

Skill Development: No Mean Task

For the skilled workforce gap of 300 million in India, the recent budget allocations and schemes by the government have made the country hopeful.

Shweta Keshri



Akhilandeswari, a 31-year-old woman from Chennai in the southern Indian state of Tamil Nadu, expressing her gratitude says, "Thanks to National Skill Development Corporation (NSDC) and Provider Skill Academy that I earn INR 6000 (90 euros) a month and can take care of my family." While both her legs are afflicted by polio, Akhilandeswari's husband is speech and hearing impaired. Mother of one, Akhilandeswari says, "I registered at Provider Skill Academy that had put an advertisement in newspaper for a three month mobile servicing course. Now I repair mobile phones at my father-in-law's store." Provider Skill Academy that started in the year 2005, specialises in skilling the physically impaired for their secured future. NSDC, its knowledge partner since 2011, has been providing its guidance for effective training. Many such success stories can be attributed to NSDC, a corporation based on public-private-partnership model, created in 2009 with the ambitious target of providing skills to over 150 million people in the next seven years.

Dilip Chenoy, managing director and CEO, NSDC in a recent paper 'skilled to service' quoted, "Among the many challenges for skill development, a key one is about finding quality technical trainers to impart job-winning training to young-sters. The syllabus till now has always been text heavy than practical implementation. Hence finding teachers who can easily train on technical and practical skills is very difficult. In recognition of these challenges that can be turned into huge opportunities, the government of India, in collaboration with private players, has adopted skill development as national priority for the coming years. Certain bodies and agencies have been set up to carry out this task and NSDC is one of its kind."

The brewing pot

With only 14 per cent of the Indian workforce employed in the formal economy while the rest 86 per cent working in the unorganised sector, the government aims to train an ambitious 500 million people by 2022. With the

creation of the skill development and entrepreneurship ministry (MSDE) by the Modi government soon after taking the pledge in June 2014 and launch of the Skill India campaign, there remains no qualm over the seriousness of the centre towards this. One of the main aims of the new ministry is to ensure that India meets its target by integrating the government's efforts currently implemented by 21 ministries.

"There is a dual challenge of developing skills and utilising them in a proper way. Both skill development and employment are key concerns for those who are a part of the silent revolution. India has only 3-4 per cent skilled workforce in comparison to many other developing nations across the world. According to the Labour Bureau Report 2014, the number of people in India aged 15 years who have received or will be receiving skills is merely 6.8 percent," says Dilip Chenoy.

The launch of the programmes such as the Make in India, Smart Cities and Clean Ganga Campaign, have opened up demand for skilled workforce. The budget 2015-16 presented by finance minister Arun Jaitley also allocated resources for the programme.

"The budget of 2015-16 has clearly spelled out the government's seriousness in making India the skill capital of the world. An amount of about INR 84 billion has been allocated to the skill development initiatives in the country, which is 19 percent more than the budget allocated last year," says Chenoy.

Jaitley also announced two schemes that give way to students and youth to set up an enterprises. Under the Deen Dayal Upadhyay Grameen Kaushal Yojana, launched to enhance the employability of the rural youth in an effort to unlock India's demographic dividend, a sum of INR 15 billion has been allocated. The qualified students under this scheme would get the disbursement through digital voucher directly in their bank accounts. While an IT-based Student Financial Aid Authority will be set up to administer and monitor scholarships and loan schemes through the Pradhan Mantri Vidya Lakshmi Karyakram to help the

students to pursue higher education.

Additionally, the government would be launching National Skills Mission through the Skill Development and Entrepreneurship Ministry that will consolidate skill initiatives across several ministries for standardise procedures and out-comes across 31 Sector Skill Councils.

"This is one good move by the current Government that will first help coordinate and harmonise all skill development initiatives in the country in a more structured and streamlined manner," appreciates Chenoy.

Much awaited revised policy

Although the ball game is in the favour of skilling India, challenges such as mobilisation, right training partners, effective stakeholder management, mismatch between youth aspirations and jobs, labour laws and lack of training infrastructure pose threat to future.

Rajiv Pratap Rudy, minister of State (Independent Charge) for skill development and entrepreneurship addressed the shortcomings of the current National Policy on Skill Development. While delivering a lecture in Indian Institute of Technology (IIT), New Delhi, he said, "There was a National Skill Policy which was announced in 2009. The 2009 policy talked about training 500 million people. When I took over, I saw these numbers and I said Thank You. It is almost impossible to achieve."

The revised policy due anytime now proposes to streamline the challenges. According to the Associated Chambers of Commerce and Industry of India (AS-SOCHAM), the policy which is in line with the on-going efforts of Skill India would aid in to refurbish the 2009 policy. The skilled workforce in India, compared to countries like South Korea (96 per cent), Japan (80 per cent), Germany (75 per cent) and Britain (70 per cent), is estimated at only 2 per cent of the total workforce. Expected to bridge the existing skilled workforce gap of 300 million, the new policy aims to skill one in every four Indian by 2020.

Looking at the concerning gap, ASSOCHAM pointed the key issues to be settled to ensure successful



▲ One of the main aims of the new ministry is to ensure that India meets its target of skilling 500 million people



▲ Students coming out of vocational education and training under India-EU Skill Development Project have relevant, up to date and high quality skills that employers need

implementation of the renewed policy, i.e., streamlining the complex institutional structure spread across multiple sectors and schemes to ensure smooth implementation and effective monitoring; to overcome the lack of trained personnel, the chamber recommends immediate measures to strengthen the skill development and training infrastructure with support from the private sector; and for the mismatch in providing vocational training that does not focus on providing vocational training to casual workers (90 per cent of the labour force), it is imperative for the government to provide it in a more regularised manner to ensure better ratio of skilled to unskilled labour.

"MSDE has been working on revising the skill development policy for the past few months, in consultation with all stakeholders. They have been assessing the short-comings, constraints, issues involved and with reference to the modern time to match the challenges, which are perceived

to be there. They are also looking into the target first announced in the 2009 policy. I feel the revised policy will be more 'result oriented' and will show a clear direction to achieve our Prime Minister's vision of making India the 'Skills Capital' of the world," says Chenoy.

International Cooperation

Viewing India's invested energy in the field, many countries are showing interest in participating in this campaign. During the Indo-German conference on skill development, organised at the German Embassy in October 2014, German ambassador to India Michael Steiner said, "About 30,000 young Indians need a new job every day, while only two per cent of the work force is formally skilled. Skill development is a high priority for the Indo-German cooperation. Using principles and experience of Germany can be page-turner." German companies such as Indo-German Tool Room, Festo Didactic, Volkswagen

Academy and Siemens Technik Akademie (STA) have collaborated with India to provide their consultation and standardised training services to support the transformation process of the Indian training system.

"The Department of Economic Affairs, Ministry of Finance, India and the European Union, has also signed a MoU to implement an India – EU Skill Development Project in 2012. EU committed EUR 6.17 million for the same, to enhance capacity creation for the beneficiary institutions, enhancement of Labour Market Information System and the implementation of National Skills Qualification Framework at the national and state level in India," says Chenoy, describing EU's support in India's mission. Recently, under this project, a study visit to Germany and France was organised from November 12-20, 2014 as they are two of the widest economies in Europe. As the German framework is relatively newer than the French that is fully operational, the study showed a distinction between the before and after European Qualification Framework recommendation (EQF).

In 2012, The Australian Council for Private Education and Training (ACPET) had signed a Memorandum of Understanding (MoU) with NSDC to meet India's skilling needs across 21 industries. The MoU fostered partnerships between the Australian and Indian education and training providers, as well as exchanging information and perspective on education, training and skill development.

Other initiatives such as UK India Education and Research Initiative (UKREI), Michael Susan Dell Foundation (USA) and Europe India Foundation of Excellence (Belgium) support training across multiple sectors with a focus on the marginalised section. Apart from these funding bodies such as the Asian Development Bank, World Bank and Department of International Development (DFID) have provided their support to NSDA (National Skill Development Agency), NSDC and SSCs apart from the state governments. ■