

## SKILL DEVELOPMENT



... “YuVa Bharat”- ham chale to Hindustan chale!

### *“Brief overview of Skill Development Sector Initiatives in India”*

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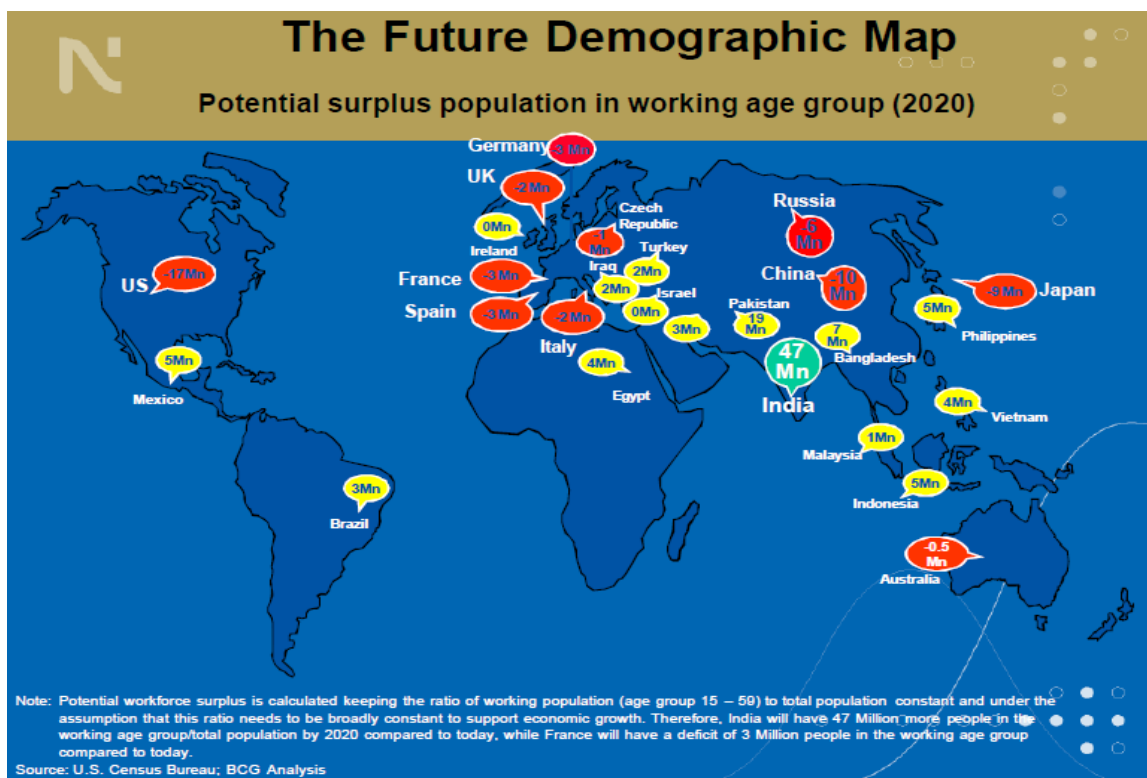
## PREFACE

### Skills Requirement in India

Yuva Bharat! India- world's youngest Nation!

India's population is huge at 1.21 billion. It is fast expanding at a rate of 17% and integrating rapidly into the global economy. India is among the 'young' countries in the world, with the proportion of the work force in the age group of 15-59 years, increasing steadily. However, presently only 2% of the total workforce in India have undergone skills training. India has a great opportunity to meet the future demands of the world, India can become the worldwide sourcing hub for skilled workforce.

- In the era of fast changing world, youth as human capital has the ability to modify itself and other inputs.
- **In 2020, an average Indian is expected to be only 29 years old, as against 37 years in China and the US, 45 years in West Europe and 48 years in Japan.**
- While developed world is observing the higher rate of ageing, India will have 47 Million more people in the working age group population by 2020.
- In order to reap the benefits of this "demographic dividend" it is necessary that the knowledge and skill levels of our young population need to be at international standard.



## **INTRODUCTION**

### **INDIA @ 75- Mission 2022 on Education and Skills**

#### **Vision**

- India has world's largest pool of manpower
- India has 200 million college graduates
- India has a workforce of 500 million certified and skilled technicians
- Implicit in this future is universal literacy. This must happen for the vision to succeed

#### **Voices of India -**

- 100% education: affordable, accessible, accountable
- 100% enrollment for all students in age group between 6 to 14 years
- 0% dropout till class 10
- Inclusive and learner-friendly atmosphere in all schools
- Education to inculcate moral awareness
- Vocational Colleges based on local requirements facilitating employment and entrepreneurship
- Specialization from class 10th for job oriented education
- National/uniform career counseling at standard 7-8 level
- Institute of international repute focusing on research
- Increase of faculty size and graduate programs by 100%

### **SKILL DEVELOPMENT & HUMAN CAPITAL:**

India has an abundance of skilled engineers and technical experts. The U.S. and Singapore are the only countries that outrank India in the availability of skilled-workforce. In addition, India's employable skilled workforce is predicted to grow for the next 20 years, and China's skilled workforce will begin to decline in 2010. In 2003, India also had the lowest hourly labor costs among its major competitors at US\$0.74. India's competitors followed at the following rates: China US\$0.90, Thailand US\$1.20 and Mexico US\$1.68 (IBEF 2006). India has a well-developed technical and tertiary education infrastructure that produces over 500 PhDs, 200,000 engineers, 300,000 non-engineering postgraduates and 2,100,000 other graduates each year (IBEF 2006). Eight percent of the Indian population between the ages of 25 and 34 receives tertiary education compared to only 5% of the Chinese population in that same age cohort. High levels of education not only lead to engineering and technical capability, but also strong managerial capability. This potential of Indian workforce if utilised can make India grow with leaps and bounds. Hence proper skill development to tap this potential is the need of the hour.

## NATIONAL SKILL DEVELOPMENT POLICY: India 2009.

National Skill Development Policy in India was first formulated in 2009, wherein, the Government of India has set a **target of skilling 500 million people by 2022**. Ministry of Labour & Employment has formulated this Policy in 2009.

To be able to deliver this target, a structured approach involving all stakeholders is imperative. The objective of this policy is to empower all individuals through improved skills, knowledge, nationally and internationally recognized qualifications to gain access to decent employment and ensure India's competitiveness in the global market.

### MISSION:

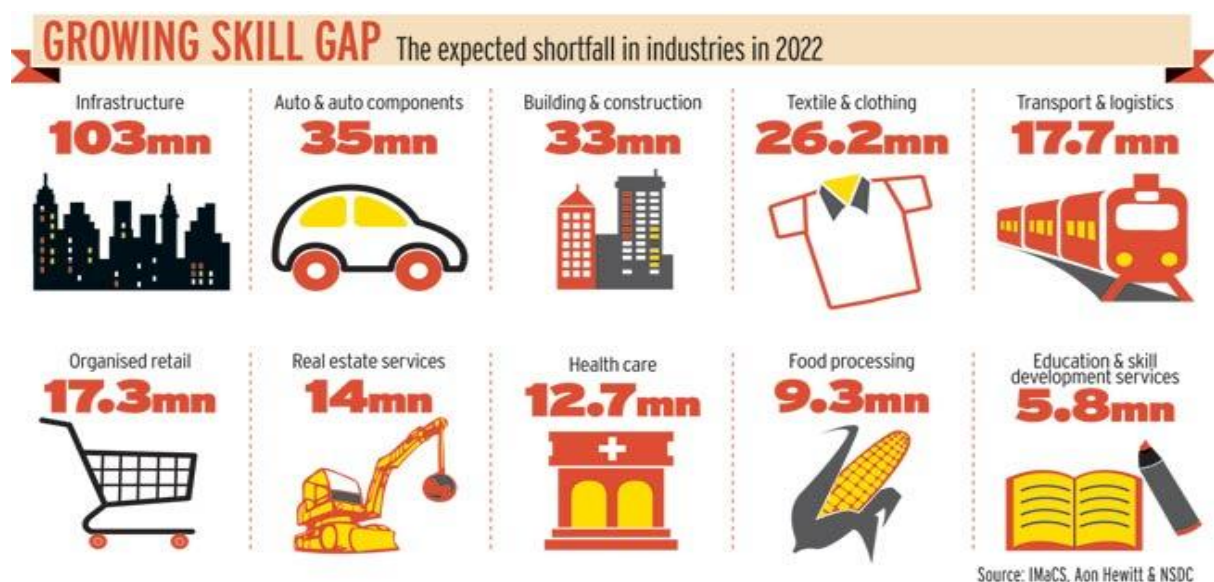
The policy envisions the establishment of a National Skill Development Initiative with the following mission:

National Skill Development Initiative will empower all individuals through improved skills, knowledge, nationally and internationally recognized qualifications to gain access to decent employment and ensure India's competitiveness in the global market

### Objectives of National Policy on Skill Development:

The objectives of the national policy on skill development are to:

- Create opportunities for all to acquire skills throughout life, and especially for youth, women and disadvantaged groups.
- Promote commitment by all stakeholders to own skill development initiatives.
- Develop a high- quality skilled workforce/entrepreneur relevant to current and emerging employment market needs.
- Enable the establishment of flexible delivery mechanisms that respond to the characteristics of a wide range of needs of stakeholders



## **SKILL DEVELOPMENT SCENARIO IN INDIA**

India is one of the few countries in the world where the working age population will be far in excess of those dependent on them and, as per the World Bank, this will continue for at least three decades till 2040. This has increasingly been recognized as a potential source of significant strength for the national economy, provided we are able to equip and continuously upgrade the skills of the population in the working age group.

In recognition of this need, the Government of India has adopted skill development as a national priority over the next 10 years. The Eleventh Five Year Plan detailed a road-map for skill development in India, and favoured the formation of Skill Development Missions, both at the State and National levels. To create such an institutional base for skill development in India at the national level, a “Coordinated Action on Skill Development” with three-tier institutional structure consisting of the **PM’s National Council on Skill Development, the National Skill Development Coordination Board (NSDCB)** and the **National Skill Development Corporation (NSDC)** was created in early 2008.

The main functions of the PM’s National Council on Skill Development are as under:

- To lay down overall broad policy objectives, financing and governance models and strategies relating to skill development.
- To review the progress of schemes, and guide on mid-course corrections, additions and closure of parts or whole of any particular programme/scheme.
- Coordinate Public Sector / Private Sector Initiatives in a framework of collaborative action.

The NSDCB coordinates the skill development efforts of a large number of Central Ministries/Departments and States. The National Skill Development Corporation (NSDC) is a Public Private Partnership, set up to catalyze the setting-up of large scale, for-profit sustainable vocational institutions in the country, by encouraging private sector participation and providing low-cost funding for training capacity. In addition, it is expected to fund supporting systems such as quality assurance, labor market information systems and train-the-trainer facilities. Thus, the three-tier structure together facilitates implementation of skill development on the ground through three main channels - Central Ministries, the state governments and private and public training organisations.

In the Central Government, around 20 Ministries are closely involved in skill development (enlisted in the next page). These ministries mainly operate in one of two ways - through setting up own training capacity in specific sectors (examples of such ministries include Ministry of Labor and Employment, Ministry of Agriculture, Ministry of Health and Family Welfare etc) or through providing per-trainee costs of training for specific target populations (examples of such ministries include Ministry of Rural Development, Ministry of Women and Child Development etc).

Most State Governments also have set up State Skill Development Missions as nodal bodies to anchor the skill development agenda in the State. SSDMs are expected to play a significant role in escalating the pace of skilling, through identification of key sectors for skill development in the State, as well as coordinating with Central Ministries and State Line Departments, as well as industry and private training organizations. Each State has adopted a

structure of SSDM that best suits the local environment and the State vision for skill development. While some States have elected to form the SSDM as a Society or Corporation under the Chief Secretary or Chief Minister, others have housed it under relevant Departments such as Labour, Human Resource Development or Planning. Many states are starting to set year-wise targets for skill development, specifying the state budgetary allocation, and complementing Government efforts by encouraging private investment.

## **CATEGORIZATION OF CENTRAL MINISTRIES & DEPARTMENTS**

List and categorization of Central Ministries and Departments currently involved in skill development:

### **1. Ministries with training capacity**

Ministry of Agriculture  
Ministry of Communication and IT  
Ministry of Health and Family Welfare  
Ministry of Human Resource Development  
Ministry of Labor and Employment  
Ministry of Micro, Small and Medium Enterprises  
Ministry of Railways  
Ministry of Road Transport and Highways  
Ministry of Textiles  
Ministry of Tourism

### **2. Ministries which fund Skill Development through external training capacity**

Ministry of Commerce and Industry  
Ministry of DoNER  
Ministry of Minority Affairs  
Ministry of Rural Development  
Ministry of Food Processing Industries  
Ministry of Social Justice and Empowerment  
Ministry of Tribal Affairs  
Ministry of Housing and Urban Poverty Alleviation  
Ministry of Woman and Child Development  
Ministry of Youth Affairs and Sports

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## **INITIATIVES**



The skill level and educational attainment of the workforce determines the productivity as well as the ability to adapt to the changing industrial environment. A majority of Indian workforce does not possess marketable skills which is an impediment in getting decent employment and improving their economic condition. **While India has large young population, only 5% of the Indian labour force in the age group of 20-24 years has obtained vocational skills through formal means** whereas the percentage in industrialized countries varies between 60% and 96%. **About 63% of the school students drop out at different stages before reaching Class-X. Only about 2.5 million vocational training seats are available in the country whereas about 12.8 million persons enter the labour market every year.** Even out of these training places, very few are available for early school dropouts. This signifies that a large number of school drop outs do not have access to skill development for improving their employability. The educational entry requirements and long duration of courses of the formal training system are some of the impediments for a person of low educational attainment to acquire skills for his livelihood. Further, **the largest share of new jobs in India is likely to come from the unorganized sector that employs up to 93 per cent of the national workforce, but most of the training programmes cater to the needs of the organized sector.**

Hence, **Minister of Finance India** during the budget speech 2005-06 made the following announcement:

*“To meet the demand for specific skills of a high order, a Public Private Partnership between Government and Industry is proposed to promote skills development programme under the name ‘Skill Development Initiative’....”.*



## **1. Ministry of Labour & Employment Schemes:**

The Director General of Employment & Training (DGE&T) under the Ministry of Labour and Employment is responsible for :

- Developing and implementing National Vocational Training System (NVTS) which includes programmes of training for Craftsmen, Apprentices and Instructor Trainees.
  - Organising training at advanced levels of skills for Industrial Workers, Supervisors, Foremen, as also training in Hi-Tech areas.
  - Laying down policies and standards of training, preparing training curricula, conducting trade tests and awarding of certificates.
- a. APPRENTICESHIP TRAINING SCHEME : AN OVERVIEW.
- Development of human resource is crucial for the industrial development of any nation.
  - Up-gradation of skills is an important component of Human Resource Development
  - Training imparted in Institutions alone is not sufficient for acquisition of skills and needs to be supplemented by training in the actual work place.

### **b. CRAFTSMEN TRAINING**

The Directorate General of Employment & Training (DGE&T) in the Ministry of Labour, Government of India initiated Craftsmen Training Scheme (CTS) in 1950 by establishing about 50 Industrial Training Institutes (ITIs) for imparting skills in various vocational trades to meet the skilled manpower requirements for technology and industrial growth of the country.

The second major phase of increase in ITIs came with the oil-boom in West-Asia and export of skilled manpower to that region from India. Several new private ITIs were established in 1980's in southern states mostly in Kerala, Karnataka and Andhra Pradesh, etc. from where trained craftsmen found placement mainly in Gulf countries. In 1980, there were 830 ITIs and the number rose to 1900 ITIs in 1987. During 1990's, the growth of ITIs had been steep and presently there are over 4971 ITIs (1869 in Govt. & 3102 in Private Sector) having a total seating capacity of 7.18 lakhs.

Under the constitution of India, Vocational training is the concurrent subject of both Central and State Governments. The development of training schemes at National level, evolution of policy, laying of training standards, norms, conducting of examinations, certification, etc. are the responsibilities of the Central Government, whereas the implementation of the training schemes largely rests with the State Govts./UT Administrators. The Central Govt. is advised by the National Council of Vocational Training (NCVT), a tripartite body having representatives from employers, workers and Central/State Governments. Similar Councils known as State Councils for Vocational Training are constituted for the same purpose by the respective State Governments at state levels.

### **c. National Council for Vocational Training**

**OBJECTIVE:**

The Council shall functions as a central agency to advise the Government of India in framing the training policy and co-ordinating vocational training throughout India.

**FUNCTIONS :**

The functions of the council shall be to

1. Establish and award National Trade Certificates in engineering, building, textile and leather trades and such other trades as may be brought within its scope by the Government of India;
2. Prescribe standards in respect of syllabi, equipment, and scale of accommodation, duration of courses and methods of training;
3. Arrange trade tests in various trade courses and lay down standards of proficiency required for a pass in the examination leading to the award of National Trade Certificate;
4. Arrange for ad-hoc or periodical inspections of training institutions in the country to ensure that the standards prescribed by the council are being followed;
5. recognise training institutions run by government or by private agencies for purposes of the grant of National Trade Certificates and lay down conditions for such recognition;
6. co-opt, if necessary, any person or persons to advise the council in connection with its work;
7. prescribe qualification for the technical staff of training institutions;
8. prescribe the standards and conditions of eligibility for the award of National Trade Certificates;
9. generally control the conditions for the award of National Trade Certificates;
10. recommend the provision of additional training facilities wherever necessary and render such assistance in the setting up of additional training institutions or in the organisation of additional training programmes as may be possible;
11. advice the Central government regarding distribution to State governments of the contribution of the Government of India towards expenditure on the Craftsmen Training Scheme;
12. perform such other function as may be entrusted to it by the Government of India;
13. Perform such functions as are assigned by or under the Apprentices Act, 1961.

**TRAINING AREAS:-**

- Electronics Mechanic;
- Instrument Mechanic;
- Computer Operator & Programming Assistant;
- Architectural Draughtsmanship;
- Desk Top Publishing;
- Dress Making;
- Embroidery and needle work;
- Secretarial Practice(English);
- Hair & Skin Care;
- Fruit & Vegetables Preservation;
- Catering & Hospitality;
- Interior Decoration & Designing;
- Stenography (Hindi) etc.
- **Training Methodology/ Principles of Teaching (Pedagogy),**
- **Entrepreneurship Development and Business Services** (This course is not under NCVT; Certificate would be issued at institute level)

**d. Women Training :**

Under the Women's Vocational Training programmes, institutionalized skill training is being offered to women in Craftsmen Training Scheme(CTS) and Craft Instructors Training Scheme(CITS).

The Women Target Group (for Regular Training) are :-

- for Craftsmen Training Scheme:- Minimum age: 14 years; Upper age: No Bar;
- Minimum Qual.: Pass in 10th/12th class under 10+2 system, depending on the training area opted;
- for Craft Instructors Training Scheme:- women having National Trade Certificate (NCVT) in relevant trade (Upper age: No Bar);
- Short-term need-based courses conducted as per demand.

**Vocational Training Programme for women - Central Sector:-**

Institution Network:- The Women's Vocational Training Programme at Directorate General of Employment & Training, Ministry of Labour & Employment is implemented through a network of 11 Institutes - one National Vocational Training Institute For Women & ten Regional Vocational Training Institutes For Women (RVTIs) .

**Vocational Training Programme for women - State Sector:-**

Under the State Sector, the vocational training is organised through a network of Women ITI/private women ITIs/Women Wings in General ITIs, which are directly under the administrative control of the respective State Governments.

**e. HITECH TRAINING SCHEME**

Hitech Training Scheme is one of the schemes of the erstwhile World Bank assisted Vocational Training Project. The scheme is now being continued for implementation with Government of India funding. Following institutes are conducting courses under the Hitech Scheme :

**Central institutes (ATIs / ATI-EPI and Apex Hitech Institute at Bangalore).**

The objective of the Hitech scheme is to produce trained personnel with the range of skills necessary to meet the requirements of industry, commerce and domestic consumers in the application of electronics, computer and the modern production system.

Short-term Courses of 2-3 weeks duration in the following Hitech areas are envisaged / being implemented in the ATIs / ATI-EPI for the industries / Public Sector Undertakings / Government organizations / Trainers from the institutes/industries etc

**(STATE- 10 ITIs)**

**f. Modular Employable Skills (MES) under Skill Development Initiative Scheme (SDIS)**

Accordingly, Ministry of Labour & Employment undertook development of a new strategic framework for skill development for early school leavers and existing workers, especially in the un-organised sector in close consultation with industry, micro enterprises in the un-organised sector, State Governments, experts and academia which were essential considering their educational, social and economic background. The main objective of the scheme is to provide employable skills to school leavers, existing workers, ITI graduates, etc. Existing skills of the persons can also be tested and certified under this scheme. Priority will be given to covering those above the age of 14 years who have been or withdrawn as child labour to enable them to learn employable skills in order to get gainful employment.

Let us understand the scheme in detail :

**OBJECTIVE :**

The objective of the scheme are:

- to provide vocational training to school leavers, existing workers, ITI graduates, etc. to improve their employability by optimally utilizing the infrastructure available in Govt., private institutions and the Industry. Existing skills of the persons can also be tested and certified under this scheme.
- to build capacity in the area of development of competency standards, course curricula, learning material and assessment standards in the country.

**KEY FEATURES OF THE SCHEME**

1. Demand driven short term training courses based on Modular Employable Skills (MES) decided in consultation with Industry. MES is the ‘minimum skills set’ which is sufficient for gainful employment.
2. Central government will facilitate and promote training while industry, private sector and State Governments will train the persons.
3. Optimum utilisation of existing infrastructure to make training cost effective.
4. Flexible delivery mechanism (part time, weekends, full time, onsite/ offsite) to suit needs of various target groups.
5. Different levels of programmes (Foundation level as well as skill upgradation) to

meet demands of various target groups.

6. The services of existing or retired faculty or guest faculty to be utilized.
7. Courses would also be available for persons having completed 5<sup>th</sup> standard.
8. Testing & certification of skills acquired informally.
9. Testing of skills of trainees by independent assessing bodies, which would not be involved in training delivery, to ensure that it is done impartially.
10. The essence of the scheme is in the certification that will be nationally and internationally recognized.

### PUBLIC PRIVATE PARTNERSHIP (PPP)

Public Private Partnership (PPP) envisaged in the form of active participation of the industry / Private Sector in every stage of design and implementation of the scheme. Industry bodies are represented in the Central Apex Committee and State Committees which would have overall responsibility of implementation of the scheme. Other areas of partnership are:

- Forecasting of emerging areas of employment at micro level.
- Development of course curricula of various trades.
- Development of instructional material for training.
- Assist in the training of trainers, wherever required.
- Making available their training & testing facilities, wherever required.
- Provide on the job training in their establishments.
- Development of assessment standards.
- Monitoring and Quality assurance.
- Assistance in placement of graduates.
- Provide trade experts to work as assessors of competencies.
- Voluntary donation of equipment to the ITIs/other training institutions.
- Providing guest faculty in new trades.

TARGET GROUP : MES would benefit different target groups like :

- Workers seeking certification of their skills acquired informally
- workers and ITI graduates seeking skill upgradation
- early school drop-outs and unemployed
- Previously child labour and their families



PROJECT OUTPUT :

One million persons would be trained or their existing skills tested and certified, over a period of five years. About 200 modules for employable skills as per Industry and labour market demands would be identified and course curriculum developed.

AGE OF PARTICIPANTS : The minimum age limit for persons to take part in the scheme is 14 years but there is no upper age limit.

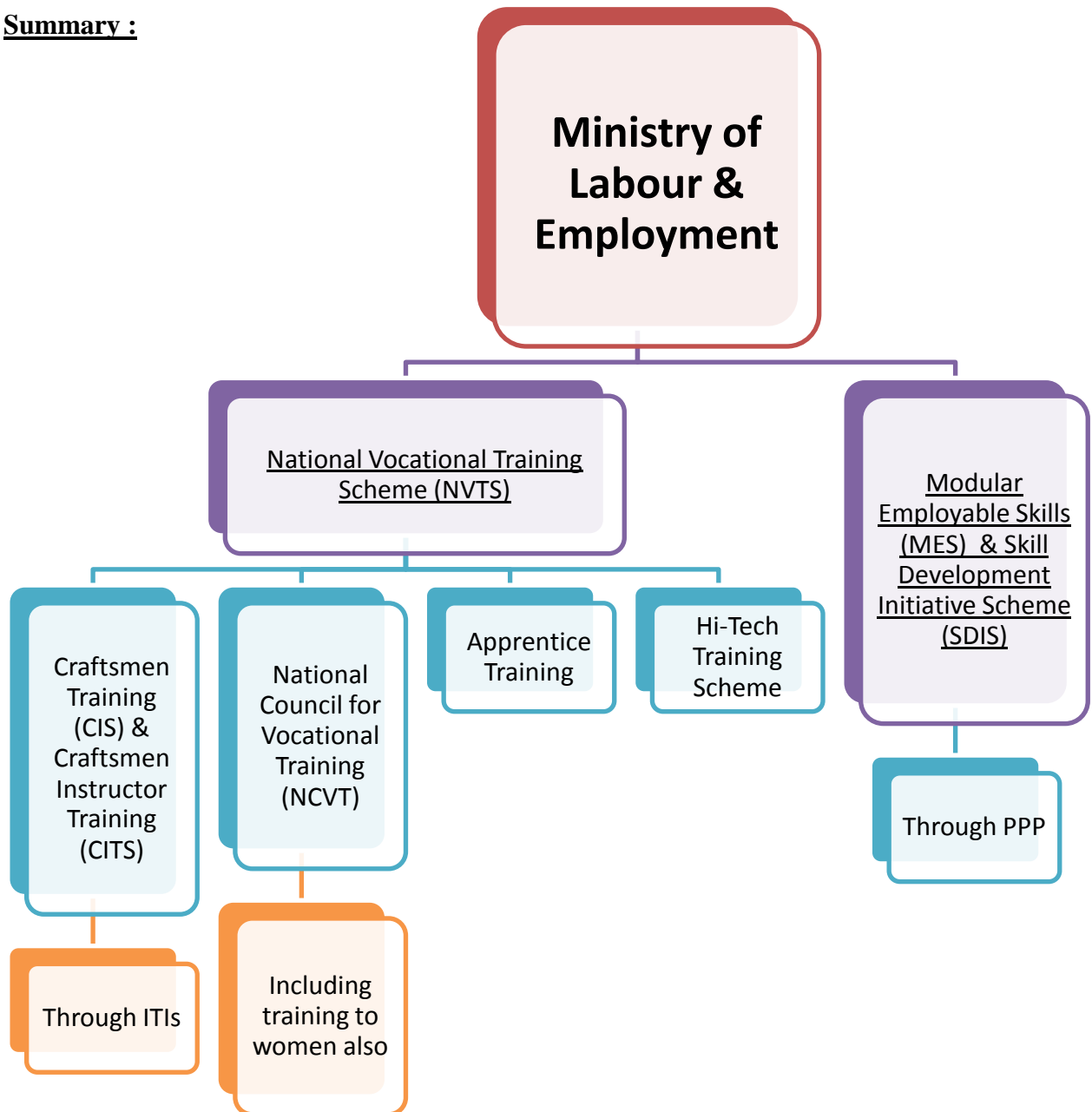
CURRICULUM DEVELOPMENT PROCESS

- Identification of Employable Skills set in a sector based on *division of work* in the labour market in consultation with Industry
- Development of training modules corresponding to skills set identified
- Organising Modules in to Course Matrix indicating vertical and horizontal mobility
- Development of detailed curriculum
- Vetting by a trade committee comprising representatives of Industry, training providers & trade experts
- Inviting comments from Employers/ Employees Organisations, State Govts. etc.
- Approval by the NCVT

INSTRUCTIONAL MEDIA PACKAGES :

In order to maintain quality of training uniformly all over the country, instructional media packages (IMPs) will be developed by the National Instructional Media Institute (NIMI), Chennai.

Summary :



## 2. Ministry Of Rural Development Schemes:

- a. Training for Watershed Development
- b. Provision for SIRDs (State Institutes of Rural Development) & ETCs (Extension Training Institutes)
- c. Rural Self Employment Training Institutes (RSETIs) : 2009; under SGSY.

**The Government of India is already implementing the Swarnjayanti Gram Swarojgar Yojana (SGSY) aimed at providing sustainable income to rural BPL families, largely through the process of formation of Self Help Groups that are provided with credit linkage with Banks and subsidy for creation of income generating assets so as to bring them above the poverty line. However, due to lack of necessary skills for undertaking particular enterprises and also their lack of capacity to access the formal vocational training institutions due to lack of basic entry qualifications, it is difficult for the BPL youth to take up any trade for self employment. RSETIs core offering includes its free, unique and intensive short-term residential self-employment training programmes with free food and accommodation, designed specifically for rural youth.**

There shall be a Governing Council at the apex level to lay down the goals, general policies and set directions to the RSETIs. **The goal would be to set up RSETIs in all districts where the concerned Bank is the lead bank.**

### PROGRAMME STRUCTURE:

Each RSETI should offer 30 to 40 Skill Development Programmes in a financial year in various avenues. All the programmes should be of short duration ranging preferably from 1 to 6 weeks. While there is no necessity to list the entire range of trades in which the programmes could be organized, a general classification of the types of programmes is attempted below:

- **Agricultural Programmes:** - Agriculture and allied activities like Dairy, Poultry, Apiculture, Horticulture, Sericulture, Mushroom cultivation, floriculture, fisheries, etc.
- **Product Programmes:** - Dress designing for men and women, Rexine utility Articles, Agarbathi manufacturing, Foot ball making, Bags, Bakery Products, Leaf Cup making, recycled paper manufacturing, etc.
- **Process Programmes:** - Two Wheeler repairs, Radio / TV repairs, Motor rewinding, electrical transformer repairs, irrigation pump-set repairs, tractor and power tiller repairs, cell phone repairs, Beautician Course, Photography & Videography, Screen Printing, Photo Lamination, Domestic Electrical appliances repair, Computer Hardware and DTP.
- **General Programmes:** - skill development programmes for women etc.
- **Other Programmes** - related to sectors like leather, construction, hospitality and any other sector depending on local requirements.



**Summary :**

# Ministry of Rural Development

Watershed  
Development  
Training  
Programme

Provision for  
State  
Institutes of  
Rural  
Development  
(SIRDs) &  
Extension  
Training  
Centres  
(ETCs)

RUDSETIs  
(Rural  
Development  
Self  
Employment  
Training  
Institutes)  
under SGSY

Aajeevika  
Skills under  
NRLM  
(National  
Rural  
Livelihood  
Mission)

### **3. Ministry of MSMEs Schemes:**

#### **a. ENTERPRISE AND SKILL DEVELOPMENT**

The Office of DC (MSME) conducts a large number of vocational and entrepreneurship development programmes. The Entrepreneurship Development Programmes (EDPs) are conducted through MSME-DIs, with focus on entrepreneurial skills development coupled with specific skills relating to trades like electronics, electrical, food processing, etc, which enables the trainees to start their own ventures. The programme includes the following :-

##### **(i) Entrepreneurship Development Programmes(EDPs):-**

Entrepreneurship Development Programmes are being organized regularly to nurture the talent of youth by enlightening them on various aspects of industrial activity required for setting up MSEs. These EDPs are generally conducted in ITIs, Polytechnics and other technical institutions, where skill is available to motivate them towards self-employment. The course contents of such Entrepreneurship Development Programmes are designed to provide useful information on product/process design, manufacturing practices involved, testing and quality control, selection and usage of appropriate machinery and equipments, project profile preparation, marketing avenues/techniques, product/service pricing, export opportunities, infrastructure facilities available, financial and financial institutions, cash flow,etc.

##### **(ii) Entrepreneurial Skill Development Programme (ESDP):-**

Comprehensive training programmes are organized to upgrade skills of prospective entrepreneurs, existing workforce and also develop skills of new workers and technicians of MSEs by organising various technical cum skill development training programmes with the basic objectives to provide training for their skill upgradation and to equip them with better and improved technological skills of production. The specific tailor made programmes for the skill development of socially disadvantaged groups (OBC, ST, ST, Minorities and women) are organized in various regions of the states, including the less developed areas. This programme covers training across 60 disciplines.

##### **(iii) Management Development Programmes (MDPs):-**

The objective of imparting training on management practice system is to improve the decision-making capabilities of existing & potential entrepreneurs resulting in higher productivity and profitability. Inputs on a variety of topics of managerial functions are provided to the participants in short duration training programmes. This programme covers training across 60 disciplines. These programmes are of short duration and the curriculum is designed based on the needs of the industry and are customized, if required by the clients. 20% of the targeted training programmes are conducted exclusively for the weaker sections of the Society (SC/ST/Women/Physically Handicapped), for which no fee is charged. Besides, a stipend of Rs.500/- p.m. is provided. During 2008-09, a total of 2400 training programmes were conducted and around 60,000 persons were trained.

**(iv) Industrial Motivation Campaigns (IMCs):-**

Industrial Motivation Campaigns (duration of 1 day or 2 days) are organized to identify and motivate traditional / non-traditional entrepreneurs having potential for setting up MSEs so as and to lead them towards self-employment.

**(v) Vocational and Educational Training:-**The Regional Testing Centers, Field Testing Stations and Autonomous bodies like Tool Rooms and Technology Development Centers (TDCs) of the Ministry conduct long term, short term, trade/field-specific and industry-specific tailor-made courses as well as vocational training programmes.

**b. RGUMY-Rajiv Gandhi Udyami Mitra Yojna:**

**OBJECTIVE:**

The objectives of Rajiv Gandhi Udyami Mitra Yojana (RGUMY) are:

- (i) To provide handholding support and assistance to the potential first generation entrepreneurs, who have already successfully completed or undergoing Entrepreneurship Development Training Programme (EDP) /Skill Development Training Programme (SDP)/Entrepreneurship cum Skill Development Training Programme (ESDP) /Vocation Training Programmes(VT), through the selected lead agencies i.e. 'Udyami Mitras', in the establishment and management of the new enterprise, in dealing with various procedural and legal hurdles and in completion of various formalities required for setting up and running of the enterprise.
- (ii) To provide information, support, guidance and assistance to first generation entrepreneurs as well as other existing entrepreneurs through an 'Udyami Helpline'(a Call Centre for MSMEs), to guide them regarding various promotional schemes of the Government, procedural formalities required for setting up and running of the enterprise and help them in accessing Bank credit etc.

The organizations of Ministry of MSME engaged in the task of entrepreneurship development i.e. the three national-level EDIs, (i.e. NIESBUD Noida, IIE Guwahati and NIMSME Hyderabad) MSMEDIs/ Branch MSMEDIs, KVIC, NSIC, Coir Board and such other organisations, as approved by Ministry of MSME, would be empanelled as Category-I Udyami Mitras under the scheme. Such Category-I Udyami Mitras would be referred as Apex Organisations.

**c. COIR Board: Skill Upgradation & Quality Improvement Scheme**

**TRAINING :**

Various steps envisaged under this programme are:-

- i. Conduct regular training programs for supervisory cadre, artisans at the National Coir Training and Design Centre, Kalavoor, Alappuzha in Kerala.

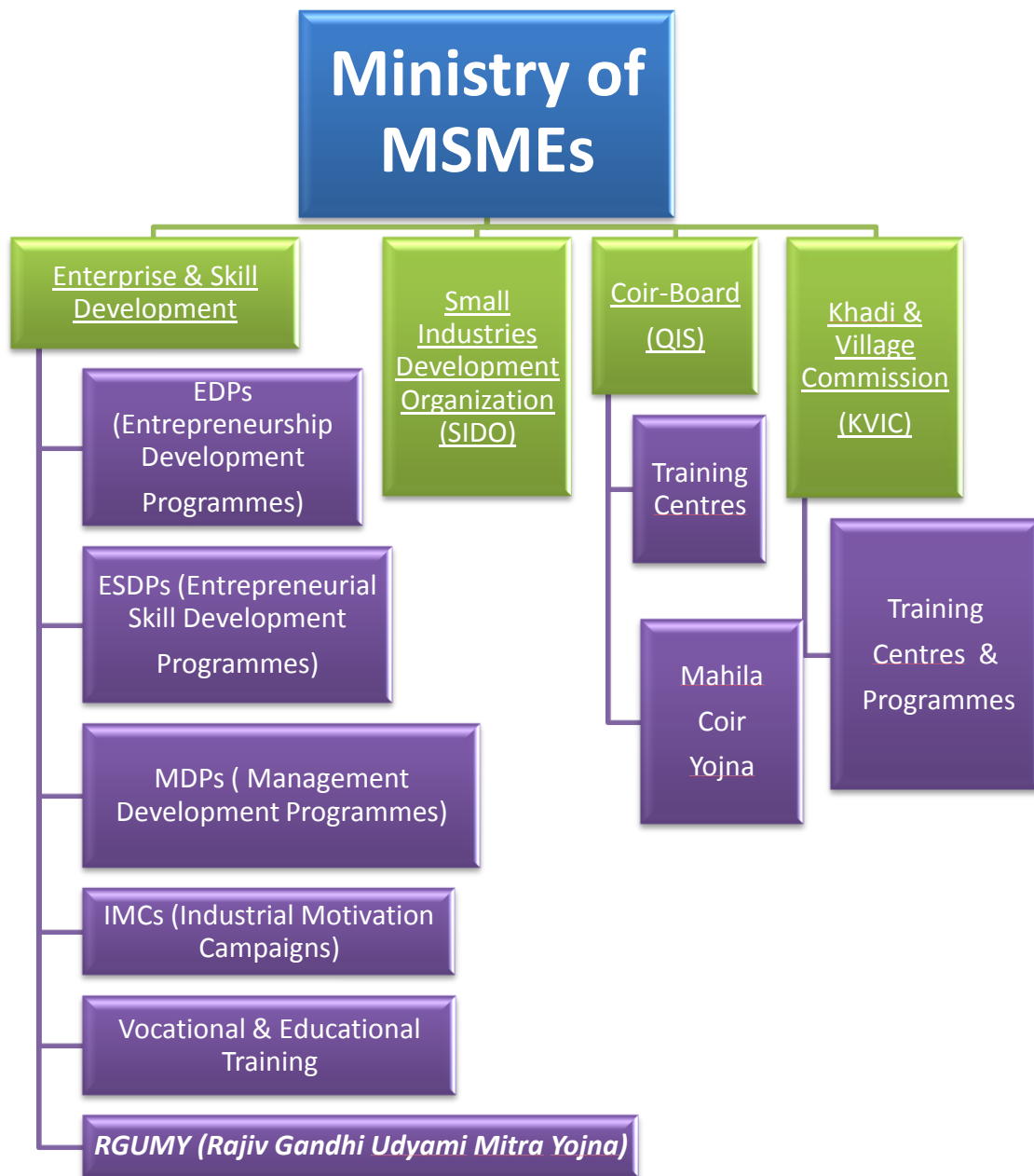
- ii. Conduct training programmes in spinning/weaving in rural areas by organising Field Training Units in the potential areas in all coir producing States in association with PSUs/Co-operative Societies/NGOs.
- iii. Conduct short-term training in the manufacture of Coir Pith Organic Manure at the National Coir Training & Design Centre.
- iv. Conduct short-term training on the application of Coirret for retting coconut husk/fibre and treatment of ret liquor at National Coir Training & Design Centre.
- v. Organise special training to State Govt. officials/craft teachers/functionaries of coir co-operative Societies.
- vi. Organise need based training programme for prisoners in jails and tribals in tribal areas.
- vii. Conduct trainers training programmes for supply of trainers to the field training units.
- viii. Conduct training in repair and maintenance of coir processing machineries to the mechanics
- ix. Organise training programmes in the preparation of new designs, pattern and diversified use of coir in association with National Institute of Design.
- x. Conduct special training for workers of the newly set up manufacturing co-operative societies with the funding support of NCDC.
- xi. Conduct training to the existing spinners in spinning coir yarn on motorised traditional ratts in all coir producing States.

**Mahila Coir Yojana** is the first women oriented self employment scheme being implemented by the Coir Board for the empowerment of women artisans in the coir sector. The scheme facilitates proliferation of the industry into new regions where raw material potential exists.

Training Institutes - Others

- National MSME Trainee Database
- National Small Industries Corporation
- MSME Development Institutes
- Tool Rooms
- Central Footwear Training Centres, Agra & Chennai
- Fragrance and Flavour Development Centre, Kannauj
- Process-cum-Product Development Centre, Agra
- Electronics Service & Training Centre, Ram Nagar
- Institute for Design of Electrical Measuring Instruments, Mumbai

**Summary :**



#### 4. Ministry of Human Resource Development Schemes :

Schemes/Programs	Duration	Target group	Details
Vocationalisation of Secondary Education (6800 schools covered)	2 years	Students who have passed 10th class	<ul style="list-style-type: none"> <li>▶ Vocational education is provided in 9,619 schools with 21,000 sections covering around 1 million students.</li> <li>▶ The scheme proposes to expand vocational education to 20,000 schools and the intake capacity to 2.5 million by 2011-12.</li> </ul>
Polytechnics (1244) + Institutions for diploma in pharmacy (415), hotel management (63), architecture (25)	3 year- diploma	Students who have passed 10th class	<ul style="list-style-type: none"> <li>▶ These offer diploma courses in civil, electrical, mechanical engineering, electronics, computer science, medical lab technology, hospital engineering, architectural assistantship, etc.</li> </ul>
Community Polytechnic Scheme (675 CPS)	3 to 6 months	Poor sections of society in rural and urban areas	<ul style="list-style-type: none"> <li>▶ CPS acts as a focal point to promote transfer of science and technology to the rural sector.</li> </ul>
Jan Shikshan Sansthan (JSS) (157 Vocational Training Centers run by NGOs offering more than 250 courses)	Need based (1- 4 weeks)	Disadvantaged groups of adults – priority being given to adult neo-literates/ semi literates, SC and ST, women/girls, oppressed people, migrants, slum/ pavement dwellers and working children	<ul style="list-style-type: none"> <li>▶ These act as district level resources to organize vocational training and skill development programs.</li> </ul>
National Program on Technology Enhanced Learning (NPTEL) – Support for Distance Education & Web-based Learning	Designing course material – time-bound project	Engineering and physical science under-graduate/ post-graduate and all teachers/ faculty members in science and engineering fields	<ul style="list-style-type: none"> <li>▶ Launched in 2003, it is meant to enhance the quality engineering education in the country by developing curriculum-based video courses (at least 100) and web-based e-courses (at least 115) that will be prepared at the seven IITs (Delhi, Bombay, Madras, Kanpur, Kharagpur, Guwahati, Roorkee and IISc).</li> </ul>
National Institute of Open Schooling (NIOS) – Distance Vocational Education Programmes	6 months to 2 years	5th, 7th and 8th and 10th pass	<ul style="list-style-type: none"> <li>▶ These constitute a network of 11 regional centers and around 2,067 study centers. There are around 1,063 accredited vocational institutes in the the country.</li> <li>▶ The cumulative enrolment in VET during the last five years is 93,000.</li> </ul>
Apprenticeship Training for students of +2 Vocational stream	One year	Students graduating from a 10+2 vocational stream	<ul style="list-style-type: none"> <li>▶ Vocational courses are covered in different areas of the Apprentices Act 1961.</li> </ul>
National Programme on Earthquake Engineering Education (NPEEE)	Faculty development through short-term crash programs	Recognized engineering colleges/ polytechnics and schools of architecture with related academic degree of diploma program	<ul style="list-style-type: none"> <li>▶ NPEEE was made with the objective of training teachers in engineering colleges, polytechnics and schools of architecture, and to develop suitable curricula.</li> </ul>

Source: FICCI-Ernst & Young: Knowledge Paper on 'Strategic and Implementation Framework for Skill Development in India. September 2011

## 5. National Skill Development Corporation (NSDC)

### **About National Skill Development Corporation, India**

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. It 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.

### **Objective**

To contribute significantly (about 30 per cent) to the overall target of skilling / upskilling 500 million people in India by 2022, mainly by fostering private sector initiatives in skill development programmes and providing funding.

### **Mission Statement**

- Upgrade skills to international standards through significant industry involvement and develop necessary frameworks for standards, curriculum and quality assurance
- Enhance, support and coordinate private sector initiatives for skill development through appropriate Public-Private Partnership (PPP) models; strive for significant operational and financial involvement from the private sector
- Focus on underprivileged sections of society and backward regions of the country thereby enabling a move out of poverty; similarly, focus significantly on the unorganized or informal sector workforce.
- Play the role of a "market-maker" by bringing financing, particularly in sectors where market mechanisms are ineffective or missing
- Prioritize initiatives that can have a multiplier or catalytic effect as opposed to one-off impact

### **Organisation Overview**

NSDC is a first-of-its-kind Public-Private Partnership (PPP) in India that facilitates skill development. A large part of its efforts are directed at skill development programmes in the unorganised sector.

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.

The differentiated focus for the **21 sectors** under NSDC's purview and its understanding of their viability will make every sector attractive to private investment.

NSDC is focusing on 20 high priority sectors and the unorganized sector. However the focus is not limited to these sectors alone.

1. Automobile / autocomponents

2. Electronics hardware
3. Textiles and garments
4. Leather and leather goods
5. Chemicals and pharmaceuticals
6. Gems and jewellery
7. Building and construction
8. Food processing
9. Handlooms and handicrafts
10. Building hardware and home furnishings
11. IT or software
12. ITES-BPO
13. Tourism, hospitality and travel
14. Transportation/ logistics/ warehousing and packaging
15. Organised retail
16. Real estate
17. Media, entertainment, broadcasting, content creation, animation
18. Healthcare
19. Banking/ insurance and finance
20. Education/ skill development
21. Unorganised sector

### **NSDC ROLE**

The NSDC will facilitate or catalyse initiatives that can potentially have a multiplier effect as opposed to being an actual operator in this space. In doing so, it will strive to involve the industry in all aspects of skill development. The approach will be to develop partnerships with multiple stakeholders and build on current efforts, rather than undertaking too many initiatives directly or duplicating efforts currently underway.

To scale up efforts necessary to achieve the objective of skilling / upskilling 150 mn people, the NSDC will strive to:

- Develop ultra low cost, high-quality, innovative business models
- Attract significant private investment
- Ensure that its funds are largely “re-circulating”; i.e. loan or equity rather than grant
- Create leverage for itself
- Build a strong corpus

Keeping this in mind, the NSDC will play three key roles:

- **Funding and incentivising:** In the near term this is a key role. This involves providing financing either as loans or equity, providing grants and supporting financial incentives to select private sector initiatives to improve financial viability through tax breaks etc. The exact nature of funding (equity, loan, grant) will depend on the viability or attractiveness of the segment and, to some extent, the type of player (for-profit private, non-profit industry association or non-profit NGO). Over time, the NSDC aspires to create strong viable business models and reduce its grant-making role.



- **Enabling support services:** A skills development institute requires a number of inputs or support services such as curriculum, faculty and their training, standards and quality assurance, technology platforms, student placement mechanisms and so on. The NSDC will play a significant enabling role in some of these support services, most importantly and in the near term, setting up standards and accreditation systems in partnership with industry associations.
- **Shaping/creating:** In the near term, the NSDC will proactively seed and provide momentum for large scale participation by private players in skill development. NSDC will identify critical skill groups, develop models for skill development and attract potential private players and provide support to these efforts.

## **FOCUS AREAS**

**Skill development:** The challenge of skilling / upskilling 500 million by 2022 will require both fundamental education reform across primary, secondary and higher education and significant enhancement of supplementary skill development. In the near term, the NSDC will focus primarily on supplementary skill development and strive to create seamless tracks within the education system.

**Foster private sector initiatives:** In strengthening supplementary skill development, NSDC will focus on fostering private sector led efforts that will include both non-profit and for-profit initiatives with the goal of building models that are scalable.

The NSDC will adopt a differentiated approach to supporting private sector initiatives depending on the target segment. Based on the marketability of the skill group and income level of the student population, there are three segments across which the NSDC will focus:

- **Attractive segment:** Given that the market automatically works, the NSDC will only play a reactive role and support the scale-up by various players.
- **Viable segment** but with marginal economics or involving high risk/uncertainty: This will be a key focus area of NSDC particularly in the near term, with the aim being to make this segment much more attractive for private investment.
- **Completely unviable segment:** Over time, NSDC will aspire to work in this segment in collaboration with government departments and help develop innovative business models which can move players from this segment to the viable segment.

NSDC will facilitate several support services, such as curriculum, faculty and their training, and standards and quality assurance. NSDC will coordinate to ensure a best-in-class 'Labour Market Information System' This, in turn, will facilitate labour market analysis. The organization is also entrusted with setting up Sector Skills Councils (SSCs) which will help identify skill development needs and establish a sector specific Labour Market Information System (LMIS) to assist in the planning and delivery of training. The SSCs will play a significant role in setting up and determining skills, competency standards and qualifications for various jobs, which can be used by companies to assess employee performance and skill development needs. These can also be used to prepare training programmes and job profiles. The SSCs will forecast changes in the labour market and will enable the standardization of affiliation and accreditation processes.

**PROJECTS:**

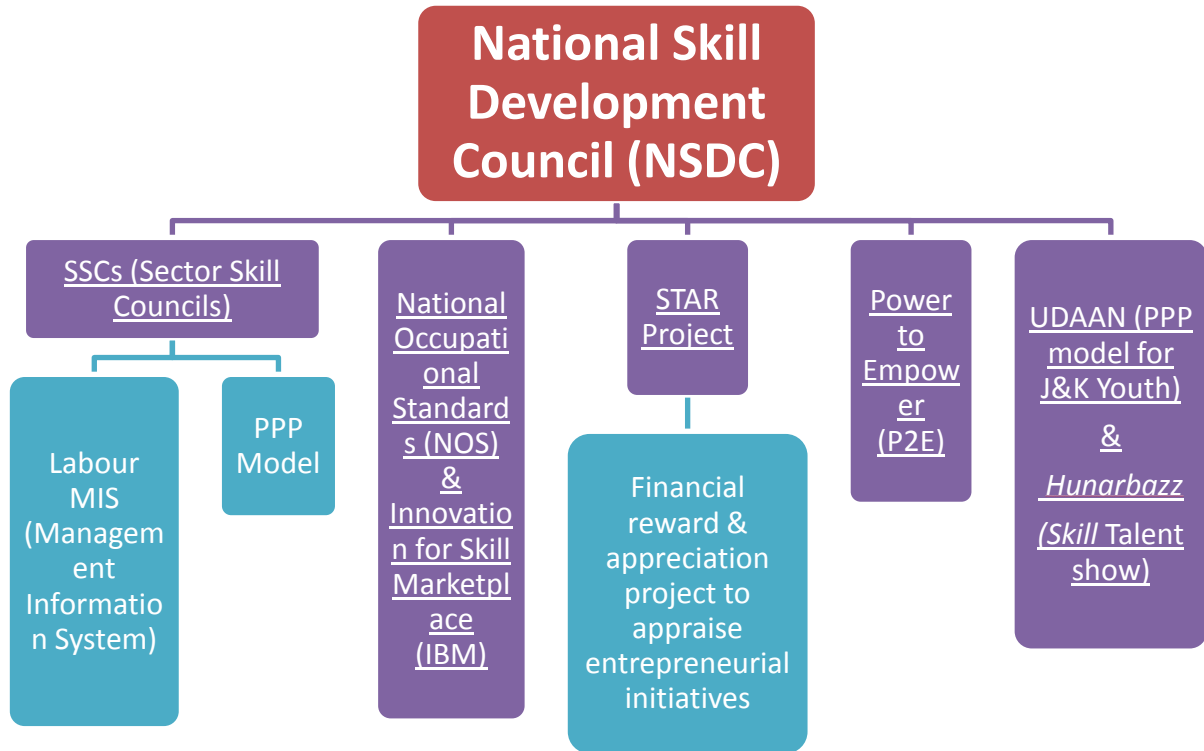
- a. **National Occupational Standards**
- b. **Innovations for Skills Mktplace**
- c. **UDAAN-** for J&K Youth
- d. **Hunarbaaz-** Skilled Youth Talent show
- e. **STAR project** – Financial appreciation & reward scheme.
- f. **Power to empower**

Power To Empower (P2E 2013) a competition co-organized by India@75 and National Skills Development Corporation (NSDC) aims to encourage young students and entrepreneurs to be part of the large business opportunity that exists in the skills development arena. This competition is focused on encouraging innovative and implementable business solutions that contribute to the development of a sustainable vocational skills ecosystem in India.



Source: <http://businesstoday.intoday.in/story/companies-work-towards-skills-gap-in-india/1/193097.html>

**Summary :**



## 6. Ministry of Tourism Schemes :

It has been the endeavour of the Ministry of Tourism to put in place a system of training and professional education with necessary infrastructural support capable of generating manpower sufficient to meet the needs of the tourism and hospitality industry, both quantitatively and qualitatively. As of now, there are 29 Institutes of Hotel Management (IHMs), comprising 21 Central IHMs and 8 State IHMs, and 5 Food Craft Institutes (FCIs), which have come up with the support of the Ministry. These institutes were set up as autonomous societies with specific mandate to impart / conduct hospitality education / training in hospitality skills.

### *Training Programmes*

Training programmes in the field of Hotel Management, Catering and Nutrition were initiated by Government of India in the year 1962 under the Department of Food, Ministry of Agriculture. To begin with, four Institutes of Hotel Management, Catering Technology and Applied Nutrition were set up at New Delhi, Mumbai, Chennai and Kolkatta. For imparting training in hospitality related craft disciplines, 12 Food Craft Institutes were also set up at different places in the country. Consequent to transfer of the programme to the Ministry of Tourism in October 1982, format of the various training programmes was reoriented and remodeled keeping in view the professional workforce requirements of the country's fast expanding accommodation and catering industry. In order to harness the resources and also to provide a central thrust to the programme, Ministry of Tourism also established the National Council for Hotel Management and Catering Technology (NCHMCT) in the year 1982. Main objectives for setting up the Council at the apex level were:

- To advise the Government on coordinated development of hotel management and catering education.
- To collect, collate and implement international development in the area of human resource development for the hospitality sector.
- To affiliate institutes and prescribe courses of study and instructions leading to examinations conducted by it.
- To standardize courses and infrastructure requirements for institutes imparting education and training in hospitality management.
- To prescribe educational and other qualifications, experience, etc. for members of staff in the affiliated institutes and organize faculty development programs.
- To award Certificates and Diplomas in Hospitality and Hotel Administration.

As a result of vast expansion and modernization of the country's hospitality industry, hotel management and catering education programmes gained tremendous popularity and the profile of students seeking admission to these courses also underwent a transformation. As a result, courses offered by the National Council are of international standard which have been recognized by the hospitality industry. At present, there are 41 **Institutes of Hotel Management** comprising of 21 Central IHMs, 8 State IHMs and 12 Private IHMs and 5 **Food Craft Institutes** following National Council's course curriculum.

## **7. Miscellaneous Schemes :**

### **Skill Development Initiatives by Govt. of India**

#### **1. Khadi and Village Industries Commission**

The KVIC conducts and facilitates training in numerous kinds of courses. These courses range from a couple of weeks to 2 years in duration. The website provides details on the nature of the training courses, the duration and the qualification required and also provides an online application submission for training.

#### **2. Ministry of Tribal Affairs**

The Ministry of Tribal Affairs initiatives include working through the Non Governmental Organisations or Voluntary Organisations in providing professional coaching institutions for ST students to appear in Competitive Examinations.

#### **3. Ministry of Communications and Information Technology, Department of Information Technology**

The Ministry of Communications and Information Technology through its Human Resource Development Division is targeted to ensure availability of trained human resources for the manufacturing & service sectors of the electronics and IT industry. The initiatives carried out include identifying gaps emerging from the formal sector and planning programmes in the non-formal and formal sectors for meeting these gaps.

### **Skill Development Initiatives by Industry Associations**

#### **1. Federation of Indian Chambers of Commerce & Industry (FICCI)**

FICCI recognizes that Skills Development is an important imperative for achieving India's ambitious growth targets. It is committed to working with the stakeholders, especially the industry, government and academia to create sustainable and scalable skills propositions which will benefit the youth of the country from all sections of society. With this in mind, FICCI through its Skills Development activities is pursuing the following vision:

FICCI acts as a "skills development aggregator" to complement Government of India's ambition of training 500 million people by 2022.

FICCI offers support and facilitation services through Policy Advocacy, Industry Intervention and International Collaboration so that the youth can acquire skills to meaningfully participate in and contribute to the economy.

#### **2. Confederation of Indian Industry (CII)**

CII has turned the limelight on skills development across the country to align industry manpower needs with the skilling initiatives underway and improve the employability of the working population including school drop-outs, semi-skilled and un-skilled workers. Due efforts are underway to create a new wave of entrepreneurship in the country that will result in further employment generation.

CII has launched its own Skills Development Initiative, which is aligned, to the National Skills Development Agenda to skill 500 million people by 2022. In this endeavour, CII has set up its first skills centre at Chhindwara, MP, to train people in bar bending, grinding, pipe fitting, welding, etc. **CII along with HPCL launched the ‘Swavalamban’ project to train 2,200 youth in multiple trades.** The programmes have high local relevancy, in-built flexibility and are modular in form. Five sectoral studies have been released on skills requirements in the constructions, auto, retail, healthcare and banking & financial services sectors.

**CII has also taken skills development initiatives beyond national boundaries. Indian industry provides the facilities for training 100 apprentices from South Africa in construction trades** in Hyderabad in 2007 with the support the Umsobomvu Youth Fund, South Africa. CII established a Vocational Training Centre in Kabul, Afghanistan and trained 1,000 Afghans in constructional trades and tailoring.

Besides, MOUs have been signed with: Ministry of Overseas Indian Affairs, Government of India, for skills upgradation and pre-departure orientation of potential emigrant workers SENAI, Brazil for technical education / skills development and technology dissemination; HRD Korea to develop an e-learning module for industrial control and welding; The Swiss-Indian Chamber of Commerce (SICC) to enhance cooperation in skills development.

## OVERVIEW

Ministry/Department	Vocational education and training programs
Agriculture	<ul style="list-style-type: none"> <li>▶ Training in agricultural extension (21 training centres)</li> <li>▶ Training in use of agricultural implements and machinery</li> <li>▶ Soil conservation training center</li> <li>▶ Cooperative education and training</li> <li>▶ Educational institutions:               <ul style="list-style-type: none"> <li>▶ One central agricultural university</li> <li>▶ 31 state agricultural universities (SAUs)</li> <li>▶ 4 National Institutes of Indian Council of Agricultural Research</li> </ul> </li> </ul>
Food processing	<ul style="list-style-type: none"> <li>▶ Established of more than 300 food processing and training centers</li> <li>▶ Training institutions:               <ul style="list-style-type: none"> <li>▶ Central Food Technology Research Institute</li> <li>▶ Paddy Processing Research Centre (PHTC)</li> <li>▶ Council of Entrepreneurial Development Programme</li> </ul> </li> <li>▶ Entrepreneurship Development Programme for development of human resources</li> </ul>
Health and family welfare	<ul style="list-style-type: none"> <li>▶ Promotional training of female health assistants in 42 training centers</li> <li>▶ Basic training to health workers through:               <ul style="list-style-type: none"> <li>▶ 478 Multipurpose Health Worker Training Schools (MPW) for women</li> <li>▶ 28 Health and Family Welfare Training Centers (HFWTC) and 30 MPW for men</li> </ul> </li> </ul>
Heavy industries and public enterprises	<ul style="list-style-type: none"> <li>▶ Counseling, retraining and redeployment of workers of Central Public Sector Enterprises (CPSEs)</li> </ul>
Information Technology	<ul style="list-style-type: none"> <li>▶ DOEACC - O level</li> <li>▶ CEDTI: conducts courses in the field of electronics, telecommunications, IT, process control and instrumentation</li> </ul>
MSME (Small Industries Development Organization (SIDO))	<ul style="list-style-type: none"> <li>▶ Entrepreneurship Development Programme</li> <li>▶ Skill Development Programme (SDP)</li> <li>▶ Management Development Programme</li> </ul>
Khadi & Village Industries Commission under Ministry of MSME	<ul style="list-style-type: none"> <li>▶ 51 training centers run 35 types of programs</li> </ul>
Social justice and empowerment	<ul style="list-style-type: none"> <li>▶ National Institute of Mentally Handicapped</li> <li>▶ National Institute for the Orthopaedically Handicapped</li> <li>▶ Institute for Physically Handicapped</li> <li>▶ National Institute for the Hearing Handicapped</li> <li>▶ National Handicapped Finance and Development Corporation</li> <li>▶ National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents</li> </ul>
Textiles	<ul style="list-style-type: none"> <li>▶ The Integrated Skill Development Scheme (ISDC) for the textile and apparel sector with the launch of ATDC-SMART (Skill for Manufacturing Apparels through Research and Training)</li> <li>▶ Decentralized training program with 24 weavers service centers, 13 power loom centers and many other boards and councils</li> </ul>
Tourism	<ul style="list-style-type: none"> <li>▶ 15 Food Craft institutes under state governments</li> </ul>
Tribal affairs	<ul style="list-style-type: none"> <li>▶ Vocational training centers (VTC) in tribal areas</li> </ul>
Urban development and poverty alleviation	<ul style="list-style-type: none"> <li>▶ Urban Self Employment Programme under Swarna Jayanti Shahari Rozgar Yojana (SJSRY)</li> </ul>
HUDCO and others in construction sector under Ministry of Urban Development & Planning Commission	<ul style="list-style-type: none"> <li>▶ Construction Industry Development Council (CIDC)</li> </ul>
Women and child development	<ul style="list-style-type: none"> <li>▶ Support to Training and Employment Programme for Women (STEP)</li> <li>▶ Women Empowerment Programme in collaboration with IGNOU (training program on "Empowering women through SHG")</li> </ul>

Source: **FICCI-Ernst & Young: Knowledge Paper on 'Strategic and Implementation Framework for Skill Development in India. September 2011**

## **DEDUCTIONS**

### **1. CHALLENGES :**

India's workforce, the second largest in the world after China, needs to be trained across four levels, from the 'White Collar' workers to the 'Rust Collar' workers, linking them to job opportunities and market realities.

The skills challenge becomes acute for India considering that the country has a large portion of its population below 25 years of age. This young population can be transformed into a productive workforce giving the Indian Economy a 'Demographic Dividend'. Currently a major proportion of this population is not productively engaged in economic activities due to a 'skills v/s jobs requirement' mismatch.

Therefore to address the above challenges and reap the benefits of the demographic opportunity, skills initiatives in India need to focus on :

- a. Quantity:** Over 65% of India's large population is below 35 years of age; a robust skills training and certification system for these large numbers is a mammoth task.

As per the 11<sup>th</sup> Five year plan Vocational education will be expanded to cover 20000 schools with intake capacity of 25 lakh by 2011–12. The programme will ensure mobility between vocational, general, and technical education and multiple entry and exit options

The "National Skills Policy" in 2009 has set a target of skilling 500million by 2022

The current skill development capacity is 3.1 million persons per annum which have to be upgraded substantially to 12 million persons per annum.

- b. Quality:** The diplomas and certificates with which students graduate are usually out of sync with the needs of the industry. As a result, industry finds it difficult to recruit adequately skilled labour and is forced to undertake large training programs. The shortage of skilled workforce results in loss of productivity, while training programs imply high labour costs.

The National Vocational Qualification Framework (NVQF) and National Vocational Education Qualification Framework (NVEQF) are Standards developed by the Sector Skills Councils (SSC's) can ensure clarity of career choices, options and acceptability of the qualifications.

As per the NSDC report on Education sector there is an incremental requirement of 8,664,000 teachers and trainers between 2008 – 2022.

The central government should provide funding support to state government institutions to make skills trainer a lucrative career option. This fund support shall not only allow the state governments to retain the trainers for the schools and other institutions but also invite participation of many more people into the training industry.

Greater focus should be given to International Collaborations so that :

- There is better Understanding of the fast changing skills demands
- Increased FDI in Skills
- Promoting B2B partnerships between Indian and International companies



- Engaging Multi National Corporations to provide skills solutions that transpose the models and practices
- Reverse transfer the best practices from India to world

c. **Access:** India's large geographical territory, difficult terrain and varying social economic conditions make the implementation of standardised, skill-based instruction a huge challenge

A very large geographical expanse comprising of 6,38,365 villages, 4378 towns over 35 cities and 640 districts, with difficult terrain and varying social economic conditions make it difficult for all learners to have access to training.

States like Bihar, (with a population greater than that of Germany), Jharkhand, etc have little access to skills training and the population comprises of a large unskilled workforce. There is wide disparity in industrial development, and have little industrial activity, which makes it difficult for workers to find jobs.

Nearly 37 percent of the Indian population lives below the poverty line and lives on less than 1 Dollar a day. They cannot afford even basic amenities leave aside education and training.

About 89% of the 15-59 year olds have had no vocational training. Of the 11% who received vocational training, only 1.3% received formal vocational training. The current training capacity is a fraction of the 12.8 million new entrants into the workforce every year. Therefore access to skills programs becomes a major challenge.

### **COMPETENCY MAPPING :**

Moreover, India lags behind in **Competency Mapping** which comprises frequent analysis of-

- ❖ Workforce Skills Analysis.
- ❖ Job Analysis.
- ❖ Supply and Demand Analysis.
- ❖ Gap Analysis.
- ❖ Situation Analysis.

If India builds-up an effective system of well designed Competency mapping, the need of skill development would be met easily, while unemployment can be reduced.

## **2. THE FUTURE: YUVA BHARAT.**

The world (both developed and developing economies) is experiencing an ever widening gap between the demand and supply of skilled labour. The world's population is growing old. By 2050, the world population of people above 60 years will hit the 1.3 billion mark. This trend will lead to the widening of the demand-supply gap, especially in the developed nations like America, Germany and France. On the other hand, India is emerging with one of the youngest populations in the world comprising of a highly mobile, English speaking population. India will have a 2 billion sized English speaking work force by the end of 2020.

Training such a workforce will imply that India can become the major exporter in the services sector as well as an exporter of manpower itself. It is estimated that by 2022, India will face a demand of 500 million skilled workers.



India could look at preparing the workforce for global opportunities so that it can utilise its premium position as the human resource reservoir. Given the dynamic labour markets it also important the workforce learns and readies itself as quickly as possible.

Since India has set a huge target for itself of 500 million people it requires programs that are scalable, replicable and accessible, this has created a unique opportunity in terms of economies of scale for the new providers entering the market. While this has resulted in a number of new organisations to venture into the bottom of pyramid skills space, there is still a huge need for more companies to enter the market and offer good quality service if they are adequately incentivised.

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