Indian Skills Landscape - Changing Paradigms

Skilling India to empower its citizens and to equip them to compete and excel on a global maiden is a multi-pronged challenge

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Skill Development - Current scenario
India has witnessed rapid growth in recent years driven by the increase in new-age industries. The increase in purchasing power has resulted in the demand for a new level of quality of service. However, there is a growing shortage of skilled manpower in the country. In the wake of the changing economic environment, it is necessary to focus on inculcating and advancing the skill sets of the young population of the country. India lags far behind in imparting skill training as compared to other countries. Reports indicate that only 10 per cent of the total workforce in the country receives some kind of skill training (2 per cent with formal
The other day when I was at speaking at the African Development Conference at Harvard, I was excited to share the present government's interest in the skill building in India. Our Prime Minister has become the brand ambassador of skilling as he passionately mentions ‘Skilling India’ in each of his speeches without fail during his tours beyond the shores of the country. The new government has also been able to recognize the disparities in the extent to which young people have been able to acquire formal skills.

Realizing this need the government has made provisions for upgrading skills under multiple disciplines and allocated resources across the length & breadth of the country. To list a few, the center is taking efforts to come up with a legislation to set up a Skill Development University. Further, a separate Ministry for Skills Development & Entrepreneurship has been tasked to coordinate and streamline multiple skill development initiatives undertaken by the government to build a skilled & employable India. The Union Cabinet chaired by the Prime Minister, recently gave its approval for the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) with an outlay of Rs 1500 crore.

Being the largest partner of NSDC for the second year in a row, we harbor dreams to provide workforce to power global youth. Our youth is our biggest strength and we have to entrench 'dignity for labor in the minds of Indians'. As a country, India has a strong surplus in working population (age 15-50), which has helped the nation to maintain the momentum in the growth story. A significant portion of this demographic dividend lies in rural areas, which is Centum Learning's primary area of focus. With presence in 383 districts in India, we are now customizing training as per the requirements of the industries and doing our bit to bridge the skills shortage.

Have the promises made by the industry been fulfilled?
There has been visible effort by the Government to meet their promises on skill development in the country for empowerment of its citizens. The Finance Minister has rightly recognized the most critical aspect, which is taking a step towards effective implementation of the Right to Education Act. Also, the allocation to National Skill Development Fund will aid in capacity building and developing skilled human resource to meet growing demand for India Inc. Another major highlight is the provision of fiscal incentives to the private sector for setting up vocational and skill development institutions. This has motivated a lot of private sector organizations to lay emphasis on the sector.

An increase in budgetary allocation for primary education is a long awaited requirement that been met. National Skill Development Agency is encouraging innovation in skills development and promoting entrepreneurship in the country. The newly set up Skills Ministry is determined to encourage innovative ideas and modules in skill development landscape and at the same time assist the youth of the country in the skilling and entrepreneurial domain, to translate the vision of the Government into a concrete reality. With focus on self-employment as a key aspect to job creation, the Government has chalked out a plan to set up incubation centres at all districts across the country to train budding entrepreneurs.

The Government has also decided to revamp the antiquated industrial training centres that will skill over 20 lakh youth annually and devise special courses based on industry needs. All these are positive signs to show that the government's promise of skilling 500 million will be achieved in due course of time.

Now, the government should incentivize industry to spend 50 per cent of their CSR funds on skills training and match the same.

Ground reality of skill development industry
Unemployment of youth is a ticking time bomb that is perilously close to exploding with the young population that we have. Soon, three of every four people will be 20 years of age. Despite growing as a developing country, the economy has not created youth friendly labor market where millions of young Indians descend every year, creating rising youth unemployment.

The lack of jobs or a limited number of jobs, ineffectual vocational training, lack of skills development, unrealistic expectations from jobs, lack of entrepreneurship, absenteeism in school, early dropouts and a myriad of other factors have given rise to youth unemployment. Growth in economies has not led to a resultant increase in formal jobs or a youth-friendly labor market. The situation is further exacerbated with an influx of youth from rural areas to populous urban centers.

As in other developing countries and countries that have recently bridged the chasm to become developed nations, the problem perhaps also lies in perception and inadequate transition from school to the workplace. Youth are keen to get employment in formal sectors to get full-time employment, which may even offer benefits such as healthcare and paid holidays, instead of pursuing jobs in the informal or traditional sectors that may be seasonal.

Our leaders have recognized this crisis and the Indian Government has taken steps to initiate action to tackle this flashpoint before it explodes. But these are not enough, and the government in isolation cannot tackle such a mammoth problem. The biggest challenge in the Indian ecosystem lies in finding out how to make skilling programmes aspirational? How do you create a desire or need in the mind of people to get pursue skill development programmes vis-à-vis a pure educational course?

As our skill development minister, Shri Rajiv Pratap Rudy recently said, “the day I find a matrimonial advertisement where the bride or groom is vocationally skilled, I would feel that our initiatives have made some impact.” A welcome step in this direction.
Another big challenge facing the implementation and execution of any skills development-related scheme is reaching out, educating and motivating youth in the rural and remote parts of the country. With over thirty years of experience in Training & Development, we have realized that the only way to increase the efficiency of the employees in the corporate sector is through innovative training methodologies which need to be upgraded from time to time. At Centum Learning we have adopted off-beat training modules which can be as simple and varied as storytelling or Team building using theatre workshops. Depending on the clients, Centum Learning, which believes in the mantra of “Business of positive transformation”, has devised training modules which can enhance business results and develop skills as per industry requirements.

There cannot be a more opportune time to consider how closely a nation’s growth agenda is aligned with the skill-level of its manpower. We are playing a key role in evangelizing skill training like a religion in India and making youth job-ready so that in turn they can make India a manufacturing hub in order to fulfill PM’s vision of ‘Make in India’.

Manufacturing cannot become a growth driver if the lack of skilled workers continues to be the greatest constraint in this journey. A survey conducted in 2014 reveals that around 78 per cent of the surveyed employers said they are concerned with the growing skills gap in India while 57 per cent said they currently have open positions for which they cannot find qualified candidates. So, the Government needs to pursue the two pronged approach of creating jobs in the manufacturing sector and encouraging multi-stakeholder partnerships to impart relevant, “employment worthy” skills. It is good that Skill development is garnering so much interest from both the government and the industry. The fact that this space is growing and large players with pedigree and Governance standards are entering is good for the sector.

Government should make vocational education mandatory for women not pursuing full time education. Jobs and hiring in India needs to shift from being ‘qualification based’ to ‘skill based’. With ‘BetiBachao, BetiPadhao’ and ‘Digital India’ schemes being rolled out by the Government, youth and especially women must be compulsorily taught to use computers and be skilled (in any field) in order to get acquire an id card (maybe something like a BPL card). Government also needs to take specific steps for differently-abled people and help create job opportunities for them by building relationships with employer and industry groups. If the Government can get the major chunk of the above target groups in its umbrella, the dream of empowering and transforming lives will be achieved to a great extent.

Challenges galore

The tragedy is that less than 2 per cent of India’s workforce has formal skills and even among those who have some sort of training or qualification, only a third today, are armed with employable skills amounting to a colossal waste of our biggest asset: people power. The perception of educated parents that everyone had to be either a doctor or an engineer -- a hangover to the mindset of the 1960s and 70s -- has tragically hamstrung efforts at skill building at its most important stage -- during school. Admittedly there has been realization that school-level skilling can lead to satisfying, lucrative careers. CBSE now offers some 50 vocational courses and the school management is now encouraging students to discover original or innovative talents in themselves.

A trishul of talents need to coalesce before skills can be translated into gainful employment: technical skills, domain knowledge, and soft skills. The first two are a matter of training and application. The final, presents some rather nuanced, challenges and the needless roadblocks need to be addressed with sensitivity.

Today whether you are a beautician or a tour guide or a taxi driver, a working knowledge of English is a force multiplier when it comes to employability. In Bengaluru, which is home to the largest number of MNC tech companies in India, a headhunter tells me, a licensed driver, maintenance engineer or a nursing assistant who can speak and read English, can straightaway add 50 per cent to his or her pay packet. This is something that Governments- both at the State and Central levels are beginning to take cognizance of.

But the biggest bottleneck in the skills space is getting the students to the classrooms 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 and industry so that they themselves can see their career path ahead.

The larger training players also need to harness technology wherever available -- digital solutions, smart tools, Internet-driven delivery -- to achieve the required scale and maybe even for large scale mobilization.

We must also recognize that at basic levels, one has to contend with low aspiration levels, coupled with lack of capacity to pay. This has to be addressed with sensitivity that can be best achieved by government-funded programmes, executed by large training partners who have the ability to scale up. For mid-level skills, both government and private enterprises can join in the funding -- but we need to recognize that corporates tend to skill as per their requirements.

It is time to recognize that a placement need not necessarily be accompanied by a wage. Many skills, from electrician to care giver for the aged, lend themselves to gainful self-employment and can account for as much as 30-40 per cent of all skill acquirers.
Skilling India to empower its citizens and to equip them to compete and excel on a global maiden is a multi-pronged challenge. We need our engineers and doctors and business executives and we also need many times those who bring a rainbow of heterogeneous skills to drive the engine that is India. And sometimes we discover in ourselves skills and talents for which we were not necessarily trained, but which constitute a coming together of head and heart.

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