

Connecting the dots to build India's Skill Development Ecosystem

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In today's world, the job market is increasingly being redefined by specific skills to suit the global market. It is estimated that 75 per cent of the new job opportunities to be created in India will be skill-based.¹ In a country where more than 90 per cent of workforce is in the informal sector, the task is immense. There is a deep sense of urgency to cultivate India's human capital into skilled and productive workforce and one that can match international standards of quality and productivity.

The enormous size of India's growing working population has further heightened this urgency. By 2026 around 64 per cent of India's population is expected to be in the age bracket of 15-59 years with only 13 per cent of the total aged above 60 years.² This rise in number of workers relative to dependents is set to provide India with a window of opportunity to increase domestic production and savings.

The government is responding by improving and expanding access to vocational education and training opportunities. A National Policy on Skill Development was formulated in 2009 with an aim to increase India's capacity for skill development to 500 million people by 2022. A three tiered structure was formed comprising Prime Minister's National Council for Skills Development, National Skills Development Coordination Board and the National Skill Development Corporation. In June 2013 the Government of India (GOI) created the National Skill Development Agency (NSDA) subsuming Office of the Adviser to PM on Skill Development, the Prime Minister's National Council on Skill development (PMNCSD) and the National Skill Development Coordination Board (NSDCB)

This effort is intended to move from a disbursed and distributed model with multiple government bodies involved, to a cohesive and unified effort under a single agency. Addressing the legacies of the past is a challenge, but can be overcome provided everybody is aligned to a single vision – the vision of skilling Indian youth.

The current effort therefore, is to look at the big picture, define the vision, create the enablers, identify and connect the dots and align them in a manner where every effort is maximized, and duplication avoided at all costs.

¹ Federation of Indian Chambers of Commerce India-Ernst & Young

² FICCI- Ernst & Young: *Reaping India's promised demographic dividend- industry in driving seat.*
Available at: <<http://www.globalskillsummit.com/report-1.pdf>>

National Vision for Skill Development



To achieve this vision we need a unified organization structure at the national level, we need policies that incentivize, encourage and address the needs of critical stakeholders. The government must play the role of enabler especially in bringing industry together and in participating in conversations with the Government in addressing the issues. Rather than being 'inputs' oriented the shift being made today is to become 'output' oriented. The language has shifted from 'training' to 'employability'. Government schemes are adding a 70% placement clause in their partnerships with training providers.

Supply and Demand side issues are being addressed so as to catalyze generation of jobs, increase the pool of skilled people who will get quality jobs at higher wages or become entrepreneurs creating new job opportunities. This is the outcome we seek.

From the Supply side perspective, vocational education has acquired a negative connotation; it is seen as the second option by youth. Making acquisition of skills through vocational education an attractive pathway to career progression is not an option but an imperative for India's growth. Several parallel efforts are being made to address this issue. A national advocacy campaign is to be launched soon by NSDC. Reward and recognition measures such as participation in the World Skills Competition and launching of the STAR scheme are drawing youth attention. Community Colleges are being piloted to integrate Vocational education into mainstream education. Addressing the heart of the problem is the launch of the National Skills Qualification Framework (NSQF). The National Skill Qualification Framework will create an equivalence mechanism between vocational education and academic education. This will

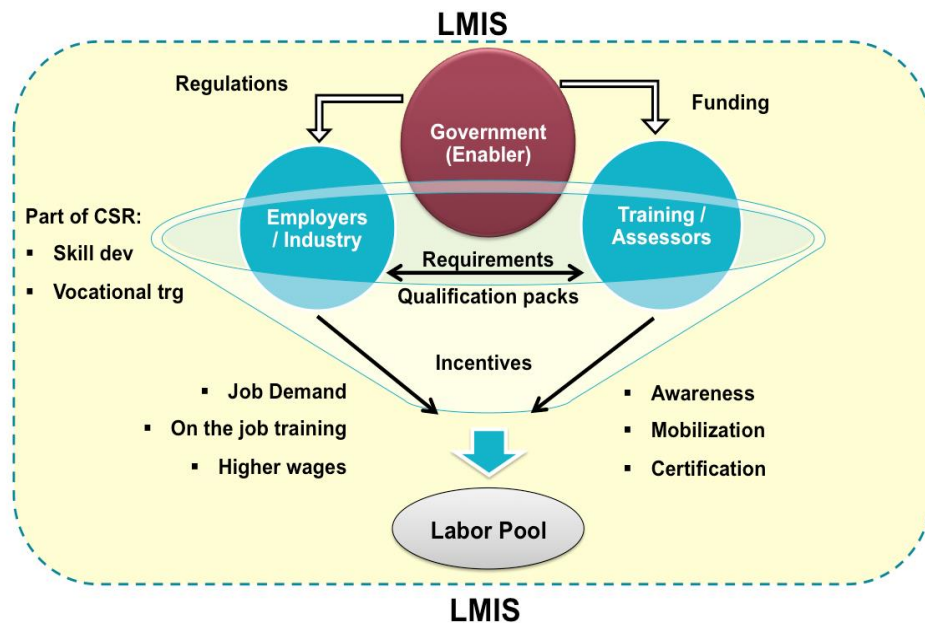
further help position skill development in the mainstream by recognition of prior learning and enabling lateral and upward mobility.

From the demand side it is imperative for Industry to take a lead in the training of their potential employees. Industry must determine quality standards and competencies required to perform various job roles in their sector. The formation of the Sector Skill Councils is enabling practitioners from industry determine curriculum for training and develop occupation standards to be adopted nationally. Assessments and certification processes are being streamlined, empanelment of agencies is being scrutinized and a digital database is being created by NSDC. There is a need for industry to view participation in skill development in their sector as an investment for long term benefit for all at large, rather than a narrow immediate gain to a few. HR managers in Industry need to develop innovative programs to proactively open doors to apprentices and interns and on the job training opportunities. Industry needs to reward higher skills with greater compensation; we need to demonstrate that we value skills. By doing so we will raise the quality of our output, both in manufacturing as well as services. We need to take a cue from countries such as Germany to see what benefit is possible. The recent Companies Bill that mandates 2% of profits to be diverted to CSR activities is a timely opportunity, companies can pledge at 15-20% of these funds to be spent on skilling youth, skilling their suppliers and dealers network.

With industry determining the standard of training and curriculum to be followed, through various National Occupation Standards (NOS), training providers are aligning their programs accordingly. The new instrument of judging whether they are doing well or not is their ability to link candidates to jobs or enable them to become entrepreneurs. Financial models that reward placement and penalize lack of it are increasingly becoming the norm. One big challenge is lack of trained faculty. Here again industry must take the lead in encouraging their serving and retired employees to lead capacity development of faculty. Preliminary efforts are being made in this direction. Similarly faculty from educational institutions must be allowed sabbaticals which allow them to work with enterprises and experience real world problems so that they bring in these into classroom teaching.

Given the immense technology talent we have in the country, we are leveraging technology to address many of the challenges. NSDC, through its SSCs, is currently developing sector-specific focus that links to a national Learning Management Information System (LMIS) . This LMIS will serve as a one-stop shop for all information available on the Indian labour market. It will have the ability to collect, process, analyze and disseminate labor market information. The information will be available across industry, trade, geography, timelines, skills, education etc. It will play a major role in providing critical planning information to different stakeholders, government, job seekers, training providers, employers, industry associations and non-governmental organizations. The State of Maharashtra has already taken up the initiative to develop a Labor Market Information System (LMIS) called *Maharojgar*.

Digitally connected ecosystem for skill development



Today, NSDA is working towards an online platform to create and share free standardise curriculum and content that is aligned to National Occupation Standards (NOS). This will eventually be done for all sectors and the attempt will be to make it available in all major regional languages for easy learning. This is aimed at standardising training across the country irrespective of who is delivering it. This content can be used by training providers to train students and also can be directly accessed by students who would like to undergo self-training. One immediate outcome could be its use through the Rural Broadband to reach the youth that resides in villages. The rural broadband is an ambitious project that aims to connect 2.5 lakhs village panchyats thus reaching out to 65% of our population.

When quality trainers are unavailable and there is a lack of adequate physical infrastructure, technology can be leveraged to reach the last mile. Massive Open Online Course (MOOC) platform, a recent development in distance education is being leveraged to create online course aimed at unlimited participation and open access via the web. In addition to traditional course materials such as videos, readings and problem sets, MOOCs provide interactive user forums that help build a community for students, professors, and teaching assistants (TAs).

In Conclusion:

India's skill development landscape has witnessed momentous changes. Institutional framework has been laid at a national level, private industries have been brought in for greater participation, Skill Development Missions are being created at state government level and 17 central ministries have taken on initiatives to skill. While much is being done, there is a need for

effective implementation of various schemes and programs at the grass root level with equal participation from all stakeholders concerned. Rigorous efforts, determination and collaboration between government, private sector, educational institutions and non profit organizations is necessary if India is to use its large labor pool to propel the country forward from a developing to a developed nation.