

A Study on Various Challenges Involved In Implementation of Skill Development In India.

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ABSTRACT: Skill development is critical for economic growth and social development. The demographic transition of India makes it imperative to ensure employment opportunities for more than 12 million youths entering working age annually. It is estimated that during the seven-year period of 2005-2012, only 2.7 million net additional jobs were created in the country. To enable employment ready workforce in the future, the youth need to be equipped with necessary skills and education. The country presently faces a dual challenge of severe paucity of highly-trained, quality labour, as well as non-employability of large sections of the educated workforce that possess little or no job skills. The skill development issue in India is thus pertinent both at the demand and supply level. To meet the demand side challenge, consistent efforts are being made towards expansion of economic activities and creation of large employment opportunities. On the supply side, a simple look at the projected youth population provides a fair reason to believe that India has the strength to cater to this demand. However, the employability quotient is questionable and remains a major area of concern. Already huge gaps exist between the industry requirements and the level of skills of workers due to varied reasons including inadequate training infrastructures, inappropriate mix of skills and education, outdated curricula, limited industry interfaces, limited standards, etc.

INTRODUCTION:

The skill development ecosystem in India is skewed towards a formal education system with limited vocational training. While the vocational training is in a dismal state both qualitatively and quantitatively, the higher education system itself is grappling with issues related to scale and quality. Moreover, there is a disconnect between the formal education system and work requirements, compounding the challenges related to the skill gap. A concerted action is thus required on the supply side to ensure sustained employability of the Indian youth. Extensive efforts to skill the workforce are required, both in quantity and quality. Transforming the skill development

ecosystem and making it responsive to needs of both industry and citizens requires a scalable, efficient and comprehensive vocational training ecosystem to meet future requirements. There is a need to assess the traditional approach of skill development delivery in India in light of the successful models and best practices in other economies. The learning's can be imbibed and custom adopted to address the skill development challenges of India. This is one of the key objectives of the study presented. The skill development ecosystem in India is complex, large and diverse, providing varied levels of skills across an extremely heterogeneous population. Skill development in India can be broadly segmented into

Education and Vocational Training. The exhibit below presents the broad framework of Skill Development in India. Elementary,

ecosystem and making it responsive to needs of

secondary and higher education is governed by the Ministry of Human Resource Development. University and Higher Education caters to all college education (Arts, Science, Commerce, etc.), while engineering education, polytechnics, etc. fall under Technical Education. University Grants Commission (UGC) is the nodal body governing funds, grants and setting standards for teaching, examination and research in Universities, and the All India Council for Technical Education (AICTE) is the regulatory body for Technical Education in India. Skills in India are acquired through both formal and informal channels. Formal vocational training is imparted in both public and private sector. Some of the major channels of formal vocation training include the government-run Industrial Training Institutes (ITIs), privately operated Industrial Training Centers (ITCs), vocational schools, specialized institutes for technical training, and apprenticeship training by the industry. The private sector participation has been on a rise lately, but the sector continues to be dominated by the public sector. Informal training on the other hand refers to experiential skills acquired on the job. At the central level, the nodal institution for vocational training is the Director General of Employment & Training (DGET) under the Ministry of Labour and Employment. The DGET is responsible for formulating policies, establishing standards, granting affiliation, trade testing and certification, and matters connected to vocational training and providing employment services. The National Skill Development Council (NSDC) - now a part of the newly created Ministry of Skill Development and Entrepreneurship - was initially set up under the Ministry of Finance to provide viability gap funding and promote private skill initiatives.

REVIEW OF LITRATURE: This paper

discusses about the major theories grounding the research in education and training decision-making. It also reviews the evidence from research on TVET and education, in general, highlighting key indicators identified to influence TVET participation and returns. The chapter begins with a brief discussion on what is meant by 'technical and vocational education and training' for the purposes of this dissertation.

- **Grubb & Sweet, 2004; Karmel, 2011; Chappell 2003:** Vocational education and training goes by various names, such as career and technical education, technical education, vocational education/training, skill development, and technical and vocational education and training. Across advanced and developing economies, vocational education and/or training programs are offered at various types of institutions, including schools, colleges, public and private vocational institutions, on the job, and at informal settings like the home or community.
- **Becker, 1962 & Schultz, 1961:** Most theoretical models of investments in education and training have been conceptualized within an economic or sociological framework or a combination of the two. Economic models and the human capital model in particular.
- **Becker, 1993:** This suggests that, other things equal, the demand for education will be stronger when benefits are expected to accrue over a longer period, and when the discount rate is relatively low. The economic model also recognizes the role of individual ability and individual/family preferences in investment decisions.
- **Dika & Singh, 2002:** Researchers have used a variety of measures of social and cultural capital to study education and training decisions. For example, these have included, measures of family structure,

parent-child interactions, parents' involvement in schools, parents' expectations, parents' education, and intergenerational closure

- **Perna's (2006):** criticism of the sociological models is that, while they clarify how students and families gather information.

RESEARCH METHODOLOGY: The

quantitative as well as qualitative skill gaps can further widen going forward if there are no or limited efforts towards addressing the key supply related issues. As per the skill gap study conducted by the National Skill Development Cooperation over 2010 - 2014, there is an additional net requirement of 109.73 million skilled manpower by 2022 across twenty four key sectors. As India strengthens its base as a knowledge economy, there would be additional requirements to the highly skilled workforce in sectors like financial services, IT/ITeS, Bio-technology, Healthcare and Pharmaceuticals. Further, with value added industries being given a policy push under the 'Make in India' initiative, highly skilled workforce would also be required in high-end industries. The average age of India's population by 2020 is projected to be the lowest in the world— around 29 years compared to 37 years in China and the United States of America, 45 years in West Europe, and 48 years in Japan. While the global economy is expected to witness a shortage of young population of around 56 million by 2020, India will be the only country with a youth surplus of 47 million. India's demographic transition makes it imperative to ensure employment opportunities for millions of youth each year. Alongside employment, skill development is equally important as over the years jobs have become more skill-intensive with changes in technology as well as increased inter-

linkages across economic activities. The skill development issue in India is pertinent both at the demand and

supply level. Generating employment is definitely a challenge given the enormity of population entering workforce each year. From the supply side, the issue is primarily related to employability of the workforce due to varying reasons ranging from poor education, lack of training facilities, inadequate skilling, quality issues leading to mismatch of skill requirements, and poor perception of vocational skilling vis-à-vis formal education. These have inadvertently created skill shortages and also contributed to higher unemployment. Hence, both employment and employability are key factors of concern today. The government has listed skill development as one of its priorities and aims to enhance participation of youth, seek greater inclusion of women, disabled and other disadvantaged sections into the workforce, and improve the capability of the present system, making it flexible to adapt to technological changes and demands emanating from the labour market. Currently, skill development efforts in India are spread across approximately 20 separate ministries, 35 State Governments and Union Territories and the private sector. A Ministry of Skills Development, Entrepreneurship, Youth and Sports was created when the Modi government took charge in mid- 2014. The Ministry has been entrusted with the coordination of all stakeholders during the evolution of an appropriate skills development framework, removal of disconnect between demand and supply of skilled manpower, skills up gradation, building new skills, innovative thinking and assuring availability of talents. The policy framework governing the skill development ecosystem in India includes the Apprentices Act, 1961, the National Skill Policy and the National Skills Qualification Framework

(NSQF).

VARIOUS POLICES BY GOVT TO DEVLOP SKILL DEVELOPMENT IN INDIA

- **The Apprenticeship Act of 1961:** Apprenticeship programmes in India are governed by The Apprentice Act of 1961 and the Apprenticeship Rules of 1992. The organizational structure and rules and regulations overseeing it are complex and burdensome. The Apprentice Training Scheme is implemented by the ministries of Labour and Employment and Human Resource Development. The Ministry of Labour and Employment oversees ‘trade apprentices’ through six regional offices. The Ministry of Human Resource Development oversees ‘graduate, technician, and technician (vocational) apprentices’ through four boards located in different cities.
- **The National Skill Policy:** The National Policy on Skill Development was first formulated in 2009 to create a skills ecosystem in India. It acts as a guide to formulate strategies by addressing the different challenges in skill development. The objective is to empower the workforce with the required skills, knowledge and qualifications to make the Indian workforce globally competitive
- **The National Skills Qualification Framework:** The National Skills Qualifications Framework (NSQF), notified on 27th December 2013, is a competency-based framework that organizes all qualifications according to a series of levels of knowledge, skills and aptitude. Presently, more than 100 countries have, or are in the process of developing national qualification frameworks.

NODAL CENTERS FOR SKILL DEVELOPMENT IN

INDIA:

- **Ministry of Skill Development and Entrepreneurship:** The creation of the first-ever Separate Ministry of Skill Development and Entrepreneurship was announced by Prime Minister Narendra Modi in June 2014. It is conceived to encompass all other ministries to work in a unified way, set common standards, as well as coordinate and streamline the functioning of different organizations working for skill development.
- **MHRD:** The Ministry of Human Resource and Development (MHRD) governs the polytechnic institutions offering diploma level courses under various disciplines such as engineering and technology, pharmacy, architecture, applied arts and crafts and hotel management. MHRD is also involved in the scheme of Apprenticeship Training. Apart from this, MHRD has also introduced vocational education from class IX onwards, and provides financial assistance for engaging with industry/SSCs for assessment, certification and training.
- **Central Ministries:** There are 21 Ministries under the central government who are also working for the purpose of skill development. There are two approaches that these Ministries have: one approach is setting up training centers of their own for specific sectors like (adopted by Ministry of Labour & Employment, Ministry of Agriculture, Ministry of Health & Family Welfare, etc.). The second approach is in the form of Public Private Partnership (as adopted by Ministry of Rural Development, Ministry of Women and Child Development, etc.).

SKILL DEVELOPMENT CHALLENGES IN INDIA

Alongside the daunting challenge of skilling

millions of youth entering workforce each month, India also faces a huge challenge of evolving a skill development system that can equip the workforce adequately to meet the requirements of the industry. The workforce needs to be trained across four levels, from the high end specialized skills for 'White Collar' jobs to the low-level skills of the 'Rust Collar' jobs. Moreover, these skills have to be adequately linked to the available job opportunities. Several factors have inhibited the skill development eco-system in India to scale up to the desired levels. The skill development system in India is plagued with multiple issues related to awareness, perception, cost, quality and scale.

- **Inadequate scale, limited capacity:** The existing infrastructure, both physical and human, is grossly inadequate considering the projected demand for skilled labour. While there is a need to create additional capacity in existing institutes, at the same time there is a need to create an adequate infrastructure even in small towns and villages. In terms of faculty, too, the training infrastructure is inadequate. For instance, corresponding to the current seating capacity of about 1.7 million trainees at ITIs, there is a need of almost 85,000 trainers (considering 20:1 student/faculty ratio). As against this, the seating capacity for various trainers' programme of DGET is just 4,438, which is far from adequate to meet the requirement.
- **Awareness, mindset and perception issues:** Skill development in India is way below the requirements due to a lack of awareness on the type of courses as well as information on the ensuing career prospects. More importantly, there is limited acceptance of skill development courses as a viable alternative to formal education. Skilling is often viewed as the last resort meant for those who have not been able to progress in the formal academic system. This is partly to do with the lack of integration between the two options and also due to rising aspirations for white collar jobs which necessitate higher qualifications. Moreover, skill development is often associated with blue collar jobs, which is largely perceived to be of low dignity and provides low wages/salaries. The perceived 'stigma' associated with skill development has resulted in low enrolments in vocational education courses. The aspirational mismatch that exists in India can be gauged from the example of the construction sector, which has a huge requirement of workforce with low level skills. For instance, the construction sector in Punjab faces a shortage of workers locally, and depends on the migrant workforce from Uttar Pradesh, Bihar and Jharkhand.
- **Cost concerns:** Skill development initiatives in India continue to be largely dependent upon the government funds or public-private ventures. Owing to high capital requirements and low return on investments, skill development is often looked at as a non-scalable model and remains underinvested. Additionally, a fee-based model also faces challenges as prospective students are often unwilling or unable to pay high fees for training. Even the bank's willingness to lend for skill development activities is low as educational loans are perceived as high risk products

due to uncertainty with respect to future employment.

- **Quality concerns:** There is a serious mismatch between the industry's requirements and the skills imparted in educational and training institutes, especially for the mid-level skills requiring some expertise on handling of machinery. To tackle this problem, considerable improvement of the quality of training is needed. The issue relates to the quality of infrastructure, trainers, as well as curricula and pedagogy. In terms of infrastructure, the institutes often lack appropriate machinery to give students hands-on training. Even the course curricula often are outdated, redundant and non-standardized. Additionally, the lack of industry-faculty interaction on course curricula leads to irrelevant training modules. The availability of good quality trainers is also a key concern. The quality of trainers is affected due to limited efforts towards re-training and skill improvement of trainers. There is a lack of focus on development of trainers with a clear career path which can make this an aspirational career choice and can ensure regular adequate supply of good-quality trainers in every sector. While there is a need to constantly upgrade the training infrastructure and pedagogy, it is very expensive. This restricts the pace of modernization and up gradation. Likewise, the process of standardization is challenging in India. A significant portion of total employment falls under the unorganized segment, where it is extremely difficult to sensitize the employers on the importance of occupational standards, job roles and qualification packs.
- **Mobility concerns:** In India, educational qualification is generally preferred over vocational training as former is associated with better employment opportunities, in terms of

pay as well as quality of work. Additionally, there is limited mobility between formal education and vocational training in India due to lack of equivalent recognition for the latter; a student enrolled in vocational training often cannot migrate to institutes of higher education due to eligibility restrictions. However, under the on-going National Skills Qualification Framework (NSQF), attempts are being made to address the mobility issue by recognition of prior learning and establishing a credit system for skills, knowledge and experience gained by an individual either formally or informally. NSQF is expected to enable multiple-entry and exit between vocational education, skills training, general education, technical education and job markets.

CONCLUSION & FINDINGS: The Indian

Government has laid a special focus on expanding and improving the skill education and training in the country. The New Policy on Skill Development and Entrepreneurship contains several initiatives which, if implemented earnestly, will go a long way in minimizing the demand-supply gap and challenges related to skill mismatch with industry requirements. With increased thrust on manufacturing under the 'Make in India' programme, the need for revisiting and improving India's skill development mechanism becomes all the more critical. It has been globally recognized that an efficient vocational education and training plays a critical role in the industrial development and manufacturing success, as in the case of economies like Germany and China. The study of skill development models of three countries done in this report highlights some best practices that can be utilized in India's skill development eco- system. Integration of skill development with formal education system, mobilization of students for skill development by removing misapprehensions and

perceptions about vocational trades, investing in creation of new training capacities for students as well as teachers, utilization of idle public infrastructure to provide skill training in remote corners of the country, encouraging industry to actively participate in training through provision of apprenticeship as well as through direct involvement in curriculum design and teachers training, adopting innovative skill development delivery mechanisms are the much-needed steps to meet the skill related challenges today. There is a scope of international collaboration and assistance in India's skill development initiatives at almost all levels, including for creating awareness and capacities, setting standards, improving quality, as well as providing placement opportunities

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