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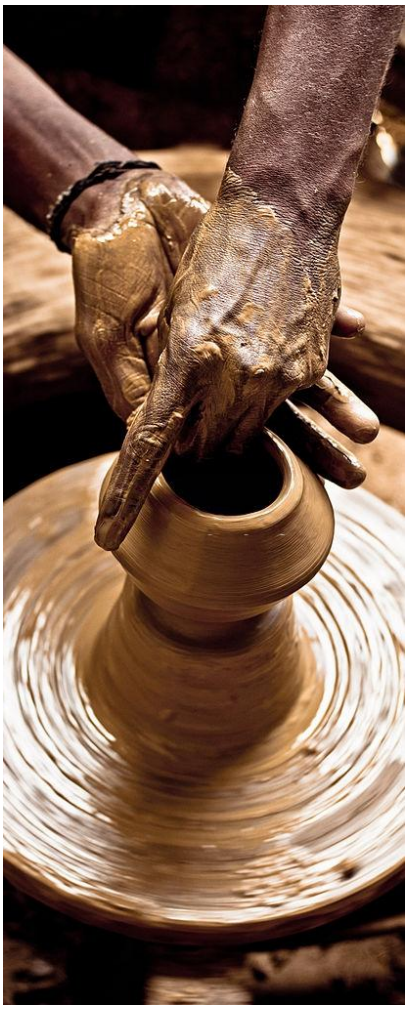
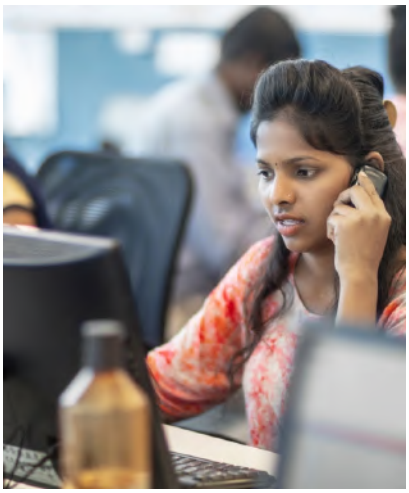




SKILLING INDIA

EMPOWERING EMPLOYABILITY

November 2019

“The more we give importance to skill development,
the more competent will be our youth.”

- Hon’ble Prime Minister of India : Shree Narendra Modi

Message

India has emerged as the fastest growing major economy and is expected to be the Skill Capital of the world over the next 2 to 5 years, backed by its young workforce. By 2020, the average age in India will be 29 years with 65% of the population in the working age group (15-59 years of age). Most of the developed countries experiencing an aging population, India's burgeoning young workforce can be an asset not just for the country but for the rest of the world as well.

Skill development has become vital for sustainable economic growth for most countries in the world. It is all the more important for India considering the need to create a skilled workforce and take advantage of its demographics dividend. The Government of India has adopted Skill Development as a National Priority for the next 10 years. India has gradually evolved as knowledge – base economy due to the abundance of capable, flexible and qualified human capital. However, there is need to develop and empower the human capital to ensure the country's global competitiveness.

This report is also a reflection of requirement of skilled manpower for industries in future and expectation of industries from the academia. I believe this report will not only give an overview about the employability factor of the youth of the country, but also address the needs & expectations of the employers.

I am quite optimistic that this report will be useful to ASSOCHAM members and Government as they together will make India the skill capital of the world.
My best wishes to ASSOCHAM for this remarkable initiative.

B.K. Goenka
President, ASSOCHAM

27th November, 2019
New Delhi

Message

The Government is committed to skill 500 million people by 2022 for the availability of skilled workforce for the industry and services sectors to accelerate economic growth and improve quality of products and services.

The Hon'ble Prime Minister's "Make in India" mission will become more successful when quality skilled workforce is made available to the industry. New jobs require new skills which need to be created. Building a skilling system to match the new requirements and recognizing organization having demonstrated outstanding contribution in various fields, a system that responds well to business needs, while opening opportunities for all people, is the need of the hour.

Keeping this background in mind, the ASSOCHAM is committed to promoting Skilling programs across the country and also to acknowledge and award the Entrepreneurs/Organizations with outstanding performances.

The ASSOCHAM jointly with Resurgent India is bringing out this "Knowledge Paper" highlighting the background and relevance of further strengthening Skilling and Employability, is the need of the hour.

I take this opportunity to convey my best wishes to all the stakeholders and participants for the success of the 5th Skilling India Summit and Awards 2019.

Deepak Sood
Secretary General

27th November, 2019
New Delhi

Message

When we think of India, we think of diversity and culture, but we also think of its population, which is equivalent to 17.71% of the total world population. We have the opportunity to turn this factor into a boon for India's development, as we have a large potential workforce at the ready.

The urgent need of the hour is investing in skill training to create sustainable, inclusive development for all Indians. The push for a policy-backed skill development initiative is a significant step towards realising the potential of the workforce by enhancing its employability.

As structural, demographic and technological shifts transform the Indian economy and the nature of work, new entrants to the labour force will have to be skilled and made employable. Approximately 70 million additional individuals of working age (15-59 years) are expected to enter the country's labour force by 2023 – using the same estimation model, the total workforce will then include approximately 404.15 million people.

Thus Strategies for reskilling and increasing the skills of the current workforce, as well as formal recognition of informally acquired skills, has to be reinforced.

In collaboration with ASSOCHAM, Resurgent India Limited has prepared this paper, highlighting the current Landscape of India in terms Skill Development current focusing Employability, Livelihood, Challenges and opportunities available, and assuring quality education.

We are very grateful to ASSOCHAM for giving us this opportunity to present paper and our views at the Skilling India Summit & Awards, 2019.

Mr. Jyoti Prakash Gadia
Managing Director
Resurgent India Limited

27th November, 2019
New Delhi

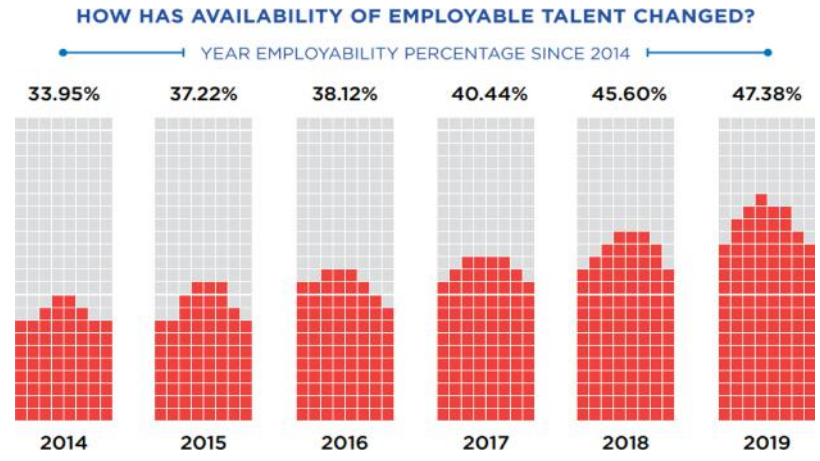
CONTENT

INTRODUCTION – SKILLING INDIA

Skill development is an important driver to address poverty reduction by improving employability, productivity and helping sustainable enterprise development and inclusive growth. India is facing a paradoxical situation, where on the one hand, youth entering the labour market have no jobs; on the other hand, industries are complaining of unavailability of appropriately skilled manpower. The employment sector in India poses great challenge in terms of its structure which is dominated by informal workers, high levels of under employment, skill shortages and labour markets with rigid labour laws and institutions.

Vocational education and training are crucial for enhancing the employability of an individual, by facilitating the individual's transition into the labour market. The present skilled workforce in India is only 2 %, much lower than the developing nations (Korea (96%), Japan (80%), Germany (75%), UK (68%) and China (40%) as reported by Labour Bureau report.

As compared to other developed and developing countries, India has a unique window of opportunity for another 20–25 years called the "demographic advantage". If India is able to skill its people with the requisite life skills, job skills or entrepreneurial skills in the years to come, the demographic advantage can be converted into the dividend wherein those entering labour market or are already in the labour market contribute productively to economic growth both within and outside the country. Keeping in view that 93% of the total labour force is in the unorganized sector, the major challenge of skill development initiatives is to address the needs of a vast population by providing them skills which would make them employable and enable them to secure decent work leading to improvement in the quality of their life In the context of developing economies like India, the challenge is to meet the skilled manpower requirement of the high growing sectors in the informal sector through better synergy between employers and the training providers and increased investment in the infrastructure needed for the skilled man power in the country.



Source:aicte-india.org

Why Skill Development?

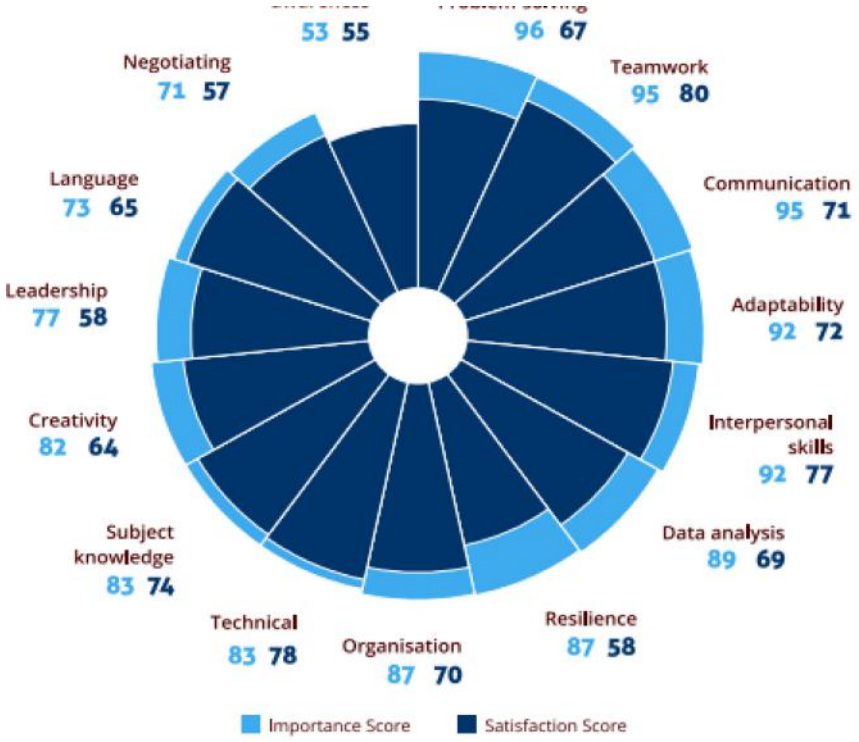
The changing demographic profile of the country, with 54% of its population under 25 years of age, the rising aspirations of our youth who seek better jobs and higher incomes, and the growing requirements of industry for an efficient, well trained workforce – have contributed to a focus on skill development. Speed, Scale and Quality are the three driving themes of the Ministry's efforts.

GLOBAL OVERVIEW

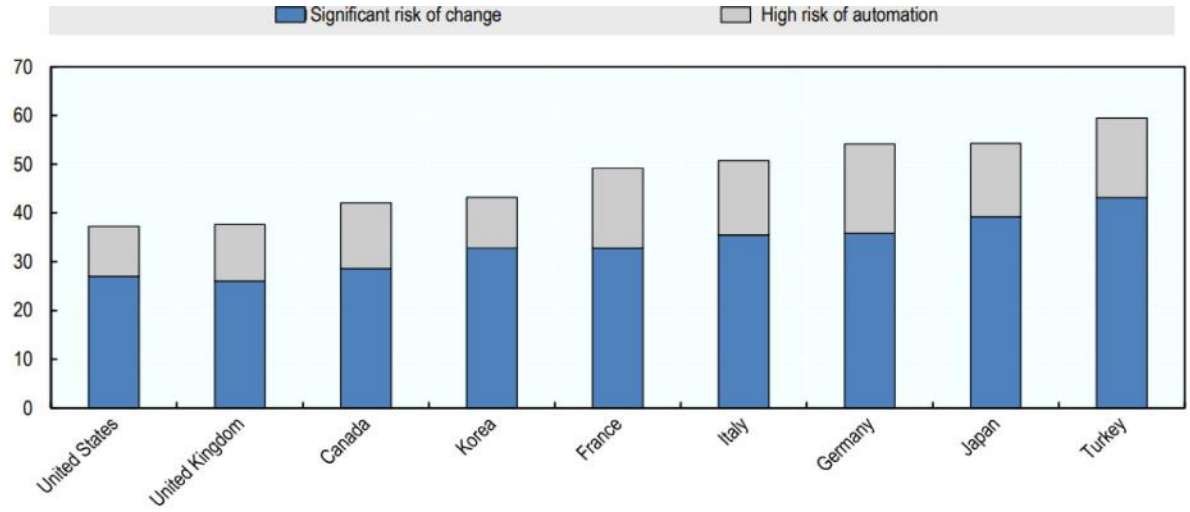
The world of work is undergoing rapid and deep changes brought about by technological development, demographics, globalization and climate change. These trends are affecting the composition of employment, the nature of the tasks carried out at work and the skills required in the labour market. They are also putting enormous pressure on traditional education and training systems, calling for improved quality and new approaches to lifelong learning. Skills development can help turn these challenges into opportunities. Skills contribute to productivity increases and are instrumental in enabling people to benefit from new job opportunities. At the same time, lifelong learning and active labour market programmes (ALMPs) along with social protection measures are important "buffers" to help workers manage transitions between jobs and enterprises adjust to change while avoiding high social costs.

In many G20 countries, the composition of employment is shifting towards jobs that require high-level cognitive and socio-emotional skills or are characterized by non-standardized tasks, while jobs with a high routine content are being automated or offshored to varying degrees.

Global Technical Importance vs Satisfaction Score



Technological change: Current discussions focus mostly on one aspect of technological development – the role of automation and artificial intelligence (AI) in replacing labour. Estimates of susceptibility of jobs to automation vary widely (e.g. World Bank 2016; Frey and Osborne 2013). Recent OECD estimates based on the analysis of the task content of jobs for some G20 countries suggest that the share of jobs at high risk of automation ranges from 10% in Korea and the United States to 18% in Germany (Nedelkoska and Quintini, 2018).



Note: Selected G20 countries. Calculations based on the task-content of jobs; Survey of Adult Skills (PIAAC), 2012, 2015.
Source: Nedelkoska and Quintini (2018).

Percentage of jobs at high risk of automation and at risk of significant change

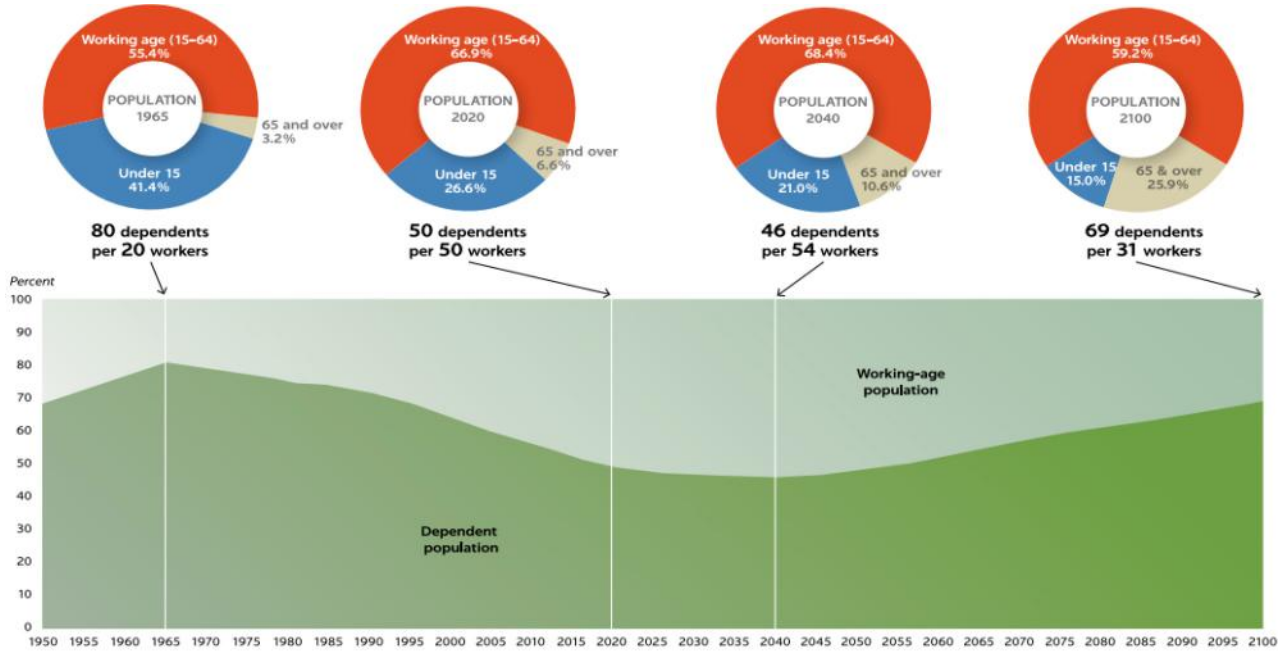

Talking Point
Activity – 5 minutes
Please share with your
teammate about a

CURRENT LANDSCAPE OF THE COUNTRY

India has surpassed China as the world's fastest growing large economy. It has also moved toward a knowledge economy, and more broadly from agriculture to manufacturing and services, but for the most part the Indian workforce has not changed. Indeed, policymakers, educators, trainers and firms face daunting challenges in skilling India's workforce to meet the economy's current and changing needs

- Many of the roughly 468 million now in the workforce need to be unskilled and reskilled —not easy because 92% are in the informal1 sector, mostly outside the reach of formal skilling.
- Of today's workforce 31% are illiterate, 13% have only a primary education and only 6% are college graduates. Further, only about 2% of the workforce has received formal vocational training while only 9% have unnformal vocational training.
- The roughly 70 million new workers entering the workforce between 2018 and 2022 need to be skilled for a 21st century economy. They may have completed secondary education, but many are not employable because their cognitive and technical skills are not up to par, and their social and behavioural skills are lacking.

As India's birth rate falls, its working-age population grows faster than its population of young and old dependents



Source: United Nations, Department of Economic and Social Affairs, Population Division, *2017 Revision of World Population Prospects*, data acquired at website.


Co Cię cieszy?

SKILL DEVELOPMENT ECOSYSTEM OF INDIA

The economic growth in the country which has led to a huge requirement of skilled workforce has ensured that the ecosystem has larger participation from all stakeholders which include decision making bodies, enablers, implementing agencies and beneficiaries.

To push the skilling agenda forward, it is important for the government to adopt the role of an ecosystem facilitator. Technology and governance will be the two pillars for bringing this transformative change.

Small enterprises will need hyper-local and flexible training models. Moreover, the system will also need to recognize skills obtained through traditional apprenticeship and other non-formal channels.

Factors determining job location decisions

Industry	Primary	Secondary	Tertiary
Automotive, Aerospace, Supply Chain & Transport	Talent availability	Labour cost	Quality of the supply chain
Aviation, Travel & Tourism	Talent availability	Organization HQ	Ease of importing talent
Chemistry, Advanced Materials & Biotechnology	Talent availability	Production cost	Labour cost
Consumer	Talent availability	Labour cost	Quality of the supply chain
Energy Utilities & Technologies	Talent availability	Labour cost	Production cost
Financial Services & Investors	Talent availability	Organization HQ	Ease of importing talent
Global Health & Healthcare	Talent availability	Labour cost	Production cost
Information & Communication Technologies	Talent availability	Labour cost	Geographic concentration
Oil & Gas	Labour cost	Production cost	Other (please specify)
Professional Services	Talent availability	Labour cost	Strong local ed. provision

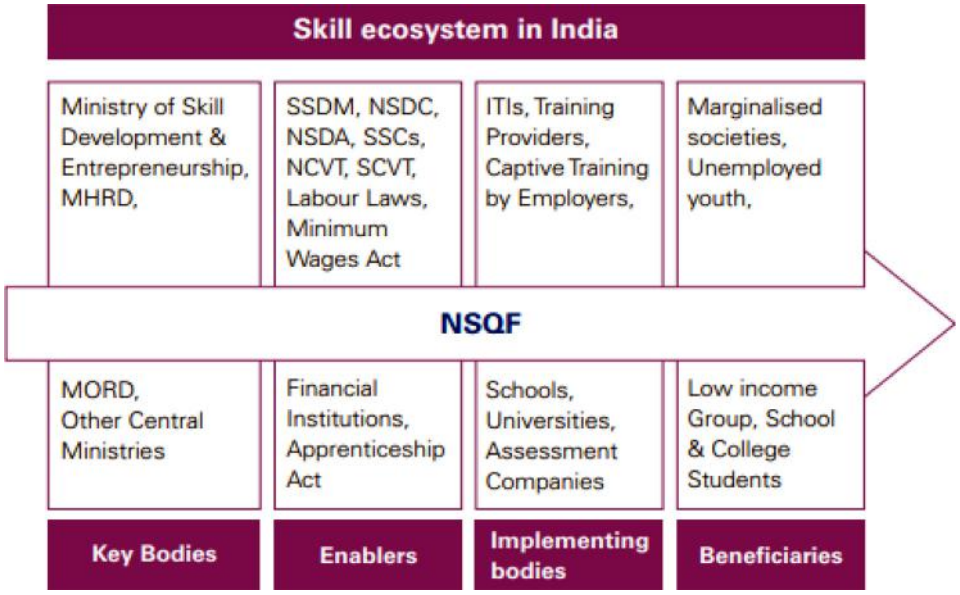
We see five principles that can guide a renewed vision for skilling India.

1) Be inclusive and make learners central to decision making by understanding various heterogeneous sectors involved and the specific constraints of each.
2) Foster employer connects and creates a sense of shared value by creating the right incentives for markets to have shared responsibility in building the nation's capital.
3) Make states and Centre equal partners by collaborating actively on policy and programmed design.
4) Use technology to drive change to help unleash new possibilities, create digital public goods, and operate at scale to catalyze the skilling ecosystem.

5) Listen, learn, and respond continuously so that the skilling ecosystem can be iterative and create strong feedback loops that learn and respond constantly.

As we move forward, the small and informal sector will continue to be the primary source of employment and entrepreneurship. However, despite engaging 82% of the total workforce, the informal sector contributes to only about 50% of India's gross domestic product (GDP). Hence, not surprisingly, adding formal skills can transform the sector by improving productivity. Small enterprises currently are not incentivised to provide any formal skilling to their workers, and are offered little support through government programmes either. For India to create a strong skills ecosystem, it must focus on the small and informal sector to begin with. To catalyze demand for formal skills for both small enterprises and learners, appropriate incentives, awareness building efforts and demonstration effects will be needed. Small enterprises will need hyperlocal and flexible training models. Moreover, the system will also need to recognize skills obtained through traditional apprenticeship and other non-formal channels.

Modern vocational or skill education in India traces its origin to the Industrial Training Institutes (ITIs), setup under the Ministry of Labour and Employment. The ministry had also set up council for certification of those successfully trained in these institutes. Along with Industrial Training Councils (ITCs), the ITIs were the mainstay for vocational training in this country for about five decades. Thereafter, various other policies such as the Apprenticeship Act, 1961, National Skill Policy 2009 and more recently the National Skills Qualification Framework (NSQF) have defined the roadmap for skill development in India.



Apprenticeship Act, 1961

This act was sanctioned to regulate programmes of training of apprentices and make it obligatory for employers in both public and private sector establishments to have training infrastructure as detailed in the Act. This was to ensure trainees get optimum access to real work environment and on-the-job training.

The objective of apprenticeship was also to ensure employers get skilled workforce with adequate exposure to real work environment. But this Act has not seen much success since of the 4.9 lakh seats available for 5 apprenticeship, just about 2.8 lakh apprentices are trained annually. This is largely due to inability of training providers to work together with employers as well as lack of participation from

Industry and employers. It becomes even more critical in manufacturing sector related courses where private sector has not been able to overcome infrastructure and learning equipment costs related challenges. 6 Recently, government has passed the amendment to the existing act known as 'Apprentices (Amendment) Bill, 2014' to increase the number of skilled manpower and provide industries with flexibility to hire apprentices as well as improve stipends specified to them.

According to the Bill, the industry will have 2.5-10 per cent of the total workforce as apprentices. The Bill aims to link the wages of apprentices to that of the semi-skilled industrial workers, and stipulate work hours and leave benefits at par with the regular workers from the organized sector. While allowing for industries to take more non-engineers as apprentices, depending on the nature of the job, it will also introduce new trades for apprenticeship training.

National Skill Policy

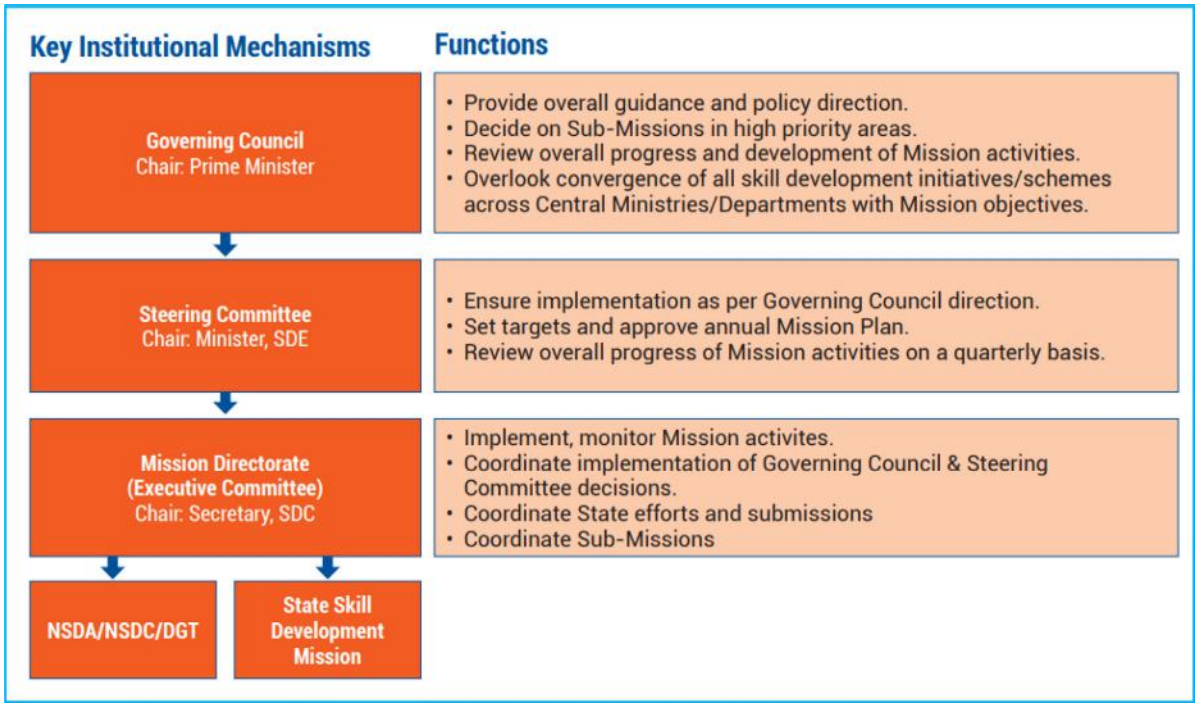
Formulated by the Ministry of Labour and Employment in 2009 the National Policy on Skill Development (NPSD) was in a way the first step towards a comprehensive effort towards skill development involving all stakeholders (government, industry, trade unions, and civil society) to create a skills ecosystem in India. It acts as a guide to formulate skill development strategies by addressing the different challenges in skill development. The objective is to empower the workforce with required skills, knowledge and qualifications to make the Indian workforce globally competent. Apart from this, it is mandated that the focus will be on increasing productivity of workforce in the organized and unorganized sector, increasing participation of women, youth, disabled and other disadvantaged sections. An assessment of targets is to be done every five years and accordingly realign the targets with the upcoming trends in the national and international ecosystem.

National Skill Development Mission

The National Skill Development Mission was launched by the Hon'ble Prime Minister on 15th July, 2015 on the occasion of World Youth Skills Day. It aims to create convergence and expedite cross-sectoral decisions through a high powered decision making framework. It is expected to converge, coordinate, implement and monitor skilling activities on a pan-India basis. The Mission consists of a three tier institutional structure, where the functions of the bodies consist of providing policy directives and guidance, reviewing and monitoring overall progress, and

actual implementation in line with Mission objectives. The Institutional Framework of the NSDM is given in the chart below.

Institutional Framework of NSDM



National Skill Qualification Framework

Introduction of NSQF is a much-needed step in the right direction. With the mandate to standardize the academic delivery across training institutions and provide career pathways and employment-oriented courses, NSQF's implementation would be crucial. The newly formed Ministry of Skill Development and Entrepreneurship's ability to build consensus among all central and state government agencies, academic institutions and regulators apart from aggregation of all enablers and implementation agencies would be equally important for a successful adaptation. What must be propagated is the involvement of employers and industry in developing the framework at each level and how it is expected to make a difference in our education delivery and address skill gaps across industries and geographies. To enforce the framework, government would also need to evaluate the option of making it a mandatory requirement backed by a Qualification Authority. While complete integration with the formal education system may be a long term process as it would also require great deal of capacity building at implementing units and last mile level coordination – the government must initiate the process.

KEY NODAL BODIES FOR SKILL DEVELOPMENT

Ministry of Skill Development and Entrepreneurship:

While a lot of initiatives have been taken, skill development in the country has been plagued by multiplicity of agencies and duplication of efforts. To address this problem, Prime Minister Narendra Modi in June 2014 announced the creation of a first-ever separate Ministry of Skill Development and Entrepreneurship to promote entrepreneurship and skill development.

The Ministry is conceived to encompass all other ministries to work in a unified way, set common standards, coordinate and streamline the functioning of different organizations working for skill development and at the same time be cost effective. One of the aims of the new ministry is to ensure that India meets its target of skilling and up skilling 500 million people in India by 2022 by integrating the government's efforts currently implemented by 21 ministries.

Mapping and certifying skills, market research and designing curriculum, encouraging education in entrepreneurship, make policies around boosting soft skills and computer education to bridge the demand and supply gaps are among the other goals.

Ministry of Human Resource Development:

MHRD governs polytechnic institutions with the current capacity of diploma level courses under various disciplines such as engineering and technology, pharmacy, architecture, applied arts and crafts and hotel management. Another key initiative of MHRD is the scheme of Apprenticeship Training, which aims to provide practical experience to engineering graduates, diploma holders and students in 10+2, and make the trained candidates job ready as per industry requirements

Apart from this, MHRD has also introduced vocational education from class IX onwards, provision of financial cost for engaging with industry/SSCs for assessment, certification and training.

Ministry of Rural Development:

'Aajeevika' is a skilling and placement initiative of Ministry of Rural Development (MoRD). The aim of the scheme is to impart specific set of knowledge and skills to rural youth and make them job ready. The scheme is catering to youth without formal education. The scheme is an important part of Skill Development Policy and an integral part of the National Rural Livelihood Mission (NRLM). The scheme is implemented by Project Implementation Agencies (PIA) in the public, private or voluntary sector.

Central Ministries:

There are 21 Ministries under the central government who are also working for the purpose of skill development. There are two approaches that these Ministries have; one approach is by setting up training centers of their own for specific sectors like (Ministry of Labour & Employment, Ministry of Agriculture, Ministry of Health & Family Welfare, etc.). The second approach is by PPP (Ministry of Rural Development, Ministry of Women and Child Development, etc.)
Some of the schemes under three such ministries are:

Ministry of Tourism – It launched a training programme called 'Hunar Se Rozgar Tak', to create employable skills among interested youth in the 18- 25 years age range. The minimum qualification to be eligible for this scheme is class 8 qualified. The basic objective was to reduce the skill gap that existed in the hospitality and the tourism sector.

While the Ministry of Tourism has put enough thrust on the 'Hunar se Rozgar Tak' scheme, the industry does not see significant value, and acceptability is seen as a major challenge. The course alignment with the industry requirement is therefore the need of the hour.

Ministry of Tribal Affairs: Schedule tribes are categorized under most marginalized section of the society and are in need of overall social and economic development. The scheme aims at upgrading skills of tribal youths in modern or traditional vocations and help them with suitable employment.

Under the scheme training will be conducted through vocational training centers and recognized institutes. The training organizations will provide placement assistance to the trained candidates and provide financial assistance to self-employed candidates through National Schedule Tribe Finance Development Corporation (NSTFDC).

Ministry of Textiles: Textile is the second largest employer after agriculture in the country. The workforce will increase from 33-35 million in 2008 to 60-62 million by 2022. The ministry has an Integrated Skill Development Scheme for the Textiles and Apparel Sector including Jute and Handicraft. The scheme aims to fulfill the need for skilled manpower to the textile and related sectors. The scheme aims at targeting 15 lakh people over the span of five years.

The segments covered under the scheme are textiles and apparel, handicrafts, handlooms, jute, sericulture and technical textiles. Under the scheme institutional bodies like SSCs for apparel, textiles and handicrafts under NSDC and Resource Support Agencies will be created. The scheme further focuses on strengthening skill development through participation of private sector through PPP model, state government agencies and training initiatives of the ministry.

CHALLENGES IN SKILL DEVELOPMENT

India enjoys a demographic dividend where more than 60 percent of its population is in the working age group. The youth bulge presents an opportunity for India to enhance its growth and also supply skilled manpower to the rest of the world.

However, keeping in view the heterogeneity of the labour market and also preponderance of the unorganised sector; designing a model which benefits the key players of the ecosystem: employer, training providers, trainee and the government is a challenging task. It is known that 93% of the total labour force is in the unorganised sector. Thus, the major challenge of skill development initiatives is also to address the needs of a vast population by providing them skills which would make them employable and enable them to secure decent work leading to improvement in the quality of their life.

There are several challenges which have been identified in skill development of the Indian Youth. For instance increasing the capacity of the existing system to ensure equitable access for all and at the same time maintaining their quality and relevance is a big challenge.

As most companies get involved in the global value chains, the job profiles will get updated to meet the global standards of quality and efficiency. For a developing country like India, this will be an added challenge over the existing shortage of skilled labor.

Cut to today. Despite more than 40 Skill Development Programmes (SDPs) implemented by 20-odd ministries and departments of the Government of India, the growth chart is not as expected. The pace of development has been thwarted by a series of challenges.

Scalability:

Getting the right kind of training partners, effective stakeholder management, obtaining buy-in from the corporate sector who didn't realise the opportunity in this space till very recently, scaling up and alignment of aspirations to current jobs is important.

The other issue is identifying the right training partner who can meet the requirement of the industry and can fit into the new skilling ecosystem. Scaling up of these partners is another challenge that needs to be addressed considering markets behave differently from state to state. The skill development segment has been ignored in the past and has been looked at as a non-scalable model often due to high capital requirements and low return on investments. There are only a select few who looked at it as an entrepreneurial model. Issues in providing infrastructure, bank loans, seed for self employed candidates is another challenge that often mar the budding entrepreneurs in their micro enterprises.

Mismatch between youth aspirations and jobs:

Finding student to fill the classroom and getting the people to accept the job has been a difficult task. Skill gap studies conducted by NSDC across various states clearly depict such trends. Take for instance the construction sector in Punjab has been one sector that has significant jobs to offer but there are not many takers and hence it is the migrant population from eastern Uttar Pradesh, Bihar and Jharkhand who have been doing the job.

Labour laws:

Indian labour laws are considered one of the most complex, rigid and to a certain extent responsible for lower employment growth, lesser increase in per capita income and sluggish economic development. With more than 50 parliament acts and regulations governing employers in terms of their industry relations practice, the complex bureaucratic process and reporting mechanism has been a deterrent for the industry to either setup fresh capacity or employ additional manpower in formal way. While organized sector and white collar jobs with lesser intervention as well as absence of trade unions, have had fat flexible governing guidelines and restrictions, unorganised sector having 93 per cent of current work force has been facing lots of challenges.

Industry has also voiced it as one of the major concerns before making investments, especially in the manufacturing sector which witnesses major hurdles in terms of retrenchment and lay-offs depending on their business cyclic requirement.

Perception gap

India's job market has been traditionally hierarchical. The perception that most of the employment options will be in the lowest level of this pyramid, creates a negative image of the entry-level jobs.

Also, with initiatives such as skilling, which require consistent effort and proactivity, the driving force becomes the deciding factor for success. In India, however, many students still perceive skill development as the last resort, instead of as an opportunity to grow. This has created a glass door for potential students thereby holding them back.

Role of a career counsellor

The next big question that crosses the minds of all individuals looking out for a skill development programme is 'What to choose?' With a plethora of courses available across ministries and sectors, career counselling becomes an essential component of their skilling journey. Career experts can play an instrumental role here by guiding the students as to which course is a perfect fit for them. Thorough knowledge of the courses and identifying the strengths of the students can help the counsellors suggest the best career choices to the students.

Industry exposure

To make skill development programmes more effective, one needs to look beyond the curriculum. Such programmes can only be successful if students have sufficient business

exposure where they can put their learnings into practice. Internships are essential to ensure the success of these programmes.
Enhancing employability

As we move towards a knowledge-based economy, there is a pressing need for developed cognitive skills in the workforce. While technical skills define core competence of an employee, working in a company needs more than that. This is where soft skills come in. The top three qualities that companies look for in their potential candidates are learning agility, adaptability and English language. Our SDPs need to be designed keeping these requirements in mind, to make students more employable.

Lack of women in the workforce

The World Economic Forum has predicted a 27% boost in GDP if gender parity is achieved. However, numbers in India suggest a decrease in the participation of women in the workforce. According to the India Skill Report 2019, the number of women in India Inc. has declined as compared to 2015. These numbers also point to the fact that affirmative action needs to be taken to encourage and inculcate women into the skill development system.

The skilling system is also facing problems such as mobilization of students, standardisation of the syllabi or placement success audits. This said, we should also acknowledge that the scalability of such an initiative will require constant troubleshooting and upgradation, and must be considered an opportunity instead of an inefficacy.

Lack of funding

Economically-weaker students often get discouraged due to the high costs associated with some of the courses. SDPs in India are mostly government funded, unlike in Germany and China where 86% and 85% of the firms, respectively, skill their own workers. Therefore, to address this skill gap in a country like India, a collaborative approach is required and more organizations need to allocate funds and participate in the process. This is slowly being taken care of via skill development loans for students and more companies understanding their role in skill-funding.

- **Insufficient training capacity:** The training was not sufficient to ensure a job for those who got the training – and this is why the employability rate remains very low.
- **Lack of entrepreneurship skills:** While the government expected that some of the PMKVY-trainees would create their own enterprise, only 24% of the trainees started their business. And out of them, only 10,000 applied for MUDRA loans.
- **Low industry interface:** Most of the training institutes have low industry interface as a result of which the performance of the skill development sector is poor in terms of placement records and salaries offered.
- **Low student mobilization:** The enrolment in skill institutes like ITIs, and polytechnics, remains low as compared to their enrolment capacity. This is due to low awareness level among youths about the skill development programmes.

GOVERNMENT INITIATIVES

Government of India announced the Skill India campaign on 15 July 2015 with an aim to train over 40 crore (400 million) people in India in different skills by 2022 for which GoI has launched a bunch of skill development initiatives aimed at skilling unemployed youth to make India the skill Capital of the world. Some of the initiatives in this regard are:

Ministry for Skill Development & Entrepreneurship (MSDE) has been formed for the first time to focus on enhancing employability of the youth through skill development.

The National Skill Development Corporation India (NSDC) was setup as a Public Private Partnership Company with the primary mandate of catalyzing the skills landscape in India.

Some of the other major initiatives taken by the Government of India are:

- In August 2018, Innovation Cell and Atal Ranking of Institutions on Innovation Achievements (ARIIA) were launched to assess innovation efforts and encourage a healthy competition among higher educational institutions in the country.
- In August 2018, Government of India launched the second phase of 'Unnat Bharat Abhiyan' which aims to link higher educational institutions in the country with at least five villages. The scheme covers 750 such institutions.
- The allocation for school education under the Union Budget 2018-19 is expected to increase by 14 per cent, to focus on accelerating existing schemes and quality improvement.
- In order to boost the Skill India Mission, two new schemes, Skills Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP) and Skill Strengthening for Industrial Value Enhancement (STRIVE), have been approved by the Cabinet Committee on Economic Affairs (CCEA), Government of India, with an outlay of Rs 6,655 crore (US$ 1.02 billion) and will be supported by the World Bank.
- The Ek Bharat Shreshtha Bharat (EBSB) campaign is undertaken by Ministry of Human Resource Development to increase engagement between states, union territories, central ministries, educational institutions and general public.
- Prime Minister Mr Narendra Modi launched the Skill India initiative – 'Kaushal Bharat, Kushal Bharat'. Under this initiative, the government has set itself a target of training 400 million citizens by 2022 that would enable them to find jobs.

Pradhan Mantri Kaushal Vikas Yojana

Pradhan Mantri Kaushal Vikas Yojana aims to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. The National Skill Development Mission has been developed to create convergence across sectors and States in terms of skill training activities.

Short Term Training:

The Short Term Training imparted at PMKVY Training Centres (TCs) is expected to benefit candidates of Indian nationality who are either school/college dropouts or unemployed. Apart from providing training according to the National Skills Qualification Framework (NSQF), TCs shall also impart training in Soft Skills, Entrepreneurship, Financial and Digital Literacy. Duration of the training varies per job role, ranging between 150 and 300 hours.

Recognition of Prior Learning:

Individuals with prior learning experience or skills shall be assessed and certified under the Recognition of Prior Learning (RPL) component of the Scheme. RPL aims to align the competencies of the unregulated workforce of the country to the NSQF.

Kaushal and Rozgar Mela:

Pradhan Mantri Kaushal Vikas Yojana assigns special importance to the involvement of the target beneficiaries through a defined mobilisation process. TPs shall conduct Kaushal and Rozgar Melas every six months with press/media coverage; they are also required to participate actively in National Career Service Melas and on-ground activities.

Placement Guidelines:

Every effort thereby needs to be made by the PMKVY TCs to provide placement opportunities to candidates, trained and certified under the Scheme. TPs shall also provide support to entrepreneurship development.

Pradhan Mantri Kaushal Vikas Kendras:

Skill India Mission envisages setting up of 432 Pradhan Mantri Kaushal Kendra(s) (PMKKs) in 415 districts across the country targeting to train a minimum of one lakh candidates annually. The model training centres envisage to:

- Create benchmark institutions that demonstrate aspirational value for competency-based skill development training.
- Focus on elements of quality, sustainability and Connection with stakeholders in skills delivery process.
- Transform from a Mandate-driven footloose model to a sustainable institutional model.

Deen Dayal Upadhyaya Grameen Kaushalya Yojana

Deen Dayal Upadhyana Grameen Kaushalya Yojana of the Ministry of Rural Development, Government of India aims to train rural youth who are poor and provide them with jobs having regular monthly wages or above the minimum wages. It is one of the cluster of initiatives that seeks to promote rural livelihoods. It is a part of the National Rural Livelihood Mission (NRLM) - the Mission for poverty reduction called Aajeevika.

The first Indian Institute of Skills is being established at Kanpur by the Union Ministry of Skill Development and Entrepreneurship in partnership with Institute of Technical Education, Singapore. Inspired by the Singapore model of training, the Indian Institute of Skills plans to adopt various best practices across the country. National Paper - PLP – 2019-20.National Apprentice Promotion Schemes and Drivers' Training Institutes helps in apprenticeship training as it is an important tool for addressing skill mismatches.

UDAAN:

Udaan is a Special Industry Initiative for Jammu & Kashmir in the nature of partnership between the corporates of India and Ministry of Home Affairs and implemented by National Skill Development Corporation (NSDC). The Scheme aims to cover 40,000 youth of J&K over a period of five years.

The Scheme covers graduates, post graduates and three year engineering diploma holders. It has two objectives:

- To provide an exposure to the unemployed graduates to the best of Corporate India;
- To provide Corporate India, an exposure to the rich talent pool available in the State

Sector Skill Councils have been set up as autonomous industry-led bodies by NSDC. They create Occupational Standards and Qualification bodies, develop competency framework, conduct Train the Trainer Programs, conduct skill gap studies and Assess and Certify trainees on the curriculum aligned to National Occupational Standards developed by them. NSDC has 38 Sector Skill Councils (SSC) approved in services, manufacturing, agriculture & allied services, and informal sectors.

SANKALP :

Skills Acquisition and Knowledge Awareness for Livelihood Promotion launched by MSDE. The main objectives of the project include strengthening institutional mechanisms at both national and state levels, building a pool of quality trainers and assessors, creating convergence among all skill training activities at the state level, establishing robust monitoring and evaluation system for skill training programs.

Under SANKALP four key result areas have been identified:

(i) Strengthened institutional mechanisms at National and State levels to guide planning, delivery and monitoring of market relevant training.

(ii) Improved Quality and Market Relevance of SD programs;

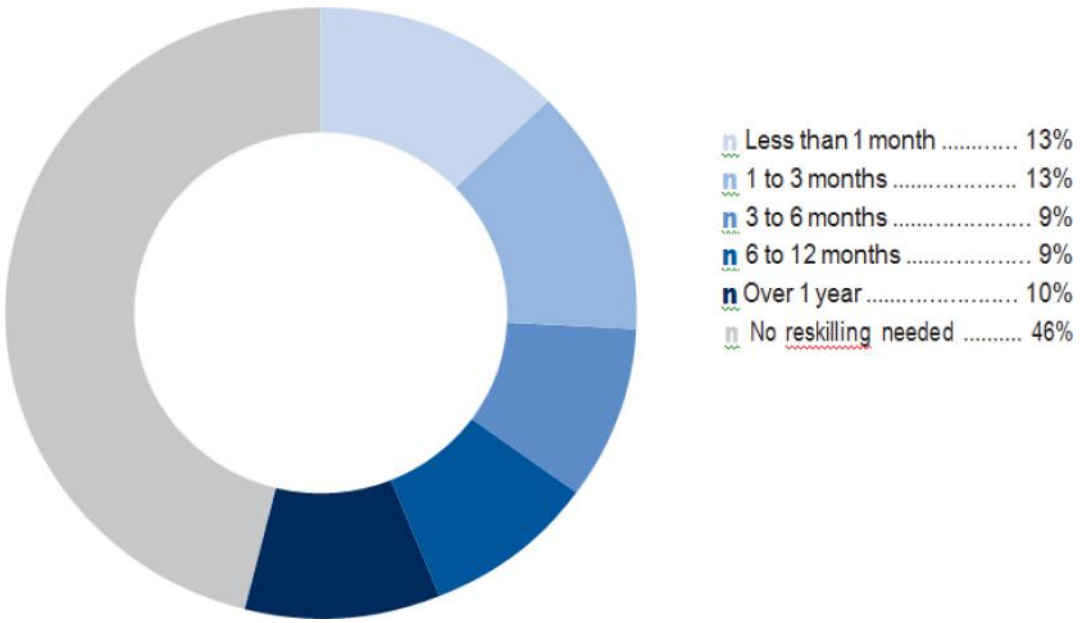
(iii) Improved access to and completion of skills training for female trainees and other disadvantaged groups.

(iv) Expanding skills training through private-public partnerships (PPPs).

NEW JOBS AND FUTURE SKILLS: THE NEXT LEAP

It is estimated that the Indian workforce will increase to approximately 600 million in year 2022 from the current 473 million. As the workforce will increase by about 27 percent during this period the overall composition of unorganized sector and organized sector will slightly change from 92 percent and 8 percent today to 90 percent and 10 percent in 2022. The major forces impacting these shifts are that of globalization, expanding domestic Indian market and adoption of exponential technologies, like AI, Robotics, and IOT by Indian industries. Some of the macro trends those are visible in India today are:

- A clear structural shift from agriculture to non-farm sector, particularly construction, trade and transport
- To bridge India's infrastructure gaps, the government has raised public investment in roads, railways, rural development, power, telecom, housing and "soft" areas of health care and education, creating work opportunities for an estimated 7 million workers, at wages that are 70 percent higher than average farm workers
- Rapid advances in automation technologies are affecting India's information technology and business process outsourcing sectors. These sectors have remained net job creators, and the industry estimates that companies could hire up to 2.5 to 3 million more workers by 2025, provided they can acquire the skills needed to meet changing needs.
- The global rise of independent work and micro entrepreneurship, aided by digital technologies, is mirrored in India, where they are providing new work opportunities with better pay and links to organized value chains, including in parts of the country less covered by the formal labour markets.



This indicates that the global forces of urbanization, need to bridge infrastructure gaps, automation and knowledge intensive work, and new digital ecosystems and independent work, are prevalent in India, and are shaping the realities of its labour market.

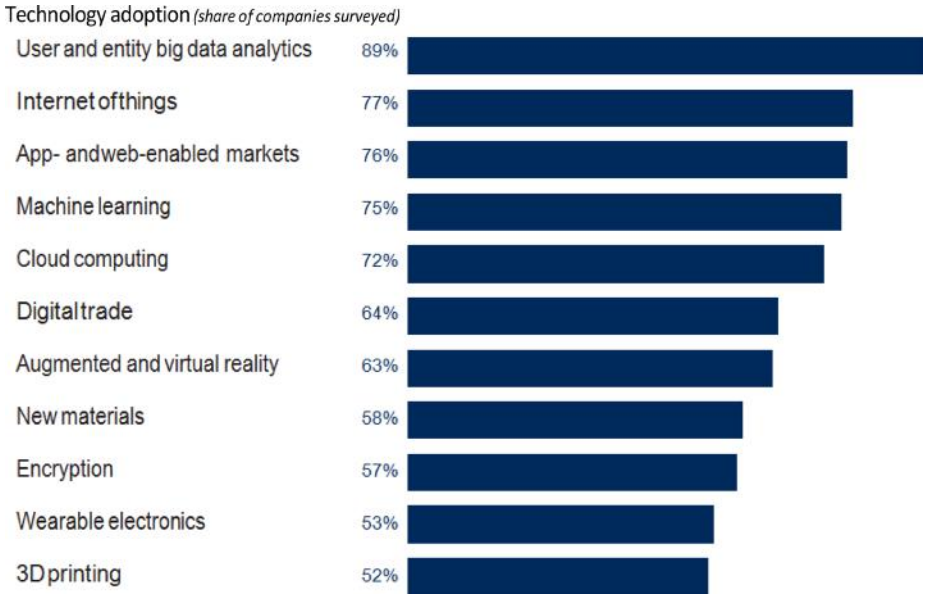
Advances in robotics, artificial intelligence, and machine learning are ushering in a new age of automation, as machines match or outperform human performance in a range of work activities, including ones requiring cognitive abilities.

The top three trends for each of the three forces as identified by the respondents by 2022 are as below:

- Globalization: offshoring impacted by adoption of exponential technologies by advanced nations
- Exponential technologies: creation of highly optimized supply chains
- Demographic changes: rising middle-class.

Drivers of change: Four specific technological advances—ubiquitous high-speed mobile internet; artificial intelligence; widespread adoption of big data analytics; and cloud technology—are set to dominate the 2018–2022 period as drivers positively affecting business growth. They are flanked by a range of socio-economic trends driving business opportunities in tandem with the spread of new technologies, such as national economic growth trajectories; expansion of education and the middle classes, in particular in developing economies; and the move towards a greener global economy through advances in new energy technologies

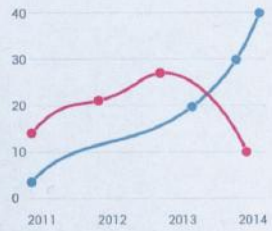
Accelerated technology adoption: By 2022, according to the stated investment intentions of companies surveyed for this report, 85% of respondents are likely or very likely to have expanded their adoption of user and entity big data analytics. Similarly, large proportions of companies are likely or very likely to have expanded their adoption of technologies such as the internet of things and app- and web enabled markets, and to make extensive use of cloud computing. Machine learning and augmented and virtual reality are poised to likewise receive considerable business investment.



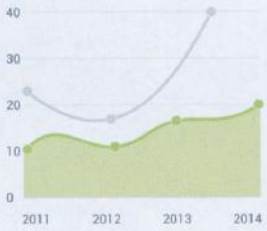
Technology adoption (share of companies surveyed)

Morris Charts

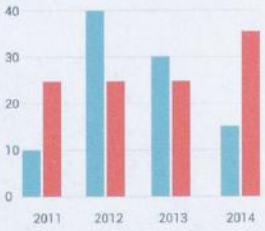
Line Chart



Area Chart



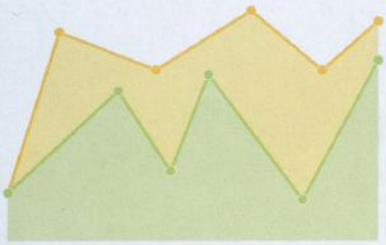
Bar Chart



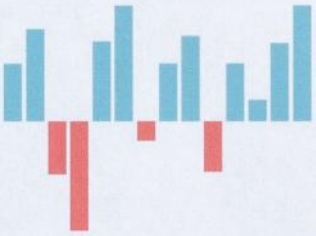
Donut Chart

Sparkline Charts

Line Chart

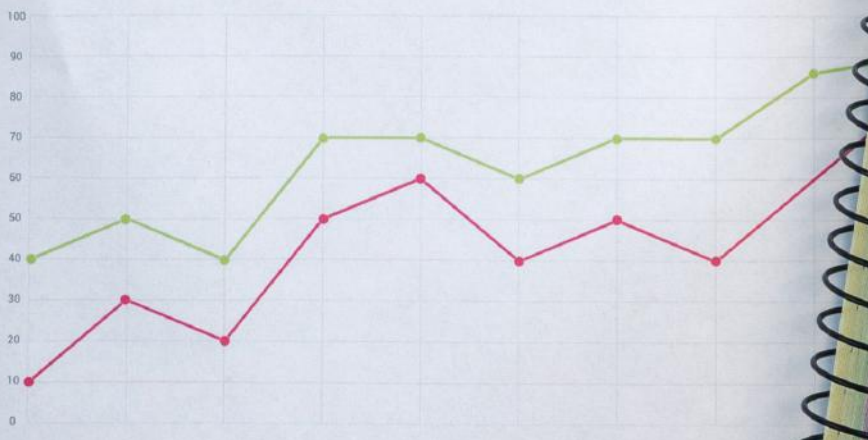


Bar Chart



Pie Chart

Easy Pie Charts



Trends in robotization: While estimated use cases for humanoid robots appear to remain somewhat more limited over the 2018–2022 period under consideration in this report, collectively, a broader range of recent robotics technologies at or near commercialization—including stationary robots, non-humanoid land robots and fully automated aerial drones, in addition to machine learning algorithms and artificial intelligence— are attracting significant business interest in adoption. Robot adoption rates diverge significantly across sectors, with 37% to 23% of companies planning this investment, depending on industry.

Changing geography of production, distribution and value chains: By 2022, 59% of employers surveyed for this report expect that they will have significantly modified how they produce and distribute by changing the composition of their value chain and nearly half expect to have modified their geographical base of operations. When determining job location decisions, companies overwhelmingly prioritize the availability of skilled local talent as their foremost consideration, with 74% of respondents providing this factor as their key consideration

Changing employment types: Nearly 50% of companies expect that automation will lead to some reduction in their full-time workforce by 2022, based on the job profiles of their employee base today. However, 38% of businesses surveyed expect to extend their workforce to new productivity-enhancing roles, and more than a quarter expect automation to lead to the creation of new roles in their enterprise. In addition, businesses are set to expand their use of contractors doing task-specialized work, with many respondents highlighting their intention to engage workers in a more flexible manner, utilizing remote staffing beyond physical offices and decentralization of operations.

A new human-machine frontier within existing tasks: Companies expect a significant shift on the frontier between humans and machines when it comes to existing work tasks between 2018 and 2022. In 2018, an average of 71% of total task hours across the 12 industries covered in the report are performed by humans, compared to 29% by machines. By 2022 this average is expected to have shifted to 58% task hours performed by humans and 42% by machines. In 2018, in terms of total working hours, no work task was yet estimated to be predominantly performed by a machine or an algorithm

Emerging in-demand roles: Among the range of established roles that are set to experience increasing demand in the period up to 2022 are Data Analysts and Scientists, Software and Applications Developers, and Ecommerce and Social Media Specialists, roles that are significantly based on and enhanced by the use of technology. Also expected to grow are roles that leverage distinctively 'human' skills, such as Customer Service Workers, Sales and Marketing Professionals, Training and Development, People and Culture, and Organizational Development Specialists as well as Innovation Managers.

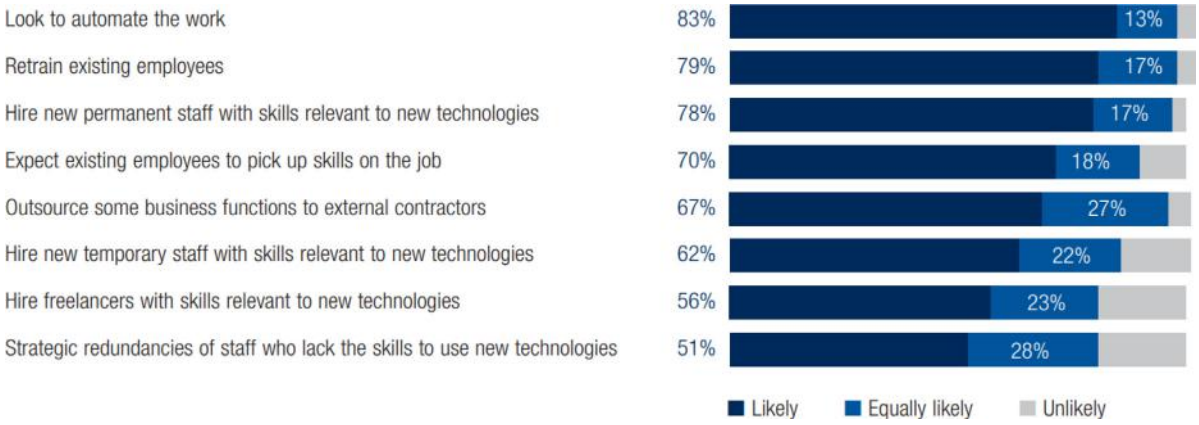
Growing skills instability: Given the wave of new technologies and trends disrupting business models and the changing division of labour between workers and machines transforming current job profiles, the vast majority of employers surveyed for this report expect that, by 2022, the skills required to perform most jobs will have shifted significantly

Current strategies for addressing skills gaps: Companies highlight three future strategies to manage the skills gaps widened by the adoption of new technologies. They expect to hire wholly new permanent staff already possessing skills relevant to new technologies; seek to automate the work tasks concerned completely; and retrain existing employees. The likelihood

of hiring new permanent staff with relevant skills is nearly twice the likelihood of strategic redundancies of staff lagging behind in new skills adoption

With new emerging job categories like data analyst and specialized sales professionals, it is becoming increasingly evident the world of work is likely to get more specialized as the mundane transactions are handled by machines. While machines continue to help workers analyse various data and help them make the right decision, the human workers will have to be specialized in their chosen field of operation to be able to make sense of the analysis and then take appropriate action.

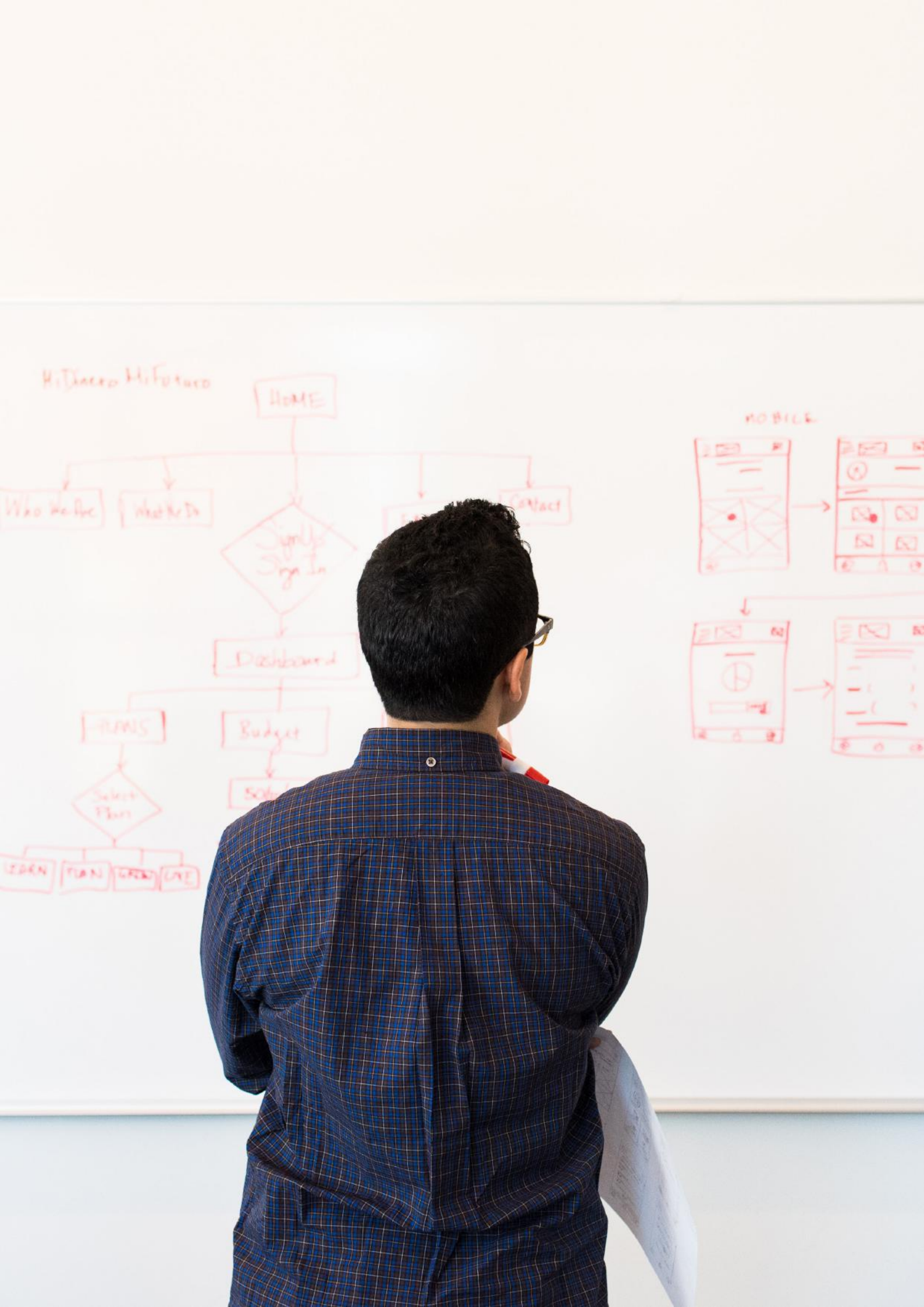
Respnses to shifting skills needs (share of companies surveyed)



This is increasingly becoming true irrespective of whether you are a car mechanic or a CEO. With the changing nature of work and workplaces, business activities are increasingly being delivered via a network of teams. The traditional silos of departments are being questioned and this will mean a new set of skills are required at individual contributor and manager level. The current example of the evolving role of managers in these workplaces is evident in the role of a scrum master in an agile development environment.

The above example indicates how increasingly the desired skill sets of most occupations are likely to comprise of skills that are not yet considered crucial to the job today. As per certain estimates Cognitive Abilities, Systems skills, Complex problem solving, Content skills, and Social skills are some of the top skills that are likely to be a growing part of the core skills requirements for many industries.

Today's job market and in-demand skills are vastly different than the ones of 10 or even 5 years ago and the pace of change is only set to accelerate. Governments, businesses, and individuals alike are increasingly concerned with identifying and forecasting skills that are relevant not just today but that will remain or become so in future to meet business demands for talents and enable those that possess them to seize emerging opportunities. With 65% of organizations looking to invest in reskilling of their current employees, these shifts in the nature of work will demand greater flexibility and adaptability from employees.

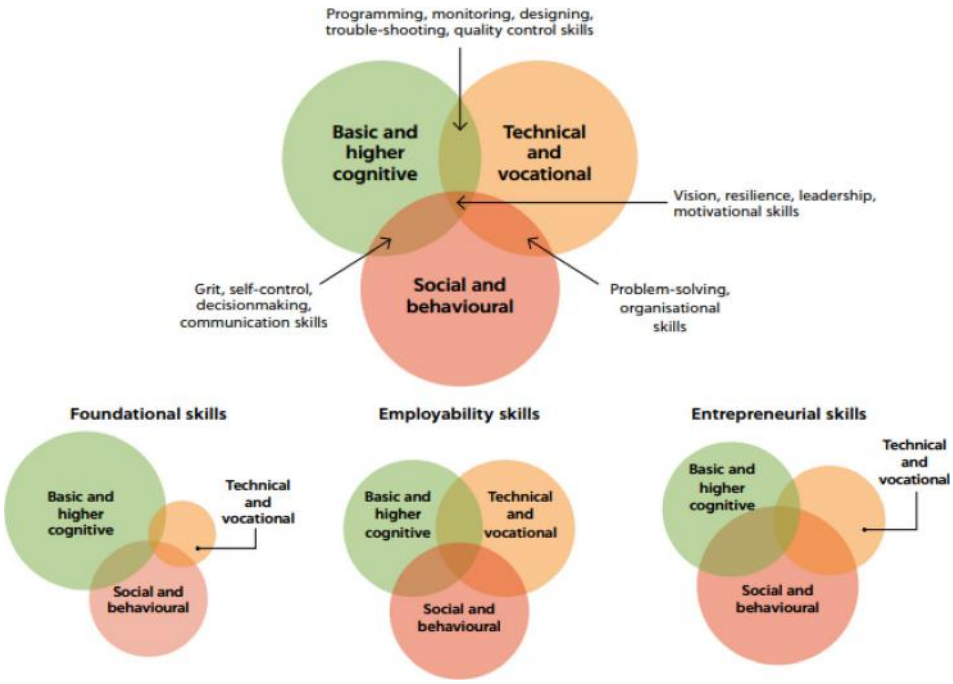

HOME
Dashboard
Budget
MOBILE

MATCHING MATRIX : SKILL EQUALS

Indian traditional education structure needs improvisation to create enough employment opportunities for the equivalently skilled workforce.

Job is the equilibrium point for employer and potential employee to start their journey and this match is dependent on two aspects of work dynamics i.e. skill requirement and availability. Once these two aspects match, other associated factors such as skills and knowledge, potential, experience etc. come in picture and decide the match of employer and employee. Matchmaking section of this report matches various data inputs from India Skills.

Skills mismatch exacts high economic and social costs at all levels – individual, business and government – and is both a result and a contributory cause of structural unemployment. A number of factors are influencing the global evolution of skills demand and supply, and if left unaddressed they are likely to contribute to skills mismatch in the future.



Source NACR

Demographic changes influence labour supply in different ways in developing and developed countries. In developed countries the population is ageing, while in developing countries large numbers of young people are entering the labour market every year. These changes require that young people have appropriate skills which attract investment and create jobs, while older workers continue to learn and upgrade their skills.

The level of **educational attainment** has increased significantly in recent decades in both developed and developing countries. This means that more talent is available for employers, but also makes it harder for lowerskilled workers to find jobs in an increasingly competitive labour market.

With **globalization** and trade liberalization, the availability of suitably qualified workers has become a determining factor in many foreign investment decisions. At the same time, labour has become more mobile internationally, and large numbers of people migrate to where jobs are available. These changes increase the demand for portable skills (for example, in intercultural communication and foreign languages) and skills in adapting and maintaining new technologies, in marketing, and in achieving quality assurance in compliance with international standards, especially among internationally trading industries.

As the **workforce and businesses** are becoming more mobile, work organization is changing, too. For example, many companies are introducing flatter organizational structures and offering opportunities for online work from a distance. These changes increase the demand for teamwork, initiative, leadership, management skills, and interpersonal and intercultural communication skills.

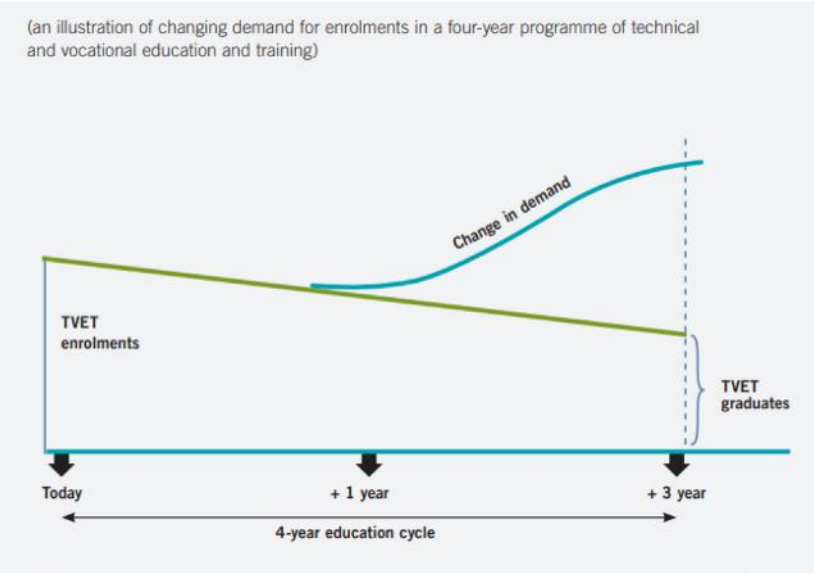
Technology development and innovation increase the demand for higher-level skills, and accelerate the rate of change in skills demand. STEM (science, technology, engineering and mathematics) and ICT (information and communications technology) skills are important not only among the most highly skilled, who contribute to innovation, research and development, but also among skilled workers who are instrumental in the operation and maintenance of new technologies.

Climate change and the transition to the green economy influence skills demand through the introduction of new green technologies, new market opportunities in green economic activities and the "creative destruction" of brown jobs, and various policy and regulatory requirements. These processes change the skills requirements within existing occupations, give rise to new occupations and skills needs, and increase the need for retraining and skills upgrading, including in environmental awareness.

While these general trends are likely to influence skills demand and supply all over the world in the future, the extent and nature of change will be different in different country contexts, as local drivers of change also affect labour market outcomes. Meanwhile, the design and delivery of competency standards and of training curricula to meet them can take several years (figure 2). In the context of these changes, and in order to inform the education and training system far enough ahead to create appropriate training programmes, the systematic anticipation of skills needs is essential. Only by anticipating skills needs in this way can informed, strategic responses be developed to meet skills challenges and prevent skill mismatch.

Indian corporate and educational space is witnessing huge investment of time and money in skill training, talent acquisition and retention to address the dearth of skilled workforce. There is a great void in the market because we gain knowledge in academic institutions and not the skills required for jobs. Indian traditional education structure needs improvisation to create enough employment opportunities for the equivalently skilled workforce. Post Right to Education Act, it has encouraged maximum students to complete their schooling, however,

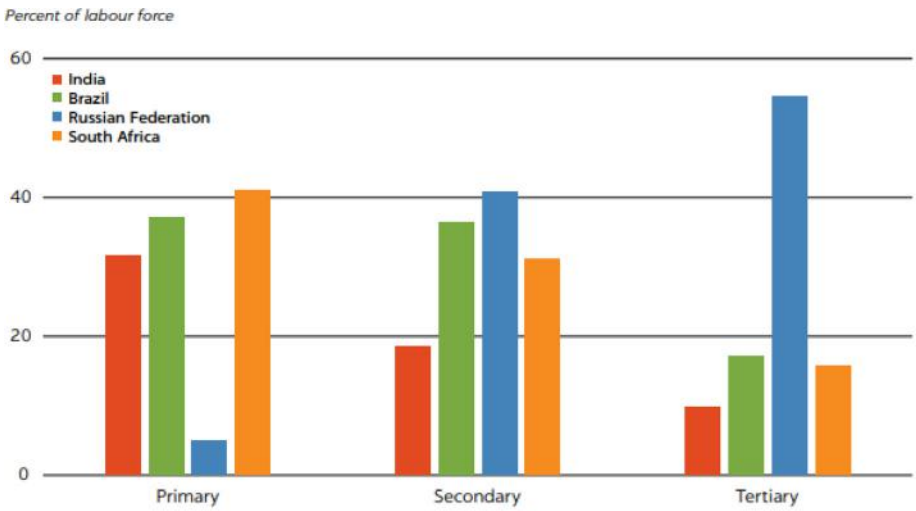
learning without hands-on practice is incomplete. To fill this void, the Indian industry is now implementing up-skilling and re-skilling training along with academic learnings through advanced technology interventions.



KEY ELEMENTS IN BRIDGING THIS GAP:

• Adding 'Context' in education

Content & context are equally required to skill people. In this information-driven age content combined with a strong contextual understanding seems more interesting and easier to retain and also provides the real-time perspective moreover, it also improves the scope of employment as well.



Note: Percentage share of labour force, by highest education level attained in 2010. The BRICS are Brazil, Russia, India, China and South Africa. Data for China are unavailable.
Source: World Bank, World Development Indicators 2010.

Lagging behind other BRICS nations, more than 30% of India's workers have only a primary education and only 18% have a secondary education

• Technology empowered learning

The advent of technology is playing a significant role in reshaping the course of learning, hence, our education system is likely to be evolved and technology-focused to keep up with the pace of advancements. New technology-empowered learning modules including smart classes live online/virtual lectures, recorded videos, podcasts, Artificial and virtual intelligence, audio-video, etc. are reaping extra-ordinary outcomes in disseminating quality education amongst the learners.They are not only providing unlimited & uninterrupted access to knowledge through no. of resources but also are diminishing the distance & time factors which somehow work as a block in the way of quality education. Technology has empowered the learners from rural areas too to access & imply advance knowledge to hone their skills.

• Integrated learning programs

Skilling & training has proved to be the most important investments in terms of quality output. Classroom training usually faces geographical restrictions related to equal distribution of quality education to all. Limited sources of teaching such as expert faculty, quality talent, applied learning modules also contribute to accelerate the disparity of demand and supply of talent. The integrated educational programs deliver learning through four forms of classrooms – Digital, On-Campus, On-sire, and On-the-Job offering a more holistic apprenticeship experience. It prepares the talent pool with add on practical skills and makes them ready for future employment.

• Skill and professional education

Specialising in at least one professional skill is imperative while students are at schools or colleges. Embedding professional skilling programmes and vocational courses across all education levels brace-up learners' skills and make them eligible for better job opportunities with good remunerations.

The Central and State Government both are proactively introducing various skill training programs to skill existing and prospective workforces to meet the demand of skilled employees in the job market. The Ministry of Skills Development and Entrepreneurship launched its Skill India program to align three major aspects – Academics, industry and job aspirants. However, many players in the market are developing and offering advanced & customized solutions to re-skill and up-skill people. The system is looking forward to evolving a sustainable and long-term skill learning plans for all to achieve the desired output.

It is clearly visible that education combined with professional skill is the need of the hour to fit into the current employment scenario bridging the actual shortage of skilled workforce.

Demand & Supply

India's economic structure clearly is not in sync with its labour markets, leading to misallocations of labour resources. The demand for skills is not matching the supply of skills.

What sectors, and at what level, are creating the demand for which type of skilled and unskilled workers? How can workers acquire skills more effectively and at lower cost to meet this demand,

propelling firms and workers towards higher productivity and faster economic and job growth?

On the demand side, employers require workers with many combinations of cognitive, noncognitive, and job- and sector-specific skills depending on the occupation and level of responsibility Seen against the poor skilling levels of most Indian workers in the sectors generating the most jobs, the large size of India's skilling demand-supply mismatch becomes obvious. Technology and skilled labour complement each other, but technology can replace lowerskilled labour.

It is especially likely to displace routine cognitive skills in clerical work, accounting and shop floor assembly—repetitive activities that follow clear guidelines.

Jobs that require higher-order cognitive skills such as creativity and complex problem solving are likely to thrive with new technology. Self-motivated employees who upgrade their skills are in demand.6 Paradoxically, however, many jobs requiring little education—such as driving, child care and unskilled health care—have resisted automation.

So, automation is not necessarily stealing jobs, but it can transform jobs. One of the global software technology giant, released 8,000–9,000 employees from their current assignments during 2016 by automating their low-end jobs, but it then trained them in more advanced skills and assigned them to new projects.

In contrast, the half of the Indian workforce with less than middle school attainment and no vocational skills likely lacks the skills that even a casual worker should possess. A slight change in technology has the potential to disrupt livelihoods of a vulnerable section of population with no other skillsets. This was the case with incense stick production in Tripura, a case study examined for this NCAER report. The rapid transition from handmade to semi-mechanised products meant that Tripura lost its lead position in handmade incense sticks, with the demand for Tripura's sticks falling to one-fifth of its capacity, driven down by imports from China and Vietnam.

Technology cycles are shorter than ever, and robots and digital disruption could hit Indian workers hard: globally 75% of businesses expect that automation will require workers to develop new skills. Today's workers and new labour market entrants must thus prepare for jobs that do not yet exist.

For example, using robotics and Artificial Intelligence (AI) may replace textile workers in India. The textile sector directly employed 15.6 million (15+ age group) workers and indirectly 26.2 million workers in 2009–10. And almost half of textile workers have less than middle school attainment and little or no vocational training.

On the supply side, while educational attainment of the general population is increasing, high unemployment rates among the educated signal significant challenges to employability of the better educated. This problem is more acute for females. The education and vocational systems are imparting knowledge through oral and rote learning methods but not the broad range of foundational and advanced, general and specialised skills needed for jobs Along with sector-specific and job-specific knowledge and skills, employers seek innovation skills and complex psychomotor skills. But the education system is not delivering them. The growing

disconnect between industry and education has led to acute shortages of skilled workers across all sectors.

Mismatches between supply and demand

SUPPLY OF SKILLS		DEMAND FOR SKILLS		
		HIRED WORKERS		
Skills	Educational attainment	Low-skilled casual worker	Medium-skilled operative/trade worker	Medium-high-skilled worker/ associate professional
Routine cognitive skills	Primary and middle school education	🟡	🟡	🔴
Routine cognitive skills, ICT skills and language skills	Secondary education	🟡	🟡	🔴
Routine cognitive skills, ICT and language skills, financial literacy	Higher secondary education	⚫	🟡	🟡
Routine cognitive, nonroutine cognitive skills, core socioemotional skills, ICT skills, language skills, financial literacy and knowledge and ability to apply	College education and above	⚫	⚫	🟡
Routine cognitive skills, nonroutine cognitive skills, ICT skills, financial literacy and knowledge and ability to apply, sector and job-specific skills	Technical education	⚫	🟡	🟢
Job-specific skills, one ICT skill, English language skills and some financial literacy	Short-term skilling programmes	🟡	🟡	🟡
Routine cognitive skills, knowledge and ability to apply and job-specific skills	Long-term skilling programmes	⚫	🟡	🟡

🔴 Worker cannot supply the skills that the job demands.
🟡 Worker can perhaps supply the skills that the job demands with varying success ranging from barely to mostly.
🟢 Worker can fully supply the skills that the job demands.

Note: Red implies that there is demand for this but supply is limited, indicating a mismatch. Green indicates that there is a reasonable degree of match. Yellow indicates that there is only a partial match. Black indicates that workers' skills exceed what the job needs.
Source: NCAER, based on stakeholder consultations and literature reviews.

FIXING THE MISMATCHES BETWEEN SUPPLY AND DEMAND

Vocational Skill Training

The vocational skills taught through various programmes meet current technological needs, rarely future ones. PMKVY—India's flagship skilling programme of the MSDE—focuses on short-term skilling, with uncertain quality, at best teaching a worker just enough vocational skills to find a job immediately. The content and design of most skilling programmes is below international standards, leaving graduates vulnerable to technological shocks. Even if placement rates are high, dropout rates can also be high, unless employers implement the programmes directly.

Connecting women to work

Between 2004–05 and 2011–12, 15 million women dropped out of India's labour force.19 Meanwhile, the percentage of working-age women enrolled in education fell from 12% to 7% (though their number grew by 16 million). As younger women (aged 15–19) pulled out of the

labour force to attend educational institutions, fewer women aged 20–24 entered it. The loss is greater in rural than in urban areas. Policymakers should develop ways to offer life skills to women working in the informal sector and women who have dropped out of the labour force. Self-help groups have had an impact on rural women. One programme linked to the National Bank for Agriculture and Rural Development empowered families socially and economically. Participants learned basic concepts of financial management, and leadership rotations developed managerial skills such as decisionmaking, problem solving and self-motivation.

Unleashing opportunity entrepreneurs

Entrepreneurship in India, as in other developing countries, combines two disparate groups: necessity entrepreneurs (own-account workers) and opportunity entrepreneurs. Necessity entrepreneurs work for themselves because they face entry barriers to the formal labour market. They are often low on productivity and in accounting, managerial and marketing skills, and they tend to leave entrepreneurship for formal employment when the opportunity arises.35 Entrepreneurs from scheduled castes and scheduled tribes are more likely to be smaller own-account enterprises and located in rural areas. Among scheduled caste–scheduled tribe enterprises a greater proportion are owned by women.

Increasing the mobility of labour

Labour mobility ensures that the economy's human capital is efficiently distributed across its geography and sectors. Thus, while a healthy level of labour mobility is a precondition for a well-functioning labour market, low labour mobility may indicate misallocations of resources. Indian rural-to-urban migration is surprisingly low, especially given the substantial rural-urban wage differential, much higher in India than in China and Indonesia.


APR
MAY

CONCLUDING REMARKS

Skills and knowledge are the driving forces of economic growth and social development for any country. India is blessed with 65% percent of its youth in the working age group. In next 20 years, the labor force in the industrialized world is expected to decline by 4%, while in India it will increase by 32% which creates a need and opportunity to provide its workforce with required skill sets and knowledge to enable them to contribute substantially to the economic growth of India.

Good quality primary and secondary education, complemented by relevant vocational training and skills, development opportunities, prepare future generations for their productive lives, endowing them with the core skills that enable them to continue learning. Skill building could also be seen as an instrument to empower the individual and improve his/her social acceptance or value. There's a need to simultaneously enhance the responsiveness of education and training systems to changes in skill requirements and to improve access to training and skills development to realize the benefits of this demographic transition

The skill ecosystem in India is undergoing major reforms and policy interventions as India embarks on its journey to become a Knowledge Economy. In the last two years, the government has taken a host of initiatives to channelize the efforts and provide impetus to the Skill Development ecosystem. As per India Skills Report 2019 Employability continues to rise thus reaching a new high of 47% this year – An incrementalchange of almost 2-3 percentage points since last year and a huge change of over 15% points in the past 5 years. While in 2014, the percentage of employable population was a paltry 33% and thus this year reaching to 47%.

The key job areas which the companies would be hiring the most for are: Artificial Intelligence, Design, Analytics, Research and Development. Of which Design jobs would be the most in demand (23% of employers plan to hire for design jobs). This is a common thread across industries – Hospitality, travel, Software, mobile companies are looking for seamless. Female employability increased this year as compared to last year. It has increased from 38% last year to 46% in currentyear. Male employability score has grown from 47% last year to 48% in current year. Almost 70% of freshers expect 2 lacs or more as their first salary & 47% of candidates expects 2.6 L or above as their starting salary.

Almost 40-50% of existing jobs which are transaction heavy would get automated. The key sectors are IT, financial services, manufacturing, transportation, packaging, and shipping, etc. Job portals and Internal referrals came up as the top 2 most preferred sourcing channels of employers. While until last year, these 3 sources put together were preferred by 70% employers, the number dropped to 63%.

The challenge of Skill Development in India is multifold and The Ministry of Skill Development and Entrepreneurship however, will have a crucial role in coordination between a range of stakeholders – including skill training providers, governments at all levels, and the end beneficiaries for Empowering Employability and Strengthening Skills in India.

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About ASSOCHAM

The Knowledge Architect of Corporate India

Evolution of Value Creator

ASSOCHAM initiated its endeavour of value creation for Indian industry in 1920. Having in its fold more than 400 Chambers and Trade Associations, and serving more than 4,50,000 members from all over India. It has witnessed upswings as well as upheavals of Indian Economy, and contributed significantly by playing a catalytic role in shaping up the Trade, Commerce and Industrial environment of the country.

Today, ASSOCHAM has emerged as the fountainhead of Knowledge for Indian industry, which is all set to redefine the dynamics of growth and development in the technology driven cyber age of 'Knowledge Based Economy'. ASSOCHAM is seen as a forceful, proactive, forward looking institution equipping itself to meet the aspirations of corporate India in the new world of business. ASSOCHAM is working towards creating a conducive environment of India business to compete globally. ASSOCHAM derives its strength from its Promoter Chambers and other Industry/ Regional Chambers/Associations spread all over the country.

Vision

Empower Indian enterprise by inculcating knowledge that will be the catalyst of growth in the barrierless technology driven global market and help them upscale, align and emerge as formidable player in respective business segments.

Mission

As a representative organ of Corporate India, ASSOCHAM articulates the genuine, legitimate needs and interests of its members. Its mission is to impact the policy and legislative environment so as to foster balanced economic, industrial and social development. We believe education, IT, BT, Health, Corporate Social responsibility and environment to be the critical success factors.

Members – Our Strength

ASSOCHAM represents the interests of more than 4,50,000 direct and indirect members across the country. Through its heterogeneous membership, ASSOCHAM combines the entrepreneurial spirit and business acumen of owners with management skills and expertise of professionals to set itself apart as a44 Chamber with a difference.

Currently, ASSOCHAM has more than 100 National Councils covering the entire gamut of economic activities in India. It has been especially acknowledged as a significant voice of Indian industry in the field of Aerospace and Defence, Auto and Auto Ancillaries, Arbitration & Legal Affairs, Corporate Social Responsibility, Environment & Safety, HR & Labour Affairs, Corporate

Governance, Information Technology, Luxury and Lifestyle, Biotechnology, Telecom, Banking & Finance, Company Law, Corporate Finance, Economic and International Affairs, Tourism, MSMEs, Textiles, Civil Aviation, Infrastructure, Energy & Power, Education, Legal Reforms, Real Estate and Rural Development, Startups & Skill Development to Mention a few.

Insight into 'New Business Models'

ASSOCHAM has been a significant contributory factor in the emergence of new-age Indian Corporates, characterized by a new mindset and global ambition for dominating the international business. The Chamber has addressed itself to the key areas like India as Investment Destination, Achieving International Competitiveness, Promoting International Trade, Corporate Strategies for Enhancing Stakeholders Value, Government Policies in sustaining India's Development, Infrastructure Development for enhancing India's Competitiveness, Building Indian MNCs, Role of Financial Sector the Catalyst for India's Transformation.

ASSOCHAM derives its strengths from the following Promoter Chambers: Bombay Chamber of Commerce & Industry, Mumbai; Cochin Chambers of Commerce & Industry, Cochin: Indian Merchant's Chamber, Mumbai; The Madras Chamber of Commerce and Industry, Chennai; PHD Chamber of Commerce and Industry, New Delhi.Together, we can make a significant difference to the burden that our nationcarries and bring in a bright, new tomorrow for our nation.

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We advise clients in all aspects of finance and our expertise lies in the areas of debt, equity and transaction advisory. The firm rests on its strong and professional leadership that has an in-depth understanding of key business drivers. Our management excels in domain knowledge, capital syndication alternatives with remarkable transaction execution capabilities and have established network with leading private equity funds, banks & financial institutions. Strong research focus to ideate several cross border opportunities is one of the core strength and being empanelled for TEV Studies with 21 Public Sector Banks, We have a pan India presence with offices in Gurgaon, Delhi, Mumbai, Kolkata, Bengaluru and Jaipur

We offer independent advice on debt & capital raising, mergers & acquisition, financial reconstructing, valuation and due diligence for our clients.

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The Associated Chambers of Commerce and Industry of India (ASSOCHAM), India's premier apex chamber,initiated its endeavour of value creation for Indian industries in 1920. Having in its fold more than 400 chambers and trade associations, and serving more than 4.5 lakh members from all over India, it has contributed significantly to the economy by playing a catalytic role in shaping up the trade, commerce and industrial environment of the country. It has significantly contributed in the emergence of new-age Indian corporates, characterised by a new mindset and global ambition for dominating the international business.

Known as the fountain-head of knowledge for the Indian industries, ASSOCHAM has emerged as forceful, proactive, forward looking institution that is equipped to meet the aspirations of corporate India in the new world of business.

Ready to redefine the dynamics of growth and development in the technology driven cyber age, it aims empower Indian enterprises by inculcating knowledge that will prove to be the catalyst of growth in the technology driven global market. ASSOCHAM aims to help and guide businesses to upscale, align and emerge as formidable players in their respective business segments. Its mission is to impact the policy and legislative environment so as to foster balanced economic, industrial and social development.

ASSOCHAM is working towards creating a model business environment in India that is at par with the rest of the world and that of a developed economy. It derives its strength from its promoter chambers and other industry/regional chambers/associations spread all over the country.

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