

## **Pradhan Mantri Kaushal Vikas Yojana (PMKVY) : Private agencies in PMKVY**

*-A case study on Association of Skill Training Providers (A.S.T.P.), New Delhi*



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**Abstract :-** This present study focuses on the Government's ambitious policy 'Pradhan Mantri Kaushal Vikas Yojana PMKVY' and the role of a private agency in the PMKVY implementation. The Skill India Mission and the Skill Policy, which is PMKVY 2015, aimed to skill 40 crore youth in the country by 2022. The vision of the policy is to create an ecosystem conducive to an empowered economy which has a job ready skilled workforce by skilling on a large scale with speed and quality, based on industry recognised standards and to promote a culture of innovation based entrepreneurship which can generate wealth and employment so as to ensure sustainable livelihoods for all citizens in the country. The present study is carried out in Association of skill training providers (ASTP), Sultanpur, New Delhi which is an association of 42 members and is a registered non-government, not-for-profit society, formed as a national skill alliance of training service provider companies. The interview questionnaire method has been used to ask issues related to PMKVY implementation and the success of the policy and various other issues directly related to PMKVY, which are the private agency and the PMKVY are facing. PMKVY completes 10 lakh enrolments under Skill India, 70% have completed their skill trainings. These figures depict a well managed policy ecosystem of the PMKVY in which private agencies are a major stakeholders.

**Keywords :-** Pradhan, Mantri, Kaushal, Vikas, Yojana, Association, Skill, Training, Providers.

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### **Introduction**

The Indian employer have been struggling with the acute shortage of skilled manpower despite India having the largest pool of youngest population in the world. Reasons: lack of required expertise for specific jobs. As per the labour bureau report 2014, the current size of Indians formally skilled workforce is only 2 per cent. This apart, there is also the challenges of employability of the large sections of the conventionally educated youth. The Indian education system has been churning out brilliant minds but lacking the skill sets required for specific jobs. There is also gap between the talent that is coming out of colleges and universities and its suitability in terms of scope and standard of employable skills.

The Skill India mission launched by the government aims to provide a solution to this problem through creation of a job ready and workforce by equipping it with employable skills. The **Mission aims to skill over 40 crore people by the 2022** and enhance their employability by training them in skill sets of their choice.

The Government agencies and systems cannot accomplish this task alone. Privatsector, NGOs, educational Institutions with experience in skills training need to be involved in the process of skilling. All sections need to be given equal importance. Vocationalisation of education is of cardinal importance for skilling youth. At the same time, the other sections of society viz. women, marginalised, tribal etc. need tailor made training programmes to suit their diverse and specific needs. While being illiterate may be an issue in providing skill training to most marginalised sections, one may have to deal with family issues and social restrictions in case of providing skill training to women. These factors need to be taken into account for any programme to be successful.<sup>1</sup>

**The National Policy for Skill Development and Entrepreneurship 2015** proposes to meet the challenge of skilling at scale with speed, standard and sustainability. It aims to provide an umbrella framework to all skilling activities being carried out within the country

#### **Objectives of the Research:**

- To find out providing skill is enough to ensure job/employment in India? Role of private agencies as a major stakeholder in Skill India Mission.
- To understand the Policy Ecosystem of (PMKVY).
- To find out the rationale behind Skill India mission.
- Current issues that private agencies involved with the PMKVY implementation ?
- To know the issues which are taken up to the NSDC and Ministry of skill development and Entrepreneurship?
- To know the potential of the Skill India mission, and its future sustainability.
- Challenges faces by the private agency in PMKVY implementation, as a major stakeholder in the PMKVY Policy Ecosystem ?
- To find out the other alternatives to reap the benefit of 'Demographic Dividend', apart from PMKVY?
- To know the status of the success of PMKVY so far, and the contribution of the private agencies.

#### **Research Methodology:**

Association of Skill training providers (ASTP) is selected for the present study. ASTP is working in collaboration with NSDC and has consultative status at the Ministry of Skill Development and Entrepreneurship to push for ethical standards in skilling, to provide feedback on youth interests and aspirations on skill programs and to reach out to skill hundreds of youth across India. ASTP has been formed with the vision of becoming the bridge between the government machinery and the student themselves.

As a major stakeholder in the Skill India mission, A.S.T.P. members are operational across the length and breadth of the nation as key stakeholders for the implementation of the National Skill Mission through numerous schemes like PMKVY, DDUGKY, NULM (Central & State Skill Missions) among others. Its members collectively meet more than 75% of the total target mandated by National Skill Development Corporation. Members of ASTP are among most crucial partners for the government's flagship scheme of Pradhan Mantri Kaushal Kendra.

#### **Sources of data:**

The study is carried out on the A.S.T.P, which is located in the Sultanpur, New Delhi. It is one of the major stakeholder in the PMKVY implementation, and interacts with the NSDC and MSDE. In the whole research

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<sup>1</sup> Yojana magazine, October 2015.

process, both primary data and secondary data are used. Primary data is enumerated from the direct Interview questionnaire with Manager, A.S.T.P and also with some other executive members of the A.S.T.P ,related to the my research, on the role of private agencies in PMKVY and its implementation and challenges.

Secondary data is collected from Annual reports of various ministries (Skill development ministry and NSDC ) and other documents like Policy guidelines from the official website of the Ministry of Skill developmet and entrepreneurship. Several reports and articles also has been used and data has been taken as a secondary source.

**Sampling method:** direct Interview held with the manager, ASTP, and some other official executive members. Findings are as per opinions and inputs provided by them.

**Method of data Collection:** A structured interview schedule was prepared and used for collecting data from the manager, A.S.T.P. and other members, who are directly involved in the PMKVY .

### **Rationale Behind Skill Mission in India:**

In the words of the Mahatma, “The brain must be educated through the hand. The teacher must learn the craft and correlate his knowledge to the craft. The craft cannot be separated from education.”

- **Demographic Dividend:**  
Demographic dividend does not mean just people; it means skilled, educated or employed people. The ‘demographic window’ is only a span of few decades. The skilled youth is required to save demographic dividend from becoming demographic disaster.
- **Sectoral mobilization:**  
Less number of people will be required to work in farming as productivity improves. This would result in sectoral mobilization of workforce from agriculture to secondary and tertiary activities. Skills are the bridge between good jobs and the workforce. Setting standards and quality of training is a pre requisite for skilling and its utilization.
- **New schemes:**  
Only a skilled workforce would lead to the success of initiatives like Make in India and Digital India and smart cities.
- **Skill Capital of World:**  
To convert this vision into reality, India needs to create a skilled and productive workforce matching international standards of quality and productivity through integration of skills and training along with education.
- **Better Employment:**  
Skills are needed to those currently in colleges for them to be better employed.
- **Skill availability and accessibility to avenues for successful ventures can enhance the livelihoods of many.**

### **Pradhan Mantri Kaushal Vikas Yojana (PMKVY):**

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship outcome-based skill training scheme of the Government of India implemented through the National Skill Development Corporation (NSDC) under the Ministry of Skill Development & Entrepreneurship. The objective of this skill certification and reward scheme is to enable and mobilize a large number of Indian youth to take up outcome-based skill training and become employable and earn their livelihood. Under the scheme, monetary reward through direct bank transfer would be provided to trainees who are successfully trained, assessed and certified in skill courses run by affiliated training providers. PMKVY will impart skill/training to 24 lakh persons.

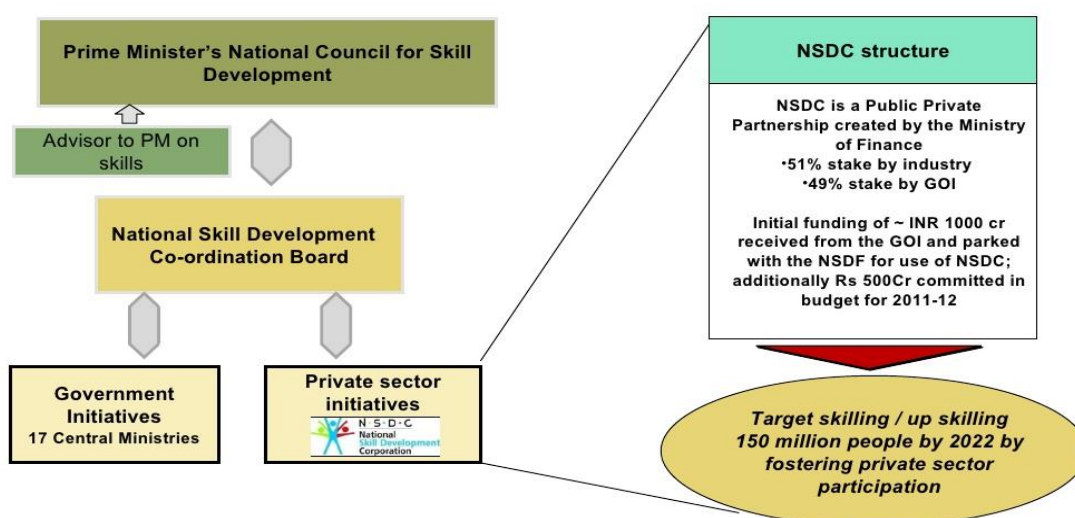
PMKVY is the flagship scheme that is driving towards greater realisation of this vision. Owing to the its successful first year of implementation, the Union Cabinet has approved the Scheme for another four years (2016-2020) to impart skilling to 10 million youth of the country. This booklet contains the various Guidelines under the Scheme that participating agencies need to abide by. The tagline, 'Kaushal Bharat, Kushal Bharat' suggests that skilling Indians ('Kaushal Bharat') will result in a happy, healthy, prosperous and strong nation ('Kushal Bharat.'). The Pradhan Mantri Kaushal Vikas Yojana (PMKVY), the Ministry's flagship, demand-driven, reward-based skill training scheme will incentivise skill training by providing financial rewards to candidates who successfully complete approved skill training programmes.

### **Features of 'Skill India'-PMKVY:**

- The emphasis is to skill the youths in such a way so that they get employment and also improve entrepreneurship. Provides training, support and guidance for all occupations that were of traditional type like carpenters, cobblers, welders, blacksmiths, masons, nurses, tailors, weavers etc.
- The training programmes would be on the lines of international level so that the youths of our country can not only meet the domestic demands but also of other countries like the US, Japan, China, Germany, Russia and those in the West Asia. Another remarkable feature of the 'Skill India' programme would be to create a hallmark called 'Rural India Skill', so as to standardise and certify the training process.
- Tailor-made, need-based programmes would be initiated for specific age groups which can be like language and communication skills, life and positive thinking skills, personality development skills, management skills, behavioural skills, including job and employability skills.
- Programme seeks to create an end-to-end implementation framework for skill development, which provides opportunities for life-long learning. This includes incorporation of skilling in the school curriculum, providing opportunities for quality long and short-term skill training, by providing gainful employment and ensuring career progression that meets the aspirations of trainees.
- It will align employer/industry demand and workforce productivity with trainees' aspirations for sustainable livelihoods, by creating a framework for outcome focused training. It will build capacity for skill development in critical un-organized sectors (such as the construction sector, where there few opportunities for skill training) and provide pathways for re-skilling and up-skilling workers in these identified sectors, to enable them to transition into formal sector employment.

- It also seeks to develop a network of quality instructors/trainers in the skill development ecosystem by establishing high quality teacher training institutions. Maintain a national database, known as the Labour Market Information System (LMIS), which will act as a portal for matching the demand and supply of skilled workforce in the country. But failed to achieve key objectives. This puts in context the various facets of this flagship mission and the various issues concerned with it along with way forward.

### NSDC created as a part of the government's co-ordinated action in the skills space



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### Key Components of Pradhan Mantri Kaushal Vikas Yojana (PMKVY):

- **Short Term Training**  
The Short Term Training imparted at PMKVY Training Centres (TCs) is expected to benefit candidates of Indian nationality who are either school/college dropouts or unemployed.
- **Recognition of Prior Learning**  
Individuals with prior learning experience or skills shall be assessed and certified under the Recognition of Prior Learning (RPL) component of the Scheme.
- **Special Projects**  
The Special Projects component of PMKVY envisages the creation of a platform that will facilitate trainings in special areas and/or premises of Government bodies, Corporates or Industry bodies.
- **Kaushal and Rozgar Mela**  
Social and community mobilisation is extremely critical for the success of PMKVY. Active participation of the community ensures transparency and accountability, and helps in leveraging the cumulative knowledge of the community for better functioning. In line with this, TPs shall conduct Kaushal and Rozgar Melas every six months with press/media coverage;

➤ **Placement**

PMKVY envisages to link the aptitude, aspiration, and knowledge of the skilled workforce it creates with employment opportunities and demands in the market. Every effort thereby needs to be made by the PMKVY TCs to provide placement opportunities to candidates, trained and certified under the Scheme.

➤ **Monitoring**

To ensure that high standards of quality are maintained by PMKVY TCs, NSDC and empanelled Inspection Agencies shall use various methodologies, such as self-audit reporting, call validations, surprise visits, and monitoring through the Skills Development Management System (SDMS)

➤ **Branding** is an important aspect of communicating the Scheme accurately. All the TCs need to brand their centres and promotional activities in accordance with these Guidelines.

**Major achievements so far:**

PMKVY completes 10 lakh enrolments under Skill India, 70% have completed their skill trainings since its launch. Uttar Pradesh, Tamil Nadu, Madhya Pradesh, West Bengal and Andhra Pradesh reflect maximum enrolments<sup>2</sup>. Till today, the scheme has seen 10,28,671 enrolments under 382 active job roles out of which 70% have already completed their trainings. The scheme has been implemented across all 29 states and 6 union territories of the country, and covered 596 districts and 531 constituencies. It addresses the requirement for skill development across 29 sectors in which around 566 job roles have been identified for courses in which the youth can enrol and can get trained. These courses help in making them more employable with hands on experience on skills that will make them more employable and also more efficient in their work.

The Ministry of Skill Development with the help of NSDC and the local training partners, and support from state governments, MPs and MLAs conducted 410 Kaushal Vikas Shivirs across the country, to educate and encourage the youth to avail the scheme. Most of these shivirs also had Classrooms cum labs set up within the venue to enable visitors to witness the format of the training. Pradhan Mantri Kaushal Vikas Yojana aims to offer 24 lakh Indian youth meaningful, industry relevant, skill based training.

Below, there are tables which are reflecting the status of the working of the PMKVY, these data of Annual reports, shows the progress of the Skill India Mission.

**Table 1: PMKVY (2015-16)**

Parameters	Fresh Trainings	RPL
Enrollments	18,04,141	1,80,690
Training Completed	18,03,453	1,80,690
Results Uploaded	17,67,619	1,75,222
Certified	12,97,550	1,10,773

**Table 2: PMKVY (2016-20)- as on 14th Feb 2017**

<sup>2</sup><http://pib.nic.in/newsite/PrintRelease.aspx?relid=136126>

Parameters	Short Term Training	Special Projects	RPL	Total
Targets Allocated	7,41,953	5,73,552	33,606	13,16,775
No. of TCs	1,471	-	-	1,471
No. of PIAs	-	53	12	65
Number of Candidates Enrolled	1,17,243	52,778	491	1,70,512

**Table 3 :** Funds Transfer from NSDF to NSDC

Particulars	2013-14	2014-15	2015-16	2016-17 (till 05-12-2016)	Total
STAR	585.00	415.00	-	-	1,000.00
PMKVY	-	-	435.00	900.00	1,335.00
PMKVY-2	-	-	-	550.00	550.00
Total	2,885.00				<sup>3</sup>

**A Case study on Association of Skill Training Providers (A.S.T.P),  
Sultanpur, New Delhi-  
Role in PMKVY**



Association of Skill Training Providers (ASTP) is a registered non-government, not-for-profit society, formed as a national skill alliance of training service provider companies. We are a unique, credible and enabling platform to bring up and help resolve issues which concern the entire sector or sub-sectors engaged in skill building and training, as members together. <sup>4</sup>

India has the capacity to create 500 million certified-skilled technicians by the year 2022, but this cannot be achieved through the conventional education framework. The National Policy on Skill Development was announced keeping this ambition in mind.

<sup>3</sup> Annual Report, MSDE, 2016-2017

<sup>4</sup>[http://www.astp.in/who\\_we\\_are.html](http://www.astp.in/who_we_are.html)

ASTP is working in collaboration with NSDC and has consultative status at the Ministry of Skill Development and Entrepreneurship to push for ethical standards in skilling, to provide feedback on youth interests and aspirations on skill programs and to reach out to skill hundreds of youth across India.

### **Objectives of Privates agencies in PMKVY –**

Private agencies work with the vision of becoming the bridge between the government machinery and the student themselves. The idea is to ensure that the training rendered is effective, relevant and capable of offering learning guarantees in competency development of trainees while fulfilling the needs of the industry.<sup>5</sup>

1. Provide a unique, credible and enabling platform to bring up and help resolve issues which concern the entire sector or sub-sectors engaged in skill building and training, as members together.
2. Push for quality deliverance of training, best ethical practices, standards of procedures and ensures governance and accountability of training providers in the ecosystem.
3. Keeps trainees' best interests on the forefront and offers feedback on youth aspirations upon skill programs.
4. Facilitate in creation of a self-regulatory framework for skills space.
5. Work towards a system of providing quality certification for skills and competencies.
6. Focus on being a whistle-blower on quality & ethical issues<sup>6</sup>.

### **Findings of the research/ study:**

The following points discussed the findings of the study:

- As a major stakeholder in the Skill India Mission, from the standpoint of a private agency, A.S.T.P views the skill industry, as a catalyser, which has the potential to transform India on socio-economic parameters. Which is important to reap the demographic dividend of India.
  - Economically, it makes a person self-sufficient and enhances the standard of living, it changes consumption pattern, a futuristic way to organise the social behaviour of masses.
  - On social front- A person employed is base of the family support, it enhances the power to think out of subsistence, better health and education. One of the key objective has been found is the women empowerment.
- One of the important finding is the Question mark on the efficacy of the socio-economic transformation. It is very important to impart the skill laden curriculum at the primary to higher secondary school level, it's a prerequisite for the skill development in a holistic manner. Basic skills need to be incorporated at the school level, absolute absence of skill at the school curriculum.
- The targets allocated to them were very high and without regard to any sectoral requirement. Everybody was chasing numbers without providing employment to the youth or meeting sectoral industry needs. No evaluation was conducted of PMKVY 2015 (the first version of the scheme) to find out the outcomes of the scheme and whether it was serving the twin purpose of providing

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<sup>5</sup>[http://www.astp.in/astp\\_objectives.html](http://www.astp.in/astp_objectives.html)

<sup>6</sup>[http://www.astp.in/astp\\_objectives.html](http://www.astp.in/astp_objectives.html)



employment to youth and meeting the skill needs of the industry before launching such an ambitious scheme.

- The Sharada Prasad Committee, held the NSDC responsible for poor implementation of the Standard Training Assessment and Reward (STAR) programme. It highlighted that only 8.5 per cent of the persons trained were able to get employment. That is what has been claimed by NSDC. The government report has found fault with the STAR scheme on several counts. STAR offered school dropouts financial incentives to acquire new skills, but the report said that “of those who got their results, only 24% have received certificates and less than 18% have received monetary rewards. This is despite the fact that 80% candidates reported having bank accounts, and 91.3% stated they had Aadhaar numbers”.The Report also cites “serious conflict of interests” in the functioning of the National Skill Development Corporation.
- It is also found that there are numbers of outgoing issues in the PMKVY. As a major stakeholder in the skill mission, ASTP takes inputs from the training providers (TP’s) and with their partners, which are 42 in number.
- It is found that the NSDC, the nodal agency of the PMKVY implementation consult with number of private agencies and demands inputs and feedbacks of those private agencies. As a major stakeholder,ASTP time to time interacts with NSDC. Some of the issues are given below, which has been interacted :
  - **Sector Skill providers (SSCs)**, who are mandated to develop competency framework, conduct train the trainers programmes, conduct skill gap studies.ASTP reports that SSCs makes delays in providing the results which are important for the further policy implementation.
  - **Training of trainers (TOT)** not on schedule.
  - Target allocation is on hold .
- PMKVY completes 10 lakh enrolments under Skill India, 70% have completed their skill trainings. These figures depicts a well-managed policy ecosystem of the PMKVY in which private agencies are a major stakeholders.
- It is found thatthis programme creates an end-to-end implementation framework for skill development, which provides opportunities for life-long learning. This includes incorporation of skilling in the school curriculum, providing opportunities for quality long and short-term skill training, by providing gainful employment and ensuring career progression that meets the aspirations of trainees.
- It is also found that alignment of employer/industry demand and workforce productivity with trainees’ aspirations for sustainable livelihoods, framework has been created for outcome focused training. It will build capacity for skill development in critical un-organized sectors (such as the construction sector, where there few opportunities for skill training) and provide pathways for re-skilling and up-skilling workers in these identified sectors, to enable them to transition into formal sector employment.

#### **Challenges faced by Skill Development Initiatives in India (Important Findings):**

Analysis has also been made on the basis of the inputs and feedbacks from the private agency (A.S.T.P), and various challenges are figured out, which the skill initiatives facing today. These are as follows-

- **Complicated Institutional Set-up:** The existing structure for skill development includes complex and overlapping priorities. The governments data shows that in the recent time, skill development initiatives are spread across about 20 different ministries, and 35 state governments and union territories.
- **Inadequate Infrastructure:** The training infrastructure and institutional set-up for providing skill training

in technical and vocational skills is insufficient. In terms of current capacity, around 3.5 million labour force are trained in various professional skill by different publicly funded organizations whereas 12.8 million new addition in the labour force every year. The infrastructure available for skill development currently is mainly government-funded still private sector investment hasn't been capitalized.

➤ **Demand & Supply Disequilibrium:** The demand for labour force made by the industries and supply of labour-force disequilibrium leads to expansion of various kind of skill development initiatives of the Government, its partner agencies like NSDC and Private cooperation. The number of person in various educational level who are formally trained annually is only 1,100,000 persons revealed by Ministry of Labour and Employment and around 3,200,000 persons trained by 17 other ministries of Government of India.

➤ **Geographical Issues:** Another serious issue cursing the labour market is its geographical set-up spread across different states and Union Territories of the country. The economically developed states have more jobs creation with lower rate of available workforce whereas on the other hand; the states with low economic growth have more job seeker with a growing population in comparison with lesser available jobs.

➤ **Lack of Formal Education & vocational Training:** Although India has attained progress in primary education with 1.5 million schools and 250 million enrollment but it still lack in higher education with just 20.7 million with only 24.3% of total enrollment. Vocational and technical training institutes, Industrial Training Institutes (ITIs) are largely backed by Government and private entities. There are total 9447 (in 2012) it is with capacity of 1.3 million. The number of ITIs have been increased has been increased at CAGR 11.5% (2007-2012) with a seating capacity rise to 12.2% CAGR (in 2007-2012).

## Conclusion

Success does not come through magic. It needs necessary skills to succeed. This universal truth is equally applicable for the young generation. Youth energy can be driving force for social and economic development of any country provided it is channelized effectively. Skill development and employment are the best means to mobilise this force. The whole policy ecosystem has been modified to give more and more leverage to the policy implementation and achieve the target of skilling 40 crore by 2022, as a part of Government's ambitious vision New India. The study has been made on the Private agency and a major stakeholder (A.S.T.P) in the policy ecosystem of the PMKVY. Interviews with several officials were held to know all about the PMKVY like its implementation, challenges, what are the future prospects in the PMKVY and their achievements in PMKVY implementations.

In a short span of time, the coverage of the PMKVY in terms of candidates enrolment, their training and placements enhanced, especially, in New Delhi region. One of the main important finding is that, as per the private agencies input, the awareness related to the Skill training through PMKVY has been increased which could easily facilitate and achieve the target of 40 crore skilled youths in India by 2022.

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