

# Skilled workforce will be the key to ‘Make in India’

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A study of 60,000 Indian graduates found that 47% are unemployable in any sector of the knowledge economy

Of all the announcements made by the Modi government, his ‘Make in India’ programme garnered most attention. India’s manufacturing sector has tremendous potential for growth; with over 800 million below the age of 35 or less and the need for 700 million skilled workers by 2022. This is a huge competitive advantage that can genuinely turn the country into a manufacturing powerhouse.

Unfortunately, the manufacturing sector only accounts for 15 per cent of the GDP at present and to change that, the government is working on curbing red-tapism, making legal compliance easier and transparent and amending regulations to make them more investor friendly.

But the one thing that is needed immediately is skilled workforce. One main resource that can help achieve the ‘Make in India’ dream is a pool of highly skilled people.

A recent study conducted by AMCAT (Aspiring Minds Computer Adaptive Test) on more than 60,000 graduates from colleges across India found that 47 per cent are not employable in any sector of the knowledge economy. It was observed that it was a lack of employability skills that rendered them ill-equipped for jobs. The Confederation of Indian Industry and the India Skills Report are calling this gap the ‘Great Indian Talent Conundrum’, which could turn our demographic dividend into a demographic disaster.

The World Economic Forum highlighted the challenges pertaining to this skill gap, offering tips on overcoming them. For instance, an individual fails to understand the value of being skilled as he does not perceive skill enhancement as a value-addition towards his profession.

This is because there is no established link that a particular enhanced skill could actually provide a dignified livelihood. Therefore, a system where enhancement of a skill also reflects as a higher return on investment is needed.

## **Dividing the workforce**

From an organisational point of view, a big concern is high attrition, despite heavy investment into skill enhancement. But in due time, as trained personnel increase, it will lead to cost saving. Moreover, quality always wins over quantity, in the long run, especially in knowledge-driven economies.

As discussed at the forum, the workforce can be divided on the basis of skills required into candidates who need basic training, those who need to upgrade their skills, and those who need to be trained to match international standards.

**Basic training:** The key to success here will lie in mobilising candidates and being able to deliver. Training facilities should be accessible across the country. Maintaining trainers who can in turn prepare more trainers in the subsequent years is important.

Government would need to step in both by providing funds and incentives to encourage organisations to welcome training and trained candidates into their workforce.

This can especially help small and medium firms to include a compulsory training programme. The government can also consider providing infrastructure support by using venues like schools after their working hours to be used as training centres.

Huge numbers of youth, who may be without formal college education, can train in vocational skills that can help get them employment.

**Skill up gradation:** This has a dual objective, one being standardisation so that quality and aptitude of the existing workforce can be assessed. This can enable companies to judge the quality of their manpower directly and in turn pay more for skilled labour. Besides, the certification process could play an important inspirational role for the workforce.

Training for this group should emphasise on soft skills that can enhance performance in their existing jobs.

**World-class skills:** If India wants to be a manpower supplier to the world, it will require world-class training facilities that can train manpower to match standards in recipient countries.

Given that these candidates are already technically skilled, the agenda is to have training metaphors that can motivate them to give their best in whatever they do and also instill leadership qualities in them. Transformational training is the best form of training focusing on motivation and developing traits which can give a positive outlook to candidates. For all three kinds of training, there are some common pointers.

Firstly, India must have a robust accreditation system. A quality check on the training imparted should be outsourced to independent agencies where the trainer is not a participant in the audit mechanism. Plus the training should be standardised and easily replicable.

Secondly, the government or its agencies can make it mandatory for companies to hire only certified manpower.

Also, these certifications should be standardised only by industry leaders and experts. . If these guidelines are followed and the skilling is delegated in a structured manner, it is not

**difficult for India to emerge as a nation of skilled workers. It needs to be understood that people are the only sustainable, long-term source of competitive advantage - for providers as well as buyers.**