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SKILL DEVELOPMENT: A KEY TO SUCCESS OF MAKE IN INDIA PROJECT

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Abstract

As India is moving progressively towards a knowledge based economy, it is essential that youth of India are adequately equipped with skills that are relevant to emerging economic environment. India is one of the fastest growing *economies* of the world. As we pass through the different phases of growth there is a shift of workforce from primary sector to secondary and tertiary sectors. The skills required for secondary and manufacturing sector are quite different from those of primary or agriculture sector. When workforce migrates from one sector to another sector, there will be a huge skill gap. For implementing the concept of Make in India and making India a manufacturing hub, proper skill development is the need of the hour. Education system in India focuses more on academics and formal education. As a matter of fact, higher education institutions in India are producing degree holders who are not adequately equipped with skills needed by the industry. This leads to increased unemployment in the country. In view of this, Government of India has launched a number of skill development initiatives but facing challenges while implementing them. The present study aims at studying the structural framework designed to execute skill development initiative and how it can be improved further to contribute more to achieve 'Make in India' objectives.

Keywords:
Skill development,
Skills,
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initiatives,
Make in India.

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1. Introduction

Make in India initiative is launched in 2015 with the aim of attracting global companies and encouraging domestic companies to manufacture their products in India. For projecting India as a global manufacturing destination, there should be adequate infrastructure as well as properly skilled workforce in place. India has been known for its handicraft skills since ages. But due to modernization of education, formal education system has stressed more upon academics than on skills. As a result, educated but not employable brigade of youth is the product of modern education system. However, there have been efforts of introducing skills in the formal education system but they are restricted to the level of creating awareness only. Also, there is a major chunk of children who are out of formal education system either not admitted to school or left the school without completing school education referred as 'dropouts'. There is a big challenge as well as the need of skilling the working population without proper and adequate skills and the youth who are about to enter working population group. Skilling India will lead to attain the objectives of Make in India and creation of jobs both in rural and urban areas.

Skill Development for Make in India: India is one of the fastest growing economies of the world. The growth of manufacturing sector is crucial for achieving high growth rates. For the economy to grow at 8% to 9%, it is required that the secondary and tertiary sectors grow at 10% to 11%, assuming agriculture grows at 4% (FICCI, 2010).[1] For this purpose Government of India launched Make in India campaign and invited manufacturers from all over the world to manufacture in India. Around 25 sectors are identified for the purpose. Economic Survey 2014-15 highlighted the need to initiate skill development initiatives to achieve objectives of government's Make in India campaign (Sharma, 2015).[2] As per the projections made by the National Skill Development Corporation (NSDC) in the skill gap study for the period of 2010-2014, over 109.73 million additional skilled manpower will be required by 2022 across different sectors ("Skill Development Achievement Report", 2016).[3]

Current Scenario of Skill Development: 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. According to 12th Plan projections ("Report of the Sub-Group of Chief Ministers on Skill Development", 2015)[4]:-

- By 2017 the total labour force would comprise 502.4 million. But currently only about 10% of the workforce is trained which include about 3 % formally trained and 7 % informally trained.
- Employers found just about 25 per cent of Indian professional employable in the organised sector.
- About 20 percent dropout before completing Class V and additional 16.5 percent dropout before completing Class VIII. The total number of children who dropout before completing Class X is about 47.4 %.. According to 11th five year plan report, 80% of new entrants to workforce have no opportunity for skill training. Against 12.8 million per annum new entrants to the workforce the existing training capacity is 3.1 million per annum. About 2% of existing workforce has skill training against 96% in Korea, 75% in Germany, 80% in Japan, and 68% in the United Kingdom. (Eleventh Five Year Plan Report, para 5.13) [5]

2. Research Method

Objectives of the Study: The present study aims at studying the structural framework designed to execute skill development initiative, the challenges facing the skill development and how it can be improved further to contribute more to achieve 'Make in India' objectives.

Significance of the Study: This study helps to understand the challenges in the way of implementation of skill development programmes. It is an attempt to know how skill development initiatives can lead to achieve Make in India objectives.

Research Design and Data Collection: The descriptive design methodology is adopted in this study. It is based on secondary data collected from sources like publications, journals, articles, magazines, websites and views expressed by eminent personalities on various TV channels.

Limitations: The study is limited to secondary data available in publications, journals, articles, magazines, and websites.

3. Results and Analysis

Findings: The 12th Five Year Plan observes that Skill development programmes in the past have been run mainly by the government, with insufficient connection with market demand. It has called for an enabling framework that would attract private investment in Vocational Training through Public–Private Partnership (PPP). Seeing the gravity of the problem

government of India formed a separate ministry of Skill Development and Entrepreneurship (MSDE) with the aim of coordinating various skill development programs operating at different levels across the country, abridging the gap between demand and supply of skilled manpower, building the framework for vocational and technical training, up-gradation of skills, creation of new skills and innovative thinking. In nutshell, a 3-tier structure is created at the Centre to steer, drive and execute the objectives of skill development in mission mode with Governing Council at apex level, a Steering Committee and a Mission Directorate (along with an Executive Committee) as the executive arm of the Mission. At State level, States will be encouraged to create State Skill Development Missions (SSDM) along the lines of National Skill Development Mission with a Steering Committee and Mission Directorate at State level. State governments will be supported by District Committees at the functional level. Three agencies National Skill Development Agency (NSDA), National Skill Development Corporation (NSDC), and Directorate General of Training (DGT) are established to support Mission Directorate. There are 21 central ministries linked to it besides State Skill Development Missions (SSDMs) and private sector skill councils.

Challenges: This section highlights the challenges faced at execution level. Some of these are:

- The institutional set up for execution is too complex with multiple agencies with overlapping and conflicting priorities. The skill development efforts are scattered across more than 20 ministries, 35 state governments and union territories, although National Skill Development Agency is recently created to consolidate all the efforts but it has the limited role of coordination with no effective powers.
- The estimated total need for skilling in the country is 402.87 million (298.25 million existing and 104.62 million new entrants over 2015-22) (MSDE, National Policy For Skill Development, 2015)[6] and against this the training infrastructure is inadequate.
- Ensuring self employment generation through skill development is another major challenge.
- Maintaining quality of skills imparted that are free of cost.

The various grant based, “free” training programmes available today, though necessary, have their own limitations especially on quality and employability. Students undergoing training for

"free" attach little value to training whereas training providers focus on increasing their numbers rather than quality of training. (MSDE, National Policy For Skill Development, 2015)[7]

- Incorporating the skill development in formal education system subject to the diversity of education system at regional levels. Much can be done in this area. Schools also provide vocational training formally at 10 and 12th level. But this is limited to few states and percentage of schools providing vocational education is also very small. The challenge is to design specific skill based curricula catering to local industry needs.

Suggestions:

- Vocational education should be merged with formal education at secondary level education and should be made compulsory. The structure of countries like Germany can be taken as a model subject to our own diversity.

Germany's dual-system offers well-integrated vocational training programmes that begin at the school level. Each week, trainees spend one or two days in a vocational school and three or four days on the work place. A key differentiating factor that drives quality of education is the strong apprenticeship-linkage during training. As a result a well-integrated, industry-linked, high quality dual system of education emerged in Germany. (FICCI, Re-engineering the Skill Ecosystem, 2016, p.15)[8]

- Curricula for such education should be designed in view of the feedbacks by industry regarding the number and types of skills they need. Stipend should be given to the students undergoing vocational training.
- After school education, students should be given the choice of pursuing vocational or academics. Both should be treated at par. Courses like Bachelor of Vocation, Diploma in specific skill, Certificate in specific skill and like should be given a thought for better recognition and certification.

Training schools or institutions should be made responsible for placement of all trainees. Institutions, agencies or centres involved in imparting vocational skill or training should keep a record of trainees who passed successfully and should conduct placement drives for their students. Placement of all trainees should be made mandatory for them. This will maintain the quality of training and leads to job creation also.

4. Conclusion

In order to capitalize upon the demographic dividend India has, it is essential to equip the labour force with right type of skills. The present education system of India is a complex structure consisting of various Central and state level Education Boards like CBSE, ICSE, State Boards of secondary Education for disseminating formal education, there are vocational educational schools, training schools, IITs, ITIs, Polytechnic institutes and they all work towards enhancing knowledge and skill levels among the youth but not in an harmonious manner and this proves to be a big hurdle in implementing a uniform policy of skill development in India. High dropout rate of students at various stages of their education is another big challenge in the path of skill development. Thus, the institutional structure for vocational education and training needs to be simplified. A mix of formal and compulsory vocational education from secondary school level shall be the optimum solution. For the success of Make in India initiative, an adequately skill equipped workforce in India is a prerequisite. At execution level of skill development programmes, structures adopted in countries like Germany, South Korea, United Kingdom etc. can be referred. The focus should be on promoting skill development in formal education system.

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