

10. Skill Development for Sustainable Employment

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Abstract:

Skill development plays a crucial role in jobs and livelihood creation. In today's fast-changing world, the demand for a skilled labor force is more critical than ever. As industries evolve and new technologies emerge, upskilling has become essential for both employees and employers. Skill development serves as a crucial key to enhancing employment opportunities, through bridging the gap between what employers seek and what the workforce possesses. This chapter highlights the significance of skill development in generating employment and outlines essential skills required by the current workforce, alongside government initiatives aimed at enhancing these skills.

Keywords:

Skill Development, Employability, Training, Entrepreneurship, Vocational training.

10.1 Introduction:

Sustainable employment is indeed a crucial aspect of a nation's growth and development. It ensures that workers can maintain their jobs over the long term, adapting to economic and social changes. This stability is essential for both individual well-being and the broader economy.

Sustainable Development Goal 8 emphasizes the importance of promoting sustained, inclusive, and sustainable economic growth, along with full and productive employment and decent work for all¹. This goal highlights the interconnectedness of employment and sustainable development.

Skills development plays a pivotal role in this context. By enhancing workers' skills, we not only improve their employability but also boost their productivity and creativity. Skilled workers are better equipped to solve problems and drive innovation, making them invaluable assets to their companies².

Highly skilled workers are invaluable assets to their companies because they are more productive, creative, and capable of solving problems.

The demographic profile of the Indian Economy has undergone a considerable change during the last two decades. By 2020, India had one of the youngest populations in an aging world, with a median age of just 28, compared to 37 in China and the US, 45 in Western Europe, and 49 in Japan. India is expected to enjoy the demographic dividend window for 37 years starting 2018 and up to 2055 (Economic Survey 2018-19 report). However, the gap between market demand and the supply of skilled labor presents significant challenges that need to be addressed.

India needs to focus on skill development and holistic education to bridge the gap between potential and realization. Only 5% of the population is formally skilled, leaving graduates unprepared for the job market. The shift towards skill-based education, outlined in NEP 2020, is necessary for success. Formal education has minimal impact on job efficacy, making on-the-job training critical

10.2 What is Skill Development?

Skill development is indeed about enhancing one's abilities to perform tasks more effectively and efficiently. There are three primary categories of skill development in the workplace:

- **Upskilling:** Enhancing existing skills to keep up with advancements in one's current role
- **Cross-skilling:** Learning new skills that complement one's current skill set, often to perform different tasks within the same role
- **Reskilling:** Acquiring new skills to transition into a different role or career path.

10.3 Importance of Skill Development:

It is impossible to overestimate the importance of skill development for employees in the fast-paced, intensely competitive world of today. Relying just on the information from traditional academics is no longer adequate. In order to succeed in the constantly changing job market and to lead a fulfilling life, employees need to develop a wide range of talents. Skill is crucial for employment generation in several key ways:

- 1. Holistic Growth:** Skill development plays a crucial role in the holistic growth of employees. It enhances their competencies, boosts confidence, and prepares them for new challenges.
- 2. Employability:** In an increasingly competitive job market, employers are looking for applicants with a wide range of abilities in addition to academic qualifications. Candidates with a broad skill set are highly valued by employers because they are frequently more flexible, adaptive, and capable of managing a variety of tasks.

3. **Adaptability:** The modern job market is characterized by rapid technological advancements and changing industry trends. Therefore, it's critical to be able to learn new abilities and adjust to changing circumstances, which helps them to stay competitive and relevant in an ever-changing employment market by developing flexible abilities.
4. **Entrepreneurship:** Skill development is crucial for aspiring entrepreneurs, as it equips them with the necessary tools to navigate the complexities of starting and running a business. Being an entrepreneur is more than just launching a company; it's a way of thinking that involves creativity, ingenuity, and the ability to spot and grab opportunities. Students gain the ability to think creatively, take calculated chances, and realize their ideas through skill development.
5. **Problem Solving:** Ability to solve problems is one of the most important advantages of skill development. As employees pick up new abilities, they build a repertoire of problem-solving techniques that they may use in different contexts. They pick up skills in scenario analysis, problem identification, and original solution creation. Employees can handle challenging problems in both their personal and professional life because of these transferable problem-solving abilities.
6. **Self-Confidence:** The development of new abilities has a significant effect on a student's confidence. Students get a sense of accomplishment and self-worth when they become proficient in a specific ability. Their confidence has grown, and it now affects other aspects of their lives in addition to the particular expertise. They grow more open to accepting challenges, voicing their opinions, and resolutely pursuing their objectives.
7. **Life Skills:** Students that receive skill development are better prepared for life outside of the classroom and job. Effective communication, time management, teamwork, leadership, and emotional intelligence are all included in this list of life skills. Pupils with these abilities are more equipped to manage both personal and professional duties, form lasting relationships, and negotiate the challenges of adult life.
8. **Workforce productivity and efficiency:** An employee's skill level directly correlates with their production. An employee with skill is more productive than one without it because they can accomplish more in less time.
9. **Job satisfaction:** Keeping up with recent skills is vital for job satisfaction. Staying current with industry trends and technologies helps employees feel relevant and valued in their roles.
10. **Social Mobility:** Access to skill development can improve social mobility, allowing individuals from diverse backgrounds to secure better job opportunities, thus contributing to a more robust economy.
11. **Meeting Labor Market Demands:** As industries evolve, the demand for specific skills changes. Training and education that align with these demands ensure that the workforce can meet employers' needs, facilitating job growth.
12. **Higher Wages and Job Quality:** Skills often lead to better job opportunities and higher wages. This can increase overall consumer spending, stimulating economic growth and further job creation.

10.4 What Is the Role of Employment in Today's Global Economy?

According to the World Bank, every 1% increase in employment leads to a 0.6% increase in GDP growth. This shows that job creation is not only beneficial for individuals but also for the economy as a whole.

Creating jobs is a keystone of any economic recovery program. Providing employment opportunities is vital on many levels. Politically, employment opportunities give the population a stake in the peace process by providing young men and women with alternatives to violence. Economically, employment provides income to poor families, revives domestic demand for goods and services, and stimulates overall growth. Socially, employment can also promote social healing, encourage the return of displaced persons, and improve social welfare in the long run. Employment plays a vital role in the global economy in several significant ways:

- 1. Employment is Crucial for Economic Development:** Employment plays a multifaceted role in both individual well-being and broader economic development. Employment not only helps in meeting necessary needs of individuals but it also contributes in overall economic development through enhancing production, savings, income, tax revenues and social stability.
- 2. Social Development is the Result of Employment:** People receive compensation for their work. The primary causes of societal disturbance are lack of food and money. When people get money for their hard work and efforts, they feel happy. They start spending time with family and relatives and begin taking part in initiatives for the advancement of society.
- 3. Employment Reduces the Level of Corruption in the System:** When people lack the necessary funds or when they do not receive what they deserve, they feel cheated and petty by the private or public systems.
- 4. Employment is the Key to Reducing Poverty:** Employment provides individuals and families with a stable source of income, enabling them to meet their basic needs. It helps to break the cycle of poverty and make choices that improve their quality of life.
- 5. Fuller Utilization of the Country's Manpower:** Employment allows a country to fully utilize its resources by enabling individuals to apply their skills and talents effectively. When people can utilize their skills and talents, they tend to be more motivated and satisfied with their work. This intrinsic motivation drives higher performance and productivity.
- 6. Tax Revenue:** Employed individuals contribute to government revenues through taxes. This revenue can be used to fund public services, infrastructure, and social programs, benefiting society as a whole.
- 7. Global Trade:** Employment generates income, which increases the capacity for individuals and nations to participate in global trade. This exchange of goods and services is essential for international economic relationships.

- 8. Sustainable Development:** Employment in green industries and sustainable practices can promote environmental responsibility, supporting global efforts to address climate change while creating jobs.

In summary, employment is a cornerstone of economic stability and growth, influencing various aspects of the global economy and society as a whole.

10.5 Role of Skills for sustainable employment & Development:

The goal of skill development is to enhance employability by transitioning unskilled workers into formal employment, improving job quality and livelihood. The evolving job market demands skills aligned with business productivity.

- 1. Enhances opportunities for employees:** Skill development initiatives aim to equip unskilled and semi-skilled workers with the competencies needed to access better job opportunities, thereby increasing their employability. Skill development enhances productivity, creativity and problem solving skills of employees, making them important assets.
- 2. Facilitating career progression:** Constant learning and skill development help people to advance in their careers and accomplish their long-term professional objectives.
- 3. Promoting job security:** Employees with modern skills are better equipped to hold onto their employment and transition smoothly to new roles.
- 4. Bridging the Skills Gap:** Skill development programs help bridge the gap between the skills that employers need and those that job seekers possess. By equipping individuals with in-demand skills, these programs increase their employability.
- 5. Improved Employee Morale and Retention:** Skill development programs can increase job satisfaction and morale. Employees who feel invested in and are given opportunities to grow are more likely to stay with their employer, reducing turnover and associated costs.
- 6. Encouraging Entrepreneurship:** Training in business and technical skills empowers individuals to start their own businesses, creating jobs not only for themselves but also for others within their communities.
- 7. Promoting Workforce Participation:** By targeting underrepresented groups—such as women, youth, and marginalized communities—skill development initiatives encourage greater workforce participation and help integrate these groups into the labor market.
- 8. Transitioning to Formal Employment:** By providing training and education, programs facilitate the transition of workers from informal to formal employment, ensuring job security and access to benefits like healthcare and social security.
- 9. Improving Job Quality:** Skilled workers often secure better-paying jobs with improved working conditions. This leads to higher job satisfaction and a better quality of life.

10. Enhancing Job Readiness: Training programs often focus on job readiness, including soft skills like communication and teamwork. This prepares individuals to meet workplace expectations, making them more appealing to employers.

11. Reducing Unemployment Rates: By enhancing skills, these programs can lead to lower unemployment rates as more individuals become qualified for available jobs.

Skill development is essential for increasing employment opportunities and fostering a dynamic, adaptable workforce. By investing in skills training, individuals, businesses, and governments can stimulate job growth and contribute to overall economic prosperity.

10.6 Essential Skills for Current Workforce:

In today's rapidly changing workplace, a diverse range of skills is essential for success. Here are some key skills that are increasingly valued across various industries:

- 1. Digital Literacy:** Being proficient with digital tools and technology is essential because almost all industries integrate digital solutions in their daily operations.
- 2. Critical thinking and problem solving:** To overcome obstacles in any line of work, one must possess the analytical skills necessary to identify difficult issues, come up with solutions, and make wise decisions.
- 3. Communication and collaboration:** effective communication and cohesiveness at the workplace plays an important role accelerating productivity and harmony.
- 4. Adaptability and resilience:** The cornerstone abilities that increase workplace harmony and efficiency are excellent communication and the capacity to function well in teams.
- 5. Time management:** For every employee, time management is a critical workplace competency. It entails setting priorities, planning, and arranging work to guarantee that everything is finished on schedule and to the best possible quality. Proficiency in time management enhances an employee's ability to meet deadlines and improves productivity, efficiency, and job quality. Additionally, it lessens stress, enhances judgment, and increases general job satisfaction.
- 6. Project management:** In the workplace, project management is an essential skill for any employee to possess. It is the process of planning and carrying out work effectively so that teams can quickly accomplish their objectives. Effective project management guarantees that all parties involved are in agreement and provides projects with leadership and direction. This can make it easier and faster for a team to achieve its goal.
- 7. Emotional Intelligence (EQ):** Understanding and managing one's own emotions, as well as empathizing with others, helps in building strong workplace relationships.
- 8. Customer Service Skills:** The ability to understand and meet customer needs is essential, particularly in service-oriented industries.

10.7 Steps Taken by the Government to Promote Skill Development:

Employment generation coupled with improving employability is the priority of the Government. Under the Govt of India's Skill India Mission (SIM), the Ministry of Skill Development and Entrepreneurship (MSDE) delivers skill, re-skill and up-skill training through an extensive network of skill development centres/colleges/institutes etc. under various schemes, viz. Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Jan Shikshan Sansthan (JSS), National Apprenticeship Promotion Scheme (NAPS) and Craftsman Training Scheme (CTS) through Industrial Training Institutes (ITIs), to all the sections of the society across the country.

The SIM aims at enabling youth of India to get future ready & industry ready skills. In addition, the training is also provided through the National Institute for Entrepreneurship and Small Business Development (NIESBUD), the Indian Institute of Entrepreneurship (IIE), National Skill Training Institutes (NSTIs), and Training Centers registered on the Skill India Digital (SID) platform. The brief of these schemes are as under:

Pradhan Mantri Kaushal Vikas Yojana (PMKVY): PMKVY Scheme is for imparting skill development training through Short-Term Training (STT) and Up-skilling and Re-skilling through Recognition of Prior Learning (RPL) to youth across the country including rural areas.

Jan Shikshan Sansthan (JSS) Scheme: The main target of the JSS is to impart vocational skills to the non-literates, neo-literates and the persons having rudimentary level of education and school dropouts upto 12th standard in the age group of 15-45 years, with due age relaxation in case of "Divyangjan" and other deserving cases. Priority is given to Women, SC, ST, OBC and Minorities in the rural areas and urban low-income areas.

National Apprenticeship Promotion Scheme (NAPS): This Scheme is for promoting apprenticeship training and increasing the engagement of apprentices by providing financial support to industrial establishments undertaking apprenticeship programme under the Apprentices Act, 1961. Training consists of Basic Training and On-the-Job Training / Practical Training at workplace in the industry. A total of 42453 establishments engaged the apprentices across the country.

Craftsmen Training Scheme (CTS): This scheme provides long-term training through Industrial Training Institutes (ITIs) across the country. The ITIs offers a range of vocational/skill training courses covering a large number of economic sectors with an objective to provide skilled workforce to the industry as well as self-employment of youth.

10.8 Conclusion:

In today's rapidly evolving environment, the growing gap between market demand and the supply of skilled labor highlights an urgent need to reform our education system. Educational programs need to align more closely with industry requirements. By incorporating practical skills and knowledge that employers seek, students can better meet the demands of the job market. Skill Development Initiatives like apprenticeships, vocational training, and on-the-job training can help students gain practical skills that are directly applicable in their future careers, making them more employable. Skill enhancement programs focusing on technical skills, soft skills like communication, teamwork, and problem-solving can greatly enhance a graduate's job prospects. Providing students with career guidance and counseling helps them understand the job market better. By identifying their strengths and aligning them with career opportunities, students can make informed decisions that enhance their employability.

10.9 References:

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