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## An Overview of Skill Development Programme in India—A Study

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### **Abstract:**

*This research work examines the role of NSDC on various corporate fundamental factors on the Indian economy. This work tries to identify the critical factors, the width of expansion of NSDC which having a significant effect on improvement of skill as mirrored by increasing number of skilled people in India. This is the exhaustive study in the Indian context that explores the relationship between skilledness and employment as reflected by the two major factors determining the rate of employment and economic development. The scenario of economic progress and productive efficiency is leaded by the effective utilisation of human resources.*

**Keywords:** Skill development, Economic development, Reduction of unemployment and Training

### **1. Introduction**

In the third world countries one of the major bottlenecks in its prosperity is unemployment. From the 1990's the problem is starts rising uneducated people are minority throughout the globe. Now the definition of uneducated means the people who do not know or who do not have the knowledge. But, Govt. solely cannot eradicate the black effect of unemployment. The Government find out that employment rate is deteriorate gradually and needed urgent help to overcome the challenges. To solve this threatening problem The National Skill Development Corporation (NSDC) has been set up by the Government as a public private partnership company with the primary mandate of catalyzing the skills of 150 million people. Currently there are 1408 centres run by NSDC's training partners, including 106 mobile ones. Till March 31, 2012, 22 enterprises/NGOs funded by the NSDC had started skilling in 365 districts spread over 30 states and Union Territories through 3,230 physical and mobile training facilities, and rolled out 346 industry-relevant courses covering both the organized and unorganized segments. It is a non -profit vocational institution. It is created by Ministry of Finance. The structure of capital is 51 percent stake by industry and 49 percent stake by Government of India. The implementation and growth of NSDC is classified in three stages.

After completing the general education a student must have to be skilled them in their respective field. Now, this is the age of information technology. Computer is a very important phenomenon in modern life. So, a student must have to know information technology to do a job. If one student only posses the certificate but does not have technical skill in his specified field he cannot get succeed in his or her career. By this way, in India the number of unskilled educated people is increasing day by day. According to statistics they are literate but still Government cannot give proper job to them. To develop this stage and to overcome this horrible situation NSDC came into existence on 15<sup>th</sup> February'2001 as a quasi non statutory body. It functions with a Board of Directors and guiding the economy in various insights. The mission of NSDC to inaugurate various skill development programmes for young generation of in India. Here we have made a summary of functions as well as objective of NSDC. For this elaborative study we have also taken the data from NSDC official website how gradually NSDC have covered the states of India as well as union territories for vocational training, job oriented training, career building etc.

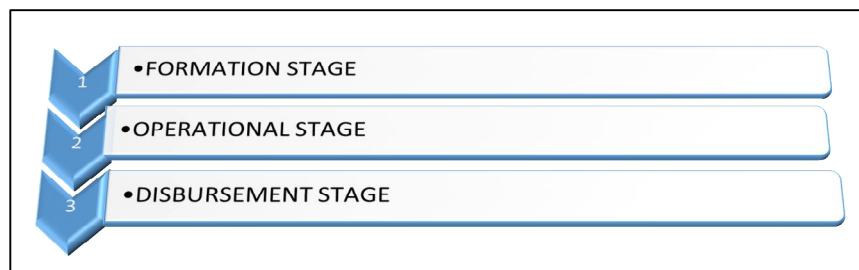


Figure 1: Stage-WISW Implementation and Growth of NSDC

## 2. Significance

The lucrative initiation by Government of India is the implementation of NSDC. The significance of NSDC is enumerated below:

- (1)Growth: Over the years NSDC substantially improve its functions with the advent of new additional features. The services provided by NSDC are numerous for the development of youth employment.
- (2)E-Learning: Today is the age of information technology. NSDC has been launch web portal for online registration of job seekers, announcement of job vacancies, proper counselling of them, and relevant information for job through internet. A dedicated website for the special industry initiative in Jammu & Kashmir, called 'Udaan', being spearheaded by the NSDC, was also launched. Under the "Udaan" scheme, up to 40,000 people would be skilled and placed in jobs over a 5-year Span.
- (3)Problem solver: The employment rate is lower than the labour force in India because most of the Indian labour force is suffering from unskilledness. NSDC is come forward to the problem of absorption the labour force in the industry.
- (4) Strategic alliance: The objective of Government to increase the rate of employment for industrial growth, expansion of small and medium enterprise and prosperity of the country. For doing this NSDC takes part in different type of conglomerates and also participates in a lot of international conferences.
- (5)Skill development: The main motto of NSDC to increase the skill of youth stage of our country by giving them various kind of training programmes etc and providing monetary benefits on completion of those programmes in time.
- (6)Productivity: By giving effective training and improving skill of the workers NSDC standardising the product which are manufactured by those skilled labours. It is one of the main objectives of this organisation.

## 3. Objectives of the Study

The objectives of the study are revealed as under:

- (1)The gradual growth and performance of the NSDC in Indian context.
  - (2)Direct relationship exist between skill of people and their employment
  - (3)The effect on economic development largely depends on skill and effort of employee
- Training Sectors covered by NSDC till 31<sup>st</sup> March '2012:



Figure 2

#### 4. Functions

The various functions performed by NSDC yet we have to see at a glance. This are enumerated below:

- (1) Procurement manual: One of the important functions of NSDC is to culminate the skill and growth of young population of the country through various scientific procedures. NSDC implement different lucrative programmes for it.
- (2) Funding Source: NSDC can manage its required source of fund with the help of various international and national corporate as well as agencies such as ACMA, CII, FICCI, IAMR, TRENT, VOLTAS, and Volvo etc.
- (3) Registration: NSDC presently help to discard the effect of slow down employment growth. Presently it launches a web portal through which job seekers can enrol their name as a candidate and update their status gradually and broaden the scope of them.
- (4) Announcement: NSDC has a well source of network of both job seekers as well as employer. That is why they perfectly match both of this and it can announce the vacancy position of any industry very easily.
- (5) Career counselling: India is one of the country in which the problem of youth generation is they have cleared all the academic qualification but for the absence of proper counselling they lost the good opportunity to build up them. One hundred model career centres are developed all over the country for this.
- (6) Vocational Training: NSDC mainly gives various kind of vocational training to young generation. These training include tailoring, computer education, preparation of jewellery design, mobile engineering, food processing, retailing etc.

#### 5. Collaborating partners of NSDC

Different authorising bodies at national as well as international level are invited to work with NSDC. Those organisations are helpful for the success of NSDC. The profile and work done by them are described below:

Centum Work Skills India (CWSI) is willing to shake their hand with NSDC. There is another company Centum Learning, a Bharti Associate Company who is made agreement between NSDC and CWSI. Both of them are trying to meet the objective of the Government to train 500 million youth by 2022 across 21 sectors, CWSI implementing various innovative models which are helpful to train the young generation at district level and state level and provide certificate. It currently skills across six

Key sectors, namely, Automobile, Organized Retail, Telecom, Building & Construction, Hospitality and Healthcare. There is another partner named Action for Employment (A4e) who established Assessors & Trainers Institutes (ATIs) for proper guiding the young generation. The target group of young generation are the students who have just passed class VIII to Post Graduates and in many cases engineers and professionals are taking part of it. Now NSDC has expanded its scope and stretch its arms in 17 countries including Africa, India, Bangladesh and Sri Lanka. There is another company named IIJT which give practical training to students in multi disciplinary courses. IIJT takes 62 crore soft loan from NSDC. The objective of NSDC is broad in many respects. To utilise the loan of NSDC IIJT makes an agenda to develop 1,349 multi-skill development centres across the country to

Skill 1.8 million unemployed school dropouts and college graduates in the next ten years. NSDC engaged with the World Bank and the Asian Development Bank to impress on them the need to participate in the growth of the skills movement in India. The World Economic Forum (WEF), European Union, International Labour Organisation (ILO), UK's Department for International Development (DFID), UK Commission for Employment and Skills (UKCES), UK India Education and Research Initiative (UKIERI) and Australia India Education Council (AIEC) were among other reputed organisation which help NSDC to introduce India in international context.

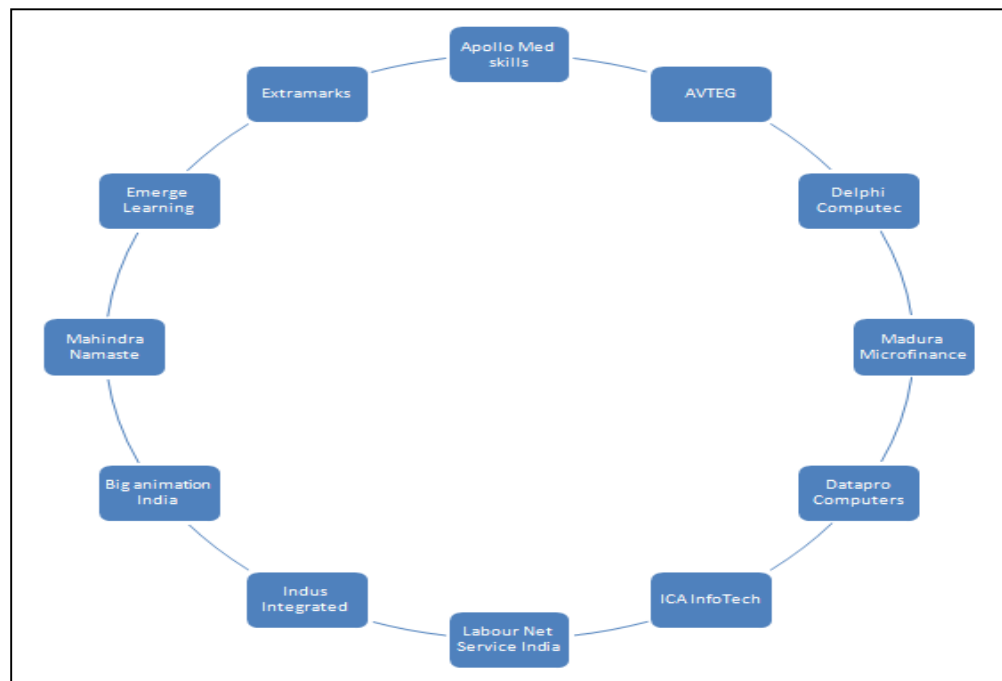


Figure 3: Some training providers of NSDC

**6. Review of Literature**

1. Prasant k Nanda& Amrit Raj (2011), observed that TVS Motor Co. Made an agreement with NSDC to create a pool of workforce for trained personal for specially Chennai based two wheeler industries and for automobile industry as a whole because this sector has faced a problem of shortage of skilled manpower. The rising prizes of fuel and economic growth slowdown rate decrease the sale of automobiles. TVS Motors concentrated to create a skilled labour force both for automobile industry as well as for economy. TVS Company already establishes seven training centres at Karnataka, Tamilnadu and Uttarakhand states. The company also highlighted that corporate positioning and training will meet the gap by creating skilled labour force.

2. Santanu Paul & Dilip Chenoy (2011) opined that skill development is crucial for an economy like India where a big crisis like unemployment exists in the economy. NSDC sets its mission to create 150 million skilled work forces within 2020. There is a need to establish a chain of training centres which will convert unemployed graduates to industry accepted professionals. They have founded that the content of undergraduate level concentrated mostly on theoretical lessons and the communication skill is another barrier to get proper job. NSDC founded the training centres also in rural and suburbs area through which youths are get certificate and groom themselves proper way. Another way is, to give loan to trainees and after got trained they will get a job and repay that as early as possible. Central bank takes steps to make real the theme. It is important to make skill development efforts commercially sustainable.

3. Article Name: Set right skewed duty structure, rubber industry body urges (Source: Business Line, Chennai, dated September 23'2012):-

Rubber industry is one of the big plantation industry in the southern part of India namely Kerala. In the year 2012, Government has lowered the import duty of rubber products than domestic product which is called dumping in economics. For this reason the domestic rubber industry gets sick. Another reason of their sickness is the price of finished product made by rubber is cheap than the natural rubber and the prices of natural labour are very volatile. These reasons have affected the small and medium manufacturers. Presently the number of automobiles is increasing very fast. So, the emergent need of tire, tubes made by rubber is still in high demand. The chairman of NSDC congratulates the rubber industry for rapid progress in setting up rubber skill development centre and tries to create a skilled labour force in this industry and also launched training programmes. He also pronounced that if NSDC create a skilled labour force for this industry the wastages will slow down and the industry will get success in near future.

4. Article Name: Aptech, NSDC to sign agreement to boost employment (Source: The Times of India dated: 08.03.2013)

Aptech Ltd. And NSDC signed an agreement between them to train the young people and provide also job related training all over the country. The main objective for both of them to create a big skilled workforce which is essential for any industry. Aptech Ltd. Is altogether a separate SBU which can more than 2.33 million people nationwide for last 10 years? NSDC now provide a soft loan to Aptech Ltd to enhance the business and to train more. Aptech also committed to include technology oriented course in remote areas in the country. Thus both of them can boost the employment rate of India very soon.

5. Article Name: Canara Bank signs MOU with NSDC for employment of J&K youth (Source: The Economic Times, dated: March 13'2013)

Canara Bank signs MOU with NSDC to train and skill Graduate unemployed youth who can be the representative of their own state and take these unemployed people under the web portal "Udaan" which is launched for Jammu & Kashmir only. Canara Bank initiates this project because it is a part of the corporate social responsibility of bank nowadays. Bank also gives a timing to train 300unskilled graduates within 3 months. Those skilled trainees are recruited by Canara Bank for the post of probationary officers as well as clerks.

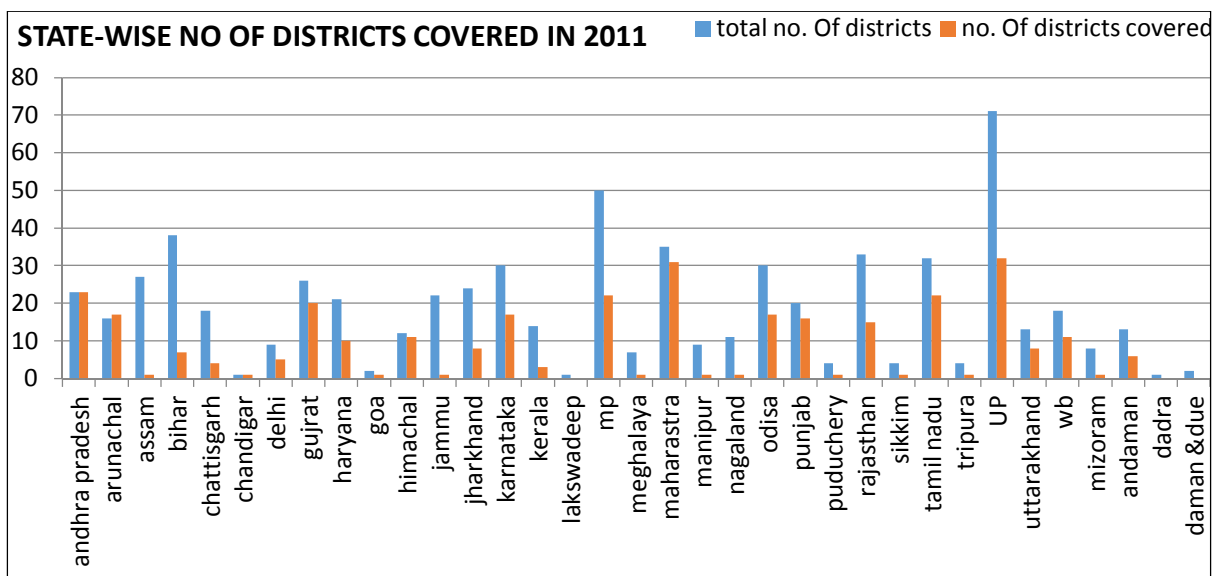


Figure 4: Graphical Representation of Performance of NSDC in 2011

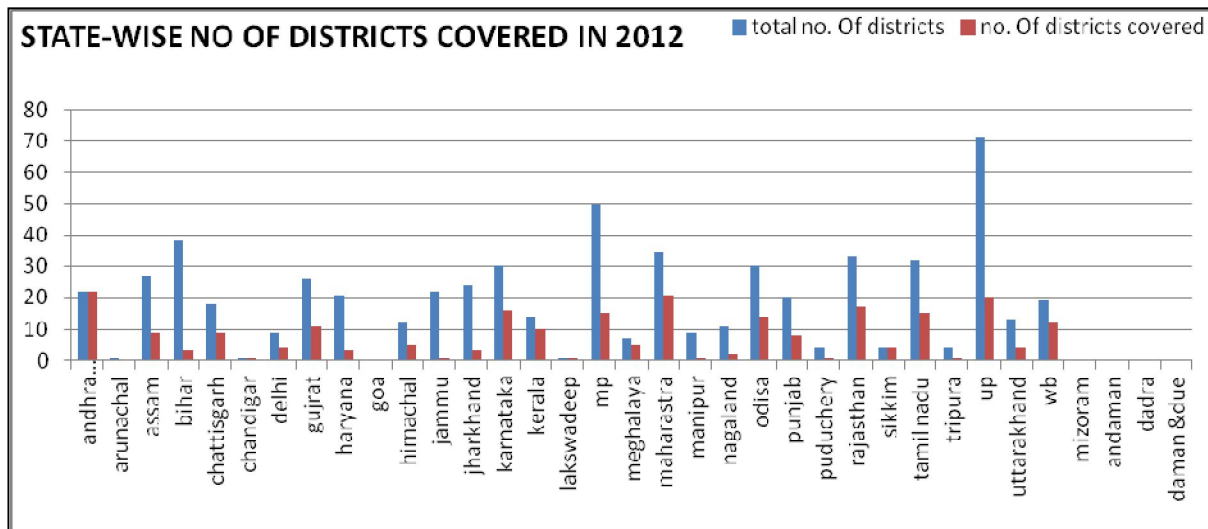


Figure 5: Graphical Representation of Performance of NSDC in 2012

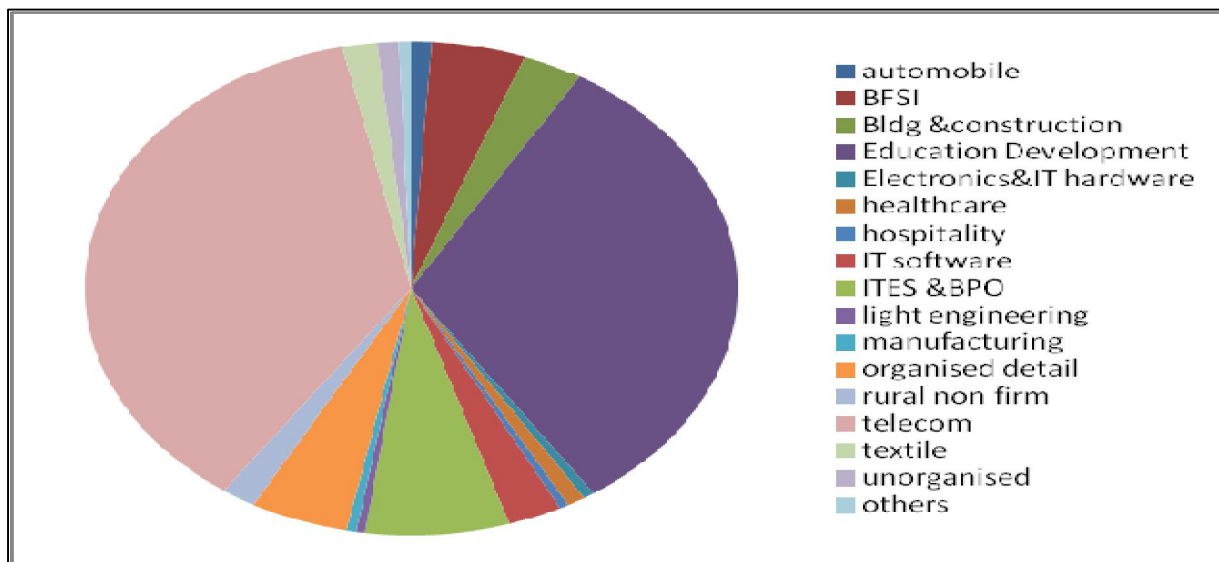


Figure 6: In 2012 the performance by NSDC in total training area

**7. Conclusion**

After studying the aforesaid elaborative article we can gather our knowledge that hoe NSDC is doing their work foe young generation for their skill development through vocational training which is also very important along with regular general study. Presently, NSDC collaborating with various national and international bodies that can help them in this kind of holistic mission. NSDC set their mission to create a skilled large workforce by 2022. NSDC is willing to give franchise in colleges where a large portion of students take their regular education. They also tap IITS and private engineering colleges. NSDC plays a major role in skill development project of India from 2001 to 2015. We will expect that NSDC will go long way in the creation of skill culture in the country and strengthen its own arm by potential youth. In our sincere belief NSDC is the host of skill development in India.

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