

# Skilling India's youth at scale

Strengthening processes and increasing efficiency of skill development sector.

## Introduction

India today stands on the corridor of opportunity. With the increase in new-age industries, the world has moved towards a knowledge era<sup>1</sup>. Learning new skills and increasing employability has never been a more achievable target and the timing can not be better for India. By 2020\* India will be the youngest country<sup>2</sup> in the world with an average age of 29\* years. 64%\*\* of India's population will be in working age group at a time when leading economies like Europe, US, South Korea and Japan are ageing\*\*. India will be catering a workforce which if skilled according to the market demand can cater to the needs of world audience. India has a real opportunity where it can establish itself on the first step of this balance shift to achieve a financial stability and community development through the promotion of skill development.

For realizing a dream of this magnitude, the foundation should be logically focused on skilling the youth to contribute in India's demographic dividend<sup>4</sup> and doing it at a large scale, to cover the unskilled portion of 64% of working age group to achieve full potential.

## What is happening for this opportunity

The recent involvement of government (Pradhan Mantri Kaushal Vikas Yojana<sup>5</sup>/ Skill India) and growing contribution of nonprofits in skill development sector is turning the perceived gloomy scenario of having a large unskilled population into a hopeful one. In 2017-18 Financial Budget Allocation, India saw youth engagement as the key theme for the year. The total budgeted expenditure for Employment Generation, Skill and Livelihood is Rs 17273\*\*\*\* Crores and Ministry of Skill Development and Entrepreneurship is allocated Rs. 3016\*\*\*\* Crores. Further, according to NextGen and CSR India in 2016 Education and Skill Development were the second\*\*\*\*\* most preferred choices for CSR initiatives in India.

*“With the increase in budget and more CSR contributions, the importance of Skill Development is being identified, yet it isn't creating the impact it should.”*

\*Financial Express Online. (2017, March 26). With an average age of 29, India will be the world's youngest country by 2020. Financial Express

\*\*K.N.Pathak (2016, October 21). Challenges of Skill Development in India.

\*\*\*Inspiration taken from Imagining India: The Idea of a Renewed Nation. Nandan Nilekani (2008).

\*\*\*\*Speech of Honorable Finance Minister, (2017, February 1). Budget 2017.

\*\*\*\*\*Dilip Chenoy's CSR in Skill Development: Avenues, insights and impact. National Skills Network (2016, October 29).

So evidently there is something that is preventing the funds to be transformed into results, otherwise for a country that adds 12 million individuals to its workforce every year having less than 4 percent individuals with formal training is an appalling record.

*Moreover there are clearly visible programs and plans by the government and some of the less noticeable contributions made by supporting organisations (profit and nonprofits) towards skilling the youth.*

A number of experts have been studying the magnitude of this problem, and trying to analyse the other roadblocks. On a discussion level, debates on better governance, synergy in programs, sync with market needs, equitable access, convergence of school education and the government efforts, creation of institutional mechanism, youth centred programs are prominent issues that keep coming when skill development need is talked.

Experts and think tanks in government, profit and nonprofit sector have been brainstorming programs that can solve or at least reduce the magnitude of these problem. Nonprofits running skill development centers are contributing in their own way by skilling as many youths as their capacity allows. Perhaps the constraint is not the plan or the effort but the method of implementation. The reality is also that there's an immense amount of work still remaining to be done. And what's needed is the impact and the effort to reach maximum number of youths, to tackle the challenge of great magnitude. There needs to be a foundation to maximise the direct contribution made by the nonprofits

leveraging the govt. plans and programs in skilling the youth to boost economy.

***“There’s a need to shift the focus towards scaling the less noticeable contributions of nonprofits in skill development that pave way for much greater impact.”***

The nonprofits running skill development programs train the youth for various skills such as interpersonal skills, information technology etc.. in different regions. They have established processes from reaching the youth to training and monitoring the impact. The monitoring organization needs to store huge amounts of data related to trainees and trainers. The demographic information, education, experience details, etc... Records of their assessments, growth and placements are also stored for impact measurement. The [progress assessment](#)<sup>6</sup> and [impact analysis](#)<sup>7</sup> of the program is based on this data. After talking to many NGOs and observing their impact model, what surfaced was that their efforts reached youths only to a particular extent. By increasing the scale of their operations, their processes, their training programs, the data collection and impact measurement, they can add the next chapter in India's boost to the economy. The corporate and private sector has exemplified growth by scaling up their processes and work, and so can the social development sector. The right foundation of tools, technology and leadership, to strengthen the processes and increase efficiency can scale their efforts for amplified impact.

What follows below is a brief case study of how an NGO did it using technology.

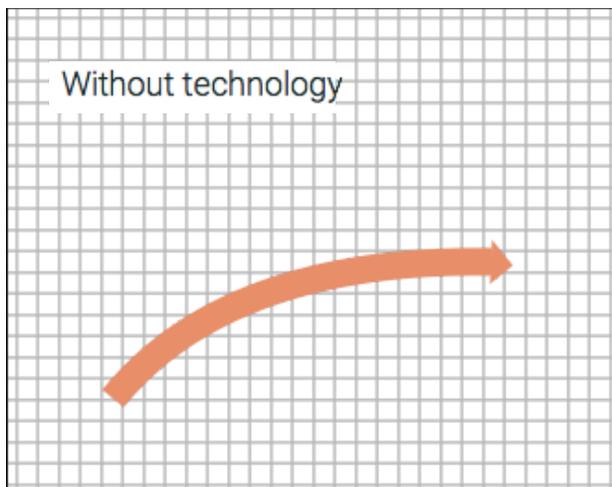
### Case study of an NGO skilling the youth

Agrasar is a Skill Development NGO, established in 2010. It runs 4 skill development centres and 3 learning centres in Gurgaon. As Agrasar is witnessing a fast growth trajectory, while implementing its training programs, there are certain issues. Maintaining all the data and paperwork was turning into a hassle for the organization. Compiling data from different centres, looking for redundant information, segregating it for analysis, etc... consumed a lot of time. Prerit Rana, CEO of Agrasar, found these issues taxing and time consuming for the team. They were occupied in a lot of non-core activities when their time and skills were needed in developing new strategies and analysing on-ground implementations and impact.

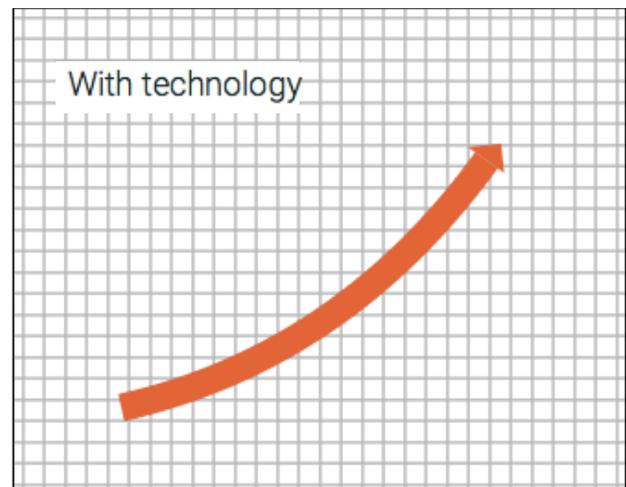
Now the issue of prioritizing tasks and saving time from non-core activities is common for almost every organization. To

be able to implement skill development and training programs better, every organization like Agrasar needs their best people to have sufficient time to strategize and brainstorm. This is possible only when they are not occupied in time-consuming tasks that can be easily automated through technology. Recognizing the issue Agrasar went ahead to automate their processes to make Skill Development efficient from step one.

The automation platform Agrasar is using, provides it with a single place to consolidate all the data. Team can access the platform from any location through their laptops or phones. With a single point of reference, they are able to be in better sync with each other and take informed decisions. They can store information about the trainees and also regularly track their progress. They can have a clear picture of how many trainees are being trained, how many are placed and even how many are looking for jobs or have dropped out of the process.



*Stagnant reach of effort and impact over time with just human input.*



*Exponential reach and impact over time with automation & platforms.*

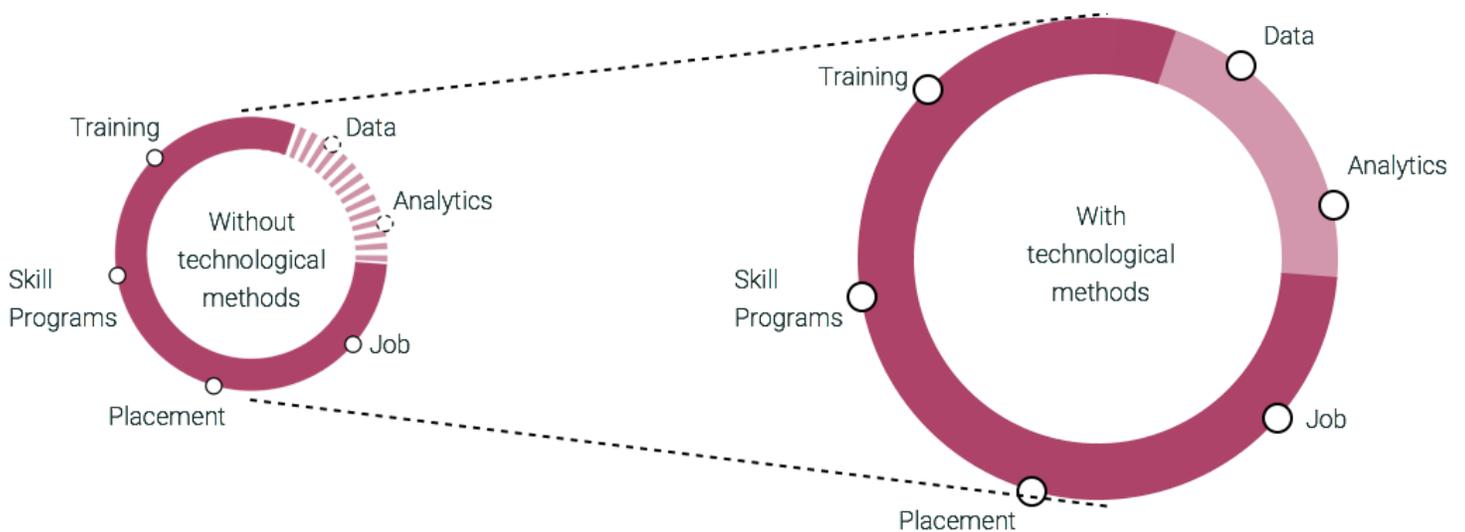
This consolidation of data and an automation step is taking Agrasar ahead in the game with the advantage of factual analysis<sup>8</sup>. The platform provides insightful visualisations of the collected data. It is possible to have a quick analysis of the program and see which particular course is more preferred by trainees, which particular profiles find better placement opportunities, trainees from which area apply for the program the most, which area needs more attention and other analysis like these.

*“Prerit’s vision, integrated with this simple way of progress analysis and informed decision making is helping Agrasar in their aim of working and progressing with the community.”*

### **Skill development sector can benefit at large**

If a similar approach and technology involvement is inculcated in the present Skill Development scenario then the dream of having the largest skilled workforce in India is achievable. A technology advancement can further open many avenues for an organization. It doesn’t just save a lot of hassle but also allows investment of time, money and resources to better use.

Here’s a calculation to consider: the manual work takes in 2 hours of one employee time (assuming only one employee works on it) and each centre has 3 training programs running daily. Then in a day that would be  $2 \times 3 = 6$  manual hours of employee time. For multiple centres, let’s say 5, the manual work hour time will be  $6 \times 5 = 30$  hours of employee time per day.



***Scale of impact with and without technological methods of running the skill development programs***

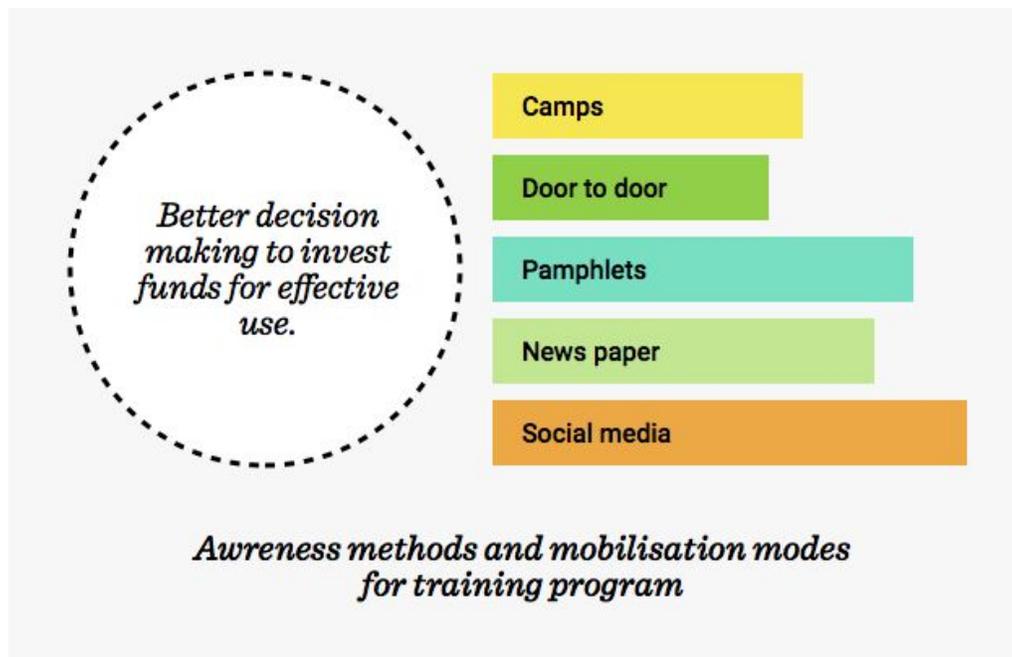
For a 6 day working organization it will be  $30 \times 24 = 720$  hours of manual work per month. Now, according to various studies the average salary of an entry level graduate employee in India varies from 15,000# INR to 24,000# INR, let's take a rough median salary of 20,000 INR. This salary calculated for 9-hour shift with 6 days working will be equivalent to 92.6 INR per hour then in a month you are paying  $720 \times 92.6 = 66,672$  INR in manual work which can be easily automated or used from a subscription based platform with less than 1/6th of the price. At the same time, those man hours can be utilised for creating intelligence and impact strategies.

# Salary Assumption- *Starting salaries in India amongst lowest in Asia-Pacific: Study.* (2015, September 8). *The Times of India Business and Salaries of various jobs.* Naukrihub.com. *Naukri Hub.*

Increasing efficiency of the process can help an organization in placing their energy

in finding more growth expansion options. The power of data and real time insights can help in finding the right sources to invest funds in. For example, based on the data of how trainees, knowledge about the training program can decide whether more investment should be made on advertisements, newspaper or direct interaction (see figure below). Adding to the list of possibilities, through [web platform](#)<sup>9</sup>, assessment processes can be made better by taking [predictive test](#)<sup>10</sup> of trainees for better career counselling or online assessment tests that can directly link the data to trainee profile.

With the world going digital and people being well connected through social media, it is never before been so easy to spread the word about a cause. Such efforts can be marketed better for more impact and can also create more pathways for fund generation through collaborations.



For example, there can be a better strategy to partner with placement organizations based on the clarity about trainees placement preferences and skill set through the data. To further improve training process and increase [trainer capacity](#)<sup>11</sup> there can be a curriculum and study material on the platform and in turn perform regular course mapping. Technology can be leveraged to appeal the youth more for their skill training through interactive methods of teaching.

*“The possibilities are endless.  
Technology can help Skill Development Organizations in automating data, refining processes, analysing progress, planning targets, test assessments, career counselling, collaborations, marketing, employee engagement etc...”*

With growing investment in mobiles, laptops and internet, technology is far more accessible. India has travelled miles in its technology mindset. And therefore technology has gone from being seen as something forbidding and intimidating to something that is empowering.

If organizations working in this sector are able to understand the impact a small change can make, then achieving the target of Skilled India will not be an unrealizable dream. This change can increase the efficiency index of Skill Development sector by multifold both quantitatively and qualitatively. The bigger roadblocks exist but before we set those right, there is an option of making the best of what we have right now.

## Authors:



### **Adiba Ahmed:**

*Adiba is part of ManageMyNGO's Research Team, a technology platform that increases the capacity of NGOs by assisting them in carrying out their day to day tasks. She works for ColoredCow, a Software Development company providing product and services in domains like Social Development, Healthcare and Education. As an Engineering graduate with experience of working in Development Sector, she has been intensively researching with the team on issues that prevent NGOs from utilising their full potential.*

## References:

- Nandan Nilekani. (2009, May 14). Ideas for India's Future. *TED Conference*
- K.N.Pathak (2016, October 21). Challenges of Skill Development in India. *Press Information Bureau Government of India Special Service and Features*
- Sanjeev Duggal (2016, April 4). Skill development in India is growing but a lot more needs to be done. *Business Insider*
- Speech of Honorable Finance Minister, (2017, February 1). Budget 2017. *indianbudget.nic.in, Niti Aayog*
- Salaries of various jobs. Naukrihub.com. *Naukri Hub*
- *Starting salaries in India amongst lowest in Asia-Pacific: Study.* (2015, September 8). *The Times of India Business*
- Dilip Chenoy (2016, October 29). CSR in Skill Development: Avenues, insights and impact. *National Skills Network*

- Financial Express Online. (2017, March 26). With an average age of 29, India will be the world's youngest country by 2020. *Financial Express*

## Index:

1. **Knowledge era** is the information age, which according to Wikipedia is a period in human history characterised by the shift from industrial production to one based on information and computerisation. It is a new, advanced form of capitalism in which knowledge and ideas are the main source of economic growth (more important than land, labour, money, or other 'tangible resources).
2. **Youngest Country** is defined based on the calculation of the median age of the population of different countries. According to CIA World Factbook, India will have an average median age of 29 by 2020 and hence one of the youngest countries in comparison to other countries.
3. **Opportunity Cycle** is the general path flow through which an opportunity is turned into a successful result. It has three main parts, number one realization of opportunity, number two analysis of constraints and ultimately leading to the right solutions. The solution phase is further divided into Visible and Non Visible Solutions.
4. **Demographic Dividend** occurs when the proportion of working people in the total population is high because this indicates that more people have the potential to be productive and contribute to growth of the economy.
5. **Pradhan Mantri Kaushal Vikas Yojana (PMKVY)** is the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE). The objective of this Skill Certification Scheme is to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. Individuals with prior learning experience or skills will also be assessed and certified under Recognition of Prior Learning (RPL).
6. **Progress Assessment** are feedback oriented educational assessments for the evaluation of development and sustainability of cognitive knowledge during a learning process. These are in tests based on the learning imparted in a particular time frame to analyze the progress and growth of the learner.
7. **Impact Analysis** is defined by Bohner and Arnold as "identifying the potential consequences of a change, or estimating what needs to be modified to accomplish a change". In terms of an NGO, impact analysis means identifying and analyzing the effect of their work.

8. **Factual Analysis** is a systematic evaluation based on fact-findings and information gathered. It is quantitatively rich and provides clear differences based on data which can help in creating a verified analysis.
9. **Web Platform** or web-based applications run on the Web, i.e. they can be accessed via internet and are completely independent of the user's actual computer operating system.
10. **Predictive Test** is a kind of a scientific assessment which helps in understanding people and their behaviours. It captures what drives workplace behaviors and in turn suggests best fit career options for individuals and business understanding to organization.
11. **Trainer Capacity** is in general the number of trainees (s)he can teach and the amount of curriculum (s)he can complete in a given period of time. It is the amount of work that (s)he can do.