



Confederation of
Indian Industry

POLICYwatch

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Focus: Skill Development

Today, India is poised at a stage where its status as a break-through economy depends on its focus and attention on building its human capital.

For our economy to grow at 8-9 per cent, secondary/tertiary sectors will need to grow at 10-11 per cent with agriculture sector at 4 per cent. Large migration from agriculture (primary) to secondary/tertiary is imminent. Hence a large skill gap will exist requiring skilling development. The projected incremental demand is 240 million by 2022 in 20 high growth sectors, with 150 million required in the manufacturing and services sector alone.

If this issue is not addressed effectively, the economic and social implications will be drastic. The role of the Government, private sector, skill training providers and society cannot be overemphasised as it is mandated to imparting the necessary skills to the workforce. It is equally important for the business sector to engage in the dialogue on skill enhancement to make the 'Make in India' mission a reality.

The last six months has seen a positive move from the Government with the creation of a dedicated Ministry of Skill Development & Entrepreneurship. In support, we, at CII, have been working towards a demand-responsive eco-system for skill development with a multi-pronged approach.

First, we have recognised the need to create awareness on vocational training through policy advocacy and competitions such as WorkSkills and WorldSkills International. CII believes that there is a need for a

framework to ensure career progression. The National Skill Qualification Framework (NSQF) has been meticulously planned to ensure seamless mobility between the education and technical training system.

Second, we believe it is necessary to utilise the existing training institutions and ensure that they can scale themselves to match demand. CII has made a conscious effort towards creation of PPPs to rejuvenate institutions such as the Industrial Training Institutes (ITIs) with CII members adopting and upgrading 390 of them. A blue book to guide the members of the Institute Management Committee (IMCs) has been brought out. An impact study of 100 ITIs has been conducted to assess their performance with suggestions for improvements. We have initiated pilot projects to create appropriate standards for these Institutes. Industry has embarked on flexi MoUs with the Ministry of Labour & Employment giving companies the flexibility to design training programmes at ITIs, tailored to industry needs.

Third, quality assurance has to be emphasised when delivering and assessing trainees. CII is a National Assessing Body for the Modular Employable Skills Scheme (MES) and the Sector Skill Councils.

Fourth, creation of additional Sector Skill Councils (SSC): providing industry participation in setting standards and certification approach, CII has promoted SSCs in Healthcare; Tourism & Hospitality; Logistics; Life Sciences; Beauty & Wellness; Infrastructure Equipment and Banking Finance Services and Insurance (BFSI). Sector Skill Councils on Coating, Furniture & Fittings and Strategic Manufacturing are in progress.

Fifth, the policy level recommendations submitted by CII have been instrumental in the creation of Amended Apprenticeship Act 2014. The industry needs to realize the benefits of bringing in a robust apprenticeship regime as this will enable lifelong learning and ensure generations of trained and skilled labour.

Sixth, we need to promote more skill development Institutions. CII is one of the founding members of the National Skill Development Corporation, which finances promising skill development institutions. In addition, CII has created Skill Gurukuls in remote districts of India.

Lastly, there is a need to create employment exchanges to link training to employment and to create a skill repository to link trainees to jobs. CII is working closely with the Ministry of Labour & Employment to convert the existing employment exchanges to modern Career Centres.

CII strongly believes that Recognition of Prior Learning (RPL) is imperative to engage the large skilled uncertified labour force. CII supports the RPL initiative by the Government which will train workers in the construction sector and utilise construction sites as training centres.

To ensure that the economy grows at a sustainable rate with rise in industrial growth, industry has to create an enormous pool of skilled workforce. CII, which has witnessed the power of training to create an industry, believes that this timely focus on skill development is critical and highly welcome. ■

Chandrajit Banerjee
Director General
Confederation of Indian Industry

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The Paradox of Skilling in India

We are running into an increasingly complex paradox related to skilling our work force across the country. As a million people join the workforce each month, their aspirations for a better life should get reflected in a desire for further training and building skills that gets them better careers. And as industry strives to become more competitive, they should be willing to make the necessary investment in terms of training people to increase their productivity and paying for trained staff. Our normal expectations are that wherever there is a great demand (for jobs) there will be a major demand for the means to get there. And wherever there is a great demand for skilled people, there will be a willingness to pay differentials for the right capabilities. But neither of these are happening today at the scale required to make an impact on our demographic dividend.

The other major outlier in all these plans is the fact that organized labour represents such a small percentage of our total workforce. Most current efforts are focused on placing people into the organized sector which, therefore, ignores the unorganized sector, which by some estimates accounts for 90 percent of the labour force. If that is the case, how do we impart skills to them, how do they get counted, and what industries will they eventually join? Many of these do in fact serve the organized industry as contract labour, in construction, or agriculture, or factories, and of course the Government is a large employer of such contract labour. Apart from that there are self-employed entrepreneurs – what skills should we, and can we, teach them?

The Government has made some strong moves towards fulfilling this mission. Awareness of the need for skilling has increased dramatically and is being discussed in every Board room and every conference.



Pramod Bhasin

Chairman, CII National Committee on Skill Development and Non-Executive VC & Former President, Genpact

Setting up a Skills Ministry, the earlier setting up of NSDC and Sector Skill Council as well as national frameworks for qualifications and vocational skills are critical building blocks. Recent changes to the Apprenticeship Act have been very good and industry must leverage these to their advantage. But beyond that, as we all know, there is so much left to do. Today 22 different Ministries are running their own skill development

programmes – and many States have also embarked on such programmes.

What we still lack, therefore, is an overall strategic framework for effectively skilling millions of people, in skills that can help them get better careers and job prospects, and that make our industries more competitive and give real teeth to the ambitions of Make in India, the Digital Literacy Mission and the dreams of a 100 Smart Cities.

CII and all its members will play a critical role working in partnership with the Government to build this strategic framework and to implement it. We have to address the critical questions around who will pay for this skilling, how do we reach the unorganized sector, how do we set standards and ensure that the quality of training is excellent, how do we convince industry that skilled people need to be paid a differential, failing which the demand for skills training will never rise in any noticeable manner.





We believe a lot could be done by leveraging existing infrastructure, creating substantial awareness and respect for skills training to create a 'pull' factor from potential students, working closely with industry to ensure relevant curriculums are taught, as well as encourage differentiated pay for trained employees, improve the overall quality of the training being delivered, and most importantly, achieve scale through allowing sustainable business models to evolve, and through innovative techniques to leverage technology and master trainers.

Let me touch on some of these points briefly. We have an enormous under-utilized infrastructure of schools, colleges, ITIs, CSCs, Government offices, district administration buildings, all across the country. Is there a way, State by State, we can leverage this infrastructure to allow training and education, through a PPP model? It would save resources in terms of money; it might even, perhaps, improve the quality of the training and the experience of the students. Every State has capacity and if we can use flexible models for training (2 or 3 or 5 hours a day) we can spend the money for infrastructure, elsewhere – on better teachers, content and technology.

We also know that there is an enormous amount of mis-information regarding jobs (which one is good or bad, which one provides better careers?) and what it takes to get a job that is aspirational. We are often told when we do our surveys that people want an 'office' job, without much explanation of what kind of job this might represent. The reason is very rational and reasonable – working conditions in many other jobs can be brutal and unforgiving – and even if they pay more, they are not worth it. If we can help clear the confusion, and show examples of great successes through TV and media and newspapers, we may inspire many others to get trained to build careers. In many cases their parents don't understand these issues and cannot provide the guidance to a young person out of college and so we have to find alternatives.

The Sector Skills Councils provide standards for training and a curriculum designed by industry. CII has many of these Councils and if we ensure these remain relevant we can make sure we train people in ways that get them real skills and jobs, not just theoretical training – and that the quality of this training is good.

But the most critical issue we face is how to achieve scalability. How do you train millions of people each year, not just hundreds of thousands? That's what our population demands and what we need to make ourselves truly competitive. We have to be able to experiment with technology, distance learning, hybrid models for imparting training (vs one trainer for each classroom), self-learning modules, and of course using bandwidth and every and all other mediums to reach the population where they live. Doing it in a binary manner - one center, one teacher, and one group of students at a time - will take far too long. We have to find new ways to reach people – and this will only happen when we encourage viable business models which can invest in such experimentation.

This is a huge challenge and a huge opportunity. The Government's and CII's focus on this area will yield dividends – we just need to ensure that all the participants – Government, industry, students, potential employees and training organizations – are well coordinated to deliver efficiently, effectively and with speed. ■

Quality Imperative: Sector Skill Councils

As advanced economies look to compete in a globalized world, there is an increasing movement towards a sectoral approach - to engage both industry and education more effectively in upgrading skills and preparing the new generation workforce.

India is faced with a unique situation where a large part of the labour force is engaged in the unorganized sector. For India to bring in internationally benchmarked Indian standards, it is most important to engage the unorganized sector. So, in India, it goes beyond the demand supply mismatch. It is about creating an ecosystem wherein the sectors are brought in on a common platform. The common platform that has been created is the Sector Skill Councils (SSCs), which will ensure homogeneous growth of the economy through stakeholder participation and standardized training in each sector.

The National Skill Development Corporation (NSDC) has been mandated by the National Policy on Skill Development 2009 to spearhead the SSCs. As we envisage it, the SSCs will be the evangelists who will



S Mahalingam

Chairman, CII National Committee on Sector Skill Councils and Former CFO & ED, Tata Consultancy Services Limited

take the economy forward by ensuring productivity and competitiveness through its various roles of uniform standard setting, robust assessment systems and certification.

SSCs are for the industry, by the industry and with the industry. SSCs are employer-driven national partnership organizations that would bring together all stakeholders – industry, labour, and academia included – to achieve the common goal of creating a skilled workforce for the segments they represent. SSCs are inclusive and attempt to bring in large and small players in the industry.

These industry-led autonomous organizations will, therefore, develop labour market information to allow businesses to plan human resources and project investments, develop national occupational standards to facilitate labour mobility (including apprenticeship), influence college curricula and promote health and safety in the workplace.

Through the policy directive India has started progress on SSCs and most surprisingly in a record span of 4 years. To spell facts, 40 SSCs are in the NSDC mandate, of which 31 have been approved. 18 SSCs have received grants. Sector Skill Councils have led by example and tapped the informal sector which comprises 90 per cent of the economy. The progress has been remarkable and industry standards developed for about 750 job roles have already been developed by SSCs. These standards, along with the direction provided by the National Skill Qualification Framework (NSQF), are envisaged to provide standardization, mobility, lifelong learning and outcome-based skill assessments.

This, to my mind, is an extremely positive trend.

CII supports the NSDC in the philosophy of Sector Skill Councils and CII has promoted 7 SSCs namely on Healthcare, BFSI, Logistics, LifeSciences, Beauty & Wellness, Tourism & Hospitality and Infrastructure Equipment. Manufacturing, Furniture & Fittings and Coating are on the anvil.

Benchmarked Indian Standards Through SSCs

The need for industry-led SSCs has arisen due to the persistent challenges of education to employment. Based on our experience, if we prioritize the root causes for the skill development landscape not attracting the



right talent, they would probably be the following:

One, employers are unable to bank on a reliable employability standard which is the result of the absence of pan Indian training standards. Defining vocational and educational qualifications and quality frameworks like the NSQF and corresponding National Occupation Standards (NOS) so that there is a single set of standards that define quality and occupation standards, from the basic to the advanced levels, will strengthen the confidence levels for both - the employer and employee.

Second, the lack of an affiliation and accreditation process does not give employers the freedom of choice in terms of hiring. This creates a deficit of trust as every training institute delivers a different standard and there is no quality check. However, with the advent of the SSCs, only accredited centers will be recognized to

deliver SSC certified training, hence assuring quality delivery.

Third is the absence of a uniform testing and certification system. Employers are willing to pay more for skills when they are assured of a quality resource and this can happen only when there is a way to test for and recognize relevant skills. The SSCs have understood this pressing concern and is building well-structured collaborations among industry players within their sectors in developing standards and certification processes, as well as in generating sufficient number of assessors.

SSCs being the certifying agency for skills through a network of partners, both vocational and academic, ensure that the industry hires only certified professionals, again at the vocational and academic levels. The SSCs will measure and monitor demand and supply in various categories of skills and proficiency, thus ensuring the balanced growth of this industry so that the price

points are well managed.

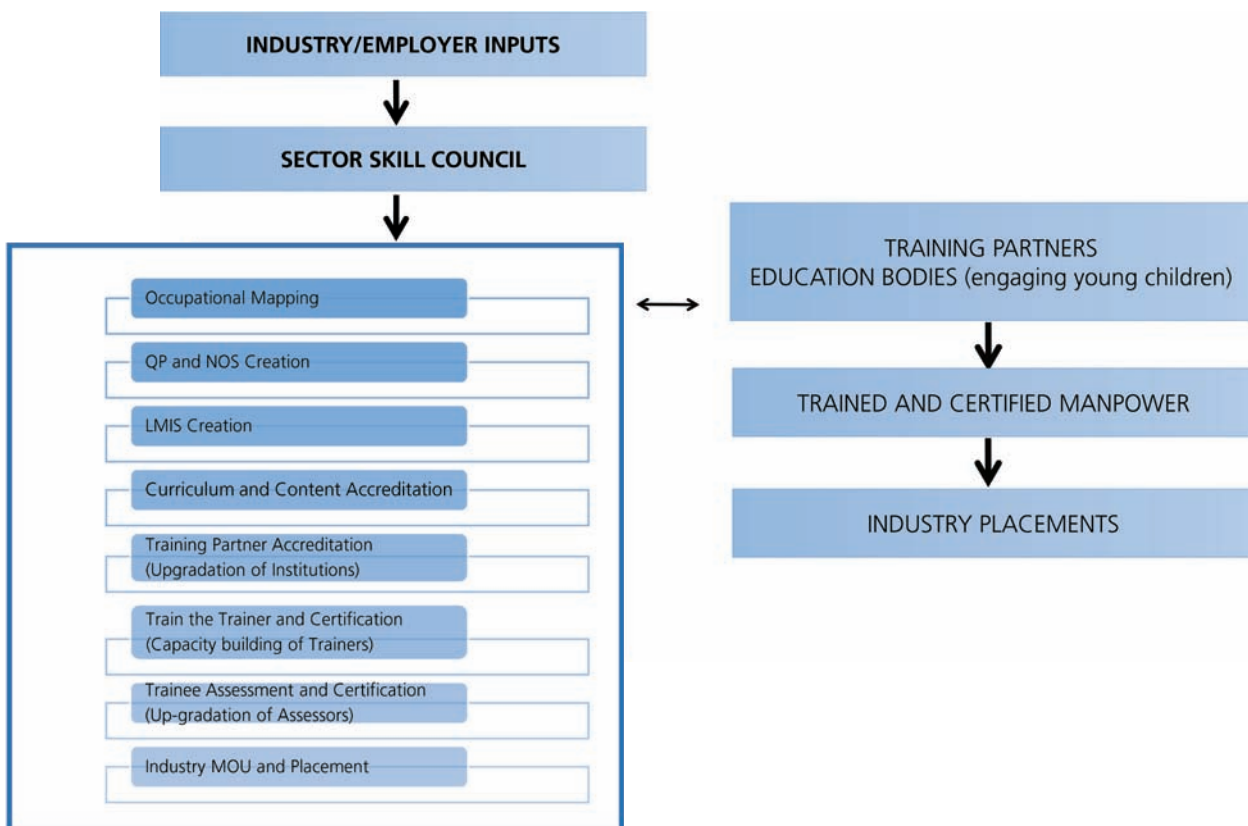
The Apprenticeship Act 2014 has given industry a high degree of freedom to develop standards to best meet the needs of their occupations. SSCs will play a pivotal role in setting industry standards and bringing in new job roles in the Apprenticeship scheme.

CII & Sector Skill Councils

The Sector Skill Councils are well funded entities which have the sound backing of the industry. Funding for the establishment of SSCs in India is initially done by the National Skill Development Corporation (NSDC). As it grows, each SSC can become a self-funded, for-profit organization. The NSDC Board has approved funding of 31 SSC proposals till the end of November 2014, which range from Agriculture to Beauty & Wellness.

Through the mandate from the National Policy on Skill Development, CII has taken

Functional Flow Chart & Stakeholders





up the responsibility of setting up SSCs with the understanding that it is a crucial need for the economy, to give an example of the healthcare sector which has the mandate to facilitate skilling of 4.8 million workforce in the Allied Healthcare and Paramedics over the next 10 years. Logic tells us that this will be achieved only through training and industry related standards.

CII aims to have every segment of the sector represented in the SSCs. Initial skill requirement and preparation of the proposal with industry inputs and vetting is submitted to the National Skill Development Corporation / National Skill Development Authority by CII.

Having taken up the responsibility, CII ensures the appropriate industry representative for chairing the governing council and its members and getting the secretariat in place. The work does not stop here - there is continuous hand holding of the secretariat as well as building awareness with the aim of garnering maximum support from industry.

CII ensures the formation of robust Governing Boards, led by stalwarts. Dr Naresh Trehan has been appointed Chairman for the Healthcare SSC; Mr. Vikram Oberoi leads the Tourism & Hospitality SSC; Ms. Vandana Luthra is the Chairperson for the Beauty &

Wellness SSC; Mr. M B N Rao leads the Banking Financial Services and Insurance SSC; Mr. R Dinesh heads the Logistics SSC; Mr. Satish Reddy takes charge of the Lifesciences SSC and Mr. Glenville D'Silva heads the Infrastructure Equipment Skill Council.

CII has constituted the National Committee on SSCs which will be a forum where we all work as a community to improve the status of SSCs in India and overseas. Under the aegis of the National Committee on Skill Development, CII has adopted the Balanced Score Card approach to clearly measure performance to achieve desired results. The SSCs have formed special Task Forces to develop effective measures and meaningful standards, establishing both short-term milestones and long-term targets and ensure membership acceptance of the measures. The working of the SSC is monitored closely internally by the Governing Council and externally by NSDC and CII and action is taken to close unfavorable gaps.

CII has encouraged its SSCs to bring in international partnerships and has forged partnerships with UK and Australia Industry Skill Councils. The SSCs have also started work on transnational standards to ease global mobility.

As vocational training and education is on the concurrent list, it becomes all the more necessary for State Governments to endorse SSC standards. Recognizing this, CII is working closely with Central and State Governments to include SSC actions in their respective policy decisions. This is a win-win situation as the existing curriculum gets updates with industry inputs and the new ones can be developed simultaneously.

As the standard setting in the vocational training space in India moves from a predominantly Government driven system to a private driven mechanism, it becomes even more important for industry to engage with the SSCs while understanding and respecting the existing regulatory frameworks. Governments at the same time need to accept that the SSCs are employer-led organizations and it is in their interest to play the role of an active facilitator. Today, SSCs face an ongoing challenge where Governments are keen to take control of the SSCs, however, it has to be understood that this is an industry controlled body with representation from Government. The whole objective is to prepare a workforce through an industry vetted training curriculum to be employed thereafter by industry.

SSCs need to actively participate in the development of world class skills among its workforce. A measure of its success in this direction will be its performance in WorldSkills competition. Besides creating a competitive framework, this 'Olympics of Skills' will result in us absorbing the best practices elsewhere. Each SSC is now working enthusiastically to participate in WorldSkills.

The effort will be to create the workforce for the future – not for the present shortages alone. Industry will bring in its knowledge in this area. The movement is still gaining momentum and there is further need for all stakeholders to work together with an element of autonomy through the establishment of SSCs. ■

Creating a Common Foundation of Cross Sector 21st Century Skills

The CII Northern Region comprises the eight States of Delhi, Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Uttarakhand & Uttar Pradesh and the Union Territory of Chandigarh. The Northern Region is expected to have a reasonably high skilled workforce deficit with the exceptions of U.P and Uttrakhand. There is a projected surplus of 31 lakh in U.P , but importantly, there is a deficit of 20 lakh within the skilled workforce that needs to be addressed. The projected surplus in Uttrakhand is skewed due to the large volume of untrained and semi-skilled labour. The high growth sectors are retail, construction, organised retail, and transportation. Himachal Pradesh and Uttarakhand have an increased scope for employment in the tourism and hospitality sector.

As India draws closer to 2020, there have been a number of reports that share the prognosis of its status in skills and



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employability in that year. According to the India Skills Report 2015 (study undertaken jointly by PeopleStrong, Wheebox and CII), India will have a population of 1.3 billion with 0.8 billion in the working age in 2020.

However, the most significant demonstrations of the country's resolve to bridge the skills gap and push forward the agenda of a skilled workforce that not only meets the needs of the nation, but also the global

deficit, is the development of a single National Skill Qualification Framework (NSQF) and the formation of a Skills Ministry by a proactive and astute new Government this year.

NSQF is the framework being used for competency-based job role mapping being undertaken by the Sector Skill Councils (SSCs), and is in alignment with other skills qualification frameworks across the globe.

In the context of a global workforce, this is a path breaking initiative that can resolve the social stigma associated with vocational training and provide an attractive proposition for skill development to have global fungibility. Youth have the potential to dream of careers that could eventually transcend local geography and local developmental constraints.

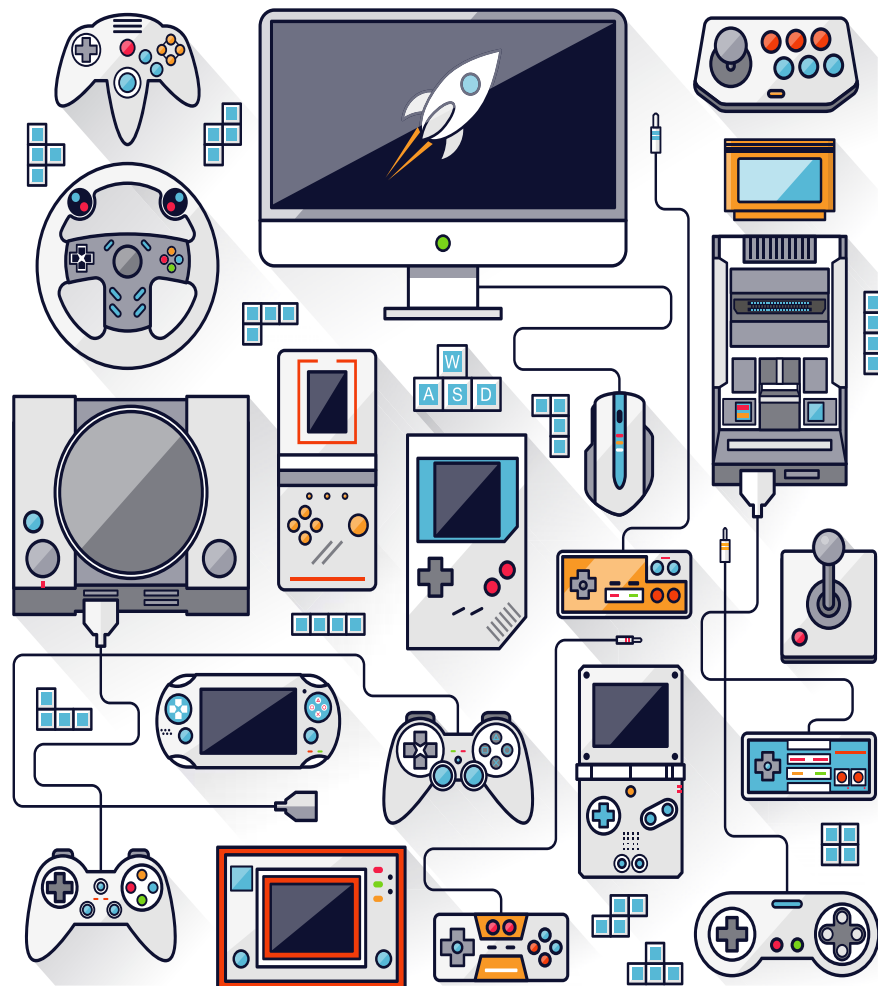
However, for India to rise to her potential and address her own and the global



workforce deficit across all sectors, greater emphasis needs to be put on raising the standard of common foundational skills that need to be built into the framework and accessed either through formal education or vocational training. Multiple language education options in schools; national and international youth exchange programmes to build greater cross cultural awareness; sharper ICT skills and motivation to enable self-paced learning through technology platforms are some of the notable ones.

Tony Wagner's research on the critical survival skills for young people in careers across the globe provides a glimpse into skills that are most sought after by industry worldwide, but are the hardest to find.

1. Critical thinking and problem solving: Markets are changing fast and workers need the skills to ask the right questions in order to acquire information to innovate and address market needs.
2. Collaboration and building influence: The skills to collaborate and work in virtual and physical teams with accountability. Workers need to change their perception of leadership from the ability to command, to the ability to influence.
3. Agility and adaptability: Apart from the adaptation to cultures, the skills to adapt and be agile with new technologies - social media, analytics and mobility are no longer skills required only by people in the IT and IT services domain. They have become life skills for all young people as a route to development and productivity.
4. Initiative and entrepreneurialism: The skills to take risks and learn from them; to be customer oriented and hold responsibility rather than passing the buck.
5. Effective oral and written communication: Apart from obvious aspects of



grammatical sentence construction and effective verbal and self-presentation skills, this also includes the skills to communicate cross-culturally with virtual teams and customers.

6. Accessing and analysing information: The ability to research quickly and accurately and derive conclusions based on data. While many young people are able to access information, the ability to analyse it is still highly under-developed.
7. Curiosity and imagination: This skill is killed during formal education, yet is seen to be the greatest differentiator during career development.

While some of these sector agnostic skills are covered in the sectorial competency frameworks, there is great potential for them to be further strengthened by industry

initiatives.

CII has already undertaken a number of such initiatives. In the Northern Region, CII has adopted 131 Industrial Training Institutes (ITIs) to upgrade and align them through faculty development programmes organized jointly by CII, Government agencies and leading industrial bodies such as TCS, Tata Motors, SIDBI, ITC, Maruti Suzuki India Limited (MSIL), Triveni, LML, Aegis, etc. These programmes focus as much on developing common, employability skills as they do on upgrading domain productivity skills.

Through initiatives such as these, together with the standardization of a globally relevant competency framework and a supportive Government, India may be able to make the prognosis for 2020 even brighter. ■

Driving the Skill Agenda

The CII Southern Region comprises the States of Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Puducherry. CII has conducted State Skill Gap Studies in Tamil Nadu and Andhra Pradesh. The Southern Region shows projected supply deficit in workforce with Tamil Nadu leading the group of States with 46 lakh projected in 2020. The biggest deficit in Tamil Nadu is in the semi-skilled group. Although Andhra Pradesh has a deficit of 12 lakh, the high deficit of 22 lakh in the skilled workforce is offset by the projected surplus in the unskilled group.

Amongst the labour intensive sectors is the auto sales and services sector; the Indian automotive component aftermarket industry is growing at a rapid rate but the aftermarket is highly unorganized, especially in the servicing side. There are more than about 300,000 unorganized garages and the skills levels are inadequate. There is a shortage of



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Chairman, CII Skill Development Sub-Committee (SR) and MD, AVT Natural Products Ltd.

skilled hands to meet the growing number of garages across the country.

In order to bridge this gap, companies like Bosch have launched special initiatives in the form of special 8 weeks of training for school drop outs in this sector. This is a unique programme with 100 per cent employment. This is being offered as an CSR initiative. The BRIDGE - Bosch Response to India Development & Growth through

Employability Enhancement has an 8 week schedule comprising the following:

- a) Communication Skills
- b) Personality development skills
- c) Customer service skills
- d) Self-discipline
- e) Service skills

Development of skilled workforce in agriculture and food processing sectors is fundamental for economic growth. The use of technology and advanced techniques in agro processing requires farm hands to get skilled to face the challenges of productivity. We must think of having farmer-centric skill development initiatives. Skill development initiatives should focus on building the capacities of individual farmers, helping increase the farm viability with the available financial, labour and land resources at his disposal and other livelihood-based options within the rural landscape. Modern technology in farming is yet to reach farmers' doorsteps to the desired extent. Skill upgradation in 'transfer of technology' from 'lab to land' is an area for the industry to focus on.

We need to also focus on skill building activities beyond the farm gate as agriculture and allied sectors (horticulture, fishery, sericulture, animal husbandry) will generate huge demand in 2020. Food processing industry in India is still in its infancy. Food safety specialists are in short supply and we need to harness the supply of qualified professionals in this very critical area. The segment of supply chain – post harvest logistics - in Indian agriculture that is closer to the farmer/ producer still remains largely unorganized and occupied by middle men. The farmer needs cost effective post harvesting technologies and right prices for the produce. The use of internet technologies should be made easily available to him. ■



Painting the Skill Landscape

The CII Eastern Region comprises the States of Bihar, Chhattisgarh, Jharkhand, Orissa and West Bengal. In the Eastern Region, West Bengal is projected to have substantially high surplus of workforce due to excess of both skilled and unskilled force. There is a need for more employment opportunities within the State. Odisha, on the other hand, has a high deficit of skilled labour projected at 21 lakhs. The high growth sectors for 2020 will be BFSI, construction, retail, transportation and tourism. Odisha will see the emergence of auto and allied sectors, electronics and chemical as vibrant sectors.

CII has been actively involved in the advocacy and implementation of skill development initiatives. CII Eastern Region has supported the Indian Paint Association (IPA) in the formation of the Coating Sector Skills Council. The proposal has been submitted to NSDC and has the endorsement of small and large members from the Paint and Coatings industry, with IPA being the promoter association.

The Coatings industry is an integral part of the economy. While the manufacture of the Coatings are undertaken in both the large and SME sector, with reasonably sufficient control to ensure the requisite properties, the application is often by semiskilled workers in the 'informal sector'. Paint companies are producing quality products but lack of application knowledge can be largely attributed to the semi-skilled workforce. This results in the lack of satisfaction of the end customer as the workforce isn't required to have any pre-requisite skill or certification. The industry is still growing and has a projected incremental skilled workforce requirement of 2, 00,000 per annum.

Several initiatives have been taken to set-up training academies for painters. The major



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objective of setting up a training academy is to 'professionalize' the applicators by upgrading their skills. Training is imparted to both freshers as well as experienced painters. Skill enhancement for painters can enable them to become painting contractors and help them hire freshers, thus creating an employment generation mechanism at the ground level.

There have been several Paint training academies that have been established. In the Northern Region, Delhi, Lucknow (U.P),



Ludhiana (Punjab); Western Region, Surat (Gujarat), Jaipur (Rajasthan) and others in Kolkata (West Bengal) and Vijaywada (Andhra Pradesh).

CII is represented in State Skill Development Missions of all the States in the Eastern Region as well as the members of Governing Body of Society of Skill Development Initiative Scheme, West Bengal and West Bengal State Council of Vocational Education and Training.

CII Eastern Region has, at the policy level, engaged with the State Governments to prepare trainee, trainer and industry friendly policies for imparting outcome based training. CII signed memoranda of understanding with four municipalities viz. Kolkata Municipal Corporation, Chandernagore Municipal Corporation, Durgapur Municipal Corporation and Hooghly-Chinsurah Municipality, to train more than 4,000 young men and women who belong to the marginalized sections of society in retail, hospitality, BPO, healthcare services, beauty & hair care, fitter, plumbing. Under the Skill Training for Employment Promotion amongst Urban Poor (STEP-UP) Scheme of Swarna Jayanti Shahari Rozgar Yojana (SJSRY) of the Government of India, jobs are virtually assured for them all.

CII received a mandate from National Scheduled Castes Finance & Development Corporation to train scheduled caste (SC) students from SC dominated districts in Bihar and West Bengal in retail, hospitality, construction and automobile trades. 750 SC candidates have been trained so far.

In West Bengal, CII is executing the training programme with the State Urban Development Agency (SUDA), West Bengal. More than 600 students have been trained in different trades. ■

Employable Skills for the IT Sector – New Models

The CII Western Region largely represents Goa, Gujarat, Madhya Pradesh and Maharashtra. According to a CII-NSDC Skill Gap study, Maharashtra was found to have a large workforce deficit of 39.8 lakh for 2020. Madhya Pradesh has a workforce surplus of 3 lakh owing to low employment opportunities within the State. Construction, organized retail, BFSI, and hospitality are the high growth sectors in the region. IT/ITeS and logistics are the emerging sectors for employment generation in the near future.

The Region has high potential with large and small industries. However, what the region needs, especially in terms of bringing in employable generation, is innovation. The IT sector in India has recognized this as a game changer and innovation has always been the watchword of the IT sector from India and its consistent double digit growth over two decades is testimony to the ability to generate new ideas at a rapid pace. In recent times, the ability to innovate in products and services has also been extended to input innovation. Companies like Genpact, Infosys, Cyient, Zensar and some others are putting in place unique models of skilling that work to the benefit of the company and the country as well.

The starting point has been the Sector Skill Councils of the NSDC and the Job Roles and Qualification packs put together for the entire gamut of 100,000 plus entry level jobs the industry is expected to generate this year. Taking advantage of the new CSR regulations, many of the companies have decided to expand the ambit of skills training that they had hitherto been providing to freshers after employment and build partnerships with colleges, skills providers,



Dr. Ganesh Natarajan

Chairman, CII Western Region Sub Committee on Skill Development and Vice Chairman & CEO, Zensar Technology

NGOs and Foundations to provide high quality skills inputs to final year students and graduates without any commitment of employment. This 'employability training' plan has enabled a substantial expansion of the talent pool and become a great boon to all participants in the eco-system.

The critical success factors of this new model for skill development have been the willingness of companies to collaborate with each other as well as with Government agencies like the NSDC. This has always been the hallmark of this industry which competes fiercely in the market and yet



works together for national causes like the National Digital Literacy Mission and now skilling. The industry is also experimenting with new models for its workforce, providing access to some of the highest quality inputs, both in classrooms and through blended learning models like HBX from Harvard Business School. For an industry which is morphing from providing only technology solutions to being truly consulting oriented, the ability to provide learners the opportunity to acquire soft skills and domain expertise will be the cutting edge that keeps India's global market share at over fifty per cent in this exciting and ever changing business environment.

There are opportunities for CII companies in all sectors to emulate the IT Industry's skilling model and play a role in the creation of a skilled India. In sectors ranging from discrete and continuous manufacturing to healthcare, financial services and even education, a robust base lining approach to what is available through the formal education process and the design of supplemental skill modules to bridge the gap between degrees and employment can change the face of the country. What is called for is a national agenda and a robust partnership between industries, the newly minted Skills Ministry and the Ministry of Human Resource Development to ensure that the process of skills building is well thought through and implemented. The much vaunted demographic dividend can quickly degenerate into a demographic nightmare if our youth do not receive skills and get the jobs they richly deserve. Let us work together to make it happen! ■

Uniqueness of Public Private Partnership Model of NSDC

India, a land of great diversity, offers great scope for growth and business opportunities but at the same time there are certain complexities and challenges in achieving those targets. One change occurring in India at present is the demographic transition as the number of those in the working age group far outnumbers those that are out of it. This is perhaps a transition that occurs once every few hundred years. For us to take advantage of this transition we must ensure that the young are in a position to contribute to economic activity. The Prime Minister has articulated a clear vision of a new India to turn the country into a manufacturing hub and solve the task at hand through his dream of 'Make in India' and 'Digital India'. But what really powers these campaigns is the unsung hero - the PPP model or Public-Private-Partnership. PPP is a unique concept which involves coming together of the public and private sector with a purpose to develop assets or for provision of services.

In India this is being put to great use by inviting private firms to build IT hubs and improve infrastructure across varied sectors in partnership with the States. It's a unique and profitable strategy being followed in India where we see several areas in which the Government is looking forward to implementing this model in areas ranging from high-end metro projects to rural and urban development initiatives. PPP is imperative to the success story of India going forward. The Government and private players should aim to create a 'Brand India' to help revive the PPP model in the country.

Similarly, to meet the task of skilling 150 million youth by 2022, the public and the private sector came together to establish



Dilip Chenoy
*Managing Director & CEO,
 National Skill Development Corporation*

the National Skill Development Corporation (NSDC).

NSDC was set up as a PPP to catalyze the involvement of private sector in skill development. The NSDC is jointly funded by the private sector and the Government of India (51 per cent private equity owned mainly by industry associations such as Confederation of Indian Industry, sectoral associations from the textiles, leather, construction, jewelry, retail, IT and the auto sector, while the remaining 49 per cent equity is owned by the Ministry of Finance).

The Government also appoints the Chairman of NSDC who has to be from the private sector. The Board of NSDC had decided that NSDC would work towards supplementing Government efforts rather than supplanting it. NSDC decided to focus on creating private sector capacity to skill persons in a sustainable manner and work with stakeholders to set up Sector Councils that would lead skill development efforts in the sector; these in fact are also in a way PPPs. Till date NSDC has set-up 31 Sector Skill Councils (SSCs) across different sectors.

The NSDC has been rapidly supporting the creation of companies that are providing

sustainable and scalable skill development programmes across the country. The business model is as follows: NSDC finances the company or start-ups through a combination of debt and equity, the debt part of which is to be re-paid by the business venture-cum-VTP over a period of 10 years by providing vocational training to youth through a fee-based model. Many companies have started providing such training, all of which are mandated to ensure 70 per cent of their trainees get placed in industry. The funding model that NSDC supports is funding up to 75 per cent of the project cost where funding is linked to the achievement of milestones, offering 3 years moratoriums and a ten year repayment schedule.

A clear shared vision has been developed between the public and the private sector to set up scalable initiatives and create a framework and ecosystem that promotes development of skills in the country. NSDC has been focusing on 22 high growth sectors and other large employer sectors and the other unorganized segments in the Indian economy. The PPP ensures the industry, the academia and the Government come together to infuse skills of quality standards across sectors and reduce demand-supply mismatch of skilled manpower in the country.

The 31 SSCs have reached out to employers and other stakeholders to develop national occupational standards across various job roles. Till date the SSCs have developed over 893 qualification packs. It is anticipated that by March 2015 qualification packs for 80 per cent of the entry level job roles for 28 sectors will be developed. Some of the sectors do not yet have SSCs. NSDC will work with stakeholders to set up SSCs representing these sectors.

31 Sector Skills Councils Approved, more in process

	2010-11	2011-12	2012-13	2013-14	2014-15 (Plan)
Priority Sector	<ul style="list-style-type: none"> Auto Retail IT/ITeS 	<ul style="list-style-type: none"> Media & Entertainment Healthcare Gems & Jewellery Leather Electronics BFSI 	<ul style="list-style-type: none"> Logistics Construction Food Processing 	<ul style="list-style-type: none"> Life Sciences Hospitality Textiles and Handlooms Apparels Handicrafts Power Iron & Steel Construction 	<ul style="list-style-type: none"> Hydrocarbons* Management Chemicals and Petrochemicals Strategic Manufacturing Allied Manufacturing Furniture & Furnishing Education
Large Workforce		<ul style="list-style-type: none"> Rubber 	<ul style="list-style-type: none"> Telecom Capital Goods Agriculture 	<ul style="list-style-type: none"> Aerospace & Aviation Mining 	<ul style="list-style-type: none"> Sports Paints & Coating FMCG Instrumentation
Informal Sectors	<ul style="list-style-type: none"> Security 		<ul style="list-style-type: none"> Plumbing 	<ul style="list-style-type: none"> Beauty & Wellness 	<ul style="list-style-type: none"> Culture Domestic Workers

So far NSDC has approved 160 skilling proposals and has enabled a framework to create close to 2000 training centres across 36 States and union territories in India. Till date NSDC has skilled over 34 lakh people and the target is to skill 33 lakh people in the current financial year. This year we hope to add another 60+ partners till March 2015.

Industry and corporates are also coming together to partner NSDC in a non-funding partnerships as well.

In an attempt to understand the skill needs for the country both at a sectoral and spatial level, NSDC has conducted district-level skill gaps studies across 28 States which give a deep insight into the aspirations of the youth and what are the key job roles that would

interest them and help them transform their lives. Similarly we have conducted sector-wise skill gap studies for 22 high growth sectors which highlight the industry demand of skilled manpower across various trades. A key aspect of this study was the partnership with the State Government and industry associations. Unless these partnerships are developed and nurtured, the PPP model may not succeed. The State skill studies were led by the State Governments and NSDC supported the execution of these studies and making the findings public.

The Ministry of Human Resource Development (MHRD) since late 2010 has been engaged in an exercise to widen the scope of vocational education in government schools and the higher education system. Two specific initiatives of MHRD in this regard are notable: one, the vocational education provided to higher secondary school students run by the Government is to be expanded by increased plan funding for the vocational education stream, which has been available in higher secondary schools since 1986. Second, the MHRD created an expert group in early 2011

Status of Qualification Packs/National Occupation Standards

S.No.	Sector	No. of QPs	Total No. of NOs	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8
1	Agriculture	42	224		3	4	32	2	1		
2	Apparel	17	72			2	10	4	1		
3	Automotive	188	72		16	17	49	38	49	17	2
4	Beauty & Wellness	3	519		1	2					
5	BFSI	6	14			1	5				
6	Capital Goods	56	120		17	12	21	6			
7	Construction	12	66	6	6						
8	Electronics	139	253		1	33	76	28	1		
9	Gems & Jewellery	87	117	1	6	32	22	17	5	4	
10	Healthcare	28	258			2	25	1			
11	IT-ITES	75	127				7	17	1	47	3
12	Leather	22	61		8		14				
13	Logistics	4	19	2		1	1				
14	Life Sciences	5	12				1	4			
15	Media & Entertainment	47	88			3	20	3	1	10	2
16	Mining	10	35			2	7				
17	Plumbing	26	51	2	4	9	2	2	2	3	2
18	Retail	9	37	1	1	1	1				
19	Rubber	70	88		1	5	32	22	9	1	
20	Security	2	67				2	3	4		
21	Telecom	33	103			3	15	8	5	2	
22	Tourism & Hospitality	5	15		1	3	1				
	Total	893	2366	13	65	132	343	155	79	84	9

QPs under Development	
1	Media and Entertainment
2	Capital Goods
3	Apparels
4	Life Sciences
5	Mining
6	Iron and Steel
7	Beauty and Wellness
8	Tourism and Hospitality
9	Infrastructure Equipment
10	Logistics
11	BFSI
12	Handicrafts
13	Food Processing
14	Power
15	Textiles

Coverage of 80% Entry Level Job Roles
28 SSCs will jointly achieve approx. 200 Standards covering 80% of the entry level workforce by March 31, 2015





to prepare a blue print radically transforming vocational education in the secondary and higher secondary school system of India to be called the NVEQF. The NVEQF has already been agreed too, in principle, by State Education Ministers in June 2011. The NVEQF was first piloted in Haryana and is being rolled out in other States as well. It involves the extension of vocational education to secondary level (classes 9-10), in addition to higher secondary level in Government schools (classes 11-12). In addition, it involves the creation of National Occupation Standards by the private sector by Sector Skill Councils (to be created by NSDC), so that in the entire country all vocational stream students in secondary and higher secondary education, as well as in polytechnics and engineering colleges, will be trained by using common curriculum across the country, which will be based on these National Occupation Standards (NOSs). These NOSs must be accompanied by a competency-based curriculum which has to be developed by private sector industry, in collaboration with, at the central level, the Central Board of Secondary Education (CBSE), and at the state level, the State Directorates of Technical Education. Moreover, certification for these courses and trades offered in the vocational stream of schools, polytechnics and engineering colleges, will all be jointly done by Government and the private sector, so that youth can then be easily employed

by industry. In other words, a process which will lead to an expansion of training along these lines has already begun and will gather the momentum over the years.

NSDC also coordinates the World Skills participation from India. Here also we are developing and nurturing PPPs between firms, associations, training institutions, academia and Government. This needs to be expanded and strengthened. One of the basic tenets of this cooperation is to get industry to get together and work as one and not seek individual programmes. The benefits of a collective approach far outnumber any other effort.

In the execution of projects at the ground level, NSDC has been partnering the States in their efforts in implementing the plans of their State Skill Missions as well as implementing the school vocational education programme. NSDC works with various stakeholders such as Government and training providers to help develop skill development institutions in the schools space. Currently this is being taken forward in 9 States but would grow in the coming years. The success of this programme is based on the fact that the role of the private sector and non-Government stake holder is clearly defined. Vocational training will be delivered in 2400 schools and is set to grow. Nine Universities across the country are also partnering this initiative.

With the honourable Prime Minister's vision of a new 'Skilled India', the Government is consistently pushing the agenda across States and Ministries to join hands and encourage skill up-gradation by using the instrument of PPP and, in addition, encouraging the private sector to up-grade skills. India is entering a new phase and hence there is a critical need to reform some of the policies that we have. The focus of the new Government on the skills agenda is very clear. The formation of a new Skills Ministry (for the first time ever) and the appointment of leaders who have the clear vision to make India lead on that path, establishes their commitment to India's youth. The much required overhaul of the skills policy is underway and soon, India will see the next level in skill development.

A developing country like India which has large youth populations will soon see the economy soar, provided we invest heavily in young people's education, skill and health and protect their rights. The latest UN report notes that: "Young people are the innovators, creators, builders and leaders of the future. But they can transform the future only if they have skills, health, decision-making, and real choices in life."

Together we can and we will make a difference.

Hunar Hai Toh Kadar Hai. ■

CII Recommendations for Skill Development

Short Term

- Nationally rolling out vocational education in schools as per the National Skill Qualification Framework (NSQF).
- Introduction and universal acceptance of the National Skill Qualification Framework (NSQF) and enable horizontal and vertical mobility for students.
- The youth coming into the work force are found to be lacking in employability skills. This can be addressed by the introduction of last-mile employability training.
- Capacity building of existing Trainers and Assessors needs to be undertaken as well as training for the creation of a larger talent pool to meet the skill sector's requirements.
- PPP models to be implemented for ITIs to ensure world class vocational education mechanism, with constant up-gradation to keep pace with industry demands.

Medium Term

- The right to opportunities for skill development to every youth in any vocation of his/her choice, consistent with his/her eligibility and aptitude.
- Better mechanism to be created to ensure microfinance/credit for vocational training institutes.
- The employment exchanges need to be Career Counselling Centers for the youth. Such Career Centers can also be created at educational institutes such as universities, colleges as well as by industry bodies/associations.
- Industry participation in the Apprenticeship programme with the Amendment to the Apprenticeship Bill 2014.
- Training element in existing and upcoming employment- generating schemes including MNREGA.

Long Term

- Knowledge exchange with international training partner countries.
- Sharing of best practices and social innovation in skill development to ensure low cost of capital for training.
- Mutual recognition of standards with other countries.

CII Impact Assessment Study for ‘Upgrading Industrial Institutes under the Public Private Partnership Scheme’.

The recommendations were accepted by DGET, Ministry of Labour and Employment, Government of India

ISSUES	RECOMMENDATIONS
Low industry interaction	<ul style="list-style-type: none"> • Creation of an Industry Interaction Cell (IIC), with at least 1 full time staff. • Once the Institute Management Committee (IMC) project is completed, the functions of IIC should be transferred to the regular placement cell of ITI.
Training Infrastructure	<ul style="list-style-type: none"> • Develop a manual prescribing standard architectural norms for all ITIs to ensure optimal use. • Create a taskforce in every state to monitor the state of civil infrastructure and equipment and report the same to the State Government.
Curriculum and Pedagogy	<ul style="list-style-type: none"> • A sector specific committee to review the NCVT norms and curricula of all trades should be constituted with participation of industry experts. SSCs to be roped in to provide skill experts. • Preparation of a database regarding availability of expertise from institutions and industry to help design curriculum for short term courses.
Faculty	<ul style="list-style-type: none"> • Create a toolkit to assess faculty competencies and training needs. • Preparation of instructional resources for effective instruction. • Autonomy and flexibility to the IMC. • Faculty Development programmes. • Incentivize performance through bonuses. • Set up Faculty Development Centres.
Lack of outcome based approach and reporting	<ul style="list-style-type: none"> • Creating an Annual Business Plan aligning the business objectives of IMC with market reality and past performance. • Provision to modify and create new IDPs every 3-5 years to enable course correction. • Identify a set of essential metrics that must be included in QPRs and reporting mechanism be computerized. • Create simple toolkit to enable IMCs manage finances efficiently.
Repayment of Loans	<ul style="list-style-type: none"> • Procedures involving loan repayment, with liability of each IMC member should be clarified. More awareness amongst stakeholders.

Salient Initiatives Taken By The Government of India

<p>Apprentice Protsahan Yojana</p> <p>A vision to have more than 20 lakh apprentice in next few years against present number of 2.9 lakh</p> <p>A major initiative to revamp the Apprenticeship Scheme in India after extensive consultation with industry and States</p>	<ul style="list-style-type: none"> • Making the legal framework friendly to both, industry and youth. Enhancing the rate of stipend and indexing it to minimum wages of semi-skilled workers. • To support manufacturing units and other establishments by reimbursing 50 per cent of the stipend paid to apprentices during first two years of their training. • Basic training curricula being restructured on scientific principles to make it more effective, and MSMEs to be supported financially by permitting this component in Government funded SDI scheme. • Support one lakh apprentices during the period up to March 2017.
<p>Recognition Of Prior Learning (RPL)- Construction Workers</p> <p>by Ministry of Labour & Employment after extensive consultation with industry by utilizing the cess funds collected from construction projects</p>	<ul style="list-style-type: none"> • Construction sector is third biggest employer after agriculture and manufacturing. Contributes more than 10 per cent of the jobs in India- contributes 6.67 per cent of GDP. • 86 per cent of workers have no skills and productivity level is low. • Construction sites to be designated as Testing Centres. • Skill gaps if any, to be made up by giving gap training of about 15 days. • Wage compensation for attending training classes and assessment- NCVT certification.
<p>Vocational Rehabilitation Centres For Handicapped</p>	<ul style="list-style-type: none"> • According to Census 2011: 2.68 crore Persons with Disabilities (PwDs) - 1.7 crore are unemployed. • Vocational rehabilitation support to PwDs through 21 Vocational Rehabilitation Centres for Handicapped (VRCs) across the country. Focus to make them employable through capacity building. • Knowledge Partnership MOU between MoLW and TATA SONS to incorporate best practices and policy interventions for enhancing diversity and inclusiveness in India's workforce. • Some of the institutions that have partnered with VRCs include National Handicap Finance Development Corporation, National Trust, PSUs like ONGC, Dr Reddy's Laboratories, Yum Foods, Bank of America, Sarthak, etc. • Some of these centres are also being developed as Model Career Centres for PwDs.
<p>SKILL AWARDEES</p>	<ul style="list-style-type: none"> • The Ministry of labour conducts competitions to foster a healthy spirit of competitiveness among the trainee Craftsmen/Apprentices. • All India Skill Competition for Craftsmen among trainees admitted under Craftsmen Training Scheme (CTS), is conducted once in a year, and Apprenticeship Training Scheme (ATS) is conducted twice every year. • First ever initiative to recognize the awardees at National Level in latest All India Competition for Craftsmen, held in January, 2014 and All India Competition for Apprentices held in May, 2014.

Salient Initiatives Taken By The Government of India

<p>Traning On Modern Construction Techniques With Certification By NCVT In Consultation With Construction Companies</p>	<ul style="list-style-type: none"> • With the initiatives like 100 Smart Cities. Housing for all by 2011, construction sector is set to grow at rapid rate. • It is estimated that about 8.3 crores persons would be employed in the sector by year 2022. • New projects demand workforce trained in modern construction technologies to meet the international norms in construction. • Several new courses introduced.
<p>FLEXI MOU</p>	<ul style="list-style-type: none"> • Presently, a total of 123 NCVT courses designed and developed by Mentor Councils having representation from industry, academia, Champion ITI and DGE&T mentors and expert courses/trade are conducted at about 11, 500 ITIs. • New policy of Flexi MOU has been launched in July 2014 to ensure that, in addition, customized courses with NCVT certification are available to meet the need of local industry • Under this MoU, any industry can conduct NCVT certified training programme in partnership with ITI or other vocational training provider to meet specific skill requirement of the company • Industry to ensure minimum 80 per cent employment • Several leading industry players such as Flipkart, Raymonds, Labournet, GIPCL, Cadilla have signed MOUs and many other are under finalization
<p>National Brand Ambassadors Of Vocational Training</p>	<ul style="list-style-type: none"> • Only 10 per cent of our workforce has got formal or informal technical training. Only one fourth of this is formally trained. • In South Korea, Japan, Germany, the percentage of workforce having received skills training is 96, 80 and 75 respectively. • We need to rapidly expand certificate level vocational training if we have to succeed in our mission of 'Make in India'. Also we need to attract youth to vocational training. • Vocational training has given excellent technicians, mechanics, entrepreneurs and professional leaders. Manufacturing sector is a reservoir of this success. • We are showcasing and felicitating such successful ITI graduates as National Brand Ambassadors of Vocational Training.

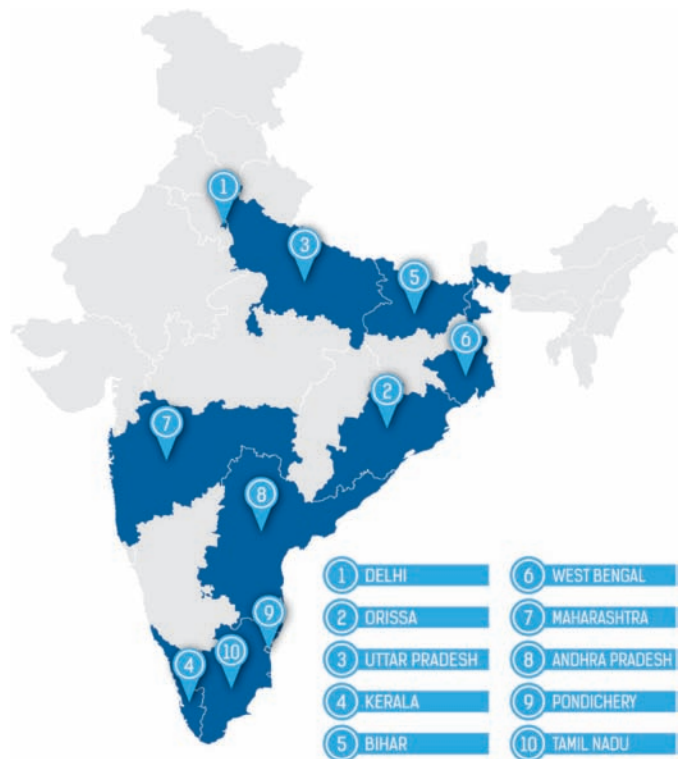
The 2nd India Skills Report - 2015

The second edition of the India Skills report was launched by CII in association with Wheebox, PeopleStrong and LinkedIn to capture the skill levels of the supply side and needs of the demand side. About 3,00,000 candidates appeared for the Wheebox Employability Skill Test across domains.

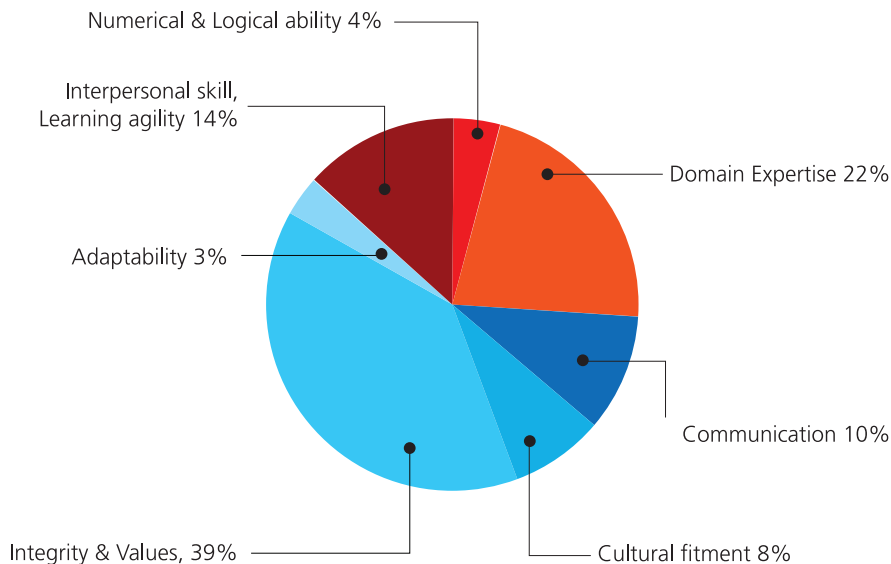
Some salient finding of the report are:

1.	37.22 per cent were found employable
2.	Delhi had the highest employable population
3.	Chennai tops the chart with 70 per cent of its students scoring above 60 per cent in the test
4.	Maximum percentage of employable skill was still available in the Pharma domain
5.	Most employable candidates for ages 18-21 (Pondicherry), ages 22-25 (Andhra Pradesh), ages 25-29 (Bihar)
6.	The candidates interested in internship has grown from 55.3 per cent (2013) to 73.2 per cent (2014) with candidates from Gujarat showing greatest interest
7.	Engineering hires continue to dominate the hiring space
8.	Percentage of ITI candidates in overall hiring increased from 26 per cent (2013) to 31 per cent (2014)

STATES WITH A HIGHEST 'EMPLOYABLE' POPULATION



SKILLS DESIRED BY EMPLOYERS



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As key stakeholders in ensuring that India is in a position to leverage demographic dividend, it is incumbent on vocational training providers, Sector Skill Councils, business leaders, civil society, and Government to work in unison to realize the goals of the 'Skill India' Mission.

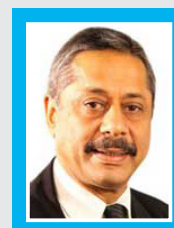
The fact that women represent the majority of the employee base in the beauty and wellness industry further underscores the need for large investments towards skill development. In addition to raising service delivery standards in a largely unorganized sector, it will also be a positive steps towards encouraging women empowerment and critical to spurring the spirit of entrepreneurship amongst women.

At the Beauty & Wellness SSC, we have embarked in right earnest on our task of empowering countless millions of young girls and boys to be in a position to find well-paying jobs or become gainfully self-employed.

Vandana Luthra

Chairperson, Beauty & Wellness Sector Skill Council, Founder and Mentor VLCC

The skill development in healthcare sector is critical to bridge the skill gap in the sector. We have formed the Healthcare Sector Skill Council (HSSC) to create an ecosystem for skill development and bridge the gap between demand and supply of skilled professionals. HSSC would facilitate skilling of 4.8 million over the next 10 years. The skill training imparted to these people on the National Occupation Standards would bring in much required quality and standardization of trained manpower. I am sure that the trained manpower in the healthcare sector will help us improve the quality of healthcare and enhance patient safety in the country as well as positively impact the reach of healthcare services.



Hon'ble PM has given the vision of 'Skill India' and mentioned that India needs to create skilled workforce for India and for the world. I believe healthcare is a sector that has a lot of potential to meet the requirements of other countries too. The healthcare sector is committed to work with the Hon'ble PM to fulfill the vision of 'Skill India'.

Dr Naresh Trehan

Chairman, Healthcare Sector Skill Council, Chairman and MD, Medanta - The Medicity



The Life Sciences sector with pharmaceuticals, bio technology and clinical research, is one of the growth engines of manufacturing in the country, play a leading role in the 'Make in India' campaign.

Sustained growth of Life Sciences sector requires addressing skill shortage—across levels and functional areas. Over the next 10 years, an estimated 3.5 million will need to be skilled, bulk of them in manufacturing, QC and sales/ marketing.

In doing so, there are 3 key challenges:

- 1) Quality: cost of sub- standard quality of skilling in this sector impacts human life directly.
- 2) Global connectivity: since over half the revenue of the sector is derived from exports, we must strive to set transnational benchmarks and standards.
- 3) Inclusivity: the sector is highly fragmented -10,000 manufacturing units- 90 per cent of which are in the small and unorganized sector. Any exercise involving skilling must therefore adequately engage this important segment.

The Life Sciences Sector Skill Development Council (LSSSDC) aims at addressing the skill shortfall in the sector, cognizant of these challenges.

Satish Reddy

Chairman, Life Sciences Sector Skill Council and Vice Chairman & Managing Director, Dr Reddy's Laboratories Ltd.

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India's economic growth trajectory will be fuelled by infrastructure. This would necessitate, besides the other elements of the ecosystem, a very large number of heavy duty, high performance earthmoving, construction and mining equipment. Thus, skills for safe and efficient operation and maintenance of this highly sophisticated equipment will become a critical component for infrastructure development. It is expected that India would need over 2 million trained operators and maintenance people in the next decade. The Infrastructure Equipment Skill Council (IESC) has the task to create national occupation standards for training and certification of about 150 trades related to the operation and maintenance of 35 different types of infrastructure related equipment.

Glenville da Silva

Chairman, Infrastructure Equipment Skill Council and Vice President, Business Development Asia, Volvo Construction Equipment

The financial markets (Banks, Securities Markets, Insurance, Mutual Funds and NBFCs) finance economic growth and channelize savings to investments. The size of banking assets in India is expected to touch US\$ 28.5 trillion by FY25 from US\$ 1.8 trillion in FY13. The total market size of the insurance sector in India was US\$ 66.4 billion in FY13 and is expected to breach the US\$ 350-400 billion mark by 2020.

The country is projected to become the fifth largest banking sector globally by 2020, as per a joint report by KPMG-CII. Bank credits are to grow at a CAGR of 17 per cent in the medium term. Life Insurance Council projects a CAGR of 12-15 per cent over the next few years for the financial services segment. A cursory glance at the projected numbers in the sector indicate that India is yet to tap into the sectors' potential. To ensure this, resources need to be in place; especially trained and skilled manpower- that can easily disseminate the financial information to the ground level to manage the potential and cater to the projected employment growth.



MBN Rao

Chairman, BFSI Sector Skill Council of India and Former Chairman and Managing Director of Canara Bank & Indian Bank



One of the major concerns plaguing the Logistics industry is the lack of skilled manpower. This is partly because logistics as a career is still not perceived as an industry choice in India. According to the World Bank Logistics performance index (2014), India stands in 52nd position with reference to logistics competence. Also, it is estimated that by 2030 the logistics sector would require 17.7 million (Source: NSDC) work force.

Unless skill development is considered as priority now, this sector will have to do the catching up work in the years to come. A few ways to attract skilled man power to the industry could be, create a robust institutional framework for creating logistics manpower, recognise logistics services as specific industry sector, incentivise the existing work force to upgrade their skillsets, etc. and work with the Government in partnership mode like with NSDC.

R Dinesh

Chairman, Logistics Sector Skill Council and JMD, TVS & Sons Ltd.

The tourism and hospitality industry is delighted to be part of the NSDC and CII initiative to form the Tourism & Hospitality Skill Council (THSC). The overwhelming response from industry, training partners and Government bodies has been most encouraging. We hope to effectively address the pressing need for our industry to acquire well-trained, well groomed and efficient manpower.

We are currently focussing on developing NSQF aligned Occupational Standards that will form the backbone of the new competency based training and certification of job roles. Occupational Standards for the five sub-sectors of THSC will be designed keeping in mind large, medium and small players by creating a set of competency mapped job roles. THSC will work towards producing trained and certified manpower Pan-India as well as globally.



Vikram Oberoi

Chairman, Tourism & Hospitality Skill Council and COO, Oberoi Hotels



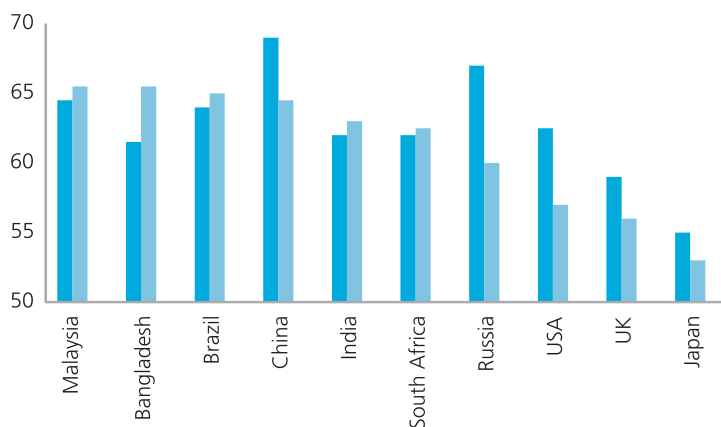
Demand of Skilled Workforce from India

By 2020, India will have a surplus of 47million (Fig 6) in skilled workforce to supplement the global deficit: US, China Japan having the highest requirement. The current capacity of ITIs and ITCs (Fig 3 & 4) may not be enough to match the demands of the projected growth of employment in 2020 (Fig 5) particularly in healthcare, manufacturing and service sectors. This calls for immediate intervention in the domain of skill development keeping in mind the demographic dividend that India has. An initiative by the Government to address

this issue is launching a new PPP scheme for setting up of 1500 new ITIs in unserved blocks.

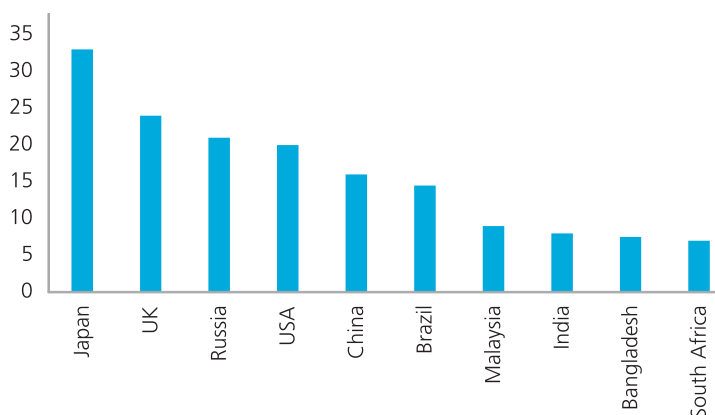
Globally, India will possess one the highest youth workforce by the year 2020, with Japan, US, Russia and UK having a large percentage of their population beyond 60 years of age. (Fig 1 & 2). India will have a surplus of 47 million skilled workforce, whereas the world will have a deficit of 56 million, with US, China, Japan, Russia projected to have deficits of 17million, 10 million, 9 million and 6 million respectively.

Fig 1: Percentage of population in 15-59 age group (2010 vs 2020)

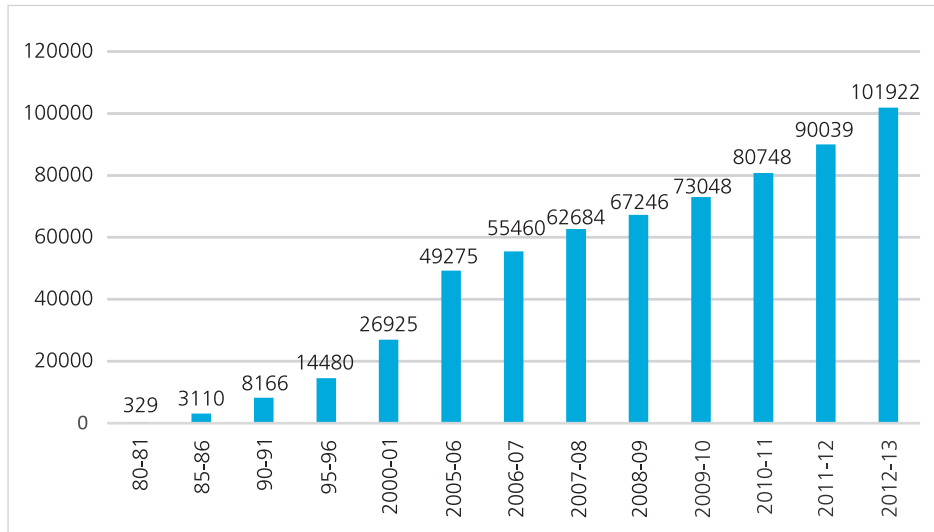


Source: United Nations - World Population Prospects: 2012 Revision

Fig 2: Percentage of population in 60+ age group (2020)



Source: United Nations - World Population Prospects: 2012 Revision

Fig 3: Trainee Trained Since Inception


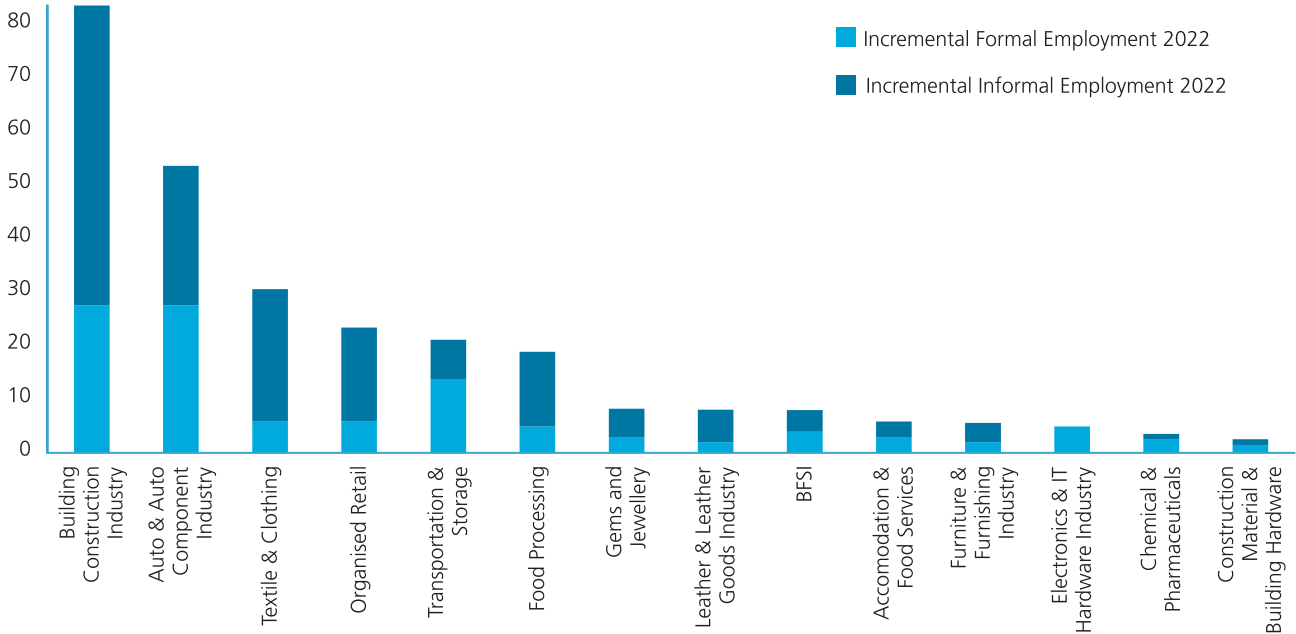
Source: Annual Report, Ministry of Labour and Employment 2012-13

Fig 4: Statement for Number of Government and Private ITIs with Seating Capacity in various States/Union Territories

	No. of Government ITIs	Seating Capacity (Govt.)	Number of Pvt. ITIs	Seating Capacity (Pvt.)	Total ITIs	Total Seating Capacity
Northern Region	806	1,27,906	2,689	3,19,249	3,495	4,47,155
Southern Region	437	1,00,540	3,019	3,41,750	3,456	4,42,290
Eastern Region	203	51,722	1,361	2,19,901	1,564	2,71,623
Western Region	825	2,07,322	1,004	97,642	1,829	3,04,964
Grand Total	2,271	4,87,490	8,073	9,78,542	10,344	14,66,032

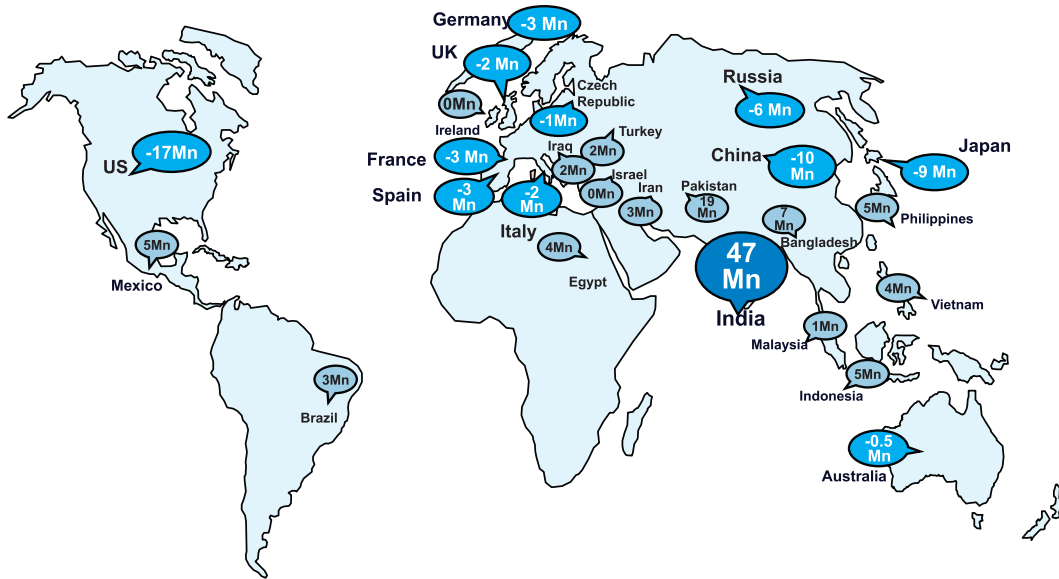
Source: Annual Report, Ministry of Labour and Employment 2012, as on 31st December 2012

Fig 5: Incremental Labour Requirement - 2022 (Million)



Source: National Sample Survey Organisation (2009-10); Sector Skill Reports, National Skill Development Corporation 2000

Fig 6: Potential Surplus Population in Working age Group - 2020 (Million)



Note: Potential surplus is calculated keeping the ratio of working population (age group 15-59) to total population constant;

Source: U.S. Census Bureau; BCG analysis

For suggestions please contact Priya Shirali, Corporate Communications at priya.shirali@cii.in

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