

SKILL DEVELOPMENT- AN ENGINE OF ECONOMIC GROWTH

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Abstract

Indian economy is now trillion dollar economy. After introducing important reforms in monetary sector, we have improved potency and stability in our economy. As per most economists we can win integer growth in next 15-20 years. But at the same time we've to ascertain whether or not this growth is additional property and additional comprehensive. As Indian education system in general and higher education above all has not been proved too economical to create youths of our country. Despite the increase in number of establishments at primary, secondary and tertiary level our young educated people area unit not capable of being utilized job opportunities. Reason being they have not acquired such skills essential for demand of the task market. India is one of the youngest nation within the world with quite sixty two of the population of the individuals poses the challenges and chances. Graduates now need the skills on the far side the fundamentals of reading, writing and arithmetic. Such as critical thinking, communication, collaboration and creativity are currently necessary for obtaining additional and jobs. This paper attempts a study of skill development to facilitate higher growth in economy. Knowledge, skills and technology of our young population is the backbone of our economy. We have to acknowledge these 3 components that have the flexibility to foster the economy. Our education system is inadequate to supply qualitative workforce. To enhance quality of education skill development method ought to be enforced at the same time.

Key words – *Economic growth, Skill Development, Education.*

Introduction:

Education is the single most important instrument for social and economics transformation. A well educated population, adequately equipped with knowledge and skills is not only essential for support the economic growth, but it is also a precondition for growth to be inclusive since it is the educated and skilled person who can stand to benefit most from the employment opportunities which growth will provide. In this connection, Hon'ble Prime Ministry States that today, the world and India need a skilled workforce. If we have to promote the development of our country then our mission has to be "Skill Development and Skilled India." Millions and Millions of Indian youth should acquire the skills which could contribute towards making India a modern country.

So there is a need for a clear focus on improving the employability of graduates Indian Higher Education is organized in to "General" and "Professional" streams. General education which is an excellent foundation for successful knowledge based career often fails to equip graduates with necessary work skills due to its poor quality. Graduates now require the skills beyond the basics of reading, writing and arithmetic (the 3Rs.). Skills

such as critical thinking communication, collaboration and creativity (the 4CS) are now important for getting more and more jobs. Accordingly, there is need to focus on the 4cs. Special emphasis on verbal and written communication skills.

Skill Development

Skill development is that the training and development that employer provides to his employee in workplace. It's only constructed that training is provided by an outdoor training provider falls within the definition of skills development employer.

Classification Of Skill Development

<u>Technical skill</u>	<u>Soft Skill</u>	<u>Industry Knowledge Skill</u>
<ul style="list-style-type: none"> • Functional knowledge and skills • Business specific knowledge • Organization specific knowledge & skill 	<ul style="list-style-type: none"> • Communication • Self presentation and management • Professional work habits • Leadership &team working • Organization fitment 	<ul style="list-style-type: none"> • IT • Retail • Manufacturing • Pharma • Automobile

Importance of Skills to Economic Performance

Sure-handed labour is more innovative and pliable, more doubtless to learn simply how to use new technological and complex equipments. It more autonomous and requires less supervision therefore, up and helping the management. However, all the on top of mentioned attributes enables the sure-handed individual to be more productive than unskilled one.

Skills development is vital to secure property growth performance and economic development in the setting of technology innovation and globalization. Therefore, nations ought to realize and recognize the importance of investment in education, training and skills to build knowledge based mostly economy with potential to sustain a stable economic growth. In addition, skills increase productivity, and attract foreign direct investment since they're considered as staple in the knowledge based mostly economies and are important determinants of revenue. In an exceedingly trendy globalized economy, changes in technology, liberalisation of the market as well as the flow of foreign direct investment, skills development is important to stay the growth performance property. Therefore, the importance of skills to growth performance is as a result of its direct relationship with productivity, innovation, competitiveness as well as attraction of foreign direct investment.

The relationship between skills and economic growth

In sense we observe that highly masterful nations are wealthier than poorly masterful. Similarly empirical evidences also found a positive relationship between skills and growth performance. Thus, it improves the standards of leaving of people| that is the

masterful individuals tend to possess better jobs and high wages compared to low unskilled people. Recent studies find that within the long run investment in education and skills coaching are as important to economic growth because the investment in machinery and equipment. The study also found that direct measures of skills such as academic qualifications produce better results than using indicators such as years of schooling. Moreover, countries that invest more in human capital can have better growth performance than those while not effective development skills programs.

Skill India Initiatives

Various initiatives below this campaign are:

- National skill Development Mission
- National Policy for skill Development and Entrepreneurship, 2015
- Pradhan Mantri Kaushal Vikas Yojana (PMKVY)
- Skill Loan scheme
- Rural India skill

Government of India launched skill India on the occasion of the primary ever world youth skills day on 15th Gregorian calendar month 2015 through unveiling of National skill Development Mission and National Policy for skill Development and Entrepreneurship 2015.

National Skill Development Mission:

The aim of National ability Development Mission is to quickly rescale skill development efforts in India by making associate degree end to finish, outcome focused implementation framework, which aligns demands of the employers for a well-trained masterly workforce with aspiration of Indian citizens for sustainable livelihoods.

Skills and information are the driving forces of economic process and social development for any country. For the economy to grow at 8 may 1945 to Sept. 11, it is needed that the secondary and tertiary sectors grow at 100% to 11 November, assuming agriculture grows at 4 wheel drive. In such a state of affairs, it is obvious that a large portion of the workforce would migrate from the first sector (agriculture) to the secondary and tertiary sectors.

However, the skill sets that are needed within the manufacturing and repair sectors are quite completely different from those within the agriculture sector. This implies that there is/will be a large skill gap once such a migration occurs, as proven by a shrinking employment within the agriculture sector. This state of affairs necessitates ability development within the workforce. India is expected to be home to a skilled workforce of 500 million by 2022. Regarding 12 million persons are expected to hitch the workforce every year. This talent pool must be adequately masterly.

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) could be a skill development initiative theme of the government of Republic of India for recognition and standardisation of skills.

The aim of the theme is to encourage aptitude towards employable skills and to extend working efficiency of probable and existing daily wage earners, by giving financial awards and rewards and by providing quality coaching to them. Average award amount per

person has been unbroken as 8,000 (US\$120). Those wage earners already possessing a standard level of skill will be given recognition as per theme and average award amount for them is 2000 to 2500. In the initial year, a target to distribute 15 billion (US\$220 million) has been laid down for the theme. Training programmes have been worked out on the idea of National occupational Standards (NOS) and qualification packs specifically developed in various sectors of skills. . National skill Development Council (NSDC) has been made coordinative and driving agency for the same.

Finances

AN outlay of 120 billion (US\$1.8 billion) has been approved by the cabinet for this project.

Target

The theme has a target to train one large integer Indian youth from 2016-20. Pradhan Mantri Kaushal Vikas Yojana PMKVY

Schemes under Haryana Skill Development Mission

- (i) Seekho-Sikhaao (Training of Trainers)
- (ii) SMart (Skill Mart)
- (iii) DAKSHA (Dissemination of Applied Knowledge and Skill in Haryana)
- (iv) SURYA (Skilling, Up-skilling, Re-skilling of Youth and Assessment)

Other Schemes

- DDU-GKY (earlier known as Aajeevika) Scheme by Haryana State Rural Livelihood Mission
- Modular Employability Scheme by Industrial Training Department
- Integrated Skill Development Scheme of Ministry of Textiles, by Technical Education Department
- Creation of Employment Generation Opportunities (CEGO)
- Community Development through Polytechnics (CDTP)

Conclusion

So presently Asian country goes through a section of demographic transition where in its young population dominates the labour force of the country. The rise within the relative share of the working age population within the economy is treated because the demographic dividend. This description shows that the link between higher economic growth and favourable demographic conditions isn't automatic and that it has to be established through sound establishment, good policies and investment in skill development activities, healthcare and education which may be recouped within the long-term through higher productivity. in this affiliation our PM Narendra Modi has also called for making Asian country as skill Capital of the world. Nation skill Development Mission is a right step in this direction. Success depends upon accessibility of prime quality trainer, quality infrastructure

needed for transmission prime quality coaching and effective state policies and their economical implementation. it's doable only if our education system is geared up itself to support nations economic agenda by making job ready and employable workforce through enhanced concentrate on transmission structural and technical skills this may be crucial for achieving faster, property and inclusive growth on the one hand and for providing tight employment opportunities to the growing young population and also the needy sections of the society on the opposite.

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