goods and services at cheaper rate, economic growth & development along with helping the growth of other sectors also.

LITERATURE REVIEW

Anita Singh and Rinku Sanjeev (2016) "Need for Re-Skill training towards Make in India Initiative" carried out exploratory factor analysis to identify the factors affecting employee's attitude towards re-skilling training programmes in IT sector. Factors identified are need orientation, appropriate re skill training, soft skill training, value addition, updated knowledge, and advance growth on which factor matrix was created and tested by KMO and Bartlett's test which depicts 0.585 KMO measures of sampling adequacy and 892.952 of chi values. The findings suggested attitude of employees is influenced by the factors tested.

Sushendra Kumar Misra (2015) "Skill Development: A Way to Leverage the Demographic Dividend in India" the objective of the study was to understand the present skill development policy and through skill development schemes finding out the way to produce world class skilled manpower. Paper discussed about the policies of National skill development council, National Skill Development Coordination Board, and National Skill Development Agency and concluded that existing skill development policy should be modified in accordance with the need of the industry and global market and should promote the private partnership to accomplish the skill targets.

Sanjay S. Kaptan (2014) "Skill Development and Capacity Building-Role of education Institution" the study discussed about the importance, role, and need of skill development and capacity building programme as the principal purpose of education. Paper discussed about the suitability of education to meet the requirement of industry and labour market, improving the quality and competency of labour through skill development programme as conventional education system lack synergy between industries and institutions. Paper finally concluded that there is a strong need of capacity building & skill development programmes and there should be strong active participation of educational institution to accomplish the mission.

Sanjeeb Hazarika (2016) "Skill Development for Rural Entrepreneurship: A study on State Institute of Rural Development (SIRD), Assam" the paper attempt to find out the different skill development facilities provided by State Institute of Rural Development for rural entrepreneurship and to examine the motivational role of training provided by the institute in assam. Paper discussed about various, infrastructural facilities like resource centre, Development and Management of Growth centre and

common facility centre, resource centre in IT motivational infrastructure, SATCOM and training programmes conducted by the state institute rural development. Study found out that due to lack of awareness growth of enterprise in Assam is comparatively low.

Seema Pandey (2016) "Improvising Skill Development & Employability Potential through Higher Education, Research & Innovations in India" the objective of the paper is to study policies framed for skill development and identifying the gap between the government and private programmes. The paper discuss on the current scenario on skill development programme, vocational education and women, private and public sources of skill development, initiatives under ministry of skill development and entrepreneurship.

OBJECTIVES OF THE STUDY:

1. To study the present skill capacity of India.

2. To study the challenges faced by skill development system in India.

3. To suggest possible solutions or ways forward.

RELEVANCE OF THE STUDY

In today's age of globalization and technically mutated world, skill building is an important weapon to boost the efficiency and the quality of services for the advanced productivity and economic growth. India is today one of the youngest nations in the world with more than 62% of the population in the working age group (15-59 years), and more than 54% of the total population below 25 years of age. The opportunity to reap the benefits of "demographic dividend" has to be utilized only with the skilled workforce.

DATA AND METHODOLOGY

The proposed study mainly is descriptive in nature. It solemnly based on secondary data and information which is collected from the concerned sources as per need of the research. The relevant books, documents of various ministries/departments and organizations, articles, papers and web-sites are used in this study.

LIMITATIONS OF THE STUDY

This research study is mainly based on the reliable data available during the period from 2013 to 2017. Here we consider 16 sectors for the employment creation aspect during the said period.

NEED FOR SKILL DEVELOPMENT

Livelihood opportunities are affected by supply and demand side issues. On the supply side, India is failing to create enough job opportunities; and on the demand side, professionals entering the job market are lacking in skill sets. This is resulting in a scenario of rising unemployment rates along with low employability.

Job Creation: Between 1999-2000 and 2004-05, the number of jobs increased by 59.9 million persons against an increase in labour force of 62 million. Though, the increase in employment kept pace with increase in labour force for the next 5 years, the total increase in jobs was only 1.1 million. Employment generation picked up from 2009-10, with 13.9 million people finding jobs in 3 years. However, 14.9 million people entered the job market during this period. Currently about 26 million people enter the working age group every year with about 65% of them looking for jobs.

Youth Skilling: While keeping pace with employment generation is one issue, employability and productivity of those entering the labour market is another issue. As per the India Skills report 2017, only 37.22% of surveyed people were found employable,34.26% among male and 37.88% among female. NSSO (2017) showed that only 10.1% of the labour force had received vocational training, with only 25.6% among them receiving a formal vocational training. India ranked *last* among 60 countries on labour productivity (World Competitiveness Yearbook, 2015).

Demand for Skilled Workforce: CII (2009) had projected Incremental Human Resource Requirement till 2022 at 201 million, making the total requirement of skilled work force by 2022 at 300 million. A major share of these jobs was to be added in the manufacturing sector, with the National Manufacturing Policy (2011) targeting 100million new jobs in manufacturing by 2022. The National Skill Development Policy (2009) had set a target of skilling 500 million people by 2022. More recently, study reports commissioned and released by Ministry of Skill Development assessed an incremental human resource requirement across **24 sectors as 109.73 million by 2022**.

CHALLENGES IN SKILL INDIA

India is facing a lot of challenges keeping in view the current infrastructure and the policy framework. The Challenges faced in skill development have been discussed below:

1. Insufficient Scale and Restricted Capability

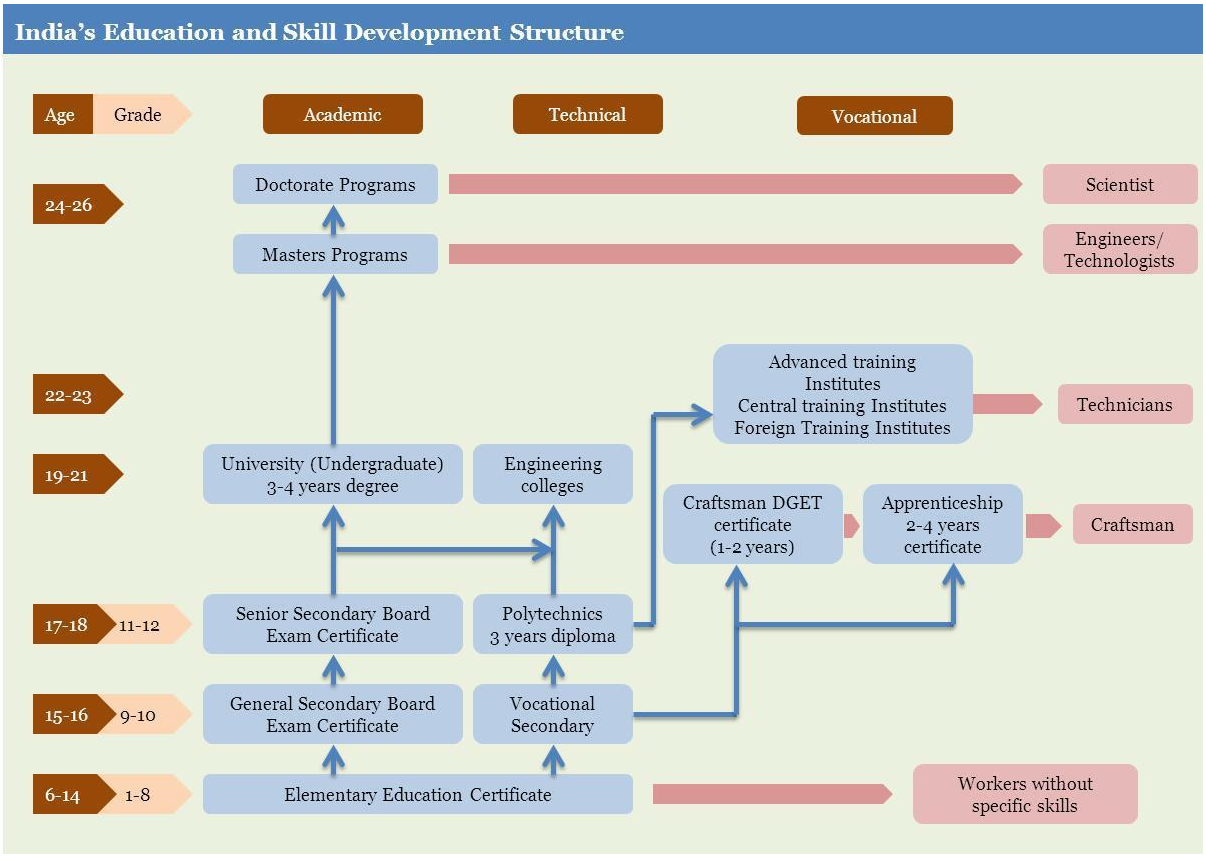
The current infrastructure facility available in the educational institutions is inadequate considering the huge demand of labour. There aren't many trained and highly skilled trainers available.

2. Mobilization: The enrolment of the students for vocational education and training become an extremely challenging task. The outlook of the people associated with the skill development is still very traditional. The students would move on to managerial roles as the technical trade positions are associated with low salaries and lack of recognition.

3. Employer's buy-in: The industry doesn't distinguish whether the person has acquired the skills through on the job training or has gone through a formal training. Many companies make their own skill centres through which they develop the people. Though the Skill Development also focuses on the Public Private Partnership Model but it needs a lot of effort from both the players in development of skills.

4: Scalability: Since there is very limited buy-in from the corporate sector the progress of such initiatives is reduced. Skill development had not been a priority of the government earlier and hence this area has always been ignored stakeholders too.

PRESENT SCENARIO OF SKILL CAPACITY OF INDIA



Source: World Bank

In order to capitalize the demographic dividend, India will need to empower its workers with the right type of skills. Thus this section depicts the present skill levels of the Indian workforce in the age group of 15-59 years in the form of their general educational levels and vocational training levels.

1. The drop-out rates of educational institution was estimated to be 50% in the age group of 5-14 years and 86% after 15 years of age and in contrast to this the participation rate of the workforce rises rapidly after 14 years of age and it results in a semi-literate workforce which finds it difficult to absorb higher form of skills.

2. 38% of Indian workforce is illiterate, 25% has education below primary or up to primary level and remaining 36% has an education level of middle and higher level.

3. 80% of Indian workforce does not possess any marketable skills.

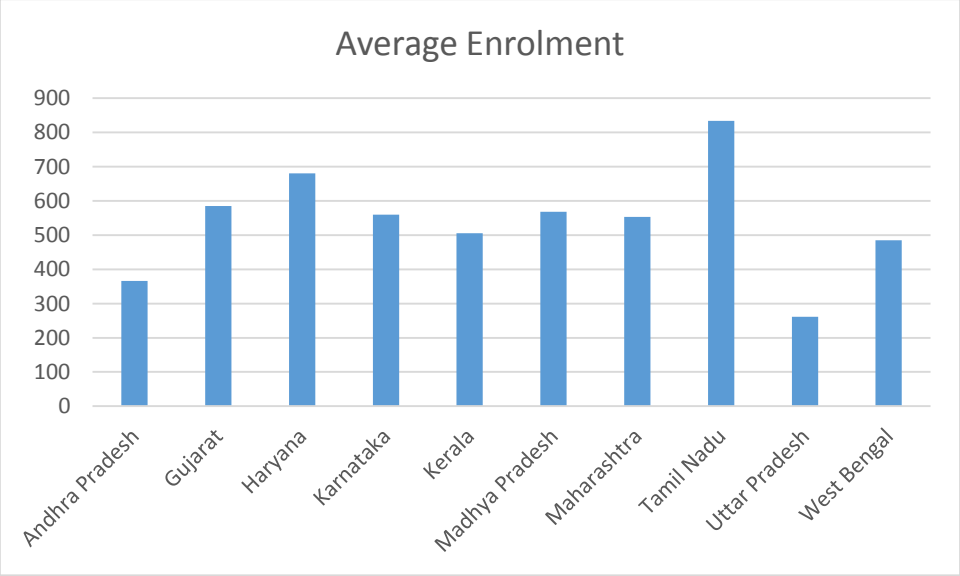
4. Only about 2% have received formal vocational training and 8% non-formal vocational training, thereby implying that very few new entrants to the work force have any marketable

skills as compared to developed economies such as Korea (96%), Germany (75%), Japan (80%) and United Kingdom (68%).

AVERAGE ENROLMENTS IN INDIA'S TOP TEN POLYTECHNIC STATES

State	Enrolment (no.)	Polytechnics (no.)	Average Enrolment
Andhra Pradesh	51,204	140	366
Gujarat	42,735	73	585
Haryana	23,112	34	680
Karnataka	1,00,274	179	560
Kerala	28,284	56	505
Madhya Pradesh	24,970	44	568
Maharashtra	1,07,232	194	553
Tamil Nadu	1,74,238	209	834
Uttar Pradesh	27,963	107	261
West Bengal	19,404	40	485

Source: Ministry of Human Resource Development, Government of India,



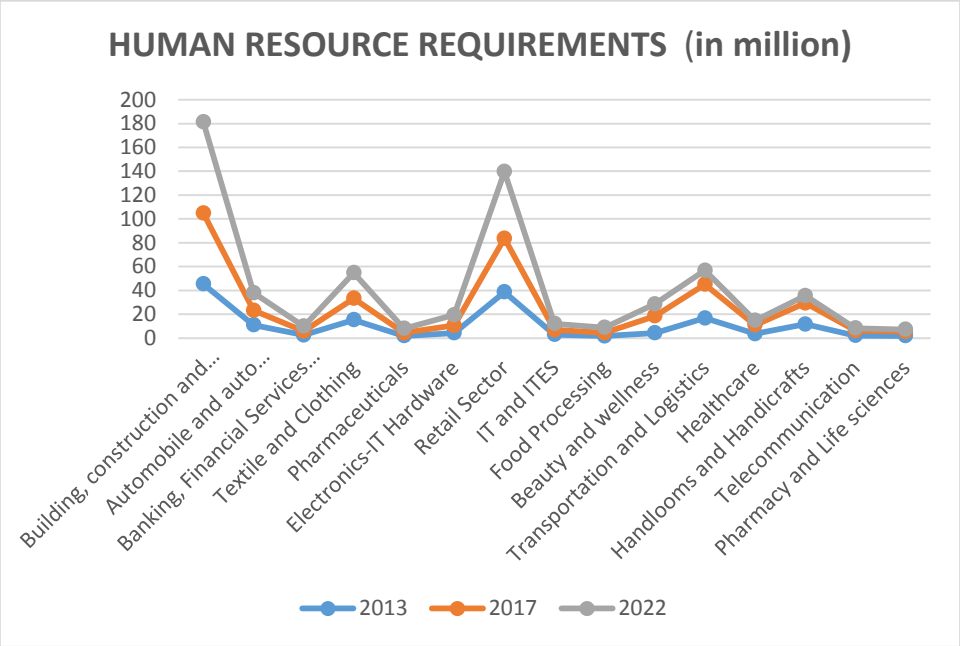
Analysis:

It clearly states that Average enrolment is highest in Tamilnadu and lowest in UP. It is only possible because of Govt. support, by opening more polytechnic institutions. Tamilnadu Govt. also focus more to attract the matric students to build a career in technical area. Odisha Govt. should focus more attention for the development of Polytechnic institutions.

INCREMENTAL HUMAN RESOURCE REQUIREMENTS SECTOR WISE BY 2022

Segment	Employment base in million		
	2013	2017	2022
Building, construction and real Estate	45.42	59.40	76.55
Automobile and auto component	10.98	12.18	14.88
Banking, Financial Services Insurance	2.55	3.20	4.21
Textile and Clothing	15.23	18.06	21.54
Pharmaceuticals	1.86	2.60	3.58
Electronics-IT Hardware	4.33	6.24	8.94
Retail Sector	38.6	45.11	55.95
IT and ITES	2.96	3.86	5.24
Food Processing	1.75	2.65	4.40
Beauty and wellness	4.21	14.27	10.06
Transportation and Logistics	16.74	28.4	11.66
Healthcare	3.59	7.39	3.8
Handlooms and Handicrafts	11.65	17.79	6.14
Telecommunication	2.08	4.16	2.08
Pharmacy and Life sciences	1.86	3.58	1.72

Source: Ministry of Skill Development and Entrepreneurship



Analysis

The above graph clearly indicate that in upcoming future, there is generation of a great employment opportunities. Basically in the area of real estate. Simultaneously there is low growth aspect on

Pharama Company as it is reduced in future years. There is high requirement in real estate means youth should focus more on the skill training related to construction of plant and building.

SCEMES IMPLEMENTED BY VARIOUS MINISTERIES

YEAR	TARGET(IN LAKH)	PERSON SKILLED (IN LAKH)	ACHIEVEMENT
2013-14	46.53	45.58	98%
2014-15	72.53	51.88	72%
2015-16	73.42	76.37	104%
2016-17	105.07	51.50	49%

Source: LokSabha Questions 2017

Case Study:*Kaushalya Vardhan Kendras* (KVK) in Gujarat

The concept of *Kaushalya Vardhan Kendras* in Gujarat was launched in 2010. The idea behind KVKs was to promote entrepreneurship and strengthen skill development especially among the youngsters and those in rural areas. The program has reached 13 lakh people since inception through a network of 400 KVKs established in 4 phases. About 60% of the trainees were women and 63% are from SC / ST / OBC backgrounds. KVKs adopt a decentralized, cluster based approach for skill development that is responsive to local cultures, traditional skills and industry needs. Courses are designed on the basis of the participatory approach of *Kaushalya Sabhas*based on the ***WISH*** concept:

W – Women Oriented Courses,

I -Industry Oriented Courses,

S -Soft Skill and Service Sector Related Courses,

H -Hard Core Traditional Courses.

The Courses also promote home-based employment and entrepreneurship. 455 courses were initially designed, with another 1980 life skill courses added later on.

Some of the successful elements of KVK included:

• Utilization of existing institutions and infrastructure – available Government buildings were identified and infrastructure upgraded.

• Awareness campaigns were launched to advertise the program through a host of meetings held at local schools and panchayats.

• The KVK staff also establishes key linkages with industries, companies and job providers in the proximity of KVK and helps the trainees acquire jobs.

• Apart from funding from the State Government, a nominal fee of **Rs. 50** is charged from the candidates and no fees taken for SC/ST/Women/Specially abled and BPL candidates.

• There is no upper age limit for candidates.

The scheme was conferred the Prime Minister's Award for Excellence in Public Administration for the year 2011-2012

WAYS OF FACILITATING SKILL DEVELOPMENT ACTIVITIES:

There have been methods to smooth the progress of skill development activities through the following,

1. Creating and enhancing the skill development infrastructure.

2. When construction of schools, institutions and other establishments take place, there should be adequate measures for skill development to take place such as usage of technology.

3. Current institutions, ITIs, acquire mechanisms and equipment required for vocational training of the individuals.

4. Establishment of skill development centers in rural and urban areas, especially where there were not any.

5. Finances have been major issues especially for the economically weaker sections of the society; hence some measures have to be formulated to finance their skill development programs.

6. There has to be involvement of private organizations, profit as well as non-profit in activities implemented by the CSR cell, CSR activities make skills a responsible activity and they are really useful.

7. Efforts have to be implemented to increase the number of skilled personnel within the country and on the basis of their skills they should be able to accomplish something for themselves and find employment not only in industries but in all kinds of sectors education, transport, manufacturing etc.

8. Differential wages should be offered for the skilled and certified workforce to encourage recognition of the skill development programs by the society so that more and more individuals join them.

CONCLUSION:

To make India internationally competitive and to boost its economic growth further, a skilled workforce is essential. As more and more India moves towards the Knowledge economy, it becomes increasingly important for it to focus on advancement of the skills and these skills have to be relevant to the emerging economic environment. For transforming its demographic dividend, an efficient skill development system is the need of the hour. Therefore to achieve its ambitious skilling target, it is imperative to have holistic solutions of the challenges instead of piecemeal interventions.

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