

FROM THE EDITOR'S DESK

Greetings!

Skill development is one of the central pillars of employability, improving productivity and sustainable enterprise development. Skill development is as an important ingredient to push the production possibility frontier outward and to take growth rate of the economy to a higher route. Skill building could also be seen as an instrument to empower the individual and improve his/her social acceptance or value.

Skill development plays a key role to India's global competitiveness as well as improving an individual's access to decent employment. For enterprises to compete in the global economy, the quality of training must reach world standards and be relevant to the needs of national and international markets.

To increase the relevance with future employment market including promotion of self employment, soft skills and entrepreneurship skills should be made an integral part of skill development.

As India moves progressively towards becoming a 'knowledge economy' it becomes increasingly important to focus on advancement of skills and these skills have to be relevant to the emerging economic environment. As compared to western economies India has a unique 20–25 years window of opportunity called the "demographic dividend." It means India has a higher proportion of working age population vis-à-vis its entire population." According to a research by Boston Consulting Group, estimate is that by 2020 India will have a surplus of active population – about 47 million people.

But the current education system does not focus on training young people in employable skills that can provide them with employment opportunities. Today, a large section of India's labour force has outdated skills. As per "The India Skills Report 2014" 60% of total population available for working and contributing towards GDP, but out of the total pool only 25 % is capable of being used by the market which means there would be a demand-supply gap of 82-86% in the core professions.

The Government is therefore strongly emphasizing on upgrading people's skills by providing vocational ed-



ucation and training to them. It has formulated the National Policy on Skill Development and set a target for providing skills to 500 million people by 2022. Various stakeholders are involved in this process.

In the current framework, the Ministry of Labour & Employment runs various schemes and has set up industrial training institutions across the country. Other ministries such as the Ministry of Human Resource Development, the Ministry of Rural Development and the Ministry of Urban Development & Poverty Alleviation have also launched their skill upgrading programs and self-employment schemes.

In addition, as part of its National Skill Development Mission, the Government has established the National Skill Development Corporation in the Public Private Partnership mode to facilitate setting up of large, high quality, for-profit vocational institutions. It also aims to set up 1,500 new ITIs and 5,000 skill development centres across the country as well a National Vocational Qualification Framework (NVQF) for affiliations and accreditation in vocational, educational and training systems.

This issue presents a good number of articles on the cover story theme 'Skill Development & Productivity' by distinguished experts and authors and an interview from industry stalwart. We look forward to constructive feedback from our readers on the articles and overall development of the journal. Please send your mails at editor@icmai.in. We thank all the contributors to this important issue and hope our readers enjoy the articles.