Employment Outcome Of Skill Development Programmes In Assam With Special Reference To The Cachar District

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Abstract: India is one of the youngest countries in the world with 65 per cent of its population below the age of 35 years. India has recognised the importance of youths in the economic development process for a long time. Recognizing the importance of youths in the economic development process and to take advantage of the country’s young workforce, the Government of India has undertaken various skill development initiatives since it is a proven fact that the lack of requisite skills adversely affects employability, hinders the growth process and prevents workers from partaking in the fruits of economic growth. The present study is an attempt to evaluate the effectiveness of the placement linked training program implemented under the Employment Generation Mission (EGM) of Assam to determine to what extent the programme has succeeded in generating gainful employment opportunities for rural youths.

Keywords: Control Group, Employment, Employment Rate, Labour Force Participation Rate, Treatment Group, TVET Programme, Skill Development.

1. INTRODUCTION

In the contemporary era of globalisation, everyone needs to enhance their skills and qualifications to face every challenge for their survival due to increasing competition for jobs. It is a proven fact that the lack of requisite skills adversely affects employability and prevents workers from partaking in the fruits of economic growth. Prof. Myint, in this context, stated that “Many underdeveloped countries may be held back, not so much by a shortage of savings as by a shortage of skills and knowledge resulted in a limited capacity of their organisational framework to absorb capital in productive investment.” The technological knowledge and skill formed the community’s immaterial equipment without which physical capital cannot be properly utilised. The development of skills is viewed as an important factor in the production process which in turn promotes economic growth and job creation (Sakamota and Powers, 1995; Psacharopoulos and Woodhall, 1997; United Nations, 2012). Across the globe, youth unemployment cannot be understood in isolation from education, training and skills development (Hoffman, 2011).

1.1 The Concept of Skill Development

The terms “skill” means a competency needed to perform any kind of task and related to activities and people. It can be defined as “an ability and capacity acquired through deliberate, systematic, and sustained effort to smoothly and adaptively carry out complex activities or job functions involving ideas (cognitive skills), things (technical skills), and/or people (interpersonal skills)” (http://www.businessdictionary.com). Skill development refers to the identification of skill gaps and developing the existing skills to enable a person to achieve his/her goals.

It is the proficiency that is acquired or developed through training or experience. It strengthens the ability of individuals to adapt to changing market demands and help benefit from innovation and entrepreneurial activities. Skill gap, on the other hand, is the gap between the skills required for a job and the skills the employee possesses. At the individual level, skill development is required to enable youth to engage in lifelong learning as well as transition to the labour market so that they can become a productive agent of the growth process. At the national level, the future prosperity of any country depends ultimately on the number of working persons and their efficiency at work. In this context, skill development can be viewed as one of the vital means to achieve inclusive growth. These skills can often be divided into general skills and specific skills. General skills are those which are required in every sphere of work while specific skills are applicable only in the specified area of work. The soft skills are the set of behaviour and personality traits that characterise a person’s relationship with others. The soft skills are the general skills characterising one’s personality and are tough to acquire and change. Leadership skill, teamwork, communication skill, problem-solving skill, adaptability, empathy, work-ethic etc. are some important example of soft skills that today’s generation must possess. On the contrary, the specific skills are the hard skills that confined to a particular job and can be acquired as well as perfected over time.

1.2 Need for the study

Currently, India is one of the youngest countries in the world with 65 per cent of its population below the age of 35 years. India has recognised the importance of youths in the economic development process for a long time. In spite of the enormous labour pool, employability of the youths continues to be a noteworthy concern in India because of the non-appearance of a legitimate interrelation between the formal education framework and professional training. Recognizing the importance of youths in the economic development process and to take advantage of the country’s young workforce, the Government of India has undertaken various steps to ensure that the upcoming workforce is instilled with future-ready skills. ‘Skill Development’ has been tended over the previous decade,
with the Eleventh Five Year Plan (2007-12) specifying a guide for skill development in India (NSDA, 2014). The ensuing National Skill Development Policy (NSDP), initiated in 2009, has been followed by many initiatives; the most significant of these being the setting up of the National Skill Development Corporation (NSDC), in 2009. Since 2015, skill development has been taken up on a mission mode with the launching of the National Skill Development Mission (NSDM). The objective of the NSDM is to ensure speed and maintenance of standards in skill up-gradation among youths in the country and to coordinate the activities of State and Central institutions in the field of skill formation. Alongside the Central schemes, several state schemes are undertaken by the State governments which are being implemented with the help of various Program Implementation Agencies (PIAs). Thus, the Central government, State governments and private bodies (e.g. NGOs) are involved in the implementation of various skill development schemes. The Government of Assam has also undertaken judicious measures to impart skills among the youths in the state. While several programmes are currently running in different parts of the country intending to skill the workforce, it is utmost necessary to explore whether these programmes are successful in providing gainful placement to the trainees and whether these placements are sustainable. In the existing literature, only a few studies have attempted to evaluate the effectiveness of skill development initiatives in Assam. The present study is, thus, an effort in this regard wherein an attempt has been made to evaluate the effectiveness of the placement linked training program implemented under the Employment Generation Mission (EGM) of Assam to determine to what extent the programme has succeeded in generating gainful employment opportunities for rural youths. The Employment Generation Mission (EGM) is one of the schemes which have been launched in 2007 to impart entrepreneurial skills and training to solve the unemployment problems in the State of Assam. It focuses on the creation of both mini and micro-level employment generation through various PIAs. The paper has been organised as follows: Section 1 sets out a brief introduction to the topic. Section 2 provides a brief review of related literature. The methodology of the paper is furnished in Section 3. Section 4 analyses the findings of the study. The conclusions of the analysis are drawn in Section 5.

2. REVIEW OF LITERATURE

The importance of skills and learning in the process of economic growth is well recognised by modern growth literature. The economic prosperity and functioning of a nation depend on its physical as well as human capital stock. Human Capital is a measure of the skills, education, capacity and attributes of labour which influence their productive capacity and earning potential. Human capital, like any other capital, can be acquired by investment in health, education and training (Schultz, 1981). Becker (1993) also supported the view that human capital can be acquired by investing in education, workplace training etc. Becker further added that formal education is not the only mode to put resources into human capital as the individuals who are engaged in jobs can also increase efficiency by acquiring new skills through workplace training. Empirical studies conducted in different parts of the world in recent time also confirmed the importance of education and training in the economic development process. Kazmi (2007) in his study pointed out that vocational training and skill development are the tools to improve the productivity of the labour force of any country. Blinova et al. (2015) have made an empirical study of the various factors accountable for the reduction of youth unemployment in classified groups of the specified parts of Russia where they found that vocational education has played an important role in reducing the risks of unemployment. Studies made by Zimmermann et al. (2013); Uche (2016); Ekong et al. (2016) and Saleh (2017) also supported the fact that providing vocational training and education to the youths could be an important measure to reduce the unemployment rate. In the Indian context, Venkatesh et al. (2015), while studying the existing model of a skill training, development and placement programme, found that there exists a very strong gender bias in the enrolment of skill development courses and the streams have been historically associated with gender. The solution lies with NGOs and Panchayats to inform women and their families regarding Vocational Educational Training (VET) and help existing women candidates organize into self-help groups. Priyadarshini and Bhattacharyya (2016), in their study, attempted to assess the ongoing initiatives of skill development by multiple stakeholders in Assam. They compared various skill development initiatives by the government and found them not up to expectation, but pointed out that DDU-GKY is far more successful in providing placement to rural youths when compared to the other schemes. Hazarika (2016) examined different skill development facilities provided by the State Institute of Rural Development for rural entrepreneurship and the motivational role of training and its effect on starting an enterprise in rural areas of Assam. The study found that 63 per cent of the entrepreneurs have developed their leadership skills through various training programmes on motivation and can approach financial institutions without hesitation; 59 per cent of the respondents have upgraded themselves technically with the support of technically skilled trainers.

3. DATA SOURCES AND METHODOLOGY

This study is based on a sample survey conducted in the Cachar district of Assam. The training programmes sponsored by the EGM are being implemented in the district through the PIA and it offers residential vocational computer courses and other training meant for the empowerment and welfare of the rural youths. A sample of 100 respondents was selected on a random basis which is consisting of 50 respondents who have participated in the technical and vocational education and training (TVET) programme provided by the selected PIA and the rest 50 respondents are non-participants. Thus, the total sample is consisting of two groups namely, the ‘treatment group’ (those who received training) and ‘control group’ (those who did not receive training). The data on the treatment group was obtained from the rural youths who received training in various trades during 2014-15 from the PIA under the Barak Valley and North Cachar Hills Skills and Employment Promotion Project sponsored by the EGM of Assam. A total of 50 participants comprising 25 males and 25 females were randomly selected from the list provided by the PIA.
and they constitute the treatment group. The control group consists of 50 individuals (comprising 25 males and 25 females) who had not participated in any training programme. The group was formed by surveying households from two randomly selected villages located nearby the PIA and data were collected from local youths aged 15-30 years who had discontinued their studies and also had not participated in any kind of skill development program. For adequate interpretation of the data, simple statistical tools such as the percentages, Z-test for the difference in proportions have been used.

4. FINDINGS AND DISCUSSION

4.1 Post-training Placement of the Trainees:
As per the report provided by the PIA, a total of 724 participants were provided with technical and vocational education and training in 2014-15. It was also found that 87.30 per cent of the participants were given post-training placement in various locations within and outside the North-Eastern Region (NER). 100 per cent of the sample received placement immediately after completion of the training programme. The PIA provided post-training placements to participants in different parts of India which included places like West Bengal, Kerala, Himachal Pradesh, Shillong, Haryana, Gujarat and Assam. It was found that only 2 per cent of the respondents reported having received post-training placement within the state whereas 12 per cent of them have reported that the placement after training was provided outside the state but within the North-Eastern region. The majority of the placements (86 per cent) were given outside the North-Eastern region.

4.2 Technical and Vocational Education and Training (TVET) and Labour Force Participation Rates (LFPR):
The labour force participation rate (LFPR) is the proportion of the working-age population who are either employed or looking for work. The LFPR for the treatment and control groups are presented in Table I. It can be observed from Table I that the LFPR for the treatment group was higher at 72 per cent as compared to that of the control group (66 %). The respondents who have undergone training are found to participate in the labour force in larger numbers in comparison to the respondents who have not joined such a training programme.

<table>
<thead>
<tr>
<th>Available Labour Force (In Nos.)</th>
<th>No of Respondents</th>
<th>Labour Force Participation Rate (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treatment Group</td>
<td>36</td>
<td>50</td>
</tr>
<tr>
<td>Control Group</td>
<td>33</td>
<td>50</td>
</tr>
</tbody>
</table>

Source: Authors’ calculation based on primary data

The gender-wise break-up of LFPR the two groups are provided in Table II. It is observed the male LFPR is higher for the control group than the treatment group. The labour force participation rate was 100 per cent in the non-trainee (control) group whereas it was 96 per cent in the trainee (treatment) group.

<table>
<thead>
<tr>
<th>Category</th>
<th>Z</th>
</tr>
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<tbody>
<tr>
<td>Difference in LFPR among Males</td>
<td>1.23 (Left tailed)</td>
</tr>
<tr>
<td>Difference in LFPR among Females</td>
<td>-2.5*** (Left tailed)</td>
</tr>
</tbody>
</table>

***denotes significant at 1% level
Source: Authors’ calculation based on primary data

It is evident from the test results that there is no significant difference between LFPR for male respondents between treatment and control groups. Thus, the null hypothesis cannot be rejected and it is concluded that LFPR is not significantly lower for the control group as compared to the treatment group. However, in the case of females, the z statistic is found to be statistically significant. Thus, the null hypothesis is rejected and it is concluded that the LFPR is higher among female respondents belonging to the treatment group as opposed to the control group.

4.3 Technical and Vocational Education and Training (TVET) and Employment Rate:
In simple terms, the employment rate is defined as the proportion of individuals in the labour force who were able to secure employment. It is to be noted that the
employment rate being reported here was calculated by taking those people into consideration who were in the labour force at the time of survey i.e. two years after the completion of the training programme. Table IV gives an overview of the current employment rates among the respondents of the two groups at the time of the survey. A person was considered to be employed if he reported being engaged in some economic activity on the day of the survey; otherwise, he was considered to be unemployed. Perception of Table IV reveals that the employment rate for the treatment group was 66.67 per cent. On the contrary, the employment rate for the control group was found to be 57.58 per cent. Thus, it can be said that the employment rate is higher in case of the treatment group. It follows from Table IV that although 100 per cent of the respondents reported having received placement immediately after the program, the employment rate fell to 66 per cent after two years of programme completion. Further, it is observed that the males who are in the treatment group are found to have higher rates of employment as compared to the males in the control group. In the case of the treatment group, 66.67 per cent of the available male labour force was employed at the time of the survey whereas it was 60 per cent in case of the control group. Thus, the males who have undergone training are found to have higher employment rates in comparison to the respondents in the control group. Again, training has also been found to be associated with higher employment in the case of females. Table 4 shows that employment rates for females were higher in the treatment group as compared to the control group. The female employment rate for the treatment group was 66.67 per cent whereas it was only 37.50 per cent for the control group.

<table>
<thead>
<tr>
<th>Table 4</th>
<th>Employment Rate among the respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TOTAL</td>
</tr>
<tr>
<td></td>
<td>No. of Employed persons</td>
</tr>
<tr>
<td>Treatment Group</td>
<td>24 (36)</td>
</tr>
<tr>
<td>Control Group</td>
<td>19 (33)</td>
</tr>
</tbody>
</table>

Note: Figures in parenthesis shows total no. of observation in the respective category
Source: Authors’ calculation based on primary data

The respondents who had left their initial placements and were currently unemployed were asked about the reasons which led them to leave their jobs that were being provided through the PIA. Locations of placements, insufficient salary, family obligations were the most important causes responsible for the falling rate of employment. Many trainees left their jobs due to family compulsions and insufficient salaries discouraged them from pursuing the jobs provided outside their original place of residence.

5. SUGGESTIONS AND CONCLUSION

The study was conducted to examine the impact of skill development programmes on labour force participation and employment status of the rural youths in Assam. The findings showed that the labour force participation rate was 72 per cent in case of the trainees while it was 66 per cent in the case of the non-trainees. A disaggregated analysis based on gender indicates that training has a positive impact in terms of securing higher LFPR among females. Thus, training programme especially targeting the women folk could be an important measure to raise the female labour force participation rate. Although the immediate impact of post-training placement was found satisfactory, the employment rate has declined two years after completion of the programme. Regardless, employment rates were higher for the treatment group than the control group. The placement policy of the programme should be amended so that there are more avenues of employment within the local economy. It would help in achieving employment sustainability. Overall it can be concluded that the training programme has a positive impact on employment generation among the rural youths.

REFERENCES


