

Madhya Pradesh

The Skills Ecosystem

A Report

Preface

Key enablers for faster inclusive growth over the medium term are education, relevant skill development and employability. The challenge that the world faces is to improve access to, and improve and increase employability and skill development. Moreover, the curriculum of skill development and employability too must be relevant to the times and emerging needs of society and the economy. How can these key enablers be synergized? What is the role of the Governments? What should industry do?

Charged with the objective, CII has turned the limelight on skills development across the country to align industry manpower needs with the skilling initiatives underway and improve the employability of the working population including school drop-outs, semi-skilled and un-skilled workers. Due efforts are underway to create a new wave of entrepreneurship in the country that will result in further employment generation. CII has launched its own Skills Development Initiative, which is aligned, to the National Skills Development Agenda to skill 500 million people by 2022.

With a backdrop of current skill development infrastructure, it is not at all sufficient to cater the growing needs of the industries. Here it is crucial to note that we haven't accounted the unorganised and entrepreneurial sectors, which can again pose a great challenge to produce more number of skilled manpower. The current skill development initiatives taken by the government of Madhya Pradesh are really strategic towards catering to the fast growing skilled manpower requirements. The initiatives need to be really accelerated in order to make MP as the industrial friendly state which can attract even more industrial houses to start their operations.

To get aligned with the CII Skill Development Mission, CII Madhya Pradesh State Council has also taken Skills Development in Madhya Pradesh as thrust sector. As ongoing efforts, to understand the skills required viz a viz employment opportunities in Madhya Pradesh, CII jointly with IPER prepared a report “**Madhya Pradesh – The Skills Ecosystem**” - A preliminary study which will act as base paper to initiate dialogue among all stakeholders for the skills development in Madhya Pradesh.

Apart from the findings, the study also suggests suitable interventions by key stakeholders in order to take these initiatives in right direction.

Background

The new mantra for economic survival is now rooted through skill inventory possessed by a Nation. Skills and knowledge are the driving forces of economic growth and social development for any country. Countries with higher and better levels of skills adjust more effectively to the challenges and opportunities of world of work.

At a time, when India is aiming to achieve double-digit economic growth, the preparation for sustaining overall high growth in the medium to long term has become the core issue. Rapid globalisation, changes in technology as well as work processes, market dynamics together creates a very challenging picture for coming years. Clearly witnessed from the current situation as production has been getting globalised and financial markets the world over, are becoming integrated. Information Technology has become backbone for almost all the growth factors which is not only acting as an instrument in increasing the speed of communications but significantly helping in taking fast and more reliable decisions reducing and reduction in costs.

Globalisation, in turn, has led to intensified competition, technological diffusion and adoption of new forms of organisation. As a result of the heightened competition and economic change, developing nations like ours are facing a tough challenge in maintaining the employability of large segments of their work force and simultaneously, competition and economic change also provide an opportunity for economic growth and employment expansion. To take advantage of these opportunities, the level and quality of skills that a nation possesses are critical.

In such situation, economies like India, which is on the world map of one of the fastest growing nations, experiencing very fast technological changes, shorter product cycles and new forms of work organisation which in turn altering the entire working environment . To match up with such pace the investment in the manpower development in terms of skill development, training and education becomes vital.

Need for Skills Development

India is one of the most progressive economies in the world. Yet the country has many challenges to face. Some of the typical challenges that make skills development an urgent need for our country are:

- Population of 1108 Million ¹ with the estimates of employment being 509.3 million only
- High Unemployment rates: 4.2 million & 308 million unemployed people in rural & urban areas respectively ².63 million people shall be unemployed by 2010 which is more than entire population of UK, France & Italy Skewed Workforce distribution:
 - 90% workforce in the un-organized sector, approximately 383.71 million ³ in 2001.
 - 27.79 million ⁴ people working in organized sector. Employment has been stagnant at 30 million for thirty years (22 million in Public Sector, 8 million in Private Sector).
 - Large Scale unplanned rural-urban migration causing urban poverty, slum dwellings proliferation, crime, etc
- High instances of poverty: Approximately 260.3 million people were living below the poverty line in 1999-2000⁵.
- High school drop out rates: 300 million children in India are between the age of 6 and 16. Out of this only 10% will pass school and go beyond.
- Labour Force Participation Rate is as low as 40.5 & the total labour force million are 416.2 million ⁶.
- Given India's employment elasticity (0.16)⁷ and ICOR (3.75), the 8 million new jobs needed to freeze unemployment require an impossible annual GDP growth rate of 13.6 % and investments of \$125 billion.

1. NSSO - 32nd round.
2. NSSO, Sarvekshna Special Number, 43rd round
3. Source: NSSO & DGET Employment Survey
4. Source: NSSO & DGET Employment Survey
5. Planning Commission, Govt of India
6. Report No. 458, Employment & Unemployment Situation in India – 1999-2000.
7. <http://www.saarc-sec.org/data/pubs/rpp2005/pdfs/Tables/Table-6.12.pdf>

The answer to these challenges is in capacitating the people by making them self-reliant & independent of external support. This can be achieved only by having a plan of action, which is futuristic, and aims towards providing sustainable livelihood

opportunities to the masses. While basic literacy is a must, Skills Development of the youth is important for the holistic growth of the country.

According to the 2007-08 Economic Survey, 64.8% of India's population would be in the working age of 15-64 years in 2026 up from 62.9% in 2006. Other projections also indicate emergence of young India with 800 million in the productive age group by 2015 compared to 600 million in China.

According to a study conducted by CII and BCG, India has a large population base of 1.14 billion with demographic shift in favor of working age group (15-59 years) while the overall population is projected to grow at 1.4% over the next five years the working age is expected to grow at 2.15%. If the present trend continues, 109 million persons will attain working age during the period of 2007-2012. The net addition to workforce is, therefore, expected to grow to 89 million of which around 13 million are likely to be graduates/post graduates and about 57 million are likely to be school drop outs or illiterates. A significant share of incremental demand is likely to be for skilled labour – graduates and vocationally trained people are expected to account for 23% of incremental demand by 2012. The study further estimates that India is likely to increase deficit of 5.25 million employable graduates and vocationally trained workforce by 2012.

CII also conducted study in select sectors of economy and projected the following requirement of skilled workers at different levels by 2015:-

		Demand (in Mn)	Skill Level Break-up
1	Auto	2-2.5	Specialised skills – 5% Skill category level II – 25% Skill category level I – 30% Minimal education skilable – 40%
2	Construction	15	Specialised skills – 2% Skill category level II – 11% Skill category level I – 12% Minimal education skilable – 75%
3	Retail	4-5	Specialised skills – 6-8% Skill category level II – 32-

			43% Skill category level I – 45-50% Minimal education skillable – 10-15%
4	Healthcare	4-4.5	Specialised skills – 10% Skill category level II – 40% Skill category level I – 16% Minimal education skillable – 34%
5	Banking & Financial services	4.5-5	Specialised skills – 5% Skill category level II – 15% Skill category level I – 65%

Sectors	Incremental Human Resources Requirement
Mines and Minerals	1,754,881
Construction	55,199,568
Engineering	1,813,790
Banking and Insurance	3,947,139
Drugs and Pharma	1,383,721
Biotech	1,209,489
Healthcare	20,684,530
Textiles	86,545,390
IT and ITeS	14,806,299
Tourism	12,478,386
Agro and Food Processing	169,782
Paper	57,976
Chemicals and Fertilizers	1,391,948
Total	201,442,899

Hence total requirement of skilled work force by 2022 will be about 300Mn.

Present number of training institutions, their annual capacity of training and projected number of trained persons by 2022 for different Ministries/ Departments

	Ministry / Department/ Organisation	Present number of institutions	Present training capacity per annum (IN LAKH)	Projected number of trained persons by 2022 (IN LAKH)
1	National Skill Development Corporation	--	--	1500
2	Labour & Employment	33,000	12 .00	1000
3	Tourism	38	0.17	50
4	Textiles	277	0.15	100
5	Transport	1	0.02	300
6	Tribal Affairs	63	0.06	
7	Rural Development (RUDSETI) and IL & FS	156	5.48	200
8	Women & Child Welfare	68	17.50	100
9	Agriculture	72	19.81	200
10	HRD Higher Education HRD Vocational Education	10,000 (Voc. schls)	19.60	500
	(Engg. Coll. 2297 Polytechnics 1675)	14.00		
11	Dept of Heavy Industry	*	*	100
12	Urban Development	34	0.013	150
13	Department of Information Technology	1000 (Affiliated centres) + 7 CDAC	1.37	100
14	Food Processing Industries	34	0.10	50
15	Construction Industry Development Council (under Planning Commission)	147	4.64	200
16	Health & Family Welfare	3802	1.35	100
17	Micro Small Medium Enterprise	356	2.92	150
18	Social Justice & Empowerment	Through NGOs & others	50	
19	Overseas Indian Affairs	In partnership with MSME/state Government/ CII/ NGO etc.	0.13	50
20	Finance-Insurance/Banking	*	100	
22	Consumer Affairs	*	100	
23	Chemicals & Fertilizers	6	0.19	50
24	Others (Power, Petroleum etc.)	NA	150	
	Total		99.46	5300

Source: National Skill Development Mission

The current situation clearly reflects a large gap between required skilled manpower and manpower produced. This being a national indicator, Madhya Pradesh is also facing the same situation. Hence this report will be very handy for policy makers and other stake holders to bring initiatives to bridge the skill gap.

The Madhya Pradesh

Madhya Pradesh, the second largest Indian State covering 9.5% of the country's area is endowed with rich natural resources, salubrious climate and fertile agro-climatic conditions. The economy of the state is largely agrarian, employing 77% of the total work force and contributing 40% to the State Domestic Product. Continuous efforts have been made towards industrialization of the state. The industrial sector contributes only 8% to employment of the state work force and 23% to state GDP.

The state's economy has shown marked improvement. The GDP as compared to 2008-09, is expected to register a growth of 8.49 per cent in the year 2009-10 at the fixed prices which is remarkable in view of the fact that the state received 35 per cent less rainfall," according to the survey released by the State's Finance Minister.

Economic Structure - Benchmarking				
	India	MP	AP	TN
Agriculture	29%	32%	31%	21%
Industry	20%	25%	23%	30%
Services	51%	43%	45%	49%
Per Capita Income	11649	6518	8615	10222

Source : sezindore.com

Madhya Pradesh is the only state of the country to have diamond reserve besides 60000 million tonne limestone reserve, 8 per cent coal reserve of the country and 114 billion cubic metre coal-bead methane.

Out of 11 agro climatic zones of the country, Madhya Pradesh has 11 agro climatic zones. The state is first in producing soybean, pulses, grams and garlic and comes in the list of first five states in producing wheat chill, coriander in the country Madhya Pradesh is one of the leading states in growing banana, orange, mango and lemon fruits.

The state contributes the highest 30 per cent forest area to the total forest area of the country. Medicinal plants of around 2200 varieties are available in Madhya Pradesh forest. The state has 14 per cent 'pashudhan' (cattle wealth) of the country which contributes 12 per cent to the to the milk production of the country.

Around One lakh manpower (technical experts) is being prepared every year in the state. The state is well-connected to other parts of the country by road, rail and air routes. The telecom network of the State is of high standard. Madhya Pradesh is also rich in culture and tourism. Tourism spots like Khajuraho, Bhimbaitika and Sanchi have been recognised as world heritage centres. Kanha, Bandhavgarh, Pench, Panna and Shivpuri are famous tiger reserve and other animals. Pachmarhi, Amarkantak and Tamia are some other major tourism sports of the State.

The state is leading in textile manufacturing, automobiles, food processing, soya processing, engineering and agriculture equipment manufacturing. The peaceful manpower of the State is an advantage for industrial development. All the abovementioned factors pave the way for the Madhya Pradesh to become a developed state.

Centre for Monitoring Indian Economy (CMIE) in its reports published in February 2010 estimated growth rate of investment in Madhya Pradesh at 11.4 percent. As many as 562 projects involving Rs.3,57,558 crore in manufacturing, mining, power, services and infrastructure sector have been proposed of which 206 projects costing Rs.1,55,149 crore are underway and projects worth Rs.39,000 crore would be completed in the fiscal 2010-11.

State has witnessed significant growth in large and medium industrial sector. 89 industrial units with investment of Rs. 4800 crore were setup during 2003-04 and 2008-09 and 15000 people were given employment. In the year 2009-10, Rs, 3500 crore has been invested on 30 industrial units and Bina Refinery have capital outlay of Rs. 10500 crore an almost ready to commence commercial production. It is to be mentioned here that Rs, 14100 crore investment done in industrial sector this year is equal to the investment done in the same field till date since the existence of the State.

Madhya Pradesh, being one of the largest states of India is now becoming an education hub as well.

The Industrial Growth Scenario – Madhya Pradesh

The state's economy has shown marked improvement. The GDP as compared to 2008-09, is expected to register a growth of 8.49 per cent in the year 2009-10 at the fixed prices which is remarkable in view of the fact that the state received 35 per cent less rainfall," according to the survey released by the State's Finance Minister, Raghavji in the state assembly.

For last seven years MP has remained a revenue surplus state and in the year 2010-11 also the revenue receipts will be expected to be around Rs. 43,443.82 crore, which is 4.95 per cent more than the previous year.

Madhya Pradesh, being among the fast growing states is blessed with many treasures. A perfect ecosystem between all the stakeholders starting from government to a common public can create a perfect ecosystem for accelerated growth.

Active initiative taken by Government of Madhya Pradesh to transform the State into a developed one and promote it as potential investment destination is now geared-up. The outcomes are clearly visible in terms of new investments MOUs by large scale industries and expansion drive of existing business setups. This leaves no stone unturned to ensure the rapid industrial growth of the state, so is the overall growth.

The Mineral rich – Opportunities in Mining and related industries

- The only state of the country to have diamond reserve besides 60000 million tonne limestone reserve, 8 per cent coal reserve of the country and 114 billion cubic metre coal-bead methane.

The food grain bowl - Agro based industries

- Out of 11 agro climatic zones of the country, Madhya Pradesh has 11 agro climatic zones. The state is first in producing soybean, pulses, grams and garlic and comes in the list of first five states in producing wheat chill, coriander in the country Madhya Pradesh is one of the leading states in growing banana, orange, mango and lemon fruits.

Investment Scenario

Due to untiring efforts of the State government, 324 Memorandum of Understanding (MoUs) worth Rs. 4,51,474 crore have been signed for setting of various Industries in the State. Of 324 MoUs, 12 MoUs have been implemented and 18 MoUs involving Rs. 38,845 crore are being implemented. The remaining 255 MoUs costing Rs. 3,81,902 crore are in the process.

C. Industrial Entrepreneurs Memorandum (IEM)		
IEMs Filed (In Nos.)	Proposed Investment (Rs. in Crores)	Proposed Employment (In Nos.)
1,864	62,476	3,73,975
D. Letter of Intent (LOI)		
LOI Allotted (In Nos.)	Investment (Rs. in Crores)	Employment (In Nos.)
203	3,618	37,228

The path-way ahead

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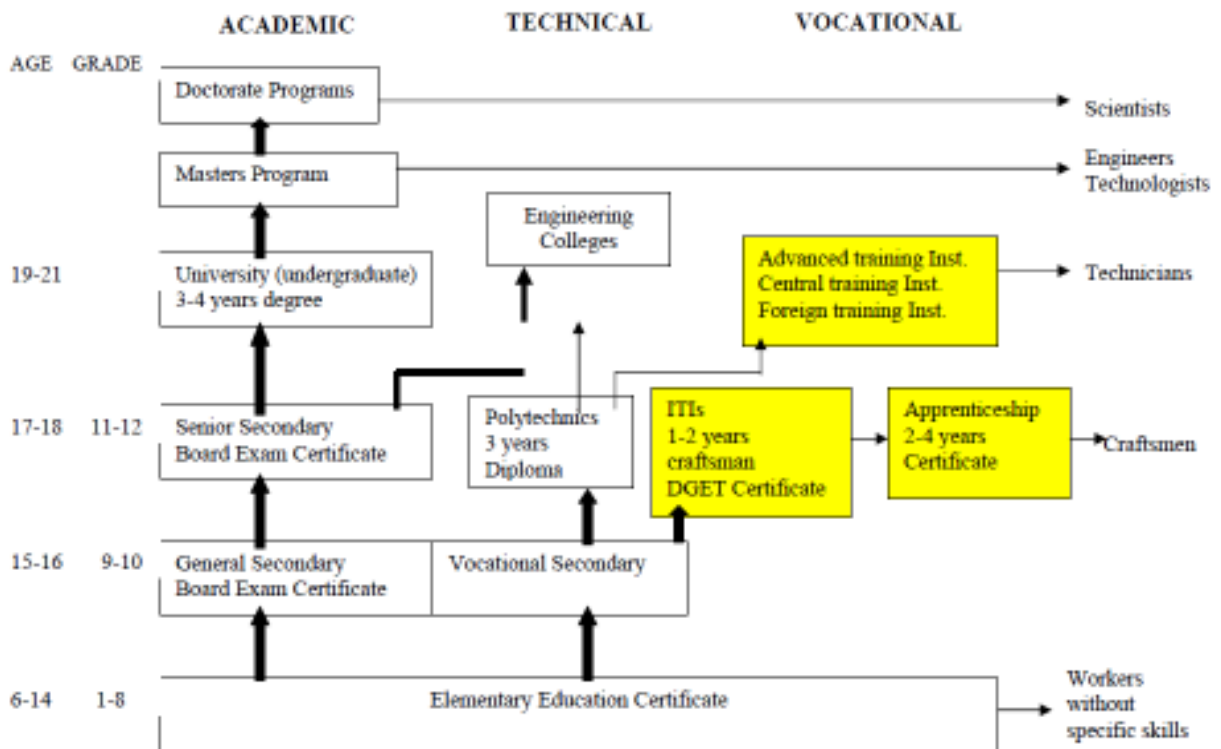
Infrastructure development

- Under the ASIDE Scheme of the government, industrial infrastructure have been strengthened.
- After 2003, around 35 infrastructural projects costing Rs. 200 crore have been completed. Rs. 73.29 crore was spent in infrastructure development at Pithampur's auto cluster project, water supply project costing Rs. 80 crore was set up in Dewas with Private participation. This project would meet the water demand of the industries Dewas industrial area.
- The State government has allotted 4000 acre land for setting up International level Digital Auto Testing Track approved by the Government of India. the project cost has been estimated at Rs. 500 crore

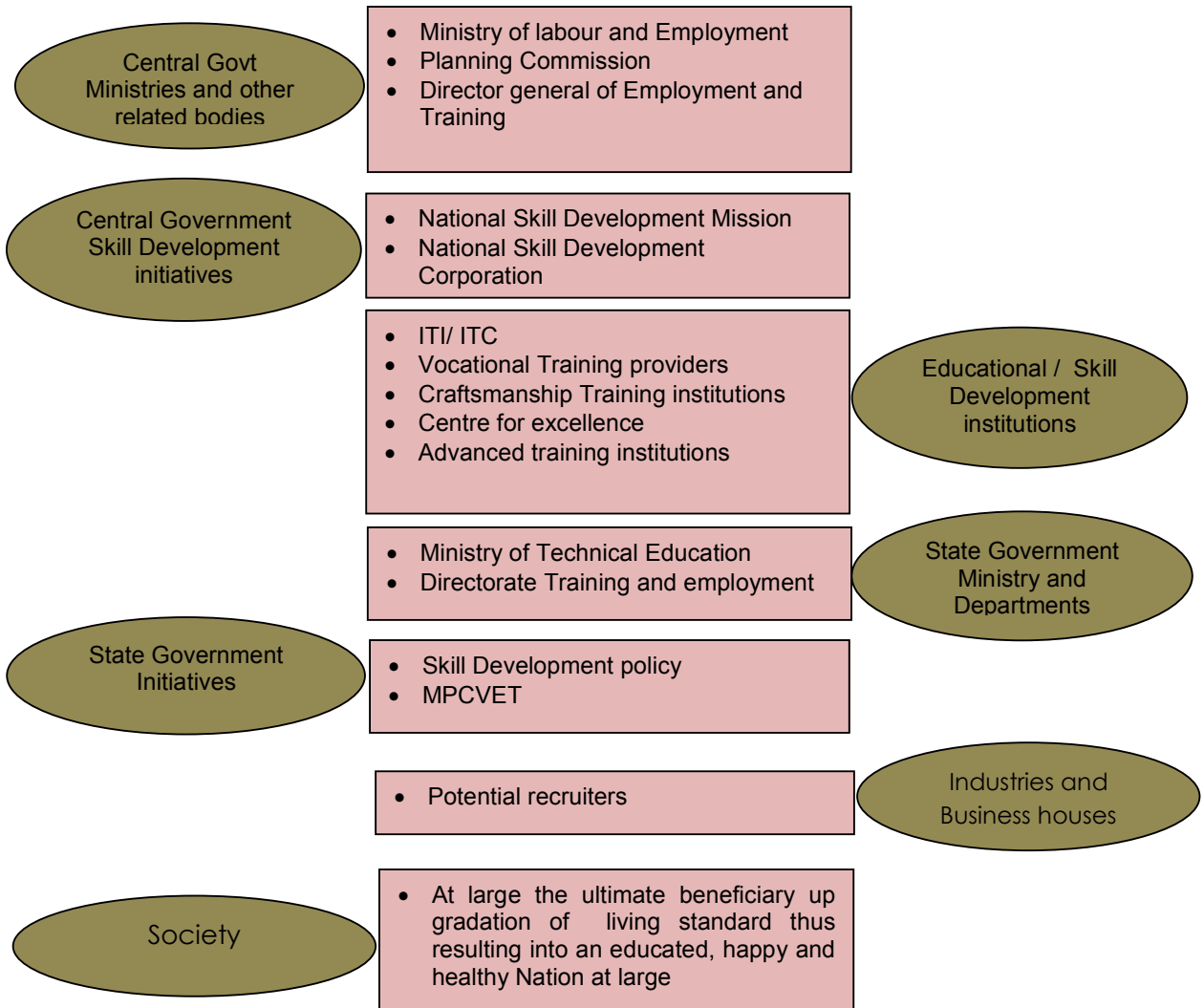
Madhya Pradesh – The Skills Scenario

This report is primarily based on the available manpower having certain skill sets and their deployment in various industries/business houses in Madhya Pradesh. This report also focuses on the Skill Development initiatives and its interactions with various stake holders. The entire calculations are based on current and projected future manpower requirements both in already existing industries/ businesses and industries/businesses which are starting their operations in near future. The sources of data are secondary in nature and obtained from various reports, Govt of India and MP government websites.

To understand Skill Ecosystem we need to look into education system in India first. If we look at it closely, it's quite clear that the majority of population decide about its career path between 15-16 years of age immediately post its elementary education certificate. This stage is the beginning of vocational training, where they opt for taking admission in various trades of ITI's. The further advancement can be in terms of going for apprenticeship or upgrading to polytechnic 3 years diploma which further leads to either engineering degree or advance training institute. A straight forward way can be started with elementary education and end up at Masters programme and leads up to Doctoral ones.



If we look typically into Skill development ecosystem following will be the essential environmental components in Madhya Pradesh.



If we look at the professional and higher level skill sets the situation is relatively better, following is a comprehensive snap shot of manpower availability scenario.

Technical Manpower

1	B.E. / Architecture	71400
2	M.B.A	13800
3	M.C.A	6370
4	Pharmacy (degree/ Diploma)	7950

5	Diploma (Engineering)	12115
6	Hotel Management (Degree)	270
7	Hotel Management (Diploma)	60
8	ITI/ ITC	22398

Source: DTE, MP, DGET, Govt of ndia

Non Technical pool

(Annual Intake)

1	Graduate Level	208	229845
2	Post graduate	208	42,451

Source: RGTU

It's clearly visible from the above data that the state has a very large pool of technical as well as non technical manpower. This does not include the school dropouts, illiterate but skilled or unskilled manpower. The number can be even more.

Madhya Pradesh - The Skill Development Initiatives

Keeping the current scenario in mind where age old Industrial training institutions and other vocational training systems which could not deliver the results as expected the state government is under the process of launching skill development policy soon. The government has formed a sub-committee of ministers and based on their recommendations which the cabinet will consider the suggestions and will announce a policy.

Continuing to these efforts the Government has also setup an independent Council to take care of the vocational training and skill related initiatives under the chairmanship of the Chief Minister named as Madhya Pradesh Council for Vocational Training (MPCVET). The BOD consist of

- Minister of Technical Education and Training, Govt of MP
- Principal Secretary and commissioner level officials
- Representative from Industry and Industrial associations

- Director – Training

The organisation has been established with following laid down objectives

- To plan and execute Skill Development Programmes to prepare youth for self employment and for various jobs available in Industrial & Service Sectors.
- To develop competency based curricula, and to train and certify school dropouts, labour working in unorganized sector, service sector and unskilled workers engaged in various industries.
- To prepare need based training programme of different levels as per the requirement of various groups' industrial sectors, which are recognition at national & international level and also to recognise such programmes for further education. To develop a flexible delivery mechanism to impart training in part time, weekends, full time, onsite/offsite mode.
- To plan and monitor National Skill Development Policy at State level.
- To frame policy & programmes to link non-formal vocational training with the formal education system and to develop system of recognising prior acquired learning.
- To converge and develop available training resources in the state through Public Private Partnership.
- To provide access to vocational education & training with inclusive growth for all the groups of the society.
- To provide training of trainers, to promote innovation in training & also to render consultancy services.
- To award certificates, diplomas and other distinctions to trained manpower and set norms for quality and standards of vocational training system.
- To affiliate institutes as vocational training providers on payment of prescribe fee.
- To forecast the needs of skilled manpower to cater to the needs of various stakeholders in the State on regular basis.
- To institute and award scholarships, prizes and medals in accordance with the rules and bye laws.
- To fix and demand such fees and other charges as may be laid down in the bye laws made under the rules of the society.
- To establish maintain and manage the land, building, other infrastructure and assets of the society for institutional purposes.

- To create with the prior approval of State Government administrative, technical, ministerial and other posts under the society and to make appointments thereto.
- To interact and co-operate with any educational institute, training organisation and industrial organisation having objects wholly or partly similar to those of the society.
- To develop continuing education programmes for the personnel in the organised and unorganised sectors.
- To make rules and regulations and bye-laws for the conduct of the affairs of the society and to add, to amend, to vary or rescind them from time to time with the approval of State Government.
- To establish network with other similar organisation for exchange of expertise, information / documents and publications.
- To acquire and hold property provided that the prior approval of State Government is obtained for the acquisition of immovable property.
- To deal with any such property belonging to or vested in the society in such manner as the society may deem fit for advancing its objects provided that prior approval of the State Government is obtained for transfer of any immovable property.

The National Skill Development Workshop

With the same initiative Govt of MP has organised a National Skill Workshop at Bhopal on September 1, 2010 to make ground for new policy for technical education, training and skill development in the state.

Representatives from various National and Local Industry Associations, World Bank, National Skill Development Corporation and various experts from the field have participated in the workshop and put forth their valuable suggestions for new policy of skill development in the state. The cabinet subcommittee for Technical Education and few other ministers have also attended the workshop. This was one among the key initiatives towards skill sufficient state.

The Skill Requirement Projections

Keeping the healthy GDP rate of 8.39% in consideration we can expect a minimum of 10% industrial growth in Madhya Pradesh. This will not only be visible in manpower

demand by the current players but there is a huge manpower demand from those business houses as well who have signed MOU with government of Madhya Pradesh and have initiated their projects.

If we revisit the industrial data following is the current scenario

Industries, Investment, And Employment			
Type of industry	No. of units	Investment (Rs. in Crores)	Employment (In Nos.)
LMI	804	16,932	2,41,733
SSI	3,00,971	1,653	8,25,893

If we look at the govt of MP database on LMI Industries the major concentration is on manufacturing industries which are further divided into Engineering, Textiles, Pharma, Cement and other related allied industries. If we take an average level of skill levels requirements as per CII BCG survey we come across following picture

Specialised skills	3 - 5%
Skill category level II	20 - 25%
Skill category level I	25 - 30%
Minimal education skilable	30 - 40%

The major portion goes to skill level II to minimal education skilable which itself contribute to 75% - 95%. If we look at the vocational training data specially ITIs and ITCs it is approximately 23000 in a year. Keeping a minimal 10% growth in the industry which does not includes iteration, at bare minimum an industry requires at least 8-10% of its current manpower deployment, following picture comes

Requirements for Large and Medium Industries

Current Recruitment in LMI	241733
Requirement @8% yearly (for bottom 3 skill sets) an average figure of 80%	15470
Average Iteration rate of 5%	12086
Total Requirement	27556
ITI/ ITC yearly approximate capacity	23000

The skill shortage

4556

Skill Requirements for SSI Industries

SSI being small in operational magnitude have reasonable growth in the state, the iteration rate are relatively higher as compared to LMIs. At a moderate rate of 5% growth which does not include iteration rate which is to the tune of 10% following is the picture

Current Recruitment in LMI	825893
Requirement @5% yearly (for bottom 3 skill sets) an average figure of 80%	33036
Average Iteration rate of 7%	46250
Total requirement	79286
ITI/ ITC yearly approximate capacity	23000
The skill shortage	56286

The Future Scenario

Now let us look at the Skilled person requirement for various upcoming industries who have signed MOUs with Govt of MP and will be operationalised in coming 3-5 years

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The proposed employment scenario is even healthy as there will be approximately 400 000 jobs available out of which approximately 70% i.e. 2,80,000 will be for bottom 3 skill levels.

The Proposed Strategies:

1. Finalisation of the Skill Development policy of Madhya Pradesh to speedup the overall process. This policy will be the basic guideline to initiate the skill mission in the state. This policy will further help in Designing and development of implementation plan and its MIS mechanism to track the overall progress the sooner will be the better.
2. Strengthening of organisations such as MPCVET which will be the key drivers of skill mission in coming time. A decentralised structure which will have its presence to various parts of the state will certainly help in better and speedy implementation of the mission. More participation from private players in sync with the government can further reinforce the initiative.
3. MPCVET should act as a central agency to coordinate efforts for various departments like Labour, Rural Development, Industry, women and child development, Minority development, SC and ST welfare and many similar ones who keep conducting various training programmes, they will in turn be getting benefited from skill development initiative and result into avoidance of duplication of training and will result into saving of lots of state government funds.
4. It has been observed that most of the beneficiaries are unaware of such initiatives due to lack of proper communication. A coordinated effort from organisation like CII and MPCVET to crate massive awareness on various skill development schemes for beneficiaries through mass media and other effective means. The objective, it should reach up-to the very grassroots level where the potential beneficiaries can be reached.
5. The involvement of workers and workers' organisations in conduct and control of such a training programme is essential to its success. As such, their prominent role in the ownership of the programme is necessary. The Trade Union should have a say in the running of the programme.
6. To keep the Skill training programmes relevant and updated with the current industries' requirement a continuous review with industries, Industrial associations

and other consulting agencies is a must. This will help government and implementation agencies to a great extent for making the courses bankable.

7. With changing needs interpersonal skill which are also known as people skills are becoming necessity. These behavioural competencies such as communication skills, conflict resolution and negotiation, personal effectiveness, creative problem solving, strategic thinking, team building, influencing skills etc. should form an integral part of such skill development trainings. These will not only increase employability potential of the trainees but help them in grooming their overall personality as well. It has multifaceted penetration effects reaching to the very root of our society.
8. An effective mechanism to keep continuously in touch with existing and coming-up industries for their manpower / skill training requirements. This should be identified well in advance, for new industries at the time of signing MOU itself .this will help MPCVET and other implementation agency to start training manpower as per the industry's skill requirements. This should not only extended to new recruits but the existing ones should also be trained and retrained on advanced and refresher skill development courses.
- 10 Skill development training should not be limited to trainees but Trainers should also be brought into this initiative, ultimately they will be the prime catalyst to run this. A comprehensive "Train the Trainers" programs on various skill sets should also be in place. Industries and Industrial associations like CII can be the best resources for such trainings which will not only help in training the trainers but will keep update them in current and future skill requirements.
- 11 Performance-based funding, rewards performance and pays on results. Institutions that meet targets are rewarded; *Output* targets can be defined in absolute terms (e.g. number of course completions, pass rates on examinations) *Outcome* targets should be measured in terms of the success of training providers in meeting market needs (e.g. job placement within a reasonable time). The key for both type of targets is to define transparent and easily measurable criteria that are easily collected.
- 12 Settlement policy for all those beneficiaries who successfully complete their skill development courses / trainings in terms of employment preference by the

Industries (of course based on their recruitment benchmarks) , loans/ grants for self employment and many likes which will further boost-up this initiative.

13 An add on financial allocation by the state government with central government grants can prove a real reinforcement for such massive initiative. This will compensate the expenses made by the skill development centres as the proposed fee should be nominal and well within the reach of trainees.

14 A standardised infrastructure and human resources guidelines for all Skill Development Centres to be made mandatory. The existing ones should be upgraded based on laid down guidelines. The skill development centres should be well within the travelling reach of potential beneficiaries.

The Introspection

With a backdrop of current skill development infrastructure, it is not at all sufficient to cater the growing needs of the industries. Here it is crucial to note that we haven't accounted the unorganised and entrepreneurial sectors, which can again pose a great challenge to produce more number of skilled manpower

The Current skill development initiatives taken by the government of Madhya Pradesh are really strategic towards catering to the fast growing skilled manpower requirements. The initiatives needs to be really accelerated in order to make MP as the industrial friendly state which can attract even more industrial houses to start their operations.

We need to take care of our demographic and resources rich dividends in order to transform Madhya Pradesh as a Skill Sufficient State.