Skill development: The status and challenges in India

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ABSTRACT

The driving forces of social and economic growth are skills and knowledge for a nation. It is estimated as per National Policy for Skill Development and Entrepreneurship that the average age of the population in India will be above 25 years. Skill India is one of the significant initiativesof the Government of India. Above forty crore people needs to be trained in different skills as per the aim of Skill India by 2022. It not only generates new opportunities but also creates scope and space for the talents of youth for development of self. The ecosystem of skill development in India is multiplex, huge and diverse, providing distinct levels of skills across a diversified population. Alongside formidable issues of skilling the large population of youth in India, the nation simultaneously faces a major challenge of skill development system evolvement to equip the manpower with skills required by the industry. As India is growing at a rapid pace, skill development has become need of the hour for the growth of nation in every aspect. Since thereare several loop holes in the system formulated for skill development spreading awareness, affordable cost, quality training and scalability can prove to be efficient and effective measures for the various above mentioned challenges.

Key Words : Skill development, Challenges, Status, Gap, Ecosystem

INTRODUCTION

The driving forces of social and economic growth are skills and knowledge for a nation. It is estimated as per National Policy for Skill Development and Entrepreneurship that the average age of the population in India will be above 25 years. Therefore, India has a unique position in the world due to its economic growth potential as compared to other countries whose population do not fall in young category. Countries like Japan, Western Europe, US, China and various countries in the world are struggling with a population which is ageing. India's population below the age of 35 years makes an aggregate of 65% and it is estimated that by 2025, 70% the population will fall in the category of working age (Kanchan and Varshney, 2015).

This makes clear that the working-age population of India is growing at a faster rate than its old dependents and young population (Skilling India, 2019).

The changes in rapid technology, increasing population and an issue of rising complexity of economic activities is leading to skill intensive jobs which in turn leads to skill shortages and thus unemployment. Therefore the training and education system is required to mend for upgrading the workforce skills so that they can be facilitated for diffusing and applying these reformed adopted technologies. For developing countries such as India these challenges are significant which requires more workforce which is skilled in order to enlarge foreign trade, entice foreign direct investments (FDI) and thus encourage economic and industrial development (Esha Sharma, 2015).

Status of skill development in India:
In today's world, inequality, poverty and unemployment are interrelated phenomena (Kadrolkar,

2013). India has a distinctive 20-25 years opportunity window which was indicated by the altering demographic profile. Increasing number of working and young population, life expectancy improvement and decreasing dependency ratio lead us to this opportunity (Challenges to Skill Development in India, 2015).

Skill India is one of the significant initiatives of the Government of India. Above forty crore people needs to be trained in different skills as per the aim of Skill India by 2022. It not only generates new opportunities but also creates scope and space for the talents of youth for development of self (Ankul Pandey, 2017).

It is expected that the labor force will decline by 4% in the industrialized world in the next 20 years whereas it will hike by 32% in India which will generate an opportunity and requirement of certain skill and knowledge sets for its workforce so that they can contribute in the economic growth of country (Make in India, 2017).

A demand of 500 million skilled workers is estimated by 2022. But unfortunately, out of total workforce only 2% have undergone training for skilling in India. According to the Government of India estimates, the percentage as high as 93% is engaged in informal or unorganized sector which does not get support of organized skill development system. In the unorganized sector the workers are generally on the job or informally skilled. The skill development process and information channels are not clear or misunderstood.

The skills of high number Indian labor force is outdated. The pace of economic growth and expected growth rate expects the increment of 3/4th new job opportunities based on skills. During the skill training program loss of wages and employment acts as a deterrent to skill acquisition.

The skill development system in India is multiplex and complex at the same time. The public sector in India dominates the vocational training landscape. However, the prominence and participation of private sector began to grow particularly in services sector training in the skill development space (Kanchan and Varshney, 2015).

Indian skill development ecosystem:

The ecosystem of skill development in India is multiplex, huge and diverse, providing distinct levels of skills across a diversified population. The Fig. 1 represents the skilling ecosystem in India.

India has a major advantage by having workforce

Source: Skill Council for Green Jobs, 2019

Fig. 1 : Skilling Ecosystem in India

which lies in a youth bracket which increases the scope of producing large number of workforces to labor market. As per the analysis the unemployment is growing at a very fast rate as despite of high population in working age we lack in skilled labor. Therefore, the need for skill development was felt and the Ministry of Skill Development and Entrepreneurship (MSDE) was established in 2014. It works closely with many other ministries to bridge the skill gap between demand and supply. It aims at formulating the standards of training and skill development collaboratively. One of its main objectives is to work towards skill development by keeping the other ministries together. It is not only responsible for setting aim and objective but also evaluate the achieved outcomes.

The Ministry of Skill Development and Entrepreneurship (MSDE) works closely with the National Skill Development Corporation (NSDC). It assists training centers in formulation of skill sets, provide help in market research and designing of curriculum. It focuses at filling the demand and supply gap by enhancing the initiatives of skill development. Both formal and informal ways are used to impart skills in India. The formal training is provided by both the sectors, public and private. National Skill Development Corporation (NSDC) is also taking care of Public and Private Partnership which is also called PPP model. There is a domination from the public sector but private sector is also participating at higher rates. The skill development eco system also includes National Skill Development Agency (NSDA) is also closely associated with Ministry of Skill Development and Entrepreneurship (MSDE) which takes responsibility of National Skill Qualifications Framework (NSQF) and quality mechanisms for imbibing skills in the country (Sharma and Nagendra, 2016). India

has a lot of population which requires training but the lack of infrastructure is a major problem in today's time for this purpose there was need for establishing sector skill councils. It plays a significant role in bridging the gap of demand and supply. It is also responsible for looking at the needs of the skill development sector and provide suitable solutions for the same (Sector Skill Council, 2019). Further training, placements and assessments are taken care by the implementation bodies like industry and other assessment bodies.

Challenges of skill development:

Alongside formidable issues of skilling the large population of youth in India, the nation simultaneously faces a major challenge of skill development system evolvement to equip the manpower with skills required by the industry (KPMG, 2015).

Lack of Infrastructure:

As per National Skill Development Council there will be a gradual demand of 347 million skilled workforce by 2022 in India but this poses a remarkable challenge as there is an expectancy of 12 million workers approximately (Esha Sharma, 2015). The available infrastructure is deficient to meet this high labor demand. There is even shortage of highly skilled and trained trainers. It not only signifies the deficiency of inadequate and inappropriate infrastructure in metropolitan cities but also in towns and villages (Sharma and Nagendra, 2016).

Industry-interface:

Industry interface is very crucial as it helps in assessing the demand for skills in nearby area or region which in turn promotes the updating of industry linkages and content of course which enhances the training centers image in the eyes of trainees and motivates them to work hard as what they are doing will be required for taking up jobs in industry. The performance of the skill development sector is affected by the low industry interface due to the placements of pass-outs and the salaries they are being offered (Esha Sharma, 2015).

Student mobilization:

The low enrolment of students in the training programs has become a significant challenge. It is majorly lower than the capacity of the skill program. Unwillingness to travel, unawareness of the different programs, low salaries at initial stage, inflexibility to get trained are the major causes for this challenge. Students choose degree programs over vocational trainings due to higher market value (Okada, 2012).

Low frequency of pre-assessment:

There are hardly any pre-assessment or entry level tests before giving admissions to the students in the training institutes. Thus it leads to the degraded quality of training. Students choose the training programs without knowing which program suits best to their interests and in turn which leads to the high drop-out rates.

Dearth of standardization:

Due to lack of standardization of the course content and delivery it becomes impossible to have a comparative analysis of courses of various different training centres which creates a state of ambivalence among the trainees about skills being imparted in a particular course at various other training centers. The measurement and evaluation of the competence outcomes is difficult due to lack of standardized approach.

Relevance of skills:

The course content of various courses of training institutes lack in providing the effective and efficient training which do not meets the requirements of industry and thus leads to lower placement records. Course curriculum is not revised for decades as it is considered expensive and complex process. Thus, such outdated curriculum leads to redundancy in meeting the demand of required skills.

Career guidance:

The requirement of proper career guidance is never fulfilled as there are no adequate statistics of placements and the training institutes do not have strong industry linkages. The placement of institutes is quite contrasting to the areas where the jobs are being offered to pass-outs. Thus, the lack of such significant information related to location and nature of jobs leads to uncertain choices (Esha Sharma, 2015).

Unaffordability:

The training programs cost are generally high. Not all the aspiring students are willing to afford the high costs for these trainings, which reduces their opportunity to join the program. Also, the salaries being offered are low, vague placement records and high training costs becomes

the significant factors for the demotivation (Okada, 2012).

Mismatch of skills:

There is a huge gap in the demand and supply of the skills required by the industry. The skills imparted by the training institutes do not match the requirement by the industries. The lack of interaction among faculty and industry widens this gap as the trainers and the institutes remain unaware of the demands at the employer end (Sharma and Nagendra, 2016).

Only focus on technical skills:

The major focus of the training institutes is on developing and imparting technical skills to their trainees whereas the industry do not just require these technical skills, there is also the need of behavioral skills. The employers even focus on good communication skills, cultural fitness of person, expertise in their domain, requires values like honesty, flexibility, adaptability, good learning and exhibiting attitude. However, these skills are not integrally imparted as a part of skill development. Thus, this issue poses a challenge in the unemployment of skilled youth (Sharma and Nagendra, 2016).

Employer's buy-in:

There is no differentiation of the source for the acquisition of skills, whether it is acquired on the job or have been attained in formal training. It is even being imparted by the companies in house skill centres. Public private partnership needs to be focussed even more seriously to enhance this skill development process (Sharma and Nagendra, 2016).

Recommendations and suggestion/solutions:

Based on the review of literature, the following suggestions and recommendations are listed to enhance the skill development process and overcome the challenges of it:

– There is a significant requirement for providing quality training to the trainees in order to enhance the chances of their employment. Certain techniques for assessment of training should be used which in turn can enhance the performance. Institutions should be assisted financially for the enhancement of training quality (Esha Sharma, 2015).

– The main reasons for skill gap must be found out in order to fill the demand and supply gap. There must be conduction of surveys for assessing the actual requirement of skilled workers by the employers. Based on the surveys analysis course structures can be designed for the concerned training programs (Esha Sharma, 2015).

– There is a lack of awareness among students regarding the training institutes which already exists, offered courses and the prospective career opportunities. There must be a portal for advertising the some significant notices, information like records of placement, institutes which are recognized with rankings which can support the decision making of students before enrolling in a particular skill development program (Esha Sharma, 2015).

– There must be some provisions to reduce drop-out rates of skill development programs by introducing some stringent rules and fine system for the same.

– There must be a format of taking affidavits from the student and parents in order to ensure their presence throughout the course period of these skill development programs.

– Reservation for some students who are trained from skill development centers of state government must be there.

– There must be encouragement to private sectors for employing the skilled workforce from the government.

– The training of students should be provided according to the need and demand of the industry.

– There should be proper awareness for skill development training programs by the Government. Enough funds should be allotted for awareness campaigns. Counselling programs are considered efficient and effective in creation of awareness in youth.

– A unified approach should be followed in the process of skill development.

– There must be strict vigilance by the government, efficient inspection teams must be sent for this purpose.

– At block level, there must be encouragement of communities and counselling centre for skill development (Kaur and Dogra, 2018).

Conclusion:

India is a highly populated country which is facing a serious challenge of unemployment (Yathish Kumar, 2017). Skill development is the significant facet for the growth and overall development of the Nation. A collaborated effort is required from all the stakeholders, academia and the government to achieve success in it. For taking the advantage of demographic dividend of India

there is a need to take a joint effort. This will also enhance the socio-economic development. There are various countries like China which is introducing the skill development training programs at the initial school level itself. To maintain the quality and sustainability of training programs there must be strong tie-ups with training centers (Sharma and Nagendra, 2016).

There are various challenges related to skill development in India like lack of infrastructure, industry interface, student mobilization, low frequency of pre-assessment, dearth of standardization, relevance of skills, career guidance, unaffordability, mismatch of skills, focus on technical skills and employer's buy-in. Among the various mentioned problems skill mismatch, lack of awareness and infrastructure poses the major challenge of skill development.

As India is growing at a rapid pace, skill development has become need of the hour for the growth of nation in every aspect. Since there are several loop holes in the system formulated for skill development, few measures need to be taken like there must be provision for quality training in the training centers, timely surveys should be conducted for studying the skill gap in order to bridge it with best possible solutions. There is also the need of awareness programs to motivate youth for enrolling in the skill development training programs. The training of students should be provided according to the need and demand of the industry. A unified approach should be followed in the process of skill development. There must be encouragement to private sectors for employing the skilled workforce from the government. Finally, there must be strict vigilance by the government, efficient inspection teams must be sent for this purpose.

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