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# Role of Private Sector in Developing Employment through Skill Development Programme: A Case Study of Odisha

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#### **Abstract**

# तत्कर्म यन्न बन्धाय सा विद्या या विमुक्तये । आयासायापरं कर्म विद्यान्या शिल्पनैपुणम् ॥

The above mentioned slokas are derived from VISHNU PURANA a great mythological and is one of the eighteen Mahapuranas, a genre of ancient and medieval texts of Hinduism. It means Action is that, which does not promote attachment; that is knowledge which liberates. All other action is mere effort/hardship; all other knowledge is merely another skill/craftsmanship. Present day skill refers to knowledge which can be applied in executing/solving a particular task. This also provides a person to earn his day to day livelihoods'. The skill development programme initiated at different level such as local bodies, corporatehouses, state government, central government and other authorities has the objective to empower the unemployed youth to increase their employability or engagement opportunities, so that they can be useful in contributing their individual income as well as in the national income. The corporate houses have launched massive skill development programmes through their CSR spending. They ensure to train and develop skill at the ground level and facilitate in the employment/engagement after successful completion of training. The present research paper is undertaken to study how the corporate houses impacting skill development programme in the society through their CSR programmes.

Key Words:-Skill, Employment, Csr, Training, Development

#### 1.0 Introduction

After 'Digital India' and 'Make in India', the NaMo Government is to launch yet another programme. This one is a revised version of programmes launched earlier under the skill development policy. This new programme, called 'Skill India', is supposed to be a multi-skill programme. It will be launched in March 2015. Like all other programmes, 'Skill India' too is a dream project of Narendra Modi and the work to launch this programme has already been initiated. Skills development is the process of (1) identifying your skill gaps, and (2) developing and honing these skills. It is important because your skills determine your ability to execute your plans with success. Without the right skills, you will only frustrate yourself, waste your time, and spend a lot of time dealing with rudimentary issues caused by the lack of knowledge or lack of skills, as opposed to progressing in your goal. While difficulty and struggle is part and parcel of any goal pursuit, without the right skills, you find yourself struggling more than necessary. Worse still, this struggle is unconstructive and doesn't help you move forward.

#### 2.0 Review Of Literature

Gupta and Agarwal (2018), conducted a study on "Training Prospects in Power Sector in India". The objective of the study were to find out the various training activities going on in the power sector. It also focuses on the kind and level of trainings provided, kind of organization involved in imparting such kind of trainings and the duration of the training. The study will cover public and private players involved in imparting training in power sector. The study concluded that training programs in power sector are

conducted for each level through various modes like short term, long term, and workshop, graduate and post-graduate programs. With the growing capacity of the sector the need for manpower requirement is already traced out and power sector skill council is working for imparting skills and increasing the employability ratio available for the direct consumption of people to the industry with new techniques and know-how. Efforts are being taken to re-skill the existing workforce and updating them with the new avenues available and approaching into the sector. Still there is a gap between the manpower required and the manpower available. Power Sector Skill Council along with National Skill Development Corporation has come up with new programs, and to maintain the standards, involved the private players in imparting skills to the youth of India.

Shrivastav and Jatav (2017), conducted a study entitled "An Analysis of Benefits and Challenges of Skilling India" The main aim of this paper was to study the prospects and challenges for skilling in India. The specific objectives of the study were to study and analyze the Indian experience of skill development in India and analyze the challenges faced for skill development in India in terms of financial resources. Data has been gathered from the secondary sources for the study. The data mainly collected from the Ministry of Micro, Small & Medium Enterprises (MSME), websites of the respective start-ups companies, websites of the various Government agencies and their annual reports. The study revealed how the different types of programmes launched by Government of India can generate job opportunities in India with new Industrial skill requirement. The study finds out the overall status of Skill capacity available, skill requirement, skill gap and initiatives taken by Government of India for Skill Development. The existing skill development policy in India needs an urgent treatment. The institutional structure needs simplification with greater investment in training infrastructure and an emphasis on supporting a casual labour force that needs to be accompanied with incentives for private sector participation too.

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Anita Singh and Rinku Sanjeev (2016) "Need For Re-Skill training towards Make in India Initiative" carried out exploratory factor analysis to identify the factors affecting employee's attitude towards re-skilling training programmes in IT sector. Factors identified are need orientation, appropriate re skill training, soft skill training, value addition, updated knowledge, and advance growth on which factor matrix was created and tested by KMO and Bartlett's test which depicts 0.585 KMO measures of sampling adequacy and 892.952 of chi values. The findings suggested attitude of employees is influenced by the factors tested.

**Singh and Sanjeev** (2016), conducted a study on "Need for Re-Skill training towards Make in India Initiative" The purpose of the present study was to identify the factors affecting the employees attitude in an organization towards skill training. An empirical study is conducted in IT Companies located in Delhi and National Capital Region (NCR). The research is Exploratory in nature. A structured questionnaire was administered to the executives in the organization. The instrument was administered to 10 or more employee in an organization drawn from different functional areas. The employees in these organizations were given a list of 18 statements that measured their extent of agreement towards the variable. The items were measured on a 5 point Likert scale with 1 representing strongly

agree and 5 representing strongly disagree. These statements were selected after pilot testing in two organizations and modified accordingly. Finding of the study includes that employees agree that rekilling is important for job growth and it also helps them in learning new technology and skills . They are of the opinion that re skilling provides them with better growth opportunities and enhances overall performance of the organization. The study also concluded that it is very important to provide the right kind of skills to employees for better employment opportunities. The companies must put more emphasis on re-skilling than hiring IT professionals for saving their time and money . The research suggests that employee attitude towards re-skilling is influenced by factor like Need oriented, Appropriate re skill training , Soft skill training , Value Addition, Updated knowledge and Advanced Growth. Further the managers involved in the planning of skill training and re-skilling program must consider these factors.

Amandeep (2015), conducted a study on "Skill Development in Higher Education: Trends and Issue" studied the present scenario of India on skill and education, examine opportunities available to learners, and suggested the future prospects of skill development. Comparing the percentage of employers experiencing in filling job vacancies world-wide India rank on 7th position facing major difficulty in the field of Accounting & Finance Staff, IT Personnel, Secretaries, PAs, Receptionists, Admin Asst. & Office Support Staff, Teachers, Engineers, Marketing / Public Relations / Communications Staff Sales Managers, Management / Executive Legal Staff, Researchers. Although there was increase in the number of universities but with the widened gap lead to introduction of skill development programme. Target are divided among various sectors with private partnership skill programmes are introduced with emphasis on quality & affordability of education.

**India Skill Report** (2014), revealed the underachieved status of skilled labours in India it judge that if we continue in the current pace in skill training, we would have a skill gap of 75-80% across Industrial sectors in India. There will be huge human resource in the country but without sharpen hand and head which corporate do not require, and jobs for which the right fit is not available. The economic impact of this brutal cycle is something one can estimate, but the social impact of having a powerhouse of educated yet frustrated youth who are directionless with no jobs in hand is unimaginable.

#### 3.0 Objectives Of The Study

1-To study therole of corporate sector in skill development programme in Odisha

2-To study the trends of skill development programme by the corporate sector in Odisha.

# 4.0 Methodology

This paper is prepared from secondary data and collected from the necessary published reports, surveys, books, websites and also collected from L&T construction skill training institute etc.

#### 5.0 Population Of The Youth In India: At A Glance

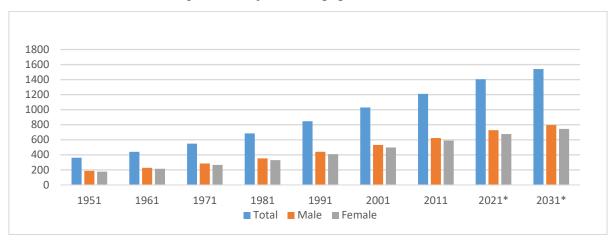
Our Country India is the second highest most populated country in the world with nearly a fifth of the world's population. According to the 2017 revision of the World Population Prospects population stood at 1,324,171,354. India has more than 50% of its population below the age of 25 and more than 65% below the age of 35. It is expected that, in 2020, the average age of an Indian will be 29 years, compared to 37 for China and 48 for Japan; and, by 2030, India's dependency ratio should be just over 0.4. During 1975–2010, the population doubled to 1.2 billion. The Indian population reached the billion mark in 1998. India is projected to be the world's most populous country by 2024, surpassing the population of China. It is expected to become the first political entity in history to be home to more than 1.5 billion people by 2030, and its population is set to reach 1.7 billion by 2050. Its population growth rate is 1.13%, ranking 112th in the world in 2017.

 Table 1: Population Growth and Projections by Sex(in millions)

SL.NO	Years	Total Population of		Female
		youth	Male	
1	1951	361.09	185.53	175.56
2	1961	439.24	226.30	212.94
3	1971	548.16	284.05	264.11
4	1981	683.32	353.37	329.95
5	1991	846.42	439.36	407.06
6	2001	1028.61	532.16	496.45
7	2011	1210.85	623.27	587.58
8	2021*	1403.88	727.04	676.84
9	2031*	1539.91	795.53	744.38

Data sources: population projections by World bank.

Figure 1 -Projection of population in india



Data sources: population projections by World bank.

Keeping in mind the ever growing purchasing power of the Odisha population, many MNCs are interested in setting up their manufacturing facilities in odisha. The Government of odisha should make it compulsory for these MNCs to set up their factories in rural area alone. Increased domestic production will not only help in catering to the domestic demands but will also generate foreign exchange through exports of the finished goods. A wide range of aesthetic and unique products like herbs, handloom, khadi, handicrafts and textiles etc are being exported from India to various countries across the globe. It should be made compulsory for these industries to set up their manufacturing units in rural India alone. It will make it possible for the rural population to become self-sufficient and economically independent.

There have been efforts on the part of State and Centre Government through Ministry of Rural Development to train youths under various government schemes. But most of these schemes are confined to the youths under Below Poverty Line (BPL). There is therefore an urgent need to extend these schemes even to those who are above poverty line. The main aim of these schemes is to enable rural youth to have better employment opportunities. However, keeping in mind the size of Odisha rural population, these efforts are just a tip of the iceberg. A lot more is yet to be done.

The rural youths in India are not at par with their urban counterparts on account of

#### Following reasons:-

Low quality of education standards and high dropout rates in rural schools create learners with low educational qualifications.

- There exists a major gender bias toward women in obtaining vocational training.
- Even though a significant majority of the employment exists is in the informal sector, training and other related interventions are not geared to the needs of this sector.
- > Rural youth miss out on the opportunity on industrial training sponsored by various local and government agencies of urban areas.
- ➤ Inadequate number of training institutes in rural areas.
- > Rural youths have to spend more in obtaining training from urban centers.
- The cost of getting job information is high for the rural youth.
- Rural youths are less equipped with job-related information or skills that are currently in demand.
- Lack of guidance and counselling for skill development amongst rural youth.
- Lack of a common National Eligibility Criteria that defines the competency framework for affiliation and for accreditation.
- Lack of qualified trainers.
- Lack of rural broadband network, which can assist in skill training for rural youths.

# **6.0** Government Initiatives on Skill Development

In the Twelfth Five Year Plan, the skill development is one of the priority agendas of the government. On the one hand the government has planned to set up Sector Skill Councils to prepare standards required for training programs, on the other hand, the industries are also taking concrete steps to reduce the skill gap in association with the governments. Moreover, the government is constantly increasing the allocation of funds for skill development under the national Skill Development FUND (NSDF). To sum up, following steps have been taken to overcome the difficulties

#### 7.0 Role Of Corporate Sector In Skill Development Programs

In association with private sector, various ministries have created infrastructure for skill development such as ITIs, polytechnics, community polytechnics, secondary schools. A few of the key initiatives of the

Government are as follows:-

- ➤ While existing ITIs are being upgraded to centers of excellence to produce multi-skilled workforce of world standards, the new ITIs are being established in under-served regions.
- ➤ Through Memorandum of Understandings, the government is bringing about the reforms and imposing an obligation on States to transfer autonomy to Public Private Partnership.
- ➤ While upgrading the existing government polytechnic institutions, setting up more and more polytechnics in Public Private Partnership modal. million to 2.5 million

#### 8.0 Case Analysis

The Construction industry in India is the second largest employer after agriculture, providing employment to about 35 million people. Intelligence and skill are the most sought after work traits in this fast growing industry. Moreover, the effect of globalization has enabled the Construction industry adopt latest technologies in both the materials used and the methods of construction thereby resulting in a growing demand for world-class quality in workmanship. There is a need to complete projects at reduced cost, coupled with speed and safety. This in turn demands a drastic increase in productivity of men and machines, which can be achieved only by imparting intensive training to workmen and equipping them with the required knowledge and skills in construction. Understanding this need for developing a skilled workforce, Larsen & Toubro a USD 14.3 billion technology, engineering, construction manufacturing and financial services company set out to regulate and promote Construction Vocational Training (CVT) in India by establishing a Construction Skills Training Institute (CSTI) in late 1995 at Chennai. For more than a decade,

CSTI has been developing skilled workforce through structured training. Such structured training enables both new entrants and less experienced workers in the industry, progressively improve their knowledge and competencies in the respective trades. Construction skill standards are formulated for different trades after carefully analyzing the knowledge and the skill expected for each level of competency. In addition, different trade tests have been specified to assess the knowledge and skill level attained.

## 8.1 Infrastructure and Vision

The Construction Skills Training Institute (CSTI) has separate conducive campuses at Chennai, Mumbai, Ahmedabad, Bangalore, Hyderabad, Kolkata, Delhi and Cuttack for Practical and Class Room Training Objectives

- To train the construction workforce to meet the challenges and demand for world class construction skills in terms of safety, quality of workmanship and time.
- To identify the training needs of the construction workforce and set standards to monitor their occupational competencies and technical skills deployed in the industry.
- To disseminate knowledge and appropriate skill practices through recognized systems of training, testing and certification to validate competency levels.
- To facilitate training by setting up modular training schools with well defined infrastructure and curriculum.
- To serve the social objective of the organization by channelizing the potential and strength of rural youth in India, for producing a trained construction workforce capable of delivering world class standards.

# 8.2 Training Methodology

The methodology of trade training comprises the following:

- > Preparation of Skill Standards
- > Training Curriculum
- > Training the Trainers
- > Training
- > Trade Testing

## 8.3 Trends in Skill Development Programme

In order to meet international standards, L&T had entered into a MoU with State government of odisha and varioustraining provider like Henry Boot Training Ltd and the Construction Industry Training Board of UK for the development of modular training.

Table-2: Types Of Training Programme And Target Group

SL.N O	COURSE OFFERED BY L&T	AGE LIMIT FOR TRAINEE	Physical Standards	Target Group	Duration of Training (long- term /Short term)
1	Formwork Carpentry	18-35	Min height 155cm Min weight 45kg.	5th Class and above (or) ITI Carpenter	90 days (Long term)
2	Bar Bending & Steel Fixing	18-35	Min height 155cm Min weight 45kg.	5th Class and above	90 days (Long term)
3	Masonry	18-35	Min height	5th Class and	90 days (Long

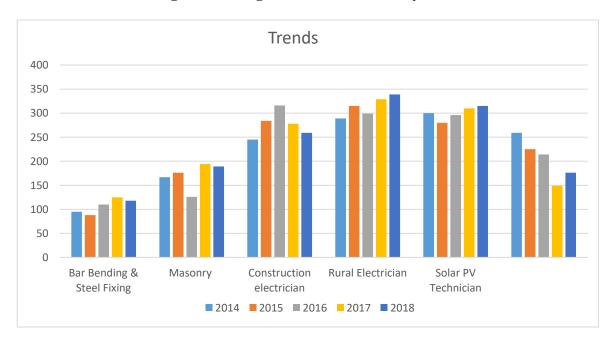
			155cm	above(or) ITI	term)
			Min weight	Manson	
			45kg.		
4	Construction	18-35	Min height	10th Class + ITI	90 days (Long
	electrician		155cm	NCVT Passed term)	
			Min weight	(Electrician/Electrica	
			45kg.	1 Wiremen)	
5	Rural Electrician	18-35	Min height	10th Class + ITI	30 days
			155cm	NCVT Passed	(Short term)
			Min weight	(Electrician/Electrica	
			45kg.	1 Wiremen)	
6	Solar PV	18-35	Min height	Minimum 10th std	90 days (Long
	Technician		155cm	with 2 Years ITI as	term)
			Min weight	an Electrician or	
			45kg.	Wireman	

Source:Primary data from L&T

**Table-3 Trends of Skill Programmes** 

YEAR→	2014	2015	2016	2017	2018
COURSE↓					
Formwork	95	88	110	125	118
Carpentry					
Bar Bending	167	176	126	194	189
& Steel					
Fixing					
Masonry	245	284	316	278	259
Construction	289	315	299	329	339
electrician					
Rural	300	280	296	310	315
Electrician					
Solar PV	259	225	214	149	176
Technician					
TOTAL	1355	1368	1361	1385	1396

Fig-2 Skill Programmes Conducted By L&T



The above research discussed about trend for the development of the Skill programmes are perform very well and the Csr spendings for the social empowerment is also increasing day to day. The demand of the skill programmes increased by years and youths are more attracted towards skill based training programmes for their livelihoods and their future developments.

#### 10.0 Conclusion

The initiatives described above lead to the conclusion that there are workable interventions which donor agencies can support for increased, quality participation by the private sector in skills development, there are examples to draw on of successful implementation already happening, which have been reviewed and from which lessons have been learnt. None of the interventions are mutually exclusive and could be introduced in tandem. Some of the interventions require a change in the role of designer and financer, to one of facilitator and influencer. All interventions are applicable to low income countries and could be independent of government, albeit with the option to partner with a strengthening government in the future. These interventions allow the private sector to push ahead with development, potentially leading the way for government reforms to follow and examples of successful sector-based initiatives could educate government on the best ways for the public and private sectors to work together.

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