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Strengthening the Skilling Ecosystem: Leveraging the Potential of the Private Sector in India

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Introduction:

This report examines the skill development landscape in India and explores the role of both the public and private sectors in addressing the existing skill gap. India has a large workforce but we cannot disregard the challenges posed due to low female participation and skill gaps. The National Skill Development Corporation (NSDC) serves as a key player and collaborates with other partners to provide skill training. However, the private sector's involvement is paramount in closing the skills gap between job seekers and trained individuals. This report explores the evolving role of the private sector, including Industrial Training Centres (ITCs), Corporate Social Responsibility (CSR) programs, and support for entrepreneurship. The goal is to create a diverse, skilled and employable workforce in India.

Key Findings:

- **Current Skill Gap and Government Dominance:** Skill training in India is primarily government-driven, with limited private sector involvement. Only 36% of companies offer in-house enterprise-based training, leading to a significant gap between skilled workers and employer demands.
- **Challenges Faced:** Women's participation in vocational training institutes is low due to societal norms, lack of awareness, limited funds, poor accessibility, and infrastructural constraints.
- **Evolving Private Sector Role:** The private sector's role in skill development has expanded over the years. Industrial Training Centres (ITCs) and Public-Private Partnerships (PPPs) have become more common, and CSR funds are being used to make the ecosystem more inclusive.
- **Private Sector Contributions:** The private sector not only focuses on employment skills but also encourages entrepreneurship, linking the workforce to markets, and offering financial and non-financial support to startups.
- **Skill Training Initiatives in NTLs:**

GAP P.A.C.E. by Gram Tarang: This program was aimed at upskilling women in the garment export industry and other trades like hospitality, business etc, which in turn facilitated their transition from rural to urban life.

Nari Shakti Project by Amway India: Under this project, 272 underprivileged girls received skilling training in fashion designing, wellness etc, which in turn had long reaching benefits.

TechSaksham by Microsoft and SAP India: The target beneficiaries for this program are women pursuing Bachelor's and Master's course. It provides training in web designing, digital marketing, AI etc. with the aim of bringing more female engineers into the workforce

Jawaharlal Nehru Port Trust: Consists of a budget of INR 50 lakh that is to be used to train beneficiaries in Raigad in sectors like beauty, wellness, vegetable and fish drying etc.

Women on Wheels by Azad Foundation: The aim of this initiative was to enable women from impoverished backgrounds to earn a living for themselves and become professional drivers whilst also spreading awareness about women's rights.

- **Unlocking Talent:** Emphasizing the importance of tapping into the significant untapped talent pool in India by re-equipping the private sector to proactively develop people's potential.
- **Employer-Driven Skills Prioritization:** Globally, businesses are playing a role in providing job market information, networking, and placement support, especially for marginalized groups, aligning skills with employer needs.
- **Key Role of Private Sector:** To bridge the skill gap and create a more employable workforce in India, the active involvement of the private sector is essential, not only in skill development but also in fostering entrepreneurship and inclusive placement opportunities.

Conclusion: The gap between employers and the demand for skilled workers can be bridged if the role of the market is expanded. The role of the private sector has evolved over time and now includes connecting workforce to markets in addition to skilling people. If the role of the private sector is leveraged, the latent talent in the nation can be utilised. Access to the job market (in addition to other facilities) is made easier through the involvement of the private sector.

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