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Skill Development Initiatives in India: Fails to Bridge the Skill Deficits despite Big Promises

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Abstract:

India is emerging as a service driven economy with demographic dividend as it's competitive advantage. The opportunity of demographic dividend may be lost if the upcoming working population does not have quality education to make India internationally competitive and to further boost its economic activity, a skilled workforce and a functioning labour market are essential. Realizing this, the Government of India has started several initiatives to skill the workforce. States, Centre and private parties all are involved in this skilling initiative. It is the UPA Government that first gave Skill Development a priority by announcing Skill Development Policy, 2009. Modi Government added fuel to it by formulating Revised Skill Development Policy, 2015 and giving a mission to all the skill development activities. Skill development will serve purpose of Make in India, Digital India and Swachh Bharat. New schemes have been introduced under NSDC. But after one year of implementation, it seems reality has belied the expectation. With the help of certain case studies, an attempt is made in this paper to assess the ongoing initiatives of skill development by multiple stakeholders within the provision of NSDC.

Keywords: Skill Development, demographic dividend, initiatives, reality, skilled workforce

1. Introduction

India is emerging as a service driven economy with demographic dividend as it's competitive advantage. The opportunity of demographic dividend may be lost if the upcoming working population does not have quality education to make India internationally competitive and to further boost its economic activity, a skilled workforce and a functioning labour market are essential. Realizing this, the Government of India has started several initiatives to skill the workforce. States, Centre and private parties all are involved in this skilling initiative. It is the UPA Government that first gave Skill Development a priority by announcing Skill Development Policy, 2009. Modi Government added fuel to it by formulating Revised Skill Development Policy, 2015 and giving a mission to all the skill development activities. Skill development will serve purpose of Make in India, Digital India and Swachh Bharat. New schemes are introduced under NSDC. But after one year of implementation, it seems reality has belied the expectation. The skilling initiative has failed to provide placement to students thereby to bridge the skill deficits in the country. As it is not possible to discuss all the schemes in a single paper so, only three schemes (PMKVY), DDU-GKY and Modular Employable Skill will be brought into discussion while reference of others may be made where necessary. The challenge lies not only in a huge quantitative expansion of facilities for skill training but also to give them the opportunity to work. There are at least 20 different Government bodies in India running skill development programmes. Vocational courses run by most of the degree colleges cannot be called up to the mark. On this background, following is the objective of our study.

1.1. Objective of the Study

With the help of certain case studies, an attempt is made in this paper to assess the ongoing initiatives of skill development by multiple stakeholders within the provision of NSDC.

2. Methodology

It an analytical study based on both the primary and secondary study.

2.1. Analysis

On 20th March, 2011 the Government of India gave the Ministry of Skill Development and Entrepreneurship the official goes ahead to formulate and implement the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) through the National Skill Development Corporation. With a total outlay of about INR 1500 crore the PMKVY was to impart skill training to the 24 lakh youths of the country focusing on

the class XI /XII dropouts and lower income groups. The scheme was developed over a period of almost three months and its implementation started in selected state (primarily Bihar). The scheme was launched in all states of the country on 15th July, 2015 which was observed as National Skills Day. The PMKVY goes beyond ITIs. It takes a completely different approach to skilling and educating India that is bottom up and designed to adjust dynamically to market demand. The objective of the PMKVY is to encourage skill development for youths by providing monetary reward for successful completion of approved training programmes. It rewards candidates undergoing skill training by authorized institutions at an average monetary rewards of Rs. 8000 per candidates. Of course, assessment fee of Rs.1000 is to be paid in advance. In both the programmes (PMKVY I and PMKVY 2016-2020), standardization of the certification process is given importance. The National Skill Development Corporation (NSDC) has been able to identify only 5% candidate who got placement after being trained under Pradhan Mantri Kaushal Vikas Yojana. This revelation is by Hindustan Times in 2016, July. As per the information obtained through an RTI, out of 17.07 lakh students, a mere 82, 183 begged jobs since the launch of the scheme on July 15, 2015. Even the PRATHAM's report supports this. According to PRATHAM, the PMKVY has trained some 20,00,000 persons. Yet only 81, 978 of them got jobs. The Standard Training Assessment Reward (STAR) launched by NSDC imparted skill training to about 9.5 lakh youths but kept no record of job placement. If we add the two schemes together about 27 lakhs youths received training. But we don't have proper placement record? Then for what purpose such kind of schemes are running by the Government? No question of bridging the gap of skill deficits? This scheme is based on a survey done by NSDC to determine what kinds of skills are required by the Country. The nation does not need goalless, trained and employable but non-aspirational youngsters. Of course, NSDC is not ready to accept the ground reality. According to the CEO Jayanta Krishna the RTI data is not an apt reflection of scheme's performance. He claimed that though the numbers are many times higher, very few training partners shared placement data because they were not mandated to report back. So, Hindustan Times's RTI data reflected only a small fraction of the actual placement. This argument is not supported by the PMKVY's 113 pages' process manual. It is clearly mentioned there that institutes are responsible for facilitating the placement of the candidates- and, therefore they have the information. Training providers will be responsible for identifying the mentors who support and guide trainees in the post training phase. According to this manual, this mentorship program will also facilitate the tracking of trainees in the post training phase. The placement takes place only after the completion of the certification process while only 8 lakh candidates have received certificates until now. That indicates unwanted delay in every stage of functioning of the scheme. All the North East states have unique requirement of skill based training for the fruitful utilization of their human resources. Several training partners, academic institutions and vocational training centres are actively involved in a range of training programmes that increase their skill, productivity and income. Most institutions are a part of national schemes like PMKVY and DDU-GKY apart from the regional schemes from the states. Our case study done in COMIT, Jorhat also supports RTI result.

2.1.1. Case Study I: Comit Skill Centre

Under PIA, EDU JOBS of Calcutta, COMIT started its first batch of Assistant Beautician Course in November, 2015. Though minimum qualification of this course is VIII Standard pass, yet considering the requirement of the syllabus they fixed the minimum qualification as HSLC passed. Till then 137 students were trained up, out of which 82.35% appeared in the examination. Two of them could not get through the examination. In this 150 hrs course, 3 left the course mid-way. Three students did not open account. Eight students were computer illiterate due to which the institute had to depute one student of their computer institute to help them. Assessment Examination of the first batch held in 7-01-2016 and assessment examination of the last batch held on 1st August. Not a single trainee has received the certificate till date. Monetary reward has not been deposited in trainees account. So, the centre has not received their share of Rs. 3500 per student. Students took admission by paying Rs. 1200. Not a single student was provided placement by the Centre as it was not mandatory under PMKVY I. 37 students even did not give their contact no. Only ten trainees have started to provide beauty care at home. From this perspective, the scheme has failed miserably to provide placement as well as to build up confidence for self-employment.

Contrary to PMKVY, DDU-GKY is far more successful in providing placement to rural youths. As this centre has not yet started DDU-GKY, another Skill centre under ICA Edu-Skill Pvt. Ltd. was surveyed. Here, four batches of students with 35 students in each batch were trained in ACCOUNTING AND BACK OFFICE. Out of total 140 students, 6 students left the course in the very first month. As under DDU GKY, it is compulsory for the skill centre to provide placement and compelled to track and pursue the students so long as they get a job or opt for self-employment, so, placement record of this centre is quite satisfactory (appro.61%).

Let us take the case study of another Scheme.

2.1.2. Case Study II: Modular Employable Skill

In this scheme, special emphasis is given to skill development in North East, J&K and other disturbed area. Under this scheme, thousands of students from North-East are brought to Delhi NCR. Their travel and boarding and lodging for 4-6 months, training, security, final assessment and final placement of at least 70% of the students is taken care of by different Vocational Training Providers(VTP). So, this entails expenditure of crores of rupees. The Government signs MOU with VTPs whereby the training providers are to be paid as per the following norms

1. 85% of the boarding and lodging expenses of each student every month according to the recent guidelines of the DGET.
2. 2/3 of the training cost is paid only after the student has completed the training, assessed and placed successfully.
3. 1/3 of the training amount is forfeited if 70% placement not done.

In the process, VTP is supposed to track each and every student for at least one year after the training with his whereabouts and latest telephone no. and salary and other perks etc. There are other challenges. For example, just for the certificate, 4-6 months fully paid vacation, a chance to travel to a different land, will get trained and then go back and do nothing may work in their home town or state. But it simply means wastage of resources, both human and financial. Again many of them join work after intensive counseling but run away and do not continue because of social, political and economic reasons. Who will bear the burnt of this? The training providers. They are penalized for the mandatory provision of minimum placement. VTPs have not got their dues for over 6 months to years. So, their dues accumulate to crores. How they will take in more batches when their money gets stuck in earlier programmes. How can the small and medium size VTPs survive when the Government does not pay them in time. How can this scheme sustain?

. Modi said in his 2014 Independence Day speech—

I want to create a pool of young people who are able to create jobs and the ones who are not capable of creating jobs and do not have the opportunities, they must be in a position to face their counterparts in any corner of the world while keeping their heads high by virtue of their hard work and their dexterity of hands and win the hearts of people around the world through their skills. We want to go for capacity building of such people. ‘

Now the experience says that we are actually creating some employable unemployed.

2.2. Reality of Skilling Initiative

*It is pointed out by many that entire skill India ignores the terrible state of school –level education. From the case study I, we have seen that those who cannot write the word anatomy are taught about human anatomy. It is expected that they will be able to know the structure and function of the skin, understand the characteristics of the skin and skin types of different ethnic client groups, know the position of the head, face, neck, chest and shoulder girdle bones and muscles, know the effect of the natural ageing process on the facial and bleach skin and muscle tone , know the structure of the hair and basic principles of hair growth, know the bones, muscles and blood circulation related to the hand, foot, lower arm and lower leg and know the process of nail growth.

*While there was not a single class on computer skill, they have to give examination online. What will be the condition of computer illiterate youths can be easily guessed? If the skill centre has to depute another person to teach them how to click the mouse, then how can we say that the result reflects their skill.

* It is no doubt true that the development of the skills has been driven by the requirement of the market. But it is a travesty that little has been done to understand the needs of the learners who are at the heart of the skill development initiative. This is because, skill centres are allotted courses on the basis of the allotted no. of students under various courses to PIA. Of course, in this respect it indicates an improvement over STAR programme. At that time, institutes (Skill Centres) have the liberty to choose the course in which they will provide training. At that time, almost all the skill centres in Jorhat chose the IT course. As a result, supply was so much in excess of demand that most of the trainees have not got any job yet. Due to lack of proper monitoring, it is objected that standard of all the training programmes were not the same. It can be mentioned here that quality of college provided short term programming in Semester system is often questioned.

*This allotment is done without doing any local demand survey. Importance of this will be realized from the following example. Institute of Advanced Computing and Management, Odisha has contacted COMIT several times for the following courses—

1. Mine welder
2. Wire Sock Operator
3. Safety Operator
4. Mine electrician

These courses may have demand in Odisha but very little demand in Jorhat. Naturally students won't enroll themselves in those courses. Even if they come will the skill centre be able to provide placement to them. Can we expect perfect mobility of the labourers. Even if these courses are provided in Margherita or Ledu there is some chance of placement. As the skill centres get courses and seats based on the requirement of the PIA and left out seats of the course, so, skill centres are handicapped in this respect. Though it is said that the recent skill initiatives of the Government of India is based on skill requirement and skill deficit, yet it seems it does not fulfill the conditions of manpower planning.

* We cannot expect same kind of results from the short term training provided to the drop outs and to the students of a specialized course. As part of a joint short term Skill Development Program by Delhi University and National Skill Development Corporation for the under graduates, the students in the BFSI course in Dayal Singh College completed their course as part of the pilot program and 70% of them got placed in leading financial institutions like Deloitte consultancy, HDFC bank, Angel Brokers etc. at a salary in the range of INR 1.8 to 2 .5Lakhs. Just like PMKVY , assessment and certification of the students under the course was done by Sector Skill Council and 35 students were certified with flying colours. In case of PMKVY and DDU-GKY the main problem is to retain the students in the course. For this, counseling is necessary which do not get importance in PMKVY I.

*Unnecessary delay in the payment of monetary reward will create disincentive for skill training even under PMKVY (2016-2020). Non-starting of PMKVY (2016-2020) till September in Assam creates doubt for this modified scheme. The early journey of this new Ministry of Skill development and Entrepreneurship itself was quite slow. The official notification announcing the formation of the Ministry and allocating its business was issued on July 31, 2014. But it took a month to get a secretary to head it. It required 2 months to get a Minister of State with independent charge in Rajiv Pratap Rudy. It took another month to get an office in New Delhi. Delay is experienced not only in case of monetary reward but also in case of inspection. For example, in order to start short term course in Retail Trainee Associate under DDU-GKY, COMIT started process in June, 2016. It will be under NIT. They were informed that

inspection will come in July. But inspection has not been done by concerned authority till date due to which they are not able to start the course. Obviously students who have contacted with them will get fed up and when the course will really be started, Skill Centre may not get the sufficient students. PMKVY has not been started in the State yet.

In PMKVY (2016-2020) placement is made the critical objective. TCs will be required to have mentorship also provision to provide post placement cum placement cells. There is support to candidates from special areas, women and PWDs. TPs are encouraged to organize placement / rozgar melas with support from SSCs.

2.2.1. Training Partner Payout

Payouts will be directly transferred to the TC's bank account as defined below:

Trenches	% of Total Cost	Output Parameters
1	30%	On commencement of the training batch against validated candidates
2	50%	On successful certification of the trainees
3	20%	Outcome based on placement

Table 1

In PMKVY (2016-2020), TCs are eligible for placement related payment only if 50% or more certified candidate get employment within 3 months of certification. The placement related payments will be provided in the following manner.

2.2.2. Placement Disbursement Plan

Placement Disbursement Plan in PMKVY (2016-2020)

Placement	Disbursement
Less than 50%	Nil
50% -69%	Pro-rata basis
70% or more	Full 20% payment

Table 2

3. Conclusion

While launching National Skill Development Mission in New Delhi, Prime Minister Modi said, "If China is recognized as the manufacturing factory of the world, India can become the human resource capital". In order to save Human resources being wasted all the above mentioned problems must be addressed.

1. It is imperative to link skill development with jobs to achieve the objective of the Skill India mission. Otherwise, skill deficits will remain in its place despite having a large pool of skilled people.

2. It is believed that the skill development initiative being put into action will create enough employable people in the country over the next seven years. But most of the skill development initiatives focus on relatively basic skills, those required at the shop floor level and to some extent on entrepreneurship. If with this skill training they are to enter the world market, there is need to upgrade the course.

3. It is not easy to change the lives of the young boys and girls who have either stepped out of the education system or did not have the wherewithal to complete the basic education by skilling and facilitating their entry into mainstream workforce. The biggest challenge in Indian ecosystem lies in finding out how to make skilling programmes aspirational? How to create a desire or need in the mind of the people to get pursue skill development programmes. Jobs and hiring in should be skill based rather than academic qualification based. At the same time, it is time to recognize that a placement need not necessarily be accompanied by a wage. Many skills, from electricians to care giver for the aged lend themselves to gainful self-employment and can account for as much as 30-40% of all skill acquires. But the biggest bottleneck in the skill space is getting the students to the class room and retaining them there. Government and training partners need to work together to ensure that the candidate is incentivized to attend classes through industry aligned courses, relevant training methodology, deeper connect with jobs so that they themselves can see their career path ahead.

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