



### A STUDY OF IMPACT OF SKILL DEVELOPMENT ON ECONOMIC GROWTH OF INDIA- A LITERATURE REVIEW

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#### Abstract:

*Skill is the ability to perform well that comes from talent, training, or experience. It also means the ability to come up with a solution to a problem. The growth of these skills is essential to the economic development of any nation. Countries with higher skill levels are better able to respond to workplace challenges and opportunities. The importance of putting an emphasis on skill development grows as India moves closer to becoming a "knowledge economy." These abilities need to be relevant to the new economic climate, which will help reshape our economy in the right direction. India must become a manufacturing hub because it needs to create jobs to take advantage of its demographic advantage; it is necessary to focus on expanding skills rather than the current education system. This paper focuses on the significance of the skill India campaign and the contribution that skill India's government-run programs make to propel or boost the economy in order to investigate the role that skill India plays in reshaping the Indian economy. This paper is based on concept research and secondary data.*

**Keywords:** Skill Development, Economic Growth, India

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#### Introduction:

Any nation's economic growth and social development are fuelled by knowledge and skills. Countries with higher skill levels are better able to adapt to the opportunities and challenges of the workplace. India's progress toward becoming a "knowledge economy" necessitates a greater emphasis on skill development, and these skills must be relevant to the emerging economic environment. India's Gross Domestic Product (GDP) must consistently increase annually to meet the twin goals of economic growth and inclusive development. This necessitates significant progress in a number of areas, including the construction of infrastructure, the expansion of agriculture with an increase in productivity, the expansion of the financial

sector, a stable business environment, and competent workforce support.

In India, two fundamental structural streams—a small formal one and a large informal one—are used to acquire skills. The formal structure consists of: i) apprenticeship training, ii) vocational education in post-secondary schools, iii) technical training in specialized institutions, and iv) higher technical education provided by professional colleges. At various levels, a number of organizations provide vocational education and training. Various professional institutions provide higher professional and technical education, primarily in the fields of agriculture, education, engineering and technology, and medicine. Skill training needs to be initiated and focused on a specific area. System of

acquiring or upgrading skills, By and large, skill formation takes place through informal channels like family occupations, on the job training under master craftsmen. These requirements for training in various sector needs to be extremely diverse and multi-skill-oriented for becoming Atma Nirbhar Bharat.

### Objective of Study:

1. To define and learn impact of skill development
2. To study how skill development contributes to Indian economy growth

### Research Methodology:

It is a descriptive analysis in which secondary statistics are gathered from a variety of documents, such as journals, magazines, blogs, and references, to comprehend the concept of understanding the impact

of skill development on India's economic growth. The researcher looked at the literature to see what factors influence people's ideas about how the service industry will benefit from skill development and curriculum changes.

### Definition:

- The term "skills development" typically refers to the productive abilities acquired through all levels of formal, informal, and on-the-job learning and training.
- A skill and capacity gained 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.



### Review of Literature:

1. Arora, D. R., & Chhadwani, M. (n.d.). *Analyzing the impact of skill India as a tool for reshaping Indian economy*. 6(1). According to the research study it aims to comprehend or understand India's current skill capacity, as well as the difficulties and potential solutions posed by the skill development system to use education and vocational training to determine the workforce level of skills capacity. There are variety of measures and initiatives which have been launched by the government and its partner agencies to effectively implement the skill development system in the economy.
2. Okada, A. (n.d.). *Skills Development for Youth in India: Challenges and Opportunities*. According to the research study one can know several new initiatives which have recently been launched by training institutions in response to the shifting policy environment for skill development. Centers of Excellence (COE) with support from the World Bank



to provide "advanced module" training and upgrade their facilities, machinery, and equipment to industry-standards. The ITIs and the private sectors need to share information about the labor market, particularly about the kinds of skills that are in demand; establish a curriculum; and seek private donations of tools and equipment to improve in increasing autonomy and closer ties to employer

3. Tactful Management Research Journal Nagar, S. (n.d.). *Dr. Dakore B. V. and Pradip Shivaji Anantwar*. Summarised the study conducted on Skill Development Initiative Scheme (SDIS) The primary goal is to provide school dropouts, current workers, ITI/ITC graduates, and others with skills that can be used in the workplace. Under this scheme, certification of prior/experiential learning—testing and certifying a person's skill levels—can also be done on people who are already employed. The public and private sectors are expected to actively participate in every stage of the plan's design and implementation as part of a public-private partnership (PPP).
4. Maqbool, M., & Khan, M. (2019). *Skill Development Programmes in India -A Literature Review*. 4, 459–467 the research study helps to understand the initiatives for skill development aid in the supply of trained workers who are dynamically adaptable to the shifting requirements of employment and technologies. The requirements of the knowledge economy will be met by this policy, which will encourage excellence.
5. Promoting Rural Entrepreneurship Through Skill Development for Decent Livelihood: A Review. (2017). *International Journal of Current Research and Review*. Youth must be brought into the main stream of development for rural development. People in rural areas may be motivated to become entrepreneurs by making relatively insignificant efforts and receiving fundamental training in the establishment and maintenance of businesses. Even if

they are educated, rural youth lack the skills of urban youth. In this situation, in order to have a decent life, young people need to learn new skills. As a result, it is now necessary to concentrate on overall skill development in order to become a great power and utilize our demographic dividend, or youth's strength.

### Conclusions and Implications:

The statistics and the findings which the researcher accrued have given a short expertise of the importance of skill development in India. Government intervention and strategies needs to support courses in various sectors and increase work through various professional trainings. Despite the fact that numerous sectors comprehend and acknowledge the need for expertise development activities, not many sectors call for mindfulness. In spite of the fact that numerous outside coordinated efforts have been made by the Government of India with other nations, additional work needs to be done on recognizable proof of business qualities. Youth's employability and proficiency levels will rise as a result of the ability improvement. The nation will also benefit from an increase in the Gross Enrolment Ratio (GER) at various levels of education, from elementary to higher education. In the Indian context, it has been discovered that even though a child is officially educated, if the child stays at home without a job, the watchman consider training pointless. Because earning a living and living with dignity and respect is ultimately what matters to a gatekeeper, the guardians will unquestionably require their children to attend educational foundations due to skill development.

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