

# Bridging the **skill divide** at last

**TRAINING GROUND** The allocation of ₹1,000 crore to the National Skill Development Trust, as announced in the Interim Budget, will help corporates scale up their skilling programmes

Harini Sriram

harini.sriram@hindustantimes.com

Consider this: According to NASSCOM (National Association of Software and Services Companies), each year over three million graduates and postgraduates are added to the Indian workforce. However, of these only 25% of technical graduates and 10% to 15% of other graduates are considered employable by the IT and ITES segments. This is true of other industries, too, including manufacturing, telecom, retail and so on, clearly pointing towards a skill gap across sectors. To combat this issue, the National Skill Development Corporation (NSDC) was set up by prime minister Manmohan Singh in the year 2008. NSDC works with partnering companies and institutions to develop training modules for employees across sectors. Which is why finance minister P Chidambaram's recent decision (in the Interim Budget) to transfer ₹1,000 crore for the year 2014-2015 towards the NSD (National Skill Development) Trust has been lauded by corporates and training partners alike.

## EMPHASIS ON TRAINING

CS Raghavan, head, education India, ACCA (Association of Chartered Certified Accountants) says, "NSDC has sector skill councils under its banner which help different sectors spell out their requirement in the next five years. So, while businesses can focus their attention on strategic planning, the skill requirements can be met by the various partners of NSDC and other organisations. Similarly, this can be developed and implemented at the school



■ Companies are grooming talent and giving more opportunities to high-potential employees.

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and college level to make students industry-ready." He adds that the announced fund is expected to get deployed through the NSDC and would be channelised through NSDC partners.

Many corporate companies in India have forayed into skill development to improve the quality of their workforce, says Balaji Thotadri, finance head, Talentedge, a vocational education service provider. "IL&FS Skills Development Corporation Limited is a joint venture between IL&FS and NSDC focused on building skill development centres across India. Future Learning was set up by the Future Group with the aim of providing quality knowledge and skills to individuals and companies," he adds.

Thotadri points out that the finance minister's recent

announcement has helped his own company scale up its skill training exercises across the country. He says, "We have added more domains like retail and electronics. We are working closely with our partners across states like Tamil Nadu, Karnataka, Maharashtra, Delhi, etc. We will also drive our presence across the country, primarily in Tier 2 and Tier 3 cities."

## A SAVVY WORKFORCE

Raghavan of ACCA also believes that this move will give impetus to the economy and contribute to a more savvy employee pool. "Many Indian organisations have started integrating professional qualifications like ACCA into their training exercises. These qualifications help corporates to not only groom talent but also give more opportunities

to high-potential employees," he adds.

A spokesperson from the British Council says that the move will certainly benefit employees across sectors and result in increasing employee engagement. "The Indian and UK governments have helped foster partnerships between training providers, assessment bodies and Sector Skills Councils through the UK India Education and Research Initiative (UKIERI), a programme managed by the British Council on behalf of other governments. To date, the initiative has supported 56 skill travel grants, 44 institutional capacity-building partnerships and 11 sector skill collaborations," says the spokesperson, adding that UK has been working closely with NSDC since 2009 on various learning and develop-

## REALITY CHECK

- According to NSDC data, net enrollment in vocational courses in India is about 5.5 million per year compared to 90 million in China and 11.3 million in the United States
- A mere 2 per cent of Indian workers are formally skilled
- Experts estimate that India has the capacity to create 500 million skilled technicians by the year 2022
- The training capacity would have to rise to nearly 40-50 million incrementally over the next 10 years to achieve this target

ment programmes in corporate workplaces, and plans are on the anvil to scale up and expand these programmes as more funding would be available.

Sanjay Bahl, president, skill building solutions, NIIT, says, "The initiative will improve the employability and productivity quotient of the youth and help us in ensuring that more youngsters are job-ready." NIIT Yuva Jyoti (NYJ) is a joint venture of NIIT and NSDC aimed at enhancing skills and employability for youth across India. "NYJ aims to offer skill development courses at over 1500 locations during the next six to seven years. The idea is to provide industry and job-specific training to around 70 lakh young Indians by 2022, thus helping create a pool of job-ready workforce for the service industry," says Bahl.