

Functional Vocational Training and Research Society

National Skill Conference

‘Response Up-gradation in Skill Building in the Unorganized Sector’

Bangalore

4-6 December 2007

INTRODUCTION

The three day conference was organized as a sequel to the ongoing European Union supported project with FVTRS as an Information, Education and Communication exercise. The strength of this conference was gauged against the backdrop that the participants are partners of FVTRS who are already oriented and initiated into the work, and who are practitioners in skill training in the unorganized sector. The need therefore was felt as to refine and fine tune the responses at various levels, be it in the general planning of an FVT, new emerging trends in skill training, identification of trades, selection of trainees and trainers, accreditation and certification, mobilizing resources from MFIs, involving in advocacy and lobbying etc. The carefully chosen galaxy of speakers and topics thus gave the desired impact.

An interface was organized with Mr. Oscar Fernandez, Hon. Minister of labour, Government of India on the eve of the conference on 4th December 2007. The session was chaired by Dr. P. Basak, Board member of FVTRS. Mr. Albert Joseph, Executive Director of FVTRS welcomed him and Mr. Felix D’Souza, Manager Proposed vote of thanks.

Resource persons for the Conference were chosen for their expertise and experience in the focus areas to help FVTRS refine its strategies and overall functioning.

SUMMARY OF PROCEEDINGS

The Conference ‘Response Up-gradation in Skill Building in the Unorganized Sector’ was held from 4 to 6 December, 2007 at Bangalore.

Day 1: December 4, 2007

An interaction was organized with Mr. Oscar Fernandez, Hon. Minister of Labour, Government of India 6.30 pm on December 4. Mr. Albert Joseph, Executive Director of FVTRS, welcomed the Minister. The session was chaired by Dr. P. Basak, Board member of FVTRS.

75 partners attended the programme apart from the following dignitaries.

- Mr. Gaurav Gupta IAS, DGET, Govt. of Karnataka
- Mr. S.J. Amalan, Director, Hi-tech Apex institute, Ministry of Labour, Govt. of India
- Dr. Parijat De, Director, Technical Education and Vocational Training, Govt. of West Bengal
- Mr. Bose Croos, General Secretary, SKIP, Bangalore
- Mr. Qimti Juneja, Technical Specialist, GTZ-NVTS, Ministry of Labour, Govt. of India
- Ms. Anita Sharma, Technical Specialist, GTZ-NVTS, Ministry of Labour, Govt. of India

- Brig. Sandeep Panghat, Director, Vocational Training, Shoba Developers, Bangalore

The session ended with a vote of thanks by Mr. Felix D'Souza, Manager, FVTRS.

Address by Mr. Oscar Fernandez, Labour, Minister, Government of India: Skills training is an interesting subject and it is very close to my heart. Whatever we do, we should give an artisan's finishing touch so that it fetches more value. A stone lying on the road may be ignored by others but an artisan has the capacity to give some shape and put in use. It turns out to be a diamond for another who works on it. Everything depends on how we look at it. The knowledge of skill is very different from the knowledge of literacy. Literacy has been given importance in the past few centuries, but skill knowledge is the most primitive and is the weapon for giving a living. He quoted the example of British who could not compete with our artisans in manufacturing the muslin cloth, so chopped off their fingers. A lay man may require to take a metal to the laboratory to recognize the same, whereas an artisan like black smith is able to recognize it immediately. An artisan may not be able to read and write but he has the capacity to turn an object in to a beautiful article. Many of the artisans are not recognized during their life time but later, their artistic pieces become the most precious and valuable items, they are. With the help of modern technology, we should support the artisans to increase their production but the finishing touch can be of their own creation in their own capacity.

In our country only 7 per cent of the population is able to reach colleges and universities and the 93 per cent does not have the capacity to reach colleges and universities. Of the 93 per cent, large section of people is school dropouts but they have capacity to perform as they are either from villages or from an artisan's family. We cannot write off the artisans because every artisan, especially the tribal group, has an unique skill knowledge. As there is a demand in the country for the skilled people, we need to recognize them, train and provide them modern tools so that it is a boon to every artisan and helps in doubling his earnings. This can happen only when the communities and the society support them. The world is supporting the skill knowledge. In our country we have decided to have 50,000 vocational training schools in the next 5 years and every year we have to train at least 2 lakh people and later 1 million every year to meet the demand of the country and also to provide the skilled labour to the world.

He complimented the efforts of FVTRS and all the associating organizations participating in this effort, wishing it to grow from strength to strength. He wished that all the states take help and assistance from FVTRS as hope for India emerges as a strong nation in skill training and expressed his full support from the Government, and his department in skill training effort to take this knowledge to all the states.

Day 2: December 5, 2007

The Conference opened at 10 am with Ms. Anita Sharma, Technical Specialist, National Council for Vocational Training (NCVT) comparing the event. The detailed programme schedule for the 2 days is attached as Annexure 1.

A total of 180 participants attended the Conference, drawn from partner organizations of the European Union (EU) supported project and FVTRS regular projects from all over the country. The list of participants is attached as Annexure 2.

Inaugural Session

Mr. Albert Joseph, ED, FVTRS welcomed the dignitaries and provided the context for the Conference. The Chief Guest and Guests of Honour were invited to light the lamp symbolically to

dispel darkness and bring forth the light of knowledge among the people gathered. The lamp was lit to the chanting of a devotional song by participants.

The dignitaries present at the inaugural session were:

Chief Guest Mr. P.B. Mahishi, IAS, Chief Secretary, Govt. of Karnataka

Guests of Honour

Mrs. Ellen Pederson, Deputy Head, Development Cooperation, European Union

Mr. V.K. Malhotra, Member Secretary, National Commission for Enterprises in the Unorganized Sector

Mr. Gaurav Gupta IAS, Commissioner, Directorate of employment and Training, Govt. of Karnataka and

Padmashree Sr. Sudha Varghese, President FVTRS,

They spoke briefly on the relevance of the Conference and the summaries of their address follow in the next section.

At the end of the session, the EU project Souvenir was released by Mrs. Ellen Pedersen and a compilation of consultation reports titled 'Entrepreneurs Unleashed - Challenges and Opportunities in Vocational Training' was released by Mr. P.B. Mahishi IAS, the Chief Guest.

This was followed by felicitation and presentation to past and present Board members of FVTRS and advisory committee members. Those felicitated were:

Mr. N. C. Bose Croos, founder member, FVTF

Bro. Noel Oliver

Sr. Daya Mathew

Mr. Gratian Vas

Sr. Sudha Varghese

Fr. Antony Kariyil

Dr. P. Basak

Mrs. Gazala Paul and

Mr. Philip Jhadhav

Consultation Session I

Consultation Session I followed in two parts, the first an introduction to the **Concept and Practice of Community Colleges** by Fr. Xavier Alphonse and the other an introduction to the concept of Modular Employable Skills (MES) towards **Building Skills for the 21st Century** by Mr. S.J. Amalan. After this, an interactive session was held with Mr. Gaurav Gupta, Commissioner, joining the speakers.

At the end of the session, Fr. Alphonse's presented his book "We Shall Overcome" on life coping skills, published by Skills for Progress, headed by Mr. Bose Croos. The book, published in both English and Hindi, was presented to both Mr. Gupta and Mr. Amalan. Bro. Sushil Toppo, who translated the book into Hindi, was also felicitated.

Consultation Session II

Consultation Session II was held in the afternoon. The sessions were:

Developing the Technical Base of the Country by Dr. Parijat De and **Unorganized Sector and Skill Related Issues** by Mr. V.K. Malhotra. The session ended with a summing up of the day by Ms. Anita Sharma.

An Exhibition of products made by FVTRS partners was formally inaugurated in the evening by Ms. Ellen Pedersen and a cultural programme was held from 6.30 to 7.30 pm, much enjoyed by the participants.

Day 3: December 6, 2007

Consultation Session III

Consultation Session III was held in the morning. The sessions were:

FVTRS and its Focus by Dr. P. Basak, **Challenges and Opportunities in Skill Building** by Mr. Qimti Juneja, **Dynamics in Skill Training** by Ms. Anita Sharma and **SIDBI's role in Enterprise Development** by Mr. S.S. Radha Ramana of SIDBI.

Business Session

During the afternoon business session, the group split into two, with FVTRS partners working on **Dynamics in Project Implementation** in the regular project category and EU project partners working on **Key Findings and modifications on FVT** based on the two-day workshop.

Valedictory Session

The Conference closed with a Valedictory Session by Mr. Subas Pani, *IAS, Secretary, Ministry of Rural Development, Govt. of India*. A conference memento was released by Dr. Pani. He also distributed certificates to partners who exhibited their products at the Exhibition.

The three day event was summed up by Ms. Anita Sharma followed by five participants sharing their main learning from the conference.

The Conference came to a close with vote of thanks by Mr. T.D. Joseph, Project Manager, European Union supported project.

SUMMARY OF THE SPEECHES

Day 1: December 4, 2007

Address by Mr. Oscar Fernandez, Labour Minister, Government of India

Mr. Fernandez started by saying that skills training is a subject close to his heart. On the importance of skills, he said that while a stone lying on the road may be ignored by many, an artisan can give it shape and enhance its value, even turn it into a diamond.

Skill is different from literacy. Literacy has been given more importance in the past few centuries, but skill is the most basic - and a tool for livelihood. The British who could not compete with the artisans of India in manufacturing muslin cloth, chopped off the fingers of the artisans. A layman may need to take a metal to the laboratory to identify it, while an artisan like a blacksmith would recognize it immediately. An artisan may not be able to read and write but he has the capacity to turn an object into a beautiful thing. Many artists are not recognized in their lifetime but later, their work becomes the most sought after and precious.

In India, only 7 per cent of the population is able to reach colleges and universities while 93 per cent do not have the capacity to go for higher education. Of the 93 per cent, a large section is made up of school dropout, but they have capacity to perform as they are either from villages or artisan families. They cannot be written off because artisans, especially tribals, have their unique skill knowledge. As there is a demand in the country for skilled people, we need to recognize them, train and provide them modern tools so that they can double their earnings. This can happen only when communities and society support them.

The world is supporting skill knowledge. The government plans to open 50,000 vocational training schools in the next 5 years and every year at least 2 lakh people, and later 1 million people, need to be trained each year to meet the country's demand as well as provide skilled labour to the world.

Complimenting the efforts of FVTRS and the associated organizations participating in this effort, he hoped that they would grow from strength to strength and that other states would take help and assistance from FVTRS so that India emerges as a strong nation in skill training. He promised full support from the Government and his department to take this knowledge to all states.

Day 2: December 5, 2007

Inaugural Session

Mr. Albert Joseph, Executive Director, FVTRS welcomed the invited dignitaries who were present at the conference and speakers, past and present board members of FVTRS, the partners from all over India, guests, and well wishers. He then shared the context for the programme by touching on the history of Functional Vocational Training Forum, the mother body of FVTRS, established in 1993 to take up skill development for underprivileged youth in the country. Over 600 vocational training projects have been executed, training over 70,500 youth in the country with over 70 per cent of them placed as successful entrepreneurs and employees. Currently 102 projects are running, training around 17,000 students in 150 trades. He pointed out the relevance of skill building in India where 60 per cent of the population is below 25, over 80 per cent of students drop out before completing their school finals, and only 5 per cent of the population is 'skilled'.

FVTRS, active in 19 states, is funded by MISEREOR and European Union. This national conference is a gathering of partners of FVTRS, European Union and those working in the areas affected by Tsunami, to respond and become more relevant to the call of time, through reform and refinement of the vocational training system and practices being followed.

Address by Ms. Ellen Pedersen, Deputy Head, Development Cooperation, European Union

Ms. Ellen Pedersen mentioned that two documents were signed recently between the EU and India:

- The Memorandum of Understanding for cooperative development aid to India for 260 million Euros over the next 3 years.
- The Science and Technology Agreement in which climate change, environmental impact of climate change, and alternate energy will have a horizontal thrust in all programmes.

In the area of Development Cooperation, EU focuses on two issues in India: education and health. As per the agreement, the emphasis will be on sector support to the Government of India, State support to Chattisgarh and Rajasthan and individual project support to non-state category. EU likes to work with people who work close to where the problems lie and help bring about impact

where it is most needed. Hence, over the next six years from 2007-2013, EU will be focusing among others, on areas where the participants of this conference intervene.

Address by Mr. V.K. Malhotra, Member Secretary of the National Commission for Enterprises in the Unorganized Sector (NCEUS)

Mr. V.K. Malhotra gave an overview of the Unorganized Sector and stated that the NCEUS was set up by the Government of India 3 years ago to take a wholistic view of the unorganized sector, which is 94 per cent of India's workforce. They have no job security, income security or social security and the Commission has been trying to address these three issues.

The Commission considers skill development for the unorganized sector as a very important and vital subject, especially when it is low on the agenda of the government. In the age group of 15-29, there are over 135 million workers in the unorganized sector, and of these 59 per cent are illiterate or with education of primary level and below, 22 per cent have passed middle school and 19 per cent have completed their secondary education. Mr. Malhotra suggested a 3-point agenda:

- The existing system of skill imparting or education at the primary, secondary schools and community colleges needs to be attended to. While the government plans to set up 50,000 new skill development centres, the existing 6,50,000 primary schools and 3,50,000 secondary schools set up over a period of time have been forgotten. They need to be upgraded. In short, take care of what we have, upgrade and consolidate.
- While skill building is talked of at the macro-level, there is need for fragmented approach for groups like school dropouts. The Directorate General of Employment and Training (DGE&T), ministry of labour and employment has launched a skill development initiative, to train and certify persons over a period of five years with a fee of Rs. 5,000/- per person. Mr. Malhotra suggested that after the training, the person could apprentice in the trade under an experienced person from the organized or unorganized sector with an incentive of Rs. 1,000/- given, and when he completes the apprenticeship, he is certified. This handholding would be very useful instead of merely providing skills.
- The districts – the core of the country is being neglected. With over 5,000 ITIs, there should be half a dozen ITI's for each district, which is where the people of India live. There is need to go to the block and grass-root level, strengthen governance mechanisms, monitor what is happening in sectors like handloom to raise skills at district level with certification effected at state and centre level.

Mr. Malhotra stressed the need for skill building to come high on the agenda. While NGOs have done excellent work, the efforts need to be replicated, to avoid development taking place only in certain pockets. He exhorted FVTRS and its partners to take up research at the grass-root level and plan work, and the Commission would be happy to associate with them.

Address by Mr. Gaurav Gupta, IAS, Commissioner, Directorate of Employment and Training, Karnataka

Mr. Gaurav Gupta, in his address, touched on two or three important issues.

Through the ITIs, structured programmes are taken up under Employment and Training leading to National Council of Vocational Training certificates – certifying trainees as electricians, machinists, motor mechanics and such other technical trades. In addition to these, there is need for unstructured short term courses that will enable people to pick up skills, become employable, earn

enough to support their families and contribute to the national economy. For these short term courses, rigorous testing and certification should be on par with the structured course, though the bar of academic qualification for getting admitted can be lowered to accommodate those with less education.

India has been a country of skilled craftsmen in all areas – master craftsmen contributing to world economy, be it cloth weaving, handicrafts, or leather tanning. But today, it is difficult to add value to master craftsmen to take them forward, so there is a need to build on traditional skills, provide for vertical mobility, enable them acquire further skills that can measure up to graduates in every field – otherwise we will have university graduates with no employable skills who won't survive in the present economy.

The Government of India, in collaboration with state governments, is taking up Modular Employment Skills (MES) that will cater to a large part of unmet demand and put in a system to churn up a pool of skilled manpower for India and the world. Other initiatives include developing a web portal for unemployed persons to register and key in their data for better access to the job market. The process of linking up data of around 15 lakh people registered with employment exchanges is ongoing, and should be completed by end December 2007, providing industries and employers with access to people seeking employment. Udyog melas are yet another initiative. Industries like MICO, SIEMENS, ICICI and Eureka Forbes have been participating in these efforts and choosing people without incurring advertising and recruitment costs. In the last mela held a week ago, over 8,000 youth participated. Yet another initiative is revamping ITIs into Centres of Excellence with a redesigned curriculum, so that the knowledge imparted is relevant and pertinent for today's needs. India has a large and talented resource pool and these initiatives should help meet the world's need.

Address by Padmashree Sr. Sudha Varghese, President, FVTRS

Sr. Sudha Varghese expressed that this meeting was a happy occasion to gather, deliberate and see what has been achieved over the last few years and chalk out future plans, with the participation of representatives from both government and those who train people in the unorganized sector.

While India projects a very powerful, positive note in the world scenario, the reality is different with high rate of unemployment in the 18-50 age groups in the unorganized sector. The education department has planned for 3 years of anganwadi, primary, and secondary education, followed by college, polytechnics, ITIs, etc. But in reality, deprived sections like dalit and backward caste children do not stand a chance of completing primary education. Despite Sarva Shiksha Abhiyan and other programmes, they drop out because very often teachers do not turn up or the schools lack adequate infrastructure. Education up to class 5 or 6 is not enough. These youth need to be guided into sustainable employment and their livelihood ensured because when people are unemployed and unsure of their livelihood, their struggle leads to frustration and in turn criminalization.

She shared that the objective of this meet was to come together to help the school dropout and the unemployed youth in the unorganized sector and see that they get trained and placed, so that their future is secured. The partners at the conference are people who have struggled at the grass-root level for many years and have taken up the mission of empowering youth with training and taking them forward so that their lives and their children's lives will be better. Sr. Sudha concluded by reiterating: "We need to look at why we are here, look ahead with the hope that we will be able to

serve many more illiterate unemployed youth, and walk with them in their struggle and their search.”

Address by the Chief Guest, Mr. P.B. Mahishi, IAS, Chief Secretary, Government of Karnataka

Mr. P.B. Mahishi, in his address, agreed that the emphasis in India has been on organized labour so far and that the unorganized sector needs a level playing field with income and social security. Towards this, he felt, there are three areas to focus on:

- Skill up-gradation
- Standardization of goods and services
- Marketing/Branding

Up-gradation of skills: Unfortunately in India due to paucity of training personnel, the concentration has been more on traditional skills like dairying, stitching, tailoring, etc., where there is not much investment on training. It is important to up-grade their skills to reach beyond subsistence level. The biggest employer in Bangalore is the garment industry that employs four lakh workers with international brands like GAP and Calvin Klein.. But the workers get barely above minimum wage. Why not train the workers to become entrepreneurs? There are many industries where the capital rich functionary can outsource functions to those who are well trained. In fact, the companies themselves can train the people in the area they need.

Standardization of goods and services: ARROW of USA was the first to train workers in Bangalore in the highly skilled areas of garment production. Today 30 per cent of the garment industries are located at Bangalore. In his previous role as Commissioner, he started about 15 stitching and cutting units to handle automatic cutting, stitching and buttonholing to upgrade skills and standardize production and services. But the first thing to do in this context is undertake a research on the type of services/ employees that the companies need.

Branding: Lijjat pappad is made in thousands of homes, but branded and marketed as one. Branding provides the means to cater to market needs. Companies now approach ITIs for recruitment but there is a dearth of trained people. FVTRS can take the lead in showing its partners and trainees what can be marketed and how to add value.

The two banes of unorganized labour are backward linkage of finance and forward linkage of marketing: innovative lending and monetization is the solution. Grameen Bank of Bangladesh is a good example of micro finance. In India, people like Ms. Ela Bhatt of SEWA have done wonders. A vegetable vendor takes a loan in the morning, goes to the wholesale market, buys vegetables, sells them through the day and repays the loan in the evening with minimum interest. There has also been talk of extending Provident Fund to the unemployed sector. With computerization and networking, it should not be too difficult for people to access a loan against their PF account wherever they work.

Mr. Mahishi ended with the hope that the conference would look into these aspects and bring forth recommendations that will benefit the unorganized labour, and can be implemented in the field.

Consultation Session I - Part I

Community Colleges – Concept and Practice by Fr. Xavier Alphonse

Fr. Xavier Alphonse is the founder member of the Community College movement and has been working on this since 1996. A member of the University Grants Committee and associated Councils in India, he has a chair in the Indian Centre for Education and Development. Under his chairmanship, 213 community colleges have been set up in Tamilnadu, Haryana and West Bengal, catering to over 60,000 students between the ages of 15 and 57. He is an accomplished author with many books to his credit. His book “We Shall Overcome” on Life Coping Skills has been published recently by Skills for Progress.

Fr. Alphonse began his presentation by focusing on the need for community college system in the country. The concept of Community Colleges originated in USA. While saluting the success of all 213 colleges in India, he made a special mention of three colleges - The Community College of Madras, the first of the community colleges set up in 1996 that gave him room and space for experimentation, the Community College of Madurai set up by Fr. Stephen Joe for implementation of the scheme to the best of its ability and the third, the Rural Community College in Lacharagarh of Jharkhand, set up by Bro. Sushil Toppo, for creating a rural model where there are no industries at all.

Fr. Alphonse shared that the community college system was born out of awareness, concern, compassion and sensitivity for the poor, their poverty, their aspirations, their un-employability, their need for skills, livelihood and gainful employment.

In one of the training programmes, a community college teacher defined the concept of community colleges as: *“To feel, to kneel and to heal.”*

- *To feel* with the poor, to look at their reality, to become one with the poor and see things from their perspective.
- *To kneel* - go down to them and bring them up - convert the disadvantages – be it poverty, lack of skills, societal stigmas, cultural or other barriers to advantages.
- *To heal* – the process of healing begins when we are with them, help them to face life and turn the negatives into positives.

In India, there are two types of exclusion – economic and social. People in the unorganized sector suffer both. Hence the mission of the community colleges is ‘Including the Excluded and Giving the best to the Least.’

Through this presentation, Fr. Alphonse responded to three important questions:

1. Why do we need the community college system?
2. What is the community college system?
3. How does the community college system function?

The need for the Community college system can be understood from today’s reality of:

- **Exclusion and Elimination:** In a process of exclusion, of the 160 million children who go to Std I, over 154 million dropout at different levels.
- **Mismatch between Education & Employment:** Over 46 million in India are without employment, registered with employment offices.
- **Capability Poverty:** The UNDP Report of 1996 showed that 554 million people in the country suffered from lack of skills and employability, (people lacking the skills required by the employer) though jobs was available.

- **School Dropouts:** 80 per cent of students drop out before they reach Std X and the dropout rate from kindergarten to 10+2 is 94 per cent. Over 50 per cent of children drop out of school before completing five years of education. A million children, especially in Rajasthan, Bihar, Uttar Pradesh, Madhya Pradesh and Orissa do not complete three or four years of schooling every year.
- **The Unorganized Sector:**
 - 93 per cent of the Indian workforce belongs to unorganized sector
 - Only 4 per cent of the population are covered under vocational training
 - 71 per cent of the population are below 35 years
 - 600 million are not literate
 - There are over 300 million unemployed between the 18 to 50 age group
 - 290 million live below the poverty line @ Rs. 10 per day
- **The Present Status of ITIs:**

Seats are going vacant in Polytechnics and ITIs because “we have not had the courage” to change the outdated curriculum and syllabus. According to the National Sampling Survey released in December 2006, more than 6 million people have received formal training through Polytechnics and other recognized vocational institutes and another 3 million are in the process of receiving it. Tracing those who completed the training, the survey found that nearly 18 per cent of them were unemployed, twice the rate estimated by earlier surveys.

This clearly highlighted the need for an alternate system of imparting education and building skills.

Fr. Alphonse then explained the philosophy that governs the community college system – merit, education and excellence. In the Community colleges, merit is considered as an opportunity given to those who otherwise would not have the opportunity, especially the disadvantaged and the underprivileged.

Education in the community college has three components with varying weightage:

- Information and Theory (30 per cent)
- Attitudinal formation (40 per cent)
- Training for Skills (30 per cent)

Life coping skills, communication skills, fluency in English and basic computing form part of the training, keeping in mind that employers look for three things while recruiting:

- Self confidence
- Communication skills
- Flexibility and adaptability to change themselves to work environments

Excellence, for Community Colleges, is tapping the untapped potential in the individuals and providing them the environment and space to blossom, adding value and motivating them to give meaning to their lives.

The salient points of Community Colleges were thus summed:

- An alternative system of education that is job-oriented, skill based and life coping - making people fit for life and fit for jobs
- Building the person along with building the skill
- Training for self-employment
- Empowerment through appropriate skills development
- Serving the socially, economically and educationally disadvantaged groups
- Access, flexibility, cost-effectiveness, equal opportunity and quality in training and education
- Collective community effort - Of, By and For the Community - with industrial partnership leading to gainful employment.
- Responsive to Local Employment needs and social needs
- No age/minimum qualification bar
- Holistic Education leading to formation of responsible citizens.

In its orientation, it is different from other systems in vocational education by:

- Aiming at the employability of the individual
- Having a system to declare competency levels and certify the same through evaluation and assessment of skills
- Promoting industrial linkage in terms of articulation of skills, requirements of industries.
- Teaching of life skills and communication skills leading to personal, social, language, communication, work and creative skills.
- Lessening the burden of higher education

Some of the achievements of Community Colleges have been:

- Since 1996, 45,156 students have graduated from 165 Community Colleges.
- Over 50 different technical and non-technical courses designed
- Need analysis to uncover employment opportunities
- Partnership with industries – in designing the curriculum, training the students, guest lectures, internship for two months after training, job placement within industries after evaluation
- 75 per cent of students successfully placed in jobs
- 15 per cent students enrolled for higher education

The endeavour now is to promote vertical mobility of students at four levels - from a school dropout to reach Std X level, students who have completed Std X and XII to move into correspondence courses in universities, students with diplomas as nursing assistants to move into 2nd year of B.Sc. Nursing, with accounts training into second year of BBM, etc., and right up to doctoral level.

The PowerPoint presentation by Fr. Alphonse is attached as Annexure 3.

Consultation Session I - Part II

Building Skills for the 21st Century by Mr. S.J. Amalan, Regional Director and Director (Apex training institute), Karnataka, Andhra Pradesh, Orissa, DGE&T Ministry of Labour & Employment, Government of India

Mr. Amalan started with the words that after Mr. Alphonse's presentation, the audience was *feeling*, and now the government was ready *to kneel and to heal*. He then posed a question to the audience "If I tell you that I have a clear cut solution for your problem, will you take it on, pursue it and take it to its logical end? Otherwise we are just attending meetings, feeling for people but never coming forward to kneel and to heal."

As Regional Director of Apprenticeship Training, in charge of Modular Employable Skills (MES) in Karnataka, Andhra Pradesh and Orissa, he committed that if those in the audience were willing to help the people, he is ready to help them. The Directorate General of Employment and Training (DGE&T) under the Ministry of Labour and Employment, Government of India is the constitutionally mandated body to issue skill certificates recognised worldwide and also in India. DGE&T is the umbrella body that works towards

- Evolving common policies in skill development
- Laying down common standards and procedures
- Training of personnel and
- Evaluation of programmes in skill training

The National Council for Vocational Training (NCVT) is a skill council under the DGE&T, with representation from industry associations, workers, institutions, Government of India and State Governments. The NCVT certificate is slated to be the world's most known brand on skill in the 21st century and beyond. The certificate will also serve to foster self respect and honour among the people holding this certificate.

At one time, India had skilled craftsmen who were masters in their craft. A hundred years ago, when 10+2+3 became the reference for education, the master craftsmen were termed illiterate overnight. A nation of highly skilled people, famed for their agriculture, arts, crafts and knowledge became illiterate and the craftsmen became part of the unorganised sector.

The world will require 470 million skilled personnel in the age group of 16 to 40 years in the next 25 years. Only India has the numbers to supply this manpower to the world. The NCVT certificate can be used as the brand to empower people and give them a sense of self worth, honour and dignity. But where are the people? The existing unorganized scenario is:

- 93 per cent of the workforce is in the uneducated/low educated category in the unorganised sector but there are few training programmes designed for them
- Only 5 per cent of the people between the age of 20 to 24 are formally trained
- 66 per cent students dropout by Std X, so they have very few training opportunities
- 7-8 million enter the workforce each year in addition to the existing 400 million. They all need training, but the training capacity is only for 2.5 to 3 million
- Of the 400 million workforce, 125 million live below the poverty line
- Hence, huge skills gap

This is where the new Modular Employable Skills (MES) can be useful. Under NCVT, MES is the 'minimum skills set' needed for gainful employment. It is about mobility, respect and labelling the people with Indian skills that are home grown and fermented in the Indian context. Using MES, the skills of the people can be built and the NCVT certification used to market the Indian label. The government has earmarked Rs. 550 crore for MES, and the funds are available for use.

The skills set under MES can be very basic. For instance, if a person makes dosas (a south India breakfast food) well, he/she can be assessed and certified as a dosa maker, if it is one of the skills recognised under MES. For this, it is not necessary to have a school education. Certifying them as 'skilled', enable people to regain their sense of self worth.

Mr. Amalan informed that the MES system is flexible. If the skills are listed, anyone can get a certification at the earliest. For those skills that are not listed, individuals or training providers can apply for their inclusion in the prescribed formats already made available at the conference venue.

The basic principles of MES are:

- The fees paid for training and testing will be reimbursed to the person if he/she passes the test. While training can be provided by both government affiliated and private Vocational Training Providers (VTPs), training fees are reimbursed only to government affiliated VTPs. Testing fees incurred are reimbursed to all persons on certification.
- VTPs can opt for flexible delivery mechanism - part time, weekends, full time, onsite/offsite etc to suit the convenience of target groups
- Flexibility to ITIs/ITCs to run MES courses by utilizing available infrastructure
- VTPs cannot be the assessors. Assessors will be a separate body. They may be from Employers' Associations to maintain clarity and standards.
- Informal assessment and formal certification. Assessors can assess on the date and time convenient to assessor and trainee.
- Formal NCVT certificate will be issued to the successful candidates based on recommendation of assessors.

40 sectors are already earmarked in diverse fields such as agriculture, automobiles, fragrance and flavours, printing, process instrumentation, shipping and marine, carpet manufacturing etc. To cater to the needs of different sections and target groups, the NCVT certification has different levels:

- **Informal Training** (Indian NCVT-MES) - unstructured programmes/skills acquired informally
- **Non-Formal Training** – Short term demand driven programmes that are not recognized for entry into the next higher level of the (national) educational system.
- **Formal Training** - Structural programmes that enable participation in the next higher level of the national education system.

The Assessing body for NCVT is the ISTD with district coordinators for assessment. Assessors are empanelled from various sectors and small and medium enterprises to ensure that a wide-ranging range of skills are covered.

NCVT also has a “Centre of Excellence” (COE) scheme to upgrade existing ITIs. The Apex Hi-tech Institute (AHI), Bangalore is the nodal institute for managing instructor training network and can collaborate with ITIs. AHI will design and monitor training programmes of three types.

- Entry level training
- Training for Centre of Excellence (COE) instructors
- Refresher training for instructors with at least 5 years experience

In his capacity as Director of the Apex Hi-Tech Institute, Mr. Amalan reiterated his commitment to help the training providers and institutions in upgrading their levels and ended his presentation by sharing his email id and cell phone number, so that he is accessible to all. His email id is sjamilan@yahoo.co.in and his mobile no. is 09880361079.

The PowerPoint presentation by Mr. Amalan is attached as Annexure 4.

Discussions and Questions at the end of the Session

It was reiterated that the idea was to make people ‘employable’ by certifying their vocational skill. Academic qualifications can be in addition to the skill. This would work along the lines of craft guilds of olden days like oil smiths, leather workers etc. with specialized skills that came through a flow of information and knowledge. Another case is of NIIT, where the certification facilitated the trainees’ direct access to jobs in IT companies. Under the new system, need based skills can be developed, while the government merely provides guidance on milestones and competencies required for certifying skills rather than deciding what the skills needed are.

In Karnataka, a few institutions have been selected to take up the MES scheme. In Tamil Nadu, the scheme has just been inaugurated. In Kerala, they are yet to decide whether they should take it up. In UP, they have no clue about this scheme at all. So states have different levels of awareness on MES.

Question: Will MES be publicized in all the states?

Mr. Amalan responded that he would do his best to publicize the scheme. He suggested that those who begin working on the MES scheme could, in turn, be the ones to spread the message about the effectiveness of MES and build it into a movement.

Q: There should be an analysis of the existing model and whether MES can overcome the limitations of the earlier model. Any irritants should be ironed out before implementation. Also, if the industries want changes in the curriculum or skill level, can MES cater to that?

MES is a flexible system. Curriculum up-gradation and modification can be taken up even on a daily basis, if NCVT is convinced that it is a sensible change and the industries want the change in curriculum and skill level.

Q: Can only ITI ‘Centres of Excellence’ take up the skill training?

It was clarified that any organization in the country can build skills and train people without applying to DGE&T. But for reimbursement of fees, affiliation under the system is required. Affiliation is not restricted to ITIs. Training providers can apply for direct affiliation to DGE&T.

Q: Are the skills and their training syllabus prescribed by NCVT?

No. Any employable skill can be certified. It needs to have an appropriate name that is understandable in the market. All that is required is that the syllabus should follow the prescribed format, define the content and materials required for building the skills and also state what the person will be able to do after the certification.

Q: My understanding of government is that it does not play the role of facilitator – more of a regulator or controller with bureaucratic language. So can the entire team be sensitized and speak the same language before you go to the stakeholders and popularize the scheme?

Mr. Gupta responded that at this conference, Mr. Amalan was in fact building the constituency among this audience to support his cause and through the people put pressure on the democratic government. It is a difficult proposition to get everybody to speak the same language. What needs to be done is to work with the more liberal people and influence the conservative. It is important to focus on the change, for governments do change and so do policies. Mr. Amalan shared that in his jurisdiction of Karnataka, AP and Orissa, he is ready to start the work immediately. If NGOs are ready to engage with the system, he is ready to back them up. He is willing to work with his office to influence the work in other states too. So NGOs and training providers in other states too can write to him. On a request whether he could follow it up in Kerala, Mr. Amalan agreed to see to it.

Consultation Session II – Part I

Developing the Technical Base of the Country by *Dr. Parijat De, Director, Vocational Education and Training, Govt. of West Bengal*

The vocational training by the Government of West Bengal started in 2005. Though a lot has been done in terms of numbers, not much was achieved qualitatively. So, Mr. De saw this as an opportunity to understand what is happening in the south and transplant some of the learnings to West Bengal.

Mr. De then made a presentation on the view of the government on National Skill Development so that people in different parts of the country could take advantage of this insight.

In the Eleventh five year plan, the government's focus will be on Skill Development and Vocational Training in the country. The objectives of the Skill development mission are inclusive economic growth and employment to

- create a pool of trained manpower for the economy
- support professionalism and inculcate skill and knowledge based competencies among individuals and companies
- provide a qualified and productive workforce to make them globally competitive

The strategies to achieve this will be demand driven and practice oriented skill development that is private enterprise driven and supported by the government through public private partnership.

As of now, while entrants to the workforce are 12.8 million persons each year, training facilities are available only for 3.16 million – leaving a staggering 80 per cent of the workforce with little opportunity for training. The country needs to upgrade its training and skill development systems to respond to the growing demand for skilled manpower.

An analysis of existing Vocational Educational Training (VET) in the country highlights the low number of trades available with demand supply mismatch in numbers, quality and skill types,

inflexible curriculum of training, weak testing and certification, minimum industry-training interaction leading to low absorption rates and disparities among regions. Further, VET is managed through different ministries like agriculture, human resource development, labour and employment, communication and information, etc. The government is trying to integrate them under one ministry with a holistic approach.

Within the unorganized sector, the government is promoting the Rural Development and Self Employment Training Institutes known as the RUDSETI model. RUDSETIs are set up jointly by banks and NGOs and focus on skill and entrepreneurship development, escort and financial services. They are geared to provide project consultancy, business counseling, incubation assistance, marketing sourcing of credit, raw materials, etc. In the last three years, over 2500 enterprises have been set up through 20 RUDSETIs, with 70 per cent success. The idea is to set up RUDSETIs, linked to the Ministry of Micro, Small and Medium Enterprises' Entrepreneurship Development Initiatives in each district as focal points for skill development in the rural unorganized sector. A multi-stakeholder venture, the state governments would provide the land for the RUDSETI while capital costs would be borne by the centre and banks.

Incubation assistance would also be promoted. This concept entails creating a centre where after training, budding entrepreneurs could be given further handholding, inputs on the types of projects to focus on, mentoring and guidance by experts in the particular field, financial assistance for startup, technical expertise to run the business, etc. Other initiatives are up-scaling and replication of successful models like Dr. Reddy's Foundation and IL& FS for the textile industry.

A new concept being worked on by the University Grants Commission is the Workers' University, so that workers can approach the universities and based on their academic background, skill and experience, the university can spell out what exams need to be taken and how the worker can up-grade himself/herself through relevant courses and get a diploma, degree etc.

Fine tuning syllabi to industry requirements in response to dynamic changes in the labour and skills market would lead to curriculums in 3-month modules or trimesters, with exams at the end of each trimester, certified by external testing agencies with credit for performance and up-gradable skill attainment certification at the end of six months.

The full presentation by Mr. De is attached as Annexure 5.

Consultation Session II – Part II

Unorganized Sector and Skill Related Issues – by Mr. V.K. Malhotra, Member Secretary, NCEUS, New Delhi.

In his earlier address in the day, Mr. Malhotra had already touched on three points:

- Segmented Training
- Restructuring administration with district hubs at ground level
- Existing education and vocational systems to be revamped, upgraded

After hearing what the government is doing in the presentations so far, he had a few thoughts for FVTRS and the Community colleges. At the field level, whatever the NGOs like FVTRS do, there is no substitute for government intervention in such a large country as India with over 135 million people in the age group 15-29 with an additional 12.8 million being added to the workforce each year.

Mr. Malhotra shared that when approached by NGOs wanting to help the poor, he used to suggest that instead of spending money, they could go into the field, verify and provide feedback on whether beneficiaries of schemes are actually receiving the benefits intended. For those NGOs in skill building, there are a few additional points that can be taken up:

- Train the trainers: Instead of FVTRS restricting itself to just training 200-300 people, train one or two people from each village in activities such as repairing pump sets, cell phones, tractors, house hold electrical items, etc. It should not be free of cost, as nothing that is free is ever appreciated. A fee can be charged according to the capacity of people. But by concentrating on training trainers, FVTRS would be improving the quality of training and doing a far greater service to the country and the greater spread of vocational training skills.
- More than 50 years ago, Uttar Pradesh started mobile training centres where a van with 2 or three persons - skilled carpenters, masons, lathe workers, etc., went into villages. They parked in a central spot close to 2 or 3 villages and stayed there for 3-4 days, provided basic skills and moved on to the next place. If FVTRS does this, the reach would be much wider because FVTRS has a name as an organization committed to developing and strengthening vocational training in the country.

Personally, Mr. Malhotra felt that the capability, intelligence and commitment of FVTRS was underutilized and suggested that a policy matrix could be developed for the government based on the organisation's experience in vocational training as, in a country of India's magnitude, size and spread, with over 6 lakh villages, a population over one billion, 45 crore unorganized workforce, 13 crore between the ages of 15 and 29, only around 500 ITIs are being upgraded per year. In 10 years, by the time all the existing ITIs are upgraded, the first 500 will already be outmoded. Time is running out to improve the productivity employment of this country.

Again, most of the ITIs are located in semi-urban areas and do not reach even the block level. There are pockets of excellence created by the NGOs like in Bijnor but the government cannot replicate these all over the country alone. So in order to supplement the government's efforts, FVTRS could reflect on these thoughts and if not done already, consider adding this dimension to its work and join hands with the government.

Day 3: December 6, 2007

Consultation Session III – Part I

FVTRS and its Focus by **Dr. P. Basak**, Board Member FVTRS, IIT., Ph.D., Ford Foundation Fellow, M.I.T, USA, National Consultant (Retd.), World Health Organization (WHO), Chief Scientific Adviser, International Institute of Disaster Management, Pune, Member, Global Weather & Climate Change Committee, ASCE, USA, Executive Director (Retd.), Centre for Water Resources Dev. & Mgt., Dean (Retd.), Faculty of Engineering, Kerala Agricultural University.

Dr. Basak began his presentation on 'FVTRS and its Focus' by mentioning that as a board member, he and the other members have a responsibility to identify the focus of the Society and programmes that need to be concentrated on. In his presentation, he exposed some of them, providing an insight into the functioning of FVTRS.

The key words of FVTRS are: *Research on Vocational Training that Functions* and its focus is training for employment and jobs for livelihood. He then went on to share a few facts and trends related to employment, jobs and livelihood in India, which would help in understanding FVTRS and its work better.

- India's purchasing power is 4th in the world, due to a growing middle class of 25 crore people
- India has one of the largest "higher education systems in the world" with more than 70 lakh graduates, of whom 31 lakh join the workforce each year.
- India is emerging as the back office capital of the world, with the IT Enabled services projecting employment for 11 lakh professionals by 2009.

But India may not be able to retain this position for very long. Some pertinent facts:

Of the country's population of 110 crore or 1.1 billion, the employed labour force is 48 crore. Of them:

- People employed in the unorganized sector is 41 crore (85 per cent of the labour force)
- People employed in the Organized Sector is 3 crore (6 per cent of the labour force)
- People not employed is 4 crore and will reach 6.3 crore by 2010.

Again,

- Over 70 per cent of the combined labour force (organized and unorganized) is either illiterate or educated below the primary level
- Less than 5 per cent of the labour force is exposed to any sort of skill training.
- ITIs and VTCs, providing a large portion of this skill training, have outdated curriculum, outmoded attitude, lack of quality trainers and output
- 2.5 crore students graduate from colleges each year without skills connected to employment

Jobs in 2007 are estimated to be 360 million (36 crore). Most of these jobs require either technical skills and/or soft skills like communication. Apart from this, qualities that employers look for in candidates are critical thinking, ability to function in teams, being multi-skilled, multi-lingual, customer oriented, etc.

But a look at the 400 million workers that are available for the 360 million jobs show that 60 per cent of them are between the ages of 15 and 30, hardly trained for anything and with negative qualities like inflexibility, one dimensional learning, hierarchical, able to handle only one skill, one language, etc. This leads to a mismatch between availability and requirement that is a great barrier. Breaking this barrier is the focus and role of FVTRS.

The absence of skilled and trained manpower is frightening. There are over 17,212 vocational training institutes under 9 different ministries of the government of India and the institutes have together trained over 31.66 lakh people. All the 17,212 institutes suffer from deficiencies such as non responsiveness to labour market and the quality of the people coming out of the training programmes.

Adding to this is the shift in employment patterns in the country. Earlier, companies employed people on their rolls and trained the employees to match needs. Today the same companies prefer

to contract the required services, rather than employ and train people. Then again, the growth of jobs has moved from the organized sector to the unorganized sector. As a result, there is far less job security than before.

A survey conducted by UNDP in 2005 of about 200 countries shows that development of any country depends on 3 parameters:

- Natural resources contribute 20 per cent of the country's development
- Infrastructure like buildings, roads, railway stations, etc. contribute 16 per cent and
- Human resources and social factors contribute 64 per cent

India has all three resources. But the human resources element is slightly skewed as explained. Hence FVTRS has chosen human resources development as its overall focus group. Within this overall focus group of Human Resource Development, school dropout youth are the special focus of FVTRS. Why?

Youth that drop out of school annually before they reach Std X are 148 lakh (or 14.8 million) per year while college dropout before graduation are 13 lakh per year. The numbers of school dropout are far higher. Of the 14.8 million, children who do not go to school or dropout before Std VIII are 8.5 million per year, while school dropout before Std X are 4.2 million per year. The number not crossing Std XII reduces to 2.1 million.

Of the 17 million additional people emerging into the workforce each year, 14.8 million are annual school dropout with no security, looking for a livelihood. That is why FVTRS has chosen to focus on school dropout as the primary target group.

Through a graph, Dr. Basak highlighted where the dropout find employment. Those with the lowest education levels are accommodated in the agriculture sector, while those with 3-5 years schooling find themselves in the construction sector. Those who have gone up to middle school find employment in light and heavy manufacturing and automotive sectors, while with education up to Std X, they go into public sector, retail trade, etc. With education up to Std XII they go into healthcare and financial service sectors.

The graph, showing where the boys/girls find their place in employment can be plotted with great accuracy for each village, town or panchayat. Dr. Basak shared that with this graph, it is possible to work out what sort of training the young dropout in the area can be given. But he emphasized that:

- The first priority of FVTRS should be to arrest and reduce the school dropout rate by helping the children get access to higher education as education is the biggest employment generator.
- The second priority should be to find out what the school dropout are doing and then help and equip them for a better livelihood. When they come for training, the first agenda should be to inquire about the reasons for leaving school and encourage them to go back if possible.

Dr. Basak further shared that within opportunities for employment, software and IT earns only 2.5 per cent of the world's GDP, though the hype around it suggests a lot more. Five other areas of economic activity contribute much more:

- Trading, Wholesale & Retail is 15 times bigger than IT
- Manufacturing, as an enterprise, is 11 times bigger than IT, generating about 75 per cent of government revenues
- Health Care, as an enterprise is 4 times bigger than IT
- Travel and Tourism as an enterprise is 6 times bigger than IT
- Education as an enterprise is 4 times bigger than IT

Special Economic Zones (SEZ) are an area where around 50,000 employees work in one place. SEZ has created a demand for skilled manpower in many sectors such as Construction, IT, Apparel, Automobile, Pharma, Hospitality, Logistics, Manufacturing and Production, etc. There are around 142 notified SEZs in the country today. Of these, ITs form barely 13-14 per cent while the remaining need trained people in non-IT sectors. This is a tremendous opportunity for school and college dropout and unemployable youth.

Hence, FVTRS has its focus and four major tasks on hand:

- School drop out to be reduced as education is the biggest employment generator
- Training for Skill and Entrepreneurial Skill Development along with school education consistent with technology development and lifestyle change
- Prepare school and college dropout for SEZ – a big employment generator. No training institute has started preparing for it
- Improve the quality of the teachers and education system (through programmes for trainers and school teachers)

The presentation made by Dr. Basak is attached as Annexure 6.

Discussions:

Q: To become Skill training Centres, trained professionals are difficult to source. Would it be possible for FVTRS to take up Training of Trainers in states or regions?

Dr. Basak responded that as a board member, he would request the Director of FVTRS to take up the agenda of Training of Trainers in regions so that one or two persons from organisations could be trained as trainers.

Q: Does FVTRS follow a policy for the minimum age for training of children?

FVTRS trains people of 18 years and above for employable jobs. But training on life skills and becoming a better human being can and begins much earlier.

Q: Would it be possible for Dr. Basak to visit Bihar state and present the same in Hindi?

Dr. Basak responded that he is based at Calcutta and he would be available to whoever needs him, and his services would be free.

Consultation Session III – Part II

Challenges and Opportunities in Skill Building - Mr. Qimti Juneja, Technical Specialist, NVTS, Ministry of Labour, Government of India

Mr. Qimti Juneja began his presentation with a quote from *Heraclitus*, a Greek philosopher, who said “You cannot step into the same river twice.” It means that no man ever steps in the same river

twice, for it's not the same river, there is always fresh water flowing in and he's not the same man, he is always changing. The point is that nothing in life is stationary. Change is the only constant. Just as nature is in an ever continuous cycle of change, so too are human beings. At the very heart of nature, there exists a fundamental drive to move forward and upwards. This drive exists in each human being - everyone wants to improve and upgrade themselves.

A Chinese proverb says, "When the winds of change blow, some people build walls and others build windmills." Different people react to change in different ways. Changes can have unexpected and surprising results, such as the emergence of new and exciting strategies and outcomes away from traditional solutions. Most people tend to look for traditional solutions to deal with change, while a few look at change as a challenge and look for opportunities within them.

The need to change is imminent in any system, especially organizations. In a knowledge society, there is need for organizations to shift from introvert organizations that are task and budget oriented to extrovert organizations that are goal-oriented and understand the need for and utilize strategic alliances to achieve goals. Introvert organizations tend to ally with institutions most comparable with itself and stick to known ways of working and training. That mindset will have to change. Organizations should strive to be extrovert. Find a platform - go to people and organizations that are in one way or other related to working around the same theme.. Share education or training. Only when organisations learn to share, will they know where they stand. When organizations shift from introvert to extrovert organizations that reach out to others, your horizon becomes wider; you are into networking and building relationships with others.

Today, trainers in NGOs probably come from ITIs. How well are they paid? Do organizations make an effort to help them keep them abreast with change? The trainers are probably trying to upgrade themselves in whatever way possible so that they can teach better - for each teacher is in his own way, a wonderful teacher. What is the progress or growth they can look forward to?

On the subject of changing or upgrading functional vocational training, some of the points are:

Review of Market, Understanding the Needs

- Programmes have to be integrated and linked to meet diverse qualification needs of communities (Target Group Analysis)
- Assessing training needs, reinforced by coordinated action for wholistic and integrated training and production should be a priority (Market and Training Need Assessment)
- Creating flexible and diversified structures capable of coordinating and integrating the efforts in different spheres should be stressed

Curriculum Development and Continuous Revision

- Involve all the stakeholders.
- The curriculum should be meaningful to all users and be understood by them in a similar way: students, examiners, instruction material designers, employers, assessors.
- The document should clearly describe rationale, aims, objectives, contents, eligibility (target group), duration, structure, job description, methodology, development of personality traits, assessment and evaluation and certification criteria
- Develop new teaching/learning processes

Developing linkages and joining hands:

A case of Shoba Developers, a group in the construction field was shared. They wanted to start a training school to train their workers, but had no experience on how to go about it. They tried using their trained staff as trainers. But NCVT proposed that the theory and teaching be left to institutions already working on it, and that Shoba Developers could concentrate on developing the curriculum according to their needs. This resulted in a win-win situation for Shoba Developers and the training organisation. This model can be replicated as shown below:

- NGO training providers identify youth and offer basic course (as per market demands) incorporating life skills and attitude building
- Industry offers advanced training and placement to those who successfully complete advance training
- Industry determines the entry requirements for advanced training and NGO agrees to fulfill them
- Industry provides orientation and exposure to NGO staff

Mr. Juneja summed up the points of his presentation as

- Reshape existing plans and processes to keep up with changes in technology, markets, competitors and values
- Penetrate other emerging fields with new instruments and tools
- Use Advocacy and lobbying for change as a tool.

The PowerPoint presentation by Mr. Qimti Juneja is attached as Annexure 7.

Consultation Session III – Part III

Dynamics in Skill Training – Ms. Anita Sharma, Technical Specialist, NVTS, Ministry of Labour, Government of India

Ms. Anita Sharma concentrated on the aspect of Skill Training to develop the workforce and help people become employable. She shared that after liberalization and globalization, change in the Indian market economy has been so rapid that the nation is unable to keep pace with it. So there is a need to focus on the changing scenario in the market.

With the help of a graphic depicting three wheels in motion, she showed that the market economy is the biggest factor that is changing and it is driving the pace of training institutions or providers and communities or human resource. There are other factors such as the political angle, the environmental angle, but she limited the focus to the factors most relevant to the unorganized sector.

India has a huge workforce but the productivity does not match the need, so the emphasis is on skills to increase productivity.

- Skills become more integral to boosting productivity growth
- New labour market becomes less stable and more risky, and if this cannot be leveraged to advantage, the risk increases
- The changing economy is more dynamic, faster, and entrepreneurial – earlier one got a job and continued there till retirement. But companies do not want a workforce for a long

period any more. In the earlier years, the accent was on increasing jobs, but today it is the age of golden handshakes and high attrition rates.

- New companies spring up and established companies respond to change and competition by moving towards high-performance work organization - work through teams, utilizing workers' skills to the maximum, driving responsibility down to front-line workers.

In this scenario, employees need to continually reinvent themselves throughout their working lives, even if they remain with the same employer. Skills and adaptability become the new job security with each employee managing themselves, learning to work in teams and adapting to flexible work assignments. Today people in the front line too need to be able to make decisions. Hence the training provided should match needs.

Communities too, have become more aware and demanding and expect that they are provided new opportunities instead of the same old packages, which means:

- Better choice of training areas
- Well laid out plans in terms of career advancement
- Training packages that are interesting and customer focused
- Easy to learn courses that are of shorter duration
- Quality training – with adequate linkages
- More real life exposure

Training providers should strive to understand the needs and aspirations of the community and spell out where the trainees will reach at the end of the programme. For this, obsolete programmes need to be changed. It is important to have employee linkages, interactive packages and flexible programmes. Accreditation of courses and encouraging an attitude of life long learning are also important. This will help lower the number of dropouts from training, which is rather high now.

Training providers can align themselves to the changing requirements of the market and the community by establishing an effective skills training system:

- that is evolved around market needs
- Curriculum meets the needs of the stakeholders
- Performance oriented training – while there was more of theory and less emphasis on practical aspects earlier, now the accent is on doing the job, so the trainees need to be knowledgeable and experienced enough to work independently
- Programmes have strong components of monitoring and evaluation – trainings are monitored for quality, relevance and cost-effectiveness
- Linkages are created with employers in the informal sector with exposure to real life situations, so trainees are ready to handle assignments independently with an understanding of allied skills. For instance, in a tailoring course, stitching is not the only skill – designing, cutting, button holing, finishing are all allied skills required to finish an assignment.
- Management of Customer relations - Though a person may be skilled in work, a repeat assignment is unlikely if the person's behaviour is not pleasant and he/she does not care about customer relations.
- Basic understanding of business and costing aspects is a must for successful entrepreneurship.

- Developing the market – trainees should be able to converse with ease, or else developing business would be difficult for them
- Skills assessment for the trainers and trainees with the involvement of industry/employers in conceptualizing, developing and offering market relevant and employment oriented skills training packages
- Adequate exposure through networking and linkages, sharing of experiences and learnings
- Training in self-assessment on a regular basis
- Documenting success stories to capture learnings and to promote the programmes
- Reporting on details of training, learnings that become the resource of the institute. These become important while building a business case for collaborations, affiliations and accreditations.

Ms. Anita Sharma ended with a note that un-employability in India today can be reduced dramatically over a five year period.

The presentation by Ms. Anita Sharma is attached as Annexure 8.

Consultation Session III – Part IV

SIDBI's role in Enterprise Development – Mr. S.S. Radha Ramana, Asst General Manager, SIDBI

Opportunities and Challenges in Enterprise Building. There are many opportunities in micro financing. But to tap it is the challenge. Mr. Ramana shared how SIDBI went about it in phases.

While funds placement is their business, there were many tiny micro-enterprises where it was not possible for SIDBI to give small loans of Rs.5,000-10,000. So what SIDBI did was to provide grant assistance to NGOs for short term and long term training for artisans and other groups, as part of SIDBI's social development initiative. After training, some people got jobs while others did not and they realized there were not enough opportunities for all. This compelled them to go back to the drawing board and they came up with the idea of production units attached to training units. But this could not cater to the many thousands who were undergoing training. So they analyzed the groups and realized that while there are some people who want employment, others prefer self-employment and yet others want only part time employment/self employment.

SIDBI therefore, came up with the idea of micro-finance for those who wanted self-employment. Drawing on their experience of working with micro-finance and industrial clusters, they came up with the concept of an association of small businesses – with about 30-35 people - each forming a guarantor for the others. The association could then be given finance for machines, etc., and they could negotiate for better prices.

From SIDBI's experience, Mr. Ramana shared that

- Training needs to focus not only on employable skills, but also micro-entrepreneurial skills to promote self-employment.
- Every enterprise needs to document what they have done. Usually there is little proof of what was done from inception, no bank statements, despite having been in business for many years.

- There is also a need for grass root enterprises to understand the requirements from the point of view of both enterprise and finance (business and costing aspects).

Training institutions can help in developing these skills and building linkages with banking institutions so that grass root enterprises can take off. He assured that SIDBI would like to work with more grass root organizations.

Discussions at the end of the session

Q: We work with SHGS. We have been linking with NABARD and other banks but find it difficult to get funds. Do you fund SHGs?

SIDBI works with SHGs, but SIDBI has a small network and lean manpower. The micro-credit programme is done through intermediaries like NGOs.

Q: NCVT: What is it? What is the procedure to get NCVT accreditation?

NCVT: National Council for Vocational Training is a tripartite body. It is an advisory body to DGE&T. Vocational training comes under the purview of the Ministry of Labour. It is also linked to State Councils of Vocational Training (SCVT). Just as Engineering colleges and Polytechnics are affiliated to AICTE (All India Council of Technical Education), ITIs are affiliated to and accredited by NCVT. For accreditation, one has to apply in the prescribed form for affiliation and send a proposal to the Directorate of Employment and Training in the respective states. They will inspect your facilities to see if you have the necessary equipment and resources. They are a bit rigid. But now with the MES, they are more liberal. There are already around 150 courses with the curriculum ready - you should be able to deliver the courses you want to from any of these.

Q: We are an NGO and train many people. How can you help us set up units after training?

Usually such programmes are long term – one year and above. If you access the website of SIDBI, www.sidbi.com you can get the different types of support. There is a structured grant support for training infrastructure that is linked to performance.

Q: From the presentations it is clear that there are a lot of changes happening with globalization, liberalization, and market economics. Are we to be swept by the changes? Or hold fast to our roots? Should there be compartmentalized views? Our problem is huge. Are we expecting too much from small organizations? Can we frame a simple formula by dovetailing steps to be followed?

One cannot live in isolation. It is a knowledge society. Globalization efforts will percolate and will affect India. Of course we should not be carried away but percolation does happen and therefore skill sets need to change. For example, cell phones came a few years ago and now there is a course designed for mobile set servicing.

Changes are more in terms of market opening up. The crafts we have need to be spread out. Quality needs to be defined so that they are not restricted. In the northeast areas, Chinese products are more available in villages than Indian. We have to work with our handloom and embroidery, improve the quality and add standards so that we can access more markets that appreciate them.

Change is also in workforce movement. If the government wants to increase GDP from agriculture by 2 per cent, there would be mass labour force movement from rural areas to urban looking for jobs. How do we place them in terms of employability?

Looking at the magnitude, where is the quality? Indian products do not meet the quality needs of the world. By supporting the guilds, by providing better instruments and tools, increasing productivity and providing market linkages in a cooperative fashion to complement their efforts provide value addition and bring it to the larger market.

The answer to globalization can be globalization from our side. If we accept some of the things that have come from abroad, the countermove from our side will generate wealth for us. Some of the changes are beyond our control. But what we can do is manage change to our advantage – this is known as change management. Winds of change will come, but we need to be prepared, and we will be prepared if we are better equipped.

In illustration, Dr. Basak shared the following story: A man walking on the seashore saw a girl far away. When he went near, he saw that she was picking up starfish deposited by the waves on the sand and throwing them back into the sea, one by one. He asked “there are so many here. Do you think you can make a difference by throwing one back?” Throwing the next starfish into the sea, she responded “Surely, it has made a difference to this one.”

Thought for FVTRS and all the participants: The objective of vocational training is self employment or enterprise in a small way. For this, there is a need for finance. Studies highlight that no bureaucracy comes forward to help small people. SHGs are a way out, with group members standing guarantee for each other. Best practices of SHGs from other states, especially the south, can be disseminated along with information on laws and facilities from government and banks – for instance loans are available up to Rs. 6,000 at 4 per cent interest. Groups can register and take advantage of such schemes.

Valedictory Session

Address by Dr. Subas Pani, IAS, Secretary, Ministry of Rural Development, Govt. of India, Chief Guest at the Valedictory Session.

Dr. Pani shared that the Ministry of Rural Development supports around 23 lakh SHGs all over the country. Their scale of operations however, is rather small and their long term sustainability in producing goods and services with continuous income is not easy. Here updating and upgrading of skills becomes critical. Therefore the work of FVTRS and its partners is significant. There are opportunities of linking up with the programmes of central and state government at the local level. Some of the areas are:

- Quality on a sustained basis and volume is important to meet emerging market needs. A cluster approach is an answer for this. If FVTRS training can cover larger numbers in groups in villages or larger areas, the market demand can be met. Though it is a big challenge, the opportunities are huge because being based in the unorganized sector in rural areas, the costs are significantly lower than the organized sector in urban areas with their salaries, real estate, infrastructure, overheads, etc.
- Organizing small groups, pooling their resources and coming up with large quantities of good quality products is definitely a challenge. But FVTRS has the strength of having trained over 70,000 people and placed them all over. This is a strength that can be capitalized.
- The National Skill Development mission will be looking at the requirements of both the unorganized and organized sector. There are many segments with shortage of skilled manpower in both sectors.
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There is an opportunity and challenge to build skills on a continuous basis and leverage the training programmes to help the people help themselves and their families for a sustainable livelihood, while also catering to the needs of the global market, Dr. Pani concluded.