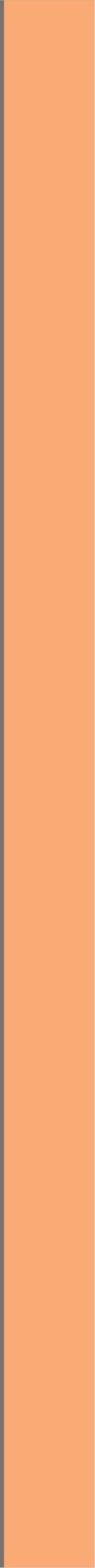




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Executive Summary for the State of Jharkhand (2012-17, 2017-22)



Executive Summary

National Skill Development Corporation (NSDC) had mandated Deloitte Touche Tohmatsu India Private Limited (DTTIPL) to undertake a District-level Skill Gap Study of the state of Jharkhand. The study focused on identifying the district level manpower requirement across skill levels and sectors for the period 2012-22. The methodology adopted for undertaking the study involved extensive desk research and primary interactions with various departments of the Government of Jharkhand, industries, industry associations, government and private vocational skill providers and educational institutions. Focus group discussions were organized to understand youth aspirations towards skill development and employment. Based on the findings of the analysis and interactions, recommendation for skill development initiatives in the state have been proposed for key stakeholders.

Gross State domestic product (GSDP) of Jharkhand has registered a CAGR of about 7% (estimated at constant prices 2004-05) between 2007-08 and 2012-13. The contribution of the primary sector has almost remained constant at about 24% in this period; however there has been a gradual increase in the contribution of the tertiary sector to the GSDP. In 2011-12 tertiary and secondary sector contributed about 47% and 28% to the GSDP respectively. Jharkhand is one of the leading mineral bearing state of India. The sector contributes about 41% to the primary sector in the state.

The districts of Dhanbad, Ranchi, East Singhbhum, Hazaribagh and West Singhbhum are the 5 contributing districts to the GSDP. Together they contributed around 50% of the state's GSDP in 2008-09. These 5 districts are also among the most populous districts of Jharkhand. Secondary or tertiary sector are the highest contributors to the GDDP of most of the districts. Gumla is the only district in Jharkhand in which primary sector has the highest contribution to the GDDP.

The current demographic and economic profile of Jharkhand, presents huge opportunity for manpower skilling. Working age population is estimated to grow from 203.72 lakhs in 2011 to 237.78 lakhs in 2017. It is envisaged to further grow to 271.70 lakhs in 2022, implying entry of about 46.07 persons to the workforce during the period(2012 – 2022). About 75% of the supply of manpower will be in minimally skilled category and the rest about 25% of the supply will in skilled and semi-skilled category. Incremental manpower demand in Jharkhand is estimated to be about 43.88 lakhs during the period 2012-22 including 32.52 lakhs in organized sectors and 11.35 lakhs in unorganized sectors. Estimated incremental manpower gap across skill levels has been presented in the table below

Incremental manpower Gap (lakhs)	2012-17			2012-22		
	Skilled	Semi-Skilled	Minimally skilled	Skilled	Semi-Skilled	Minimally skilled
Incremental Demand of human Resources	3.76	5.13	14.31	7.31	9.47	27.09
Incremental Supply of human resources	2.61	3.05	17.42	5.50	5.49	35.08
Deficit of human resources	1.15	2.08	-3.11	1.80	3.98	-7.99

During the period 2012-22 the demand supply gap of the state is expected to be about (-) 2.19 lakhs i.e. the state will have excess of manpower supply. However as highlighted in the table above there will be manpower deficit in skilled and minimally skilled category. The state needs to additionally skill about 5.8 lakh persons over the next 10 years to meet the demand of skilled manpower. If we examine the incremental manpower gap for the period 2012-17, the incremental demand supply gap is only about (-)

0.13 lakhs. The incremental deficit of manpower in skilled and semi-skilled category is about 3.24 lakhs, which can be met by skilling the excess manpower in the minimally skilled category.

In the organized sectors building and construction, tourism hospitality and travel trade, food processing, real estate services, banking and finance, engineering products and transportation and logistics is expected to drive incremental requirement of skilled manpower. Ranchi, Dhanbad, East Singhbhum, Hazaribagh, West Singhbhum, Giridih, Palamu and Bokaro are expected to generate majority of the skilled manpower requirements. Youth aspirations suggest a preference to work in sectors like food processing, banking and finance, engineering products, textiles and garments, automobile, health care, education & skill development and IT-ITES. Food processing, banking and finance and engineering products can be identified as priority sectors for skill development based on incremental manpower requirements and youth aspirations.

Unorganized sectors including agriculture and allied activities are expected to generate approximately 25% of the incremental manpower demand. Agriculture and allied activities is the largest employer in the state and is expected to generate about 19% of the incremental manpower demand in the state. However, majority of the demand will be in minimally skilled category. Demand of drivers, domestic help, security guards and other unorganized services is expected to generate about 7% of the incremental manpower demand. The skilling process in the unorganized sectors is often informal and lacks certifications. Hence there is a need to focus on up-skilling of people already employed in the unorganized sectors which will enable their mobility across the state and outside the state resulting in increased earnings.

Youth aspirations in the state suggest that vocational training is perceived to be suitable for economically poor students. The students opting for vocational training in the state have a preference for government jobs over private jobs. Most of the youth preferred employment with government organizations like Railways and Public Sector Undertakings like SAIL, DVC etc. The most important reason for such a preference is job security and stable career. Students from the vocational training institutes invested a lot of time in preparing for the entrance examinations conducted for vacancies in Railways, PSUs etc. Also, most of the youth who have received some form of vocational training (ITI, ITC etc.) prefer employment opportunities in their own district. Most of the women cited lack of vocational training institutes dedicated to women in vicinity of their place of stay as a major reason for not opting for vocational training. Also as most of the districts do not provide job opportunities for women after completion of vocational training, women prefer not to opt for vocational training.

District level incremental manpower requirements estimation indicates that the district of Ranchi, Dhanbad, East Singhbhum, Hazaribagh and West Singhbhum account for more than 50% of the manpower requirement. Incremental demand in districts of Ranchi, Dhanbad, East Singhbhum, Hazaribagh, West Singhbhum and Bokaro is expected to be primarily be generated in secondary and tertiary sector; however incremental demand in the districts like Godda, Garhwa, Gumla, Chatra, Sahebganj and Pakur is expected to be primarily be generated in the primary sector. Incremental demand in the mining sector is expected to be primarily be generated in the districts of Dhanbad, Hazaribagh, Godda, Sahebganj and Pakur. Incremental demand in upcoming sectors like IT-ITES, organized retail and media & communication is expected to be primarily generated in urbanized districts like Ranchi, Dhanbad, East Singhbhum and Bokaro and incremental demand in auto & auto components sector is expected to be primarily generated in the districts of East Singhbhum and Bokaro.

Based on skill and manpower analysis vocational training providers may focus in the following sectors, districts and skill in the state for delivering vocation education in the state:

Sector	Key Districts	Key Skills
Food Processing	Dhanbad, East Singhbhum, Dumka, Deoghar, Sahebganj, Pakur	Quality Testing, Packaging, Bar coding, Labeling, Lab Technicians, Raw Material Procurement, Sales and Marketing

Sector	Key Districts	Key Skills
Banking and Finance	Ranchi, Dhanbad, East Singhbhum, Hazaribagh, West Singhbhum	Sales & marketing of banking and insurance products, retail banking, Financial agents in Insurance & NBFC companies
Education and Skill Development	Ranchi, East Singhbhum, Hazaribagh, Giridih, Palamu, Bokaro, Deoghar, Garhwa, Sahebganj	Training skills in the field of soft skills, computer literacy, technical skills. skills in handling modern pedagogical tools, IT enabled tools etc.
Engineering Products	Ranchi, East Singhbhum, West Singhbhum, Dhanbad, Bokaro	Fitter, Welding, Machining, Electrician
Building & Construction	Ranchi, Dhanbad, East Singhbhum, Hazaribagh, Bokaro	Electricians, Welding, Mason, Carpenters, Supervisors
Tourism, Hospitality Travel & Trade	Ranchi, Dhanbad, East Singhbhum, Hazaribagh, Bokaro	Front Desk Officer, Food and Beverage, House Keeping, Bell Boys, Travel Agents, Tour Guides
Real Estate & Business Services	Ranchi, Dhanbad, East Singhbhum, Hazaribagh, Bokaro	Building Maintenance, Facility Management
Transportation and Logistics	Ranchi, Dhanbad, East Singhbhum, Hazaribagh, West Singhbhum, Palamu, Bokaro	Driver, Maintenance Operator, Crane Operator, Store Supervisors, Loader, Un-loader, Packaging Supervisor, Technology Officer
Media and Communication	Ranchi, Dhanbad, East Singhbhum, Hazaribagh, West Singhbhum, Bokaro	Content Developer
Textile & Garments	Dhanbad, Giridih, Hazaribagh, Garhwa	Weaving, Processing, Maintenance, Quality testing, Cutting & Sewing, Embroidery & Needle work
Basic Iron & Steel	East Singhbhum, Bokaro	Mason, Welder, Mechanical & Electrical Maintenance, Quality Control Lab Technicians, Operators
Automobile	East Singhbhum, Bokaro	Welding, Machinist, Electrical and Mechanical Maintenance, Metal Work, Fabrication, Paint Shop Operator
Health Care	Ranchi, Dhanbad, East Singhbhum, Hazaribagh,	Paramedical, Nursing, Dieticians,

Sector	Key Districts	Key Skills
	West Singhbhum, Palamu, Bokaro	Physiotherapist

Currently skill development initiatives in the state are being undertaken through the funds available under central schemes and fund allocated by various State Government Departments. One of the key issues faced by the skill development sector in the state is lack of coordinated efforts between various implementing agencies and also absence of a monitoring mechanism for ensuring effective implementation of the training programmes/ initiatives.

To effectively coordinate the skill development initiatives in the state, Jharkhand Skill Development Mission may be strengthened. Mission may be chaired/ headed by a Principal Secretary (Department of Human Resource Development) reporting to the Chief Secretary. Skill Development Committees in high demand sectors with representation from respective state government department, Sector Skill Council, NSDC and major industry players in the state may be constituted to coordinate the skill development initiatives in respective sectors. Skill Development Monitoring Committee headed by Chief Secretary may monitor skill initiatives in the state.

Lack of quality instructors (38% of the instructor seats are currently vacant), poor infrastructure at the ITIs and few placement opportunities have led to low capacity utilization (54%) of the currently operating ITIs. Presence of less popular trades like stenographer, plumber, carpenter etc. which have relatively lesser demand from the industries is also one of the key reasons for low capacity utilization of the ITIs vis-à-vis private ITCs. During our interactions, the faculty of the ITIs cited non-availability of refresher courses for self-development as one of the major barriers in imparting quality training to the students.

The students of the ITIs during the focus group discussion highlighted the fact that the placement opportunities available to them are very few and most of them are preparing for competitive examinations conducted for various job opportunities in Government and PSUs. This can be attributed to lack of placement cells at the ITIs with adequate infrastructure for continuous interaction with industry/ employers.

Also, about 75% of the total ITI and ITC capacity is concentrated in 5 districts (Ranchi, Dhanbad, East Singhbhum, Bokaro and Hazaribagh) only. The state also has very limited number of private players providing skill development services. Most of the private training providers are engaged in providing training in IT-ITES domain only. Districts like Giridih, Garhwa, Latehar, Sahebganj, Gumla, Pakur, & Lohardaga do not have any private ITCs.

In order to improve the capacity utilization of the ITIs focus should be on identifying obsolete courses (based on capacity utilization and placement figures) at the ITIs by monitoring trade level capacity utilization and demand from the industries. The number of seats in the identified less popular trades may be accordingly reduced. Also, steps should be taken to identify high demand courses in consultation with the industry and estimated future requirements. The sector level Skill Development Committees may play a significant role in undertaking this activity.

The placement opportunities at the ITIs can be improved by establishing Training Council and Placement Cells at the ITIs with adequate infrastructure for continuous interaction with industry/ employers. Providing English language & computer labs in all Government Polytechnics and ITIs to improve English and Computer proficiency of the students will also be helpful in increasing placement opportunities for the students.

The government may focus on districts like Giridih, Garhwa, Latehar, Sahebganj, Gumla, Pakur, & Lohardaga for expansion of vocational training infrastructure in the state. Educational institutions of the Government above high school may be identified as skill development centres in the above districts.

In order to attract private players, the Government might work closely with NSDC to encourage private sector training providers through PPP mode. It should also encourage private players to open skill

development centres in backward districts such as Lohardaga, Gumla, Latehar, and Garhwa and help facilitate tie ups of the private partners with existing ITIs, Polytechnics, colleges, high schools for sharing infrastructure at nominal rates.

NSDC may play a pivotal role in encouraging the existing private partners to open skill development centres in the state. The respective Sector Skill Councils (SSC) in coordination with industry associations should be engaged in conducting skill assessment and certification of the students passing out of the private skill development centres. Industry should actively support the activities of SSC in the Jharkhand by partnering with skill development institutes to support the Train the Trainers programme of the SSC. Large private players/ PSEs may also support/ adopt vocational training institutes as part of its CSR activities.

District level skill gaps and detailed recommendations are provided in the full report. It is also recommended that a committee may be constituted for implementation of the recommendations to achieve the intended results.

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