Abstract

Human resource is an essential determinant of economic growth and development. It consists of different factors like education, health, migration, vocational training and (information technology) IT development vocational training and skill development are among them. Vocational training improves the productivity and production and enhances the efficiency of the labour force. This paper attempts a study of skill development to facilitate higher growth in economy.

Keywords: Skill development, Economic growth, Human resource

Objective of the Study

The main objective of this study is to determine the effect of skill development on economic growth.

Definition Skill

An ability and capacity acquired through deliberate systematic and sustained effort to smoothly and adaptively carryout complex activities or job functions among people. Skill development is the training and development that is being provided by the employer provides to his employees at the workplace.

After 'Digital Indi' and 'Make in India', the NaMo Government is to launch yet another programme. This one is a revised version of programmes launched earlier under the skill development policy. This new programme, called 'Skill India', is supposed to be a multi-skill programmes. It launched in March 2015. Like all other programmes, 'Skill India' too is a dream project of Narendra Modi and the work on this programme has already been started.

Objectives of 'Skill India'

The main goal is to create opportunities, space and scope for the development of the talents of the Indian youth and to develop more of those sectors which have already been

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put under skill development for the last so many years and also to identify new sectors for skill development. The new programme aims at providing training and skill development to 500 million youth of our country by 2020, covering each and every village. Various schemes are also proposed to achieve this objective.

**Features of 'Skill India'**

- The main focus is to skill the youths in such a way so that they get employment and also improve entrepreneurship.
- Provides training, support and guidance for all occupations that were of traditional type like carpenters, cobblers, welders, blacksmiths, masons, nurses, tailors, weavers etc.
- More emphasis will be given on new areas like real estate, construction, transportation, textile, gem industry, jewellery designing, banking, tourism and various other sectors, where skill development is inadequate or nil.
- The training programmes would be on the lines of international level so that the youths of our country can not only meet the domestic demands but also of other countries like the US, Japan, China, Germany, Russia and those in the West Asia.
- Other remarkable features of the 'Skill India' programme would be to create a hallmark called 'Rural India Skill', so as to standardise and certify the training process.
- Tailor-made, need-based programmes would be instigated for specific age groups which can be like language and communication skills, life and positive thinking skills, personality development skills, management skills, behavioural skills, including job and employability skills.
- The course methodology of 'Skill India' would be innovative, which would include games, group discussions, brainstorming sessions, practical experiences, case studies etc.

**Difference from the Previous Skill Development Policies**

It's not that we do not have any skill development programme already. Skill development has always been considered as a national priority by the government of India. It is just that...
since the ministry is new, the approach is also new towards skill development. Previously, the emphasis was on traditional jobs. But this time, all kinds of jobs will be given equal emphasis. Also, the responsibility was divided among various ministries, but this time, these are being clubbed together. The ministry of skill development and entrepreneurship will be the principal ministry which is going to coordinate with other ministries and organisations.

According to NaMo, Skill India won’t be just a programme but a movement. Here, youth who are jobless, college and school dropouts, along with the educated ones, from rural and urban areas, all will be given value addition. The new ministry will be the certifying agency. Certificates will be issued to those who complete a particular skill or programme and this certificate has to be recognized by all public and private agencies and entities, including overseas organisations. Skill India is a programme for the entire nation.

**Advantages of Skill India**

The idea is to raise confidence, improve productivity and give direction through proper skill development. Skill development will enable the youths to get blue-collar jobs. Development of skills, at young age, right at the school level, is very essential to channelise them for proper job opportunities. There should be a balanced growth in all the sectors and all jobs should be treated with equal importance. Every job aspirant would be given training in soft skills to lead a proper and civilized life. Skill development would reach the rural and remote areas also. Corporate educational institutions, non-government organizations, government, academic institutions, and society would help in the development of skills of the youth so that better results are achieved in the shortest possible time.

**Impact of skills development on economy and society**

Education, skills development and lifelong learning are central pillars for the employment of workers. They also improve their employability conditions and their living standard, and contribute to sustainable business development. These purposes are linked to the MDG, particularly those related to reduce poverty.

The first MDG, Eradicate extreme poverty and hunger, as well as the target to achieve such goal Achieve full and productive employment and appropriate work for all, including
women and young people, are comprised by the aims of the programmes on training and development of competencies promoted by Ministries of Education and Labour and which are implemented by them and by public and private institutions. One of the strategic areas of ILO's mandate is the outcome: *More women and men have access to productive employment, decent work and income opportunities*, for which the development of competencies is necessary.

In recent discussions on the importance of the development of skills and competencies, the ILO has emphasized that "Education and training are necessary for economic and employment growth and social development. They also contribute to personal growth and provide the foundation of an informed citizenry. Education and training are a means to empower people. Improve the quality and organization of work, enhance citizens’ productivity, raise workers incomes, improve enterprise competitiveness, and promote job security and social equity and inclusion. Skills development is a fundamental pillar of decent work, with a vision of lifelong learning consistent with public policies in the economical, fiscal, social and labour market areas, all of which are essential for a sustainable economic growth, job creation and social development.

Skills development is the basis for the competitiveness of economies and enterprises. From a social perspective, they are a tool for fighting against poverty, promoting equal opportunities by means of integrating people in terms of labour, social context and citizenship. Vocational training is one of the policies implemented to achieve the main objectives of the decent work strategy.

**Impact of skills development on people, enterprises and society**

Recommendation 195 (ILO, 2004) encourages member countries to support and facilitate research on human resources development and training which could include investment in training, as well as the effectiveness and impact of training.

With a favourable economic and social environment, skills development contributes to improve the performance of people and enterprises, which results in the increase of employment and development for society.
People who participate in training can have better working and payment conditions, a higher employability and a better equality of life. Developing qualifications and capabilities should guarantee their capacity to adapt to changes in technologies and the organization of work.

Recent research conducted by CEDEFOP has proved that vocational training can foster confidence and self-esteem, contributing to the individual’s engagement with their family and society.

In Latin America and the Caribbean, factors such as heterogeneity and labour market segmentation affect the training impact. Almost one-third of the labour market is located in rural areas, and more than half of the employment involves independent workers, domestic workers, unpaid family workers or wage-earning workers in micro-enterprises. A high proportion of the active population is young and vulnerable to unemployment. Most of the poverty, informality and the decent work deficit in the region is concentrated in these segments.

Even though there are important developments in the region, as well as state-of-the-art institutions, it is also true that a number of local training systems are having difficulties in accessing certain population groups which leads to labour exclusion and require improving the articulation between supply and demand.

Enterprises, of all sizes, that consider workers as an essential source of competitive advantage and as assets and agents of change, can be more innovative and sustainable.

For this purpose, enterprises must identify the qualifications they need, promote a culture of lifelong learning, foster on-the-job training and facilitate knowledge sharing. Sustainable enterprises include human resources development in their strategy and acting with equity.
when developing the qualifications and competencies of their workers. By investing in their human resources, they successfully compete in increasingly demanding and integrated global markets.

The segmentation of the labour market is also verified in the entrepreneurial structure. High productivity levels are only observed in certain branches of activity, while in others they are quite lower than the average. Branches with the higher productivity levels employ a low percentage of workers.

ILO estimates that 75 per cent of workers are involved in the informal economy, which accounts for 40 per cent of GDP; regarding the rural sector, a significant portion of employment is created in small-scale family agricultural units. The development of competencies is essential so that the workforce can move from informal economy to employments within the formal economy, and in order to increase labour productivity.

Society perceives the impact of the development of competencies as jobs of higher quality, higher employment and formality rates, reduction of poverty, social inclusion, respect for labour rights and competitiveness in international markets.

Training should respond to the productive, technological, labour and socio-cultural context, as well as to the characteristics, conditions, needs and expectations of its target individuals. This is the dual relevance of training, both social and economical.

Furthermore, the development of qualifications can also help build more equitable societies. There is a close relationship between the various forms of labour market exclusion such as unemployment, underemployment and low wages and poverty and discrimination. Therefore, training actions which contribute to solve such forms of exclusion will have a direct bearing on the fight against poverty and social exclusion. Social benefits include sensitive issues such as reducing violence and crime rates, and becoming more integrated to the family, the community or the society as a whole.

A passable training environment encourages team learning, as well as the development of knowledge and better attitudes, motivations and values, all of which lead to a better social integration. The recognition granted with a certificate of competence has significant values in the labour market and in the educational environment, promoting social participation and the commitment to lifelong learning.
Relation between skills development and decent work

The primary goal of the ILO is to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity. It is the converging focus of ILO's four strategic objectives: the promotion of fundamental rights at work, employment, social protection, and social dialogue. Skills development and qualifications pave the way for obtaining decent and productive work. The use of sufficient and acceptable indication for impact evaluation can provide relevant information to assess the different dimensions of the decent work approach.

Conclusion

Shape of 'Skill India' and its impact can be envisaged optimistically and will be known by the time gradually. But no doubt it seems to be a good initiative – providing skills to people, especially because India is one of the few countries all across the world whose working age population will be very high, few years down the line, going by its ever-increasing growth of population, as per the World Bank. It is also high time now measures are taken to improve the physical and mental development of the youths of the country so that none of them remains unemployed and the country's unemployment problem also gets reduced. It is time to open up avenues by which the youth accepts responsibility and no one remains idle because an idle youth is a obstruction for the economy. Employability of the growing young demography is an important factor in the economic development of the country and the crisis of skill development has to be turned into opportunity to growth, said C Rangarajan, chairman of Madras School of Economics and former Prime Ministers Economic Advisory Committee. The economy should concentrate on job creation and social security schemes. With this new approach towards skill development, India can definitely move forward towards its targeted results.
References

1. MDG are part of a plan of all countries and the leading development institutions world wide; they were launched during the 2010 United Nations World Summit.

2. ILO Recommendations.


4. ILO, Decent work in the Americas op.cit.