

The Employability Drive

In the modern scenario where vocational training is gaining widespread importance, making people employable is yet the BIGGEST challenge...

By JYOTI K. SINGH

WHILE the fast-paced growth in the Indian market is creating umpteen job opportunities, it has also highlighted the skill deficit in many job seekers today. As a result of this deficit, there is a widening gap between the demand and supply of skilled candidates. Our current education system on the contrary, seems quite ill equipped to correct this imbalance. Academic courses often emphasise theoretical concepts at the expense of practical skills. And the present-day vocational training industry lacks the bandwidth to handle demand in this area.

According to a recent survey, approximately 21 million students drop out after Class VIII and about 15 million students who drop out after Class XII are also added to it. Thus, it is clear that there just are not enough vocational training institutions to meet the current need for critical skills development. In addition, many of today's job-oriented programs don't make the grade when it comes to quality of instruction or industry linkage.

In such a skill-deficit scenario, Skills Ahead has tried to capture the real picture by discussing the concern with some of the known organisations, which have been established to fill this void in the Indian training system. Every institute contacted for this story was set up with a common aim to facilitate Skilling Indian youth and each developed its own USP in due course of time. National Skills Development Corporation relieved funding issues in Skill Training whereas Indian Institute of Job Training introduced multi-disciplinary courses with robust training methodologies that develop critical skills necessary for workplace success. IndiaCan, another pioneering initiative also shared the view to abridge the gap between employment opportunities and skilled but unemployed youth.

NSDC The National Skill Development Corporation India (NSDC) as per its website 'is a one of its kind, Public



Private Partnership in India.' It aims at promoting the development of skills by acting as a catalyst in the

creation of quality, for-profit vocational institutions. The body offers viability gap funding to organisations striving to build scalable vocational training initiatives. Enabling support systems like quality assurance, information systems and train



Jaikant Singh

the trainer academies etc either through partnerships or directly are its mandate. Jaikant Singh – head MIS and Monitoring at NSDC shared the following with us:

How is NSDC facilitating Skill Training thereby increasing employability of Indian youth?

The NSDC is facilitating skill development in India through a 3-pronged approach: creating, funding and enabling training ventures. In its first role, the NSDC proactively catalyses the creation of large number of quality vocational training institutions. In its funding role, it reduces project risk and helps in the improvement of returns by providing viability gap funding. As an enabler, it further provides the support by devising systems for skill development through Sector Skill Councils, quality assurance, and devising an information system and train-the-trainer modules.

What defines your role in the Indian Industry and economy at large?

As per the NSDC's mandate, the corporation focuses on skill development in 21 sectors, that include automobiles, building and construction industry, banking, financial services and insurance, chemicals and pharmaceuticals, electronics and IT hardware, food processing, gems and jewelry, health care, IT/ITeS, real estate, retail, and transportation and logistics. The NSDC will thus enable Indian industry to stay competitive to such an extent that it will not have to face a situation where the availability

of skilled professionals does not match with the industry's requirement of trained manpower. By boosting the employability of at least 150 million people by 2022, the NSDC would also promote inclusive growth by ensuring that the benefits of economic advancement reach people all over India, including those living in some of the remotest and far-flung parts of the country.

Your mission statement states, "To contribute significantly (about 30 per cent) to the overall target of skilling/upskilling 500 million people in India by 2022." How do you plan to achieve this aim?

The NSDC plans to achieve its target by forming linkages with both for-profit and not-for-profit organisations and social entrepreneurs. The NSDC will have to forge around 300-500 such partnerships to ensure the skilling of 150 million youth by 2022.

What is the modus operandi of the firm?

The NSDC looks to fund businesses that seek to create employable people across all sections of society. Any for-profit or not-for-profit organisation, including start-ups, having a scalable and sustainable business model that ensures employability of the resources trained is eligible for funding by the NSDC. As the NSDC believes in providing viability gap funding, the extent of funding could be up to 75% of the total cost of the project. Debt is provided at subsidised rates with other features like a moratorium built in depending on the proposal. Grant funding is considered in selected cases only. The NSDC however remains open to pick up equity in the ventures it funds.

What is the USP of NSDC skill center(s) that distinguishes them from a govt. ITI?

The centers coming up with funds being provided by the NSDC focus on developing skill sets that are in sync with 'what the industry wants.' Courses at these centers are thus devised keeping in mind the interests of the end user, the industry. These are self-sustaining courses, which focus on creating employable resources.

How would you define the Indian skill-training scenario in comparison to the foreign countries?

Only 2% of the Indian workforce is formally skilled. In-service training is received by only 15%. Till 2008-09, that is, before the NSDC started operating, the total training capacity in India was 4.3 million per year against 12.8 million joining the workforce annually. Comparatively, in South Korea, 96% of the workers receive formal skills training, in Japan, 80% get this training, and in Germany, the figure is 75% followed by the UK with 68%.

As far as enrolment in vocational education and training courses are concerned, India has a net enrolment of 3.5 million per year compared to 90 million in China and 11.3 million in the United States (Source: The Human Development Report 2007-08).

Many experts endorse the view that the vocational training system in India is the weakest despite many good universities present here for skills' training. What can reason this out?

The university system in India is not geared towards skill development or imparting vocational training in sufficient number. Vocational education so far has largely been the domain of ITIs and ITCs but many of their courses have lost relevance for industry.

Concepts like 'training the trainer' and professional certifications have been there since ages but what lacks is implementation. What do you attribute as a reason for this?

The train-the-trainer concept, although not a new one, had failed to gain widespread acceptance because of the lack of industry connect.

Could you please share some of the latest findings of your surveys in terms of skills gap in India along with labour market database?

A study conducted by IMAcS on behalf of the NSDC has projected an incremental skills shortage of 240-250 mil-



Bharti Learning Systems Chief Operating Officer Navin Bhatia, NSDC CEO & MD Dilip Chenoy and Centum Learning CEO & ED Sanjeev Duggal at the agreement signing ceremony between NSDC and Centum

lion by 2022 in 21 critical sectors of the economy, that include automobiles, building and construction industry, banking, financial services and insurance, chemicals and pharmaceuticals, electronics and IT hardware, food processing, gems and jewelry, health care, IT/ITeS, real estate, retail, and transportation and logistics. Sector-wise details are available on the NSDC website, www.nsdcindia.org.

Where all do you think the under-privileged people lack when it comes to skill-based employment opportunities?

Affordability and a lack of awareness have been the biggest deterrents for under-privileged sections of our society, which have obstructed their enrolling for skill development programmes.

How important do you think are the training opportunities for these people?

Training opportunities for those at the bottom of the pyramid are important to promote the concept of inclusive growth in India and raise living standards.

Do you think our government is doing enough when it comes to skills training? Kindly elaborate.

Seventeen ministries are currently involved in imparting skills' training in different segments. The government has also co-promoted the National Skill Development

Corporation (NSDC) in association with industry to involve the private sector in the skilling agenda. The Government's aim is to make 500 million youth employable by 2022. The different training initiatives of the ministries would account for 350 million of this. The NSDC's mandate is to make the balance 150 million employable within the said time frame.

What are the challenges that NSDC has faced till date and how did you cope up with them?

Like other start-up ventures, the NSDC has also faced teething problems. It has overcome these by staying focused on the job at hand.

What is NSDC's future plan?

The NSDC plans to step up its engagement with both for-profit and not-for-profit organisations, including start-ups, to encourage them to come up with sustainable training ventures.



IJT very clearly aims at training the youth of India to be job ready, thus

increasing their employability. IJT provides vocational training via its short-term and long-term courses in the areas of Finance, Information Technology, Retail, and Sales & Marketing, at 250 centers in more than 100 cities. When questioned about how the organisation aims to make Indian youth employable, this is what Ashish Prasad, CEO and director, IJT shared with us:

Most of the people here even lack basic education leave apart a specialised skills training. As compared to India, what is the skill-training scenario in other countries?

Yes, specialised skills training or vocational education and imparting skills remain a critical area of concern in the Indian context. While there are 12.8 million new entrants into the work force every year, the existing training capacity can address only a small proportion of that.

While India has marginally improved its performance in basic education and vocational training, its competitors have made much larger gains in this area over the previous decade.

India has only 2.5 lakh apprentices while Germany has 0.6 million, Japan has 2 million.

In China - Labour Force in terms of % of Population is 60.7%, Number of people undergoing VET courses

in the institutions is 90 million, Percentage of work force undergoing some sort of VET course is 11.27%, Number of VET Institutions in China is 5,00,000, nearly 350,000 in rural areas, oldest VET Institutions and VET system in the country is 60 years old.



Ashish Prasad

In Germany - Labour Force as % of Population is 52.97%, Number of people undergoing VET courses in the VET institution stands at 2.85 million, Percentage of work force undergoing some sort of VET course is 6.53%, Number of VET Institutions in Germany are 100,000 and the oldest VET Institutions and VET system in the country is more than 100 years old.

Story from the USA is - Labour Force as % of Population is 50.67%, Number of people undergoing VET courses in the institutions stands at 11.3 million, Percentage of work force undergoing some sort of VET course is 7.48%, Number of VET Institutions in Multiple Campuses are 1600 and the oldest VET Institutions and VET system in the country are more than 100 years old.