

SKILL DEVELOPMENT A CATALYST FOR SUSTAINABLE DEVELOPMENT GOALS (SDGs)

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Abstract : Skilled human capital is vital for success of ambitions program “Digital India” and for sustainability of future growth. The quality of manpower is a vital factor in the success or failure of any program/project.

India with a population of 1.34 billion with medium age of 26.9 years which is expected to be 28 years by 2020[1] and one third of population below the age of 14 years [2]. The channelization of vast human resource potential in right direction is important to achieve the objective of digital India “to transform India into digitally empowered society and a knowledge economy” to make India a global talent hub.

The vision of the digital India program is to deliver public services at the door step of people with minimum cost to citizen of country with special emphasis to the marginalized sections of society to bridge the digital divide between digital haves and ‘have notes’. Translation of vision into reality requires commitment, knowledge and skills of the stakeholders

Skilled manpower is the need to hour for sustainable development with 2030 year agenda of sustainable development goal (SDGs) of UN of which India is signatory. The skilled manpower will become the strategic tool for growth and ambitious program.

The purpose of research paper is to analysis the skill gaps in demand and supply of employable manpower and how the skill India programme under digital India umbrella can help in reducing the skill gap. The necessary skill has direct impact on the employment and job performance. The required skill as per the demand of employer is critical in achieving the target of decent work, which contributes to the economic growth.

Index terms : Skill development, NSDC, SDGs, Skill Gaps, KPMG, PMKVY

I Introduction:

Human resource the capital assets, is a vital input for the development and growth of different organisations in primary, secondary and tertiary sectors, which contribute to gross domestic product (GDP) of State/Nation. According to human capital theory (Gary Baker 1964), human traits – knowledge, talents, skills, abilities, experience, intelligence training possessed by individual are the quality measurer parameters of individual. The quality of human capital has direct impact on growth/decline of organisation and ultimately the country. The skilled manpower possesses the required skill to perform a specific job, which can be acquired through formal and informal education and training. The skilled manpower is competent to handle the tools, machinery and technologies and also possess the soft skills to handle pressure and difficult situation during performing a specific task. The professionalism quality can be acquired through job specific skills. Trained skilled manpower is always in demand in organisations, as they are ready to give value addition to business and business gets return of investment form the early stage of business cycle.

A large number of research and studies have been carried out to understand the role of skills in productivity and growth. There are number of empirical evidences available, which highlight the positive correlation between education, training and job performance.

In Pittsburgh, in September 2009, G20 leaders emphasised on the quality jobs to preserve employment and job growth. They acknowledged the role to skills development in meeting the challenges of dynamic market demand [3].

International labour organisation (ILO) specified investment in skill development through quality education, building bridges between the trainers and world of work, as per enterprise needs, continues

training at workplace to enable the worker to adapt the rapid changes, forecasting the future needs is win – win situations for employer, employee and organisation in its strategy[9].

United Nations had adopted 17 sustainable development goals (SDGs) in year 2015 to be accomplished by year 2030. Eight goal is decent work and economic growth; in order to achieve the target of sustainable economic growth with dignity of labour, the technology innovation can act as a catalyst through productivity enhancement and in order to create decent work opportunities entrepreneurship should be encouraged through skill development. Entrepreneurship will lead to job creation for all men and women by 2030[17]. In order to achieve this goal, high economic growth of developing and under developed countries is the key for which, skilled human capital is the key factor. However, high economic growth is not sufficient condition of poverty elimination, the pattern, sources of growth and manner in which benefits of higher economic growth are distributed is equally important for reducing the poverty. The achievement of goal of decent work and economic growth will improve the per capita income of people, which will supplement in achieving other sustainable development goals like no poverty, zero hunger, health & well being, quality education, industry innovation & infrastructure, reduce inequality.

II Methodology:

The research is qualitative, exploratory and descriptive in nature based on secondary data collected from various web sites Government, Publication dealing with workforce and employment data in India, skill India programme, Digital India and skill development strategies and initiatives in India. An overview of employment scenario in India is presented in section III. Section IV highlights about the status of skilled manpower in India and industrialised countries. Section V reflects the demand and supply gaps in skilled manpower. Section VI indicates the initiatives taken to reduced skill gaps by public and Private sectors in the country. Section VII is about the data analysis. Section VIII deals with the way forward.

III Employment scenario in India:

India with a population of 1.34 billion with 62% population in working age group (15-59 year) is known as country of young people with median age of 26.9 years which is expected to be 28 years by 2020 [1] and 1/3 of population is below the age of 14 years [2]. The estimated worker population ratio i.e. No of persons employed per thousand persons is 50.5% in the age group of 15 -59 years [5]. The distribution of labour population in 2013 in Primary sector was 49.7% followed by 28.7% in tertiary sector and 21.5% in secondary sector [6]. Only 17% of employed persons were wages/salary earners.

It is expected that by year 2035, labour force in industrialized world would decline by 4%, while in India it will increase by 32% [5]. In order to advantage of demographic dividends India needs to equip its work force with employable skills to contribute towards the economic growth of the country.

IV Status of Skilled Manpower:

Economic growth and social development of any society/nation is directly proportional to knowledge and skill of their people. Nations with higher level of standardised skill can face the challenges of market more effectively and efficiently.

Presently, India faces dual challenge of paucity of sector specific highly trained, quality labour manpower as well as large section of non-employable mammoth conventionally educated youth with little or no job skills. It is estimated that only 4.69 % of total workforce in India has undergone formal skill training as compared to 68% in UK, 75% in Germany, 52% in USA, 80% in Japan and 96% South Korea [4]. Large sections of educated workforce have little or no job skills making them unemployable.

Several factors have inhibited the skill development eco-system in India to scale up to the desired levels. The skill development system in India is plagued with multiple issues related to education, awareness, perception, cost, quality and scale. There are many reasons for skill challenge:

- General education level of labour force in the age group 15-59 years remains low.
- Large population (30%) of labour force is illiterate, it is natural to expect low level of technical education in workers.
- The contents of the subject are general in broad term and not sector specific.
- Minimal level of vocational education at senior secondary school and college level in comparison to Germany, Japan, Korea and other industrialized countries.

V Skill Gaps:

Skill deficiency is major contributor in mismatch of the demand supply gap for labour force, which contributes too many economic problems. Availability of skilled manpower attracts the investors, which is primary driver for site selection. Skills development is central to achieve higher levels of sustainable development growth. It is difficult to have sustainable development goal with low skill, low productivity, low wage economy, which inhabit in poverty reduction. Lack of quality education, low level of skill, poor training, low productivity and poor quality jobs are the factors, which traps the working workers in to low wages jobs.

Skill gap studies under taken by National Skill Development Council (NSDC) highlights the requirements of 110 million additional skilled manpower in 24 core sectors like Building, Construction and Real estate, Beauty and Wellness, Textile and Clothing, Tourism, Hospitality & Travel, handloom & handicraft etc. and skilling, re-skilling and up-skilling of 298 million existing workforce in farming and non farming by 2022[4]. If this problem of shortage of skilled manpower is not tackled without any further delays, it will become one of the major threats in near future, which will adversely affect the economic growth.

In order to meet the challenge of skilling mammoth workforce of existing and new entrant in various sectors in short span of time, adequate infrastructure needs to be created for sector specific training. Sector specific councils (SSCs) have been created for better coordination with industry for specific requirements of industry and improving the quality and quantity of skill training.

In order to analyze the skill gaps in Haryana state of India, a dip stick study was carried out in year 2013 by National skill development council (NSDC) and KPMG advisory services private limited [8]. The report highlights the district wise and overall state future requirements of manpower and skill requirements by industry. It also highlights the estimates of sector specific gap that exists. The importance of strengthen of vocational education to bridge the skill gap is also recommended.

VI Initiatives to bridge skill gaps:

In order to meet the challenge of skill development, Government of India has set up skill development and Entrepreneurship ministry for collaboration and coordination among stakeholders in training activities of skill development schemes in different ministries of Govt. of India through India's skill development missions with the aim to train the people on large scale and speed for employment opportunities.

Despite establishment of ministry for skill development and entrepreneurship, the skill development schemes remain with the respective ministries. There is an urgent need to realign the skill development ecosystem in the country to ensure quality, scalability, and sustainability [12].

The skill development issue in India is pertinent from demand as well as supply side. In order to enhance the demand side, number of policy interventions initiatives have been taken by the centre and State governments like "Make in India", Electronic Manufacturing, Start up India, E-kranti (e-Governance), Rural India digital connectivity to Panchyats (Bharat Net) under digital India programme, Financial Inclusion & social security, Taxation Reforms, Ease of doing business etc. to enhance economic activities and creation of employment opportunities. The youth population of the country is the asset for the supply side. The employability quotient of youth is the concern area. The federal Governments in India are striving hard to improve the employability quotient through skill development schemes like Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDUGRY), Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Financial assistance for skill training of persons with disabilities, National apprenticeship promotion programme, Craftsman training schemes, Apprentices training, Skill development for minorities, green skill development schemes [11].

Some of the initiatives, which can help in the change of employment scenario:

- Model career centres for matchmaking, where job seeker can walk in to get the support to secure a job based on his/her skills [15].
- National Career service portal [14].
- Amendment in apprentices Act.

- Definition of National Skills Qualification Framework (NSQF) is competency based framework, which organizes all the qualifications based on knowledge, skill and attitude into various levels. The qualification can be achieved through formal and informal education [13].
- India International Skill Centres to prepare youngster for overseas jobs.
- Recognition of prior learning under PMKVY.

Initiatives of Haryana State under Skill India Mission:

Based on the recommendations of NSDC and KPMG report, Government of Haryana has started the “Saksham Yuva Yojana” with the objective to understand the aspiration of youth and to enhance the skills of employable youth to get the employment. A similar district wise study is undertaken by the Haryana Vishwakarma skill university, first skill Development University in India to understand youth’s aspiration (YAS), who are studying in secondary schools and youth under Saksham Yuva Yojana in Haryana state [10]. The study highlights that majority of youth have mindset for Govt. Jobs. It may be due to pre conceived notion of job security. Although Haryana is the agrarian state yet the preference for agriculture related activities among the youth of state, is quite low. There are numbers of training and skilling models like classic classroom teaching, on job training, classroom teaching & field training and earn plus learn model. The preference of 70% youth is for earn plus learn model for financial independency. The analysis of sector specific preferences highlights higher ranks given by youth to sports, IT/ITES and automobile. This can be due to lucrative incentive sports policy of the state Govt., major share of IT/ITES and automobile sectors in export from the state. The low level of awareness may be the reason for lower rank to high job demand sectors like solar energy, textile and logistics.

The youth registered under Saksham Yuva Yojana (SYY), in which the state govt gives allowance of Rs. 3000/- and honorarium up to Rs 6000/- for work of 100 Hours to the educated unemployed youth up to age of 35 years to upgrade their skills and become employable. The youth’s preference of govt. job under SYY is similar to under YAS may be due to job security and lack of awareness about the availability of job opportunities in other sectors.

VII Data Analysis:

The available data on PMKVY website [16] taken on 31.10.2018 has been analysed. Data records have the information regarding person trained, certified and placed for employment. The trained person is certified through the test process and helped in placement. The data has been analysed state wise and sector wise to find the placement pattern in various sectors in the country and Haryana state. The available data indicates the skill training under PMKVY is provided in different sectors; Aerospace & Aviation, Agriculture, Apparel, Automotive, Beauty & Wellness, BFSI, Capital Goods, Construction, Domestic Worker, Electronic & Hardware, Food processing, Furniture & Fitting, Gems & Jewellery, Green Jobs, Handicrafts & Carpet, Healthcare, Infrastructure Equipment, Iron & Steel, IT-ITeS, Leather, Life Sciences, Logistics, Management, Mining, Persons with Disability, Plumbing, Power, Retail, Rubber, Security, Sports, Telecom, Textiles & Handlooms and Tourism & Hospitality[16].

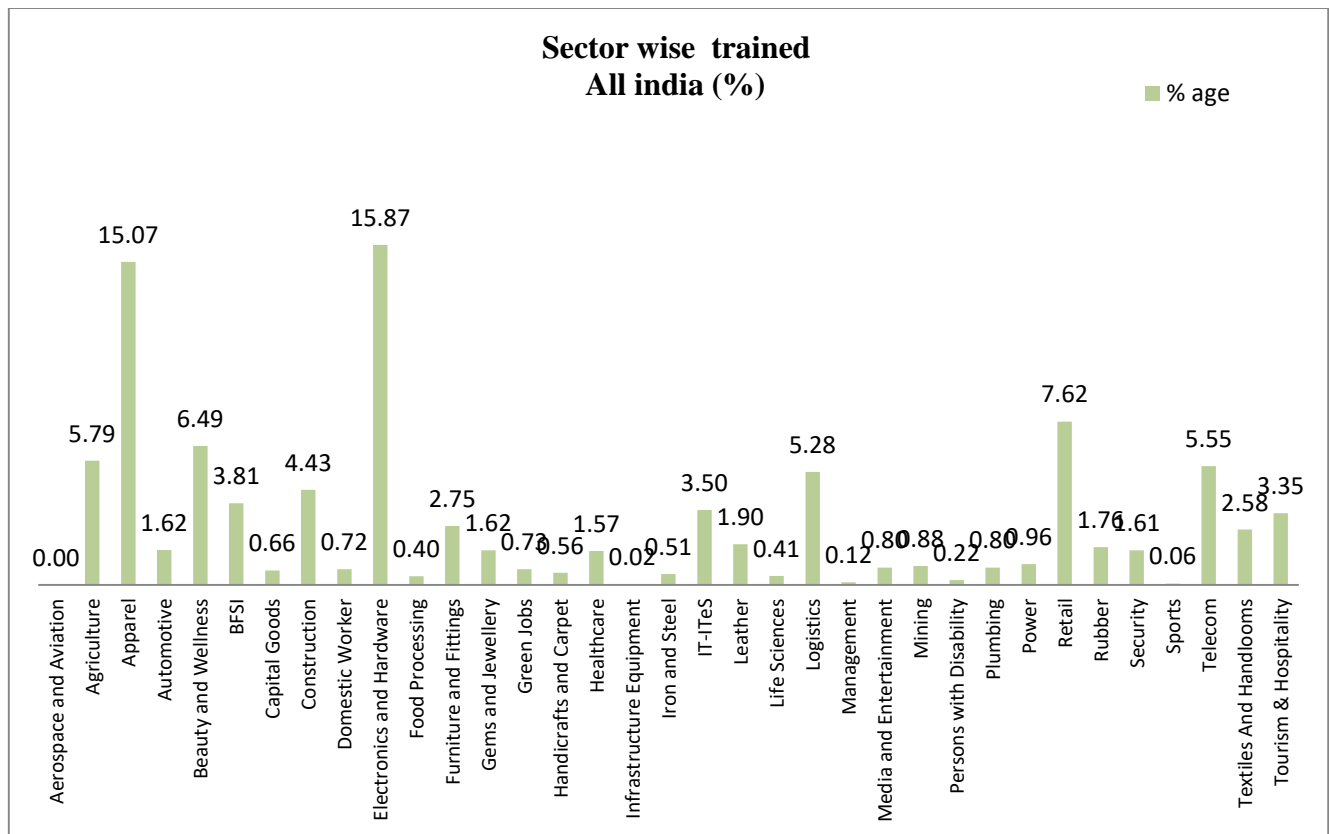


Figure 1: Sector wise trained (All India)

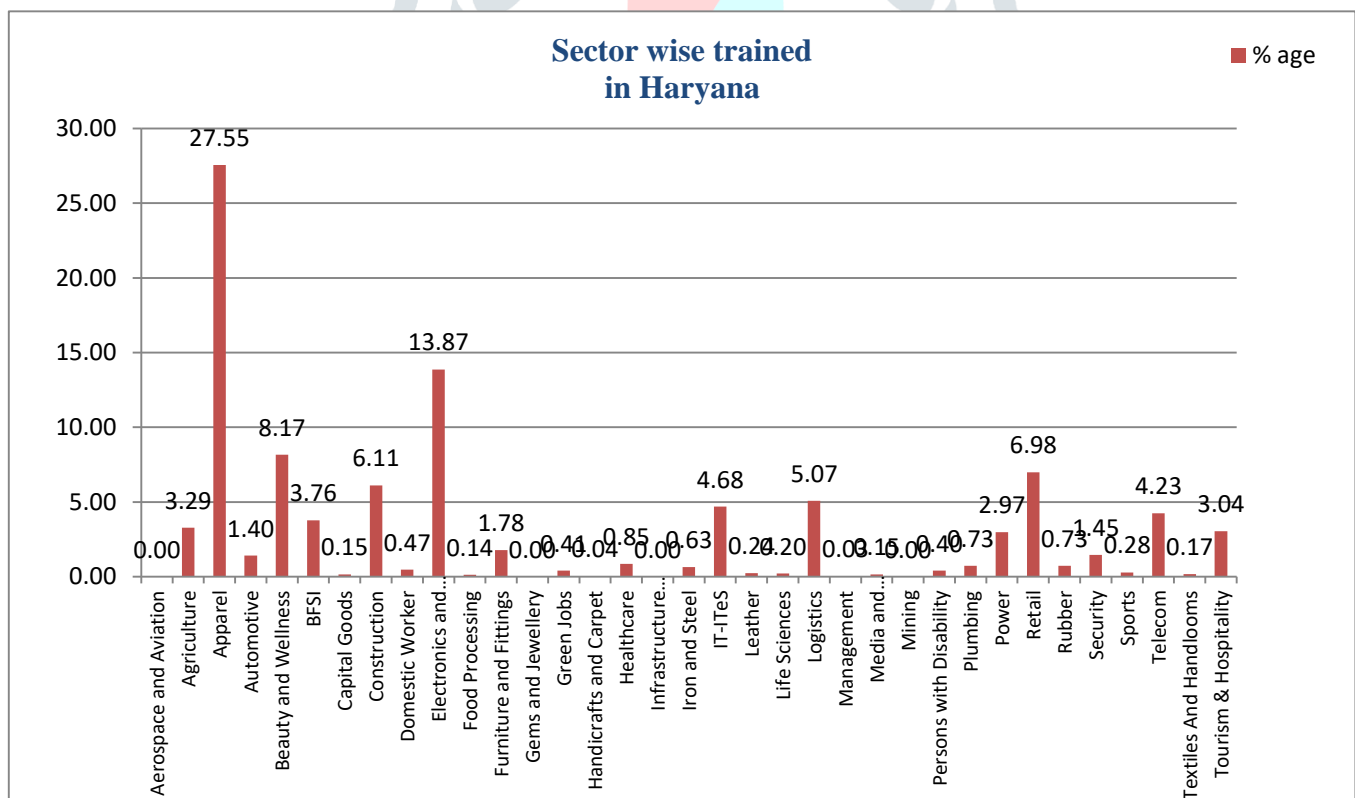


Figure 2: Sector wise trained (Haryana)

Training in Electronics & Hardware, Apparel, Retails and Beauty & Wellness sectors take share of Appox. 45% on all India basis, whereas the same trend is reflected in Haryana state also with a share of more than 57% in these sectors.

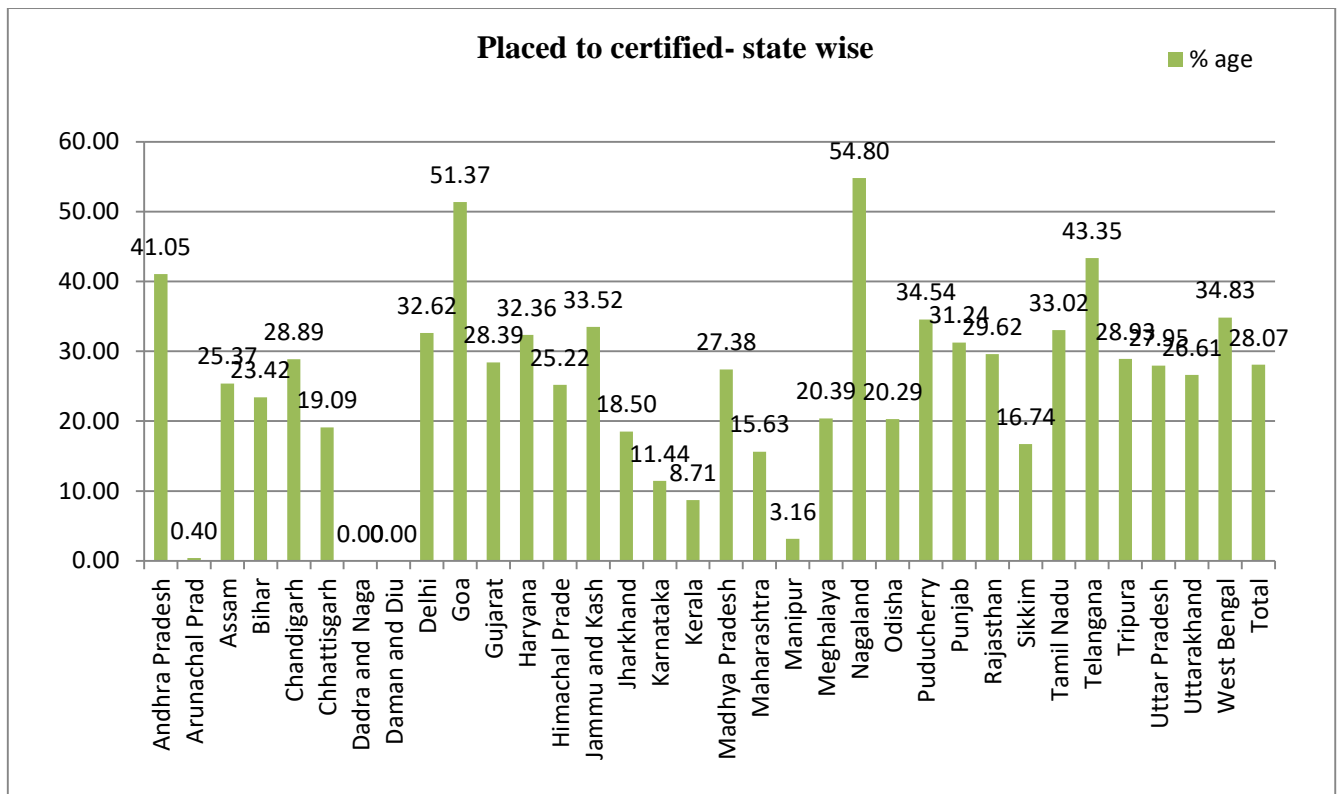


Figure 3: Percentage of place to certified -state wise (All India)

Among the larger states, Telangana is the leading in the ratio of placed to certified trainees with 43.35% followed by West Bengal with 34.83%. Haryana has placement ratio of 32.36%, which is higher than all India placement ratio of 28.07%.

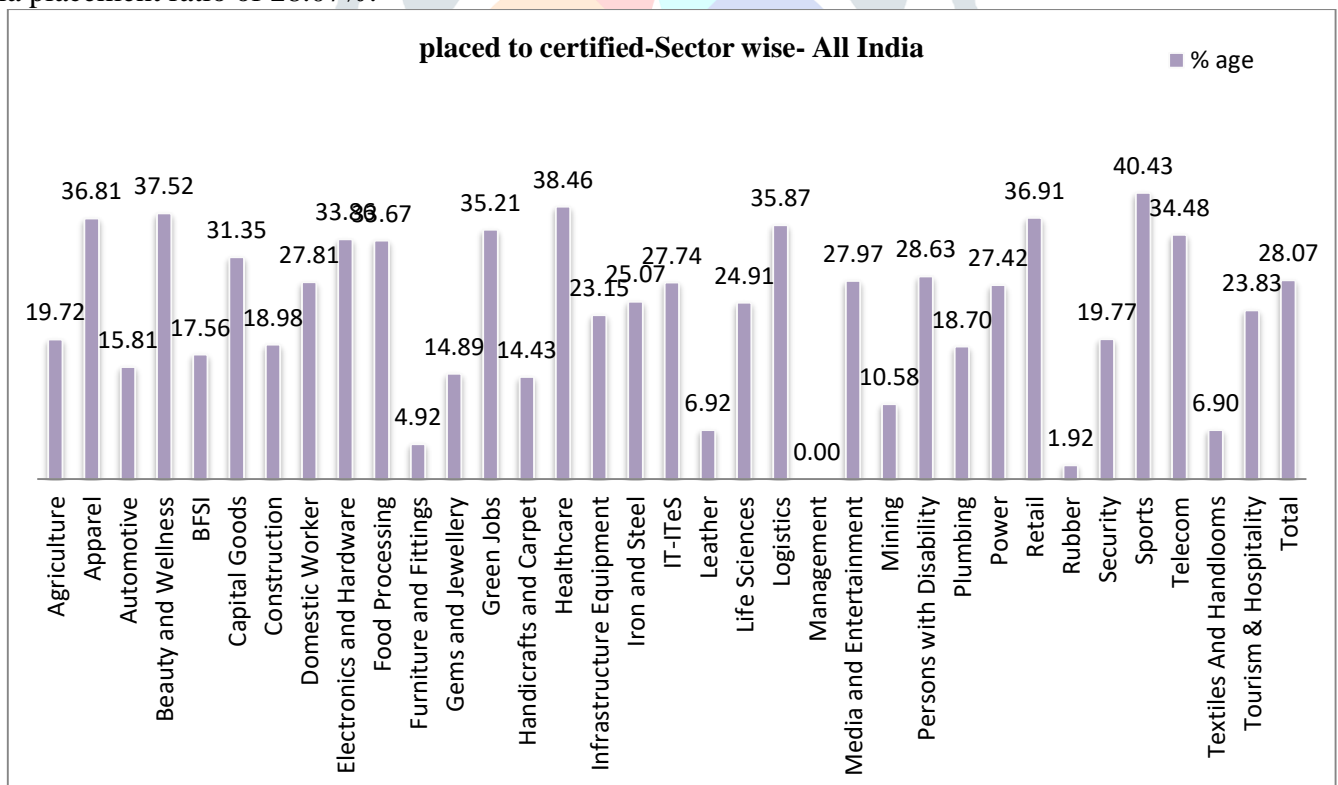


Figure 4: Percentage of Placed to certified- sector wise (All India)

Sports, Healthcare, Retail, Beauty & Wellness, Apparel are the leading sectors in terms of placement with the average percentage higher than national average whereas high labour intensive employments

generation sectors like Agriculture, Handicraft& Carpet, textile & Handlooms needs systematic & planned skill based training for employment generations.

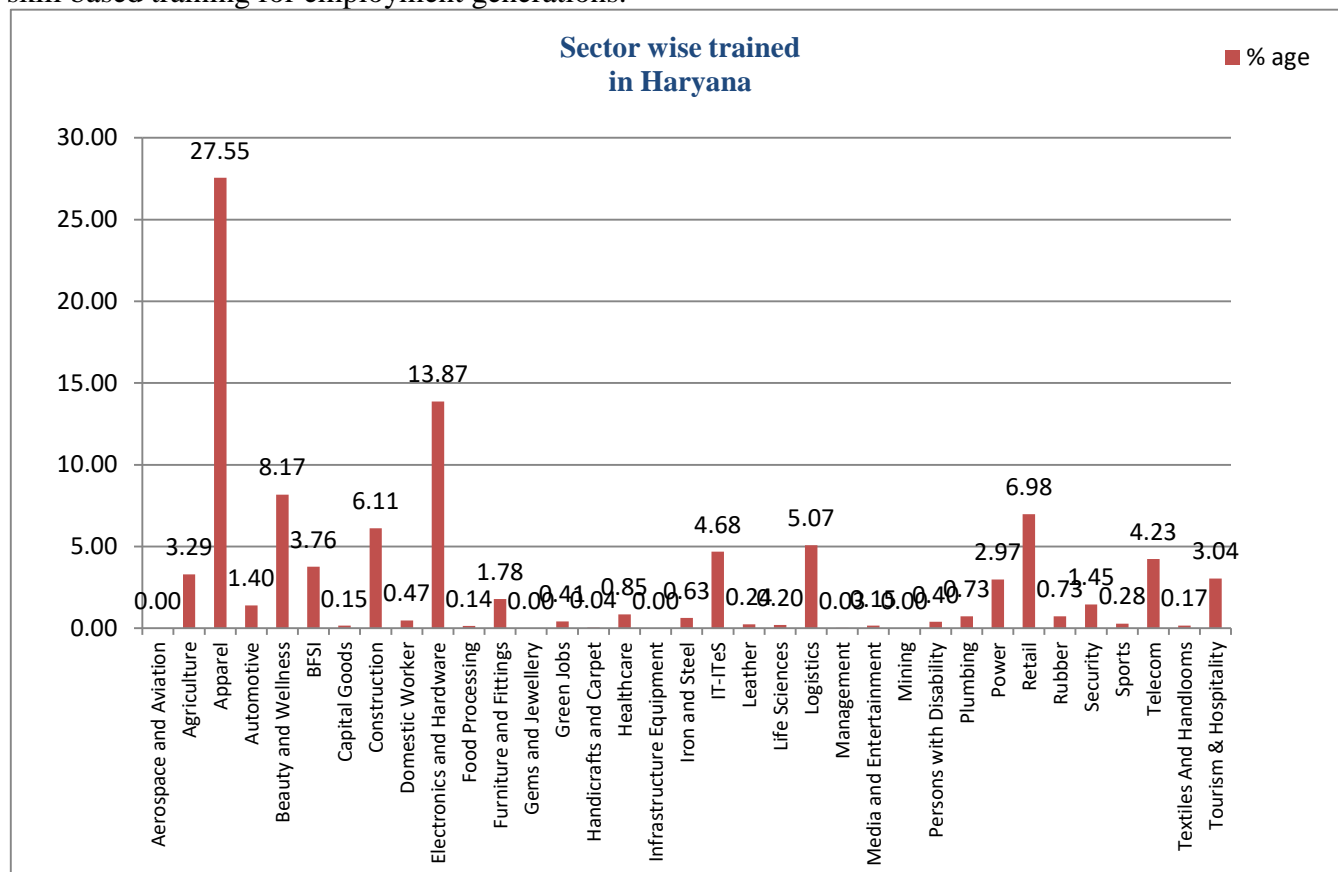


Figure 5: Sector wise Trained in Haryana (in %)

The sector wise study of Haryana state reflects Apparel, Electronics & Hardware, Retails and construction sectors are leading in training under PMKVY scheme with share of total more than 50%. Haryana, where more that 70% population is residing the rural area, economy being based on agriculture requires focus on intensive agriculture based skill training. Another sector, Beauty & Welling, particularly for women is employment generation sector as per the statics of sector wise data analysis of all India, needs attention in the state. As per census 20011, Haryana has population share of 2.1% of total India population, Haryana state powers India's sports engine, which is reflected in common wealth games (CWG), 2018, where the sports persons from the state contribution to medal tally is 1/3 of total medal tally of the country[18]. Sports being the strength of the state requires, systematic and planned training in sports to generate employment, which is lagging [Figure 5].

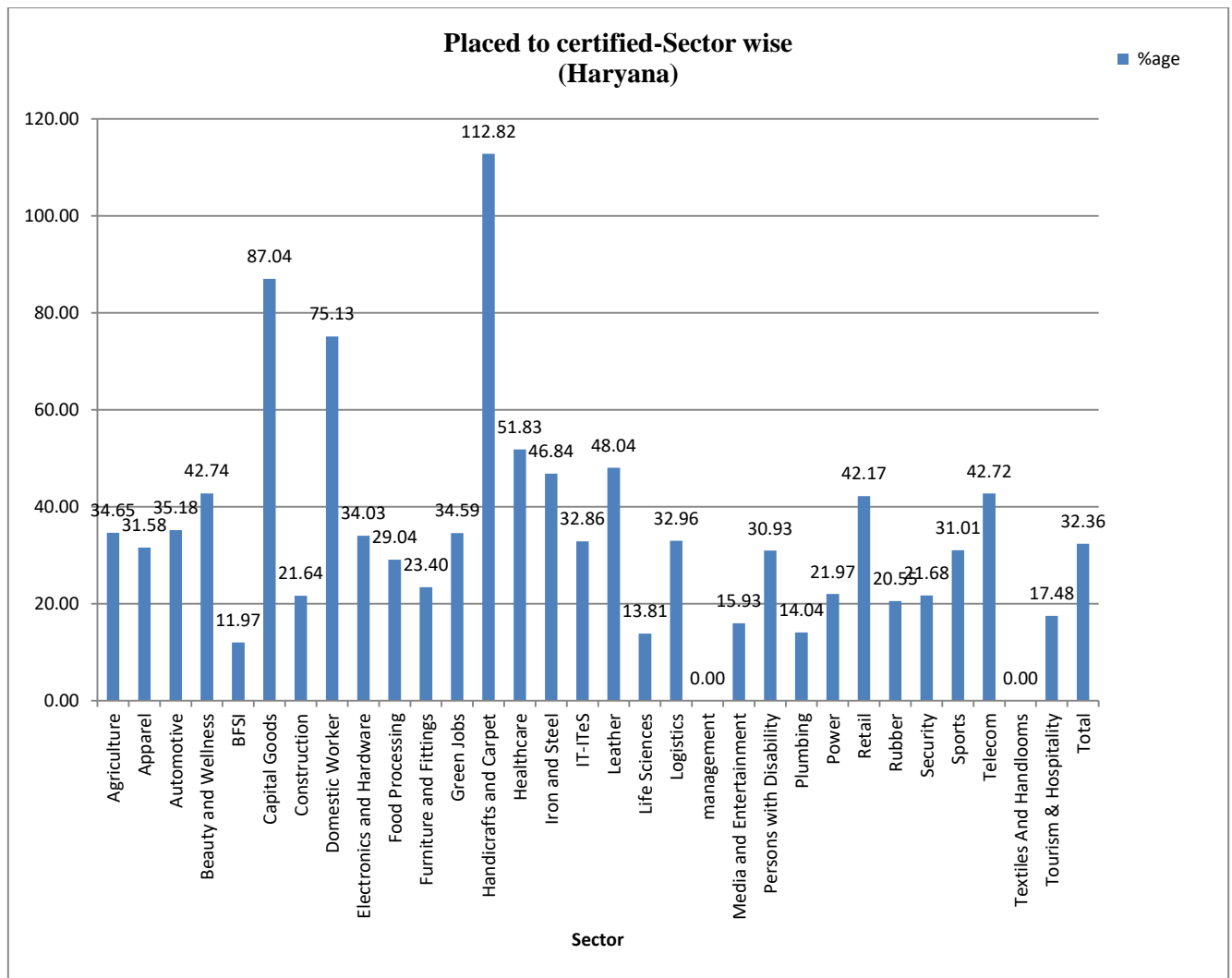


Figure 6: Placed to Certified Sector-wise (Haryana)

Although the share of training in Apparel, Electronics & Hardware, Retails and construction sectors is more than 50% in state of Haryana.. The ratio of placement to certified is higher in Handicraft and carpet, Capital Goods, Domestic Workers and telecom sectors (Figure 6). The youth of the State should be encouraged for skill training in these sectors.

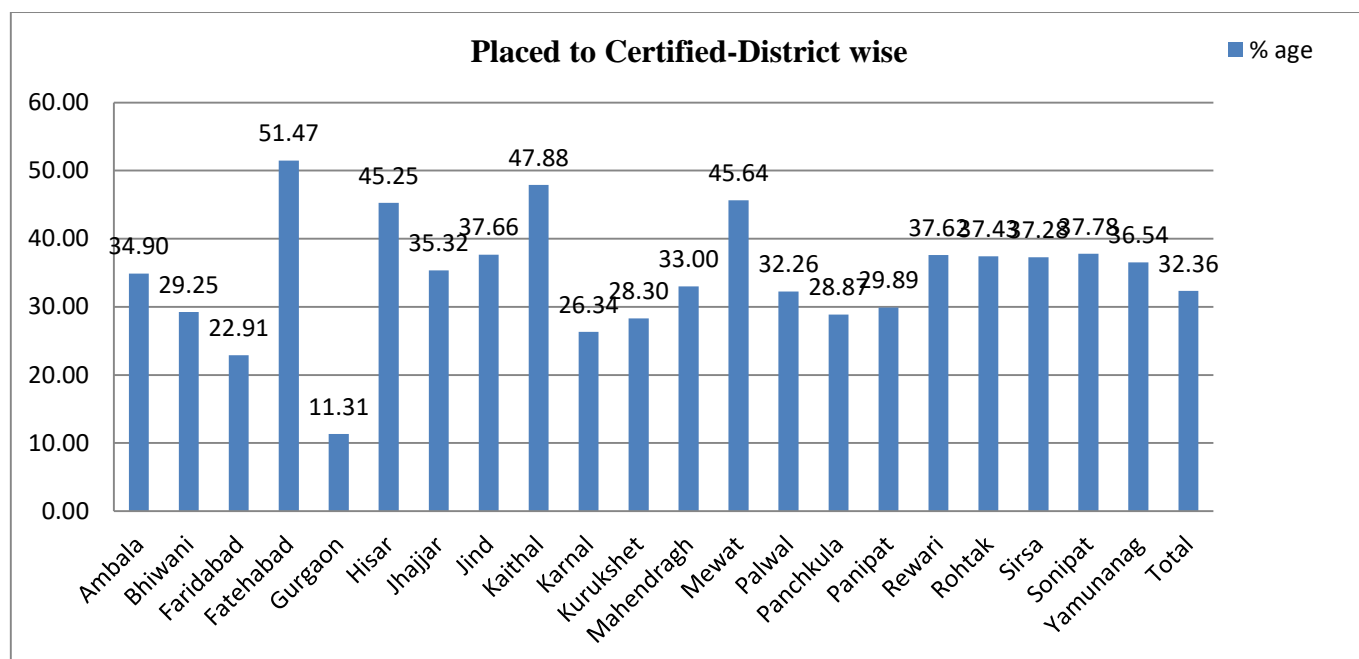


Figure 7: Placed to Certified- District wise (Haryana)

Fatehabad is leading district of Haryana in the placement, followed by Kathial and Mewat. The industrialised districts like Gurgaon and Faridabad are on lower position in reference to placement. It may be due to lack of youth awareness about the sector specific demands in these district of Haryana state.

VIII Way Ahead:

NSDC has set the target of 39.5 lakhs for the centre and 20.5 lakhs for the states of the country [19] for a period of 4 years (2016-2020). In order to achieve the target, awareness campaign about the sector specific skill development programme among the youth is key factor. 70% of Indian youth don't even know about government's skill development programmes. 66% male and 79% female response was no to awareness about the government skill development programme [20].

Data analysis does not reflect the age group of the people who have taken the training and placed under different identified sectors of skill development programme. In order to understand whether first time employment seekers, re employment seekers in working age population group are taking training under skill development programme, a further study is required to understand the employment pattern. The placement to certified trainees ratio is less than 41% in different sectors of skill development, whereas the combined placement to certified ratio is less than 29%. In order to improve the placement, new model of sector specific practical training in collaboration with specific industry as per the requirement of the industry is important through memorandum of understanding (MOU).

Majority of youth entering into working age population group has conventional education with practically negligible skill required for employment as per the demand of employment providers. A policy intervention for vocational training in school and colleges with practical input model followed by advanced country like Germany, Japan, may be helpful in bridging the skill gap. The number of Model career centres for matchmaking, where job seeker can walk in to get the support to secure a job based on his/her skills needs to be increased.

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