



The 'Big Skills Model'

**Using Economic
Development and
Infrastructure Investment
to Drive Up Skills in
India's Economy.**

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1 Introduction

India faces an enormous skilling challenge – the biggest on the planet.

It has tried an approach over the last 10 years which might be called ‘train and pray’ - training people, not always to a good standard, and hoping they get a job and sustainable skills. India has found this does not work and is now exploring new approaches.

In some ways, this result is not surprising; the ‘train and pray’ method has rarely achieved major benefits. This, added to the fact that India has significant capacity problems in terms of quality training and assessment resources, linked with a lack of appreciation about the real scale of training needed to produce a fully qualified worker, has resulted in the present range of skills initiatives failing to achieve the objective.

The analysis in the “Report of the Committee for Rationalisation & Optimisation of the Functioning of the Sector Skill Councils”, December 2016, sets out the problems very well.

2 A New Approach

So, what is the way forward?

We believe that the solutions, developed by NOCN Team members and trialled on major UK investment programmes such as the London Olympics, Nuclear Power Programme, Cross Rail, Thames Gateway and HS2, can be adapted to support India. These solutions can also be used for industrial economic development programmes such as automotive.

The NOCN ‘Big Skills Model’ maximises the benefits of economic development and investment by linking demand with supply, both of:

- ❖ People; and
- ❖ Skills development capacity and delivery, to recognised and certificated international standards. This includes the development of linked “Centres of Excellence”.

It is difficult to link demand and supply at a macro level (‘train and pray’). But you can do it as a defined major economic ‘project’ or at development programme level, for example embedding a skills programme into a new industrial partnership with a foreign partner or including this in major infrastructure programmes such as SMART Cities.

By establishing integrated skills programmes linked to demand (labour market intelligence analysis) for employment within major infrastructure, rural and economic or industrial development project, success can be achieved in a defined area/locality which adds to the overall building of capacity. By the nature of such large ‘projects’, the skills development programme covers a wide range of sectors. For example, in a

typical infrastructure project for each construction job, two other jobs in support service (IT, Finance, HR etc) and the supply chain (materials supplies, manufacturing, logistics and transportation) are created.

The work starts with a detailed skills demand analysis which establishes the numbers of jobs by job role and identifies skills gaps. This is done for the 'project' and the skills demands that the 'project' will create in the wider local economy.

Recruitment processes are then put in place, timed to the peaks and troughs in skills demands and 'new' potential workers trained in 'Centres of Excellence', established by the programme. This training is linked directly to demand and the jobs available in the various companies working on the programme. There is a complete managed chain between the 'under-skilled' person wanting employment and the job that is available.

A person is trained to perform a specific job role on the project or supporting the project and by then working in this role they gain more skills. These are sustainable skills which means that when they finish their time on the project they are positioned to find another job. People who are working on the project can also have their skills up-graded, thus 'lifting the bar' overall.

A series of such focused embedded and successful skills development programmes progressively builds an enhanced level of skills in the wider economy in a practical and achievable way.

NOCN's team has experience of designing, implementing and operating such 'Big Skills Programmes' and can help to embed them in core initiatives such as DDU-GKY, 'Swach Bharat', 'Make in India' as well as major investment projects in rural communities.

3 Benefits

The benefits to India are:

- ❖ **People** are given high quality skills that match the local employment needs, initially. They can then be supported to develop their skills to an international standard, proving them with the opportunities to take up well paid employment in Europe, Middle-East and other parts of the world;
- ❖ **Employers** have access to the skills that they need at the time that they need them;
- ❖ **Government** can manage its skills investment to match the demands in the various sectors of the economy; and
- ❖ **Economic growth and prosperity** is delivered in a managed, efficient and sustainable manner.

4 India's Challenge and Ambition

As mentioned earlier, India faces the largest skills challenge on the planet and if it is to achieve its ambition of becoming a world-class economic power and raising the standards of living of all its people both in rural and urban communities, the ambition is considerable:

- ❖ Skill India;
- ❖ Make in India - massive expansion in manufacturing (Make in India);
- ❖ Digital India
- ❖ SMART Cities - major investment in infrastructure and construction;
- ❖ Housing for All - step change in skill levels and living standards in rural areas;
- ❖ Swatch Bharat;
- ❖ Ujwala;
- ❖ Urban Transport;
- ❖ Gramin Jyoti Yojna; and
- ❖ The move towards more Indians working abroad – that is exporting a skilled workforce (Transnational Skills).

Currently skills development is at an early stage, compared to the 'western' economies. The Sector Skills Councils, all of which are very small organisations, have only been able to focus on entry level skills, with insufficient resources available to carry out good quality training and assessment. Apprenticeships, essential to a modern progressive economy, have not started to be fully developed and embedded. Skills are currently being developed with the hope of employment rather than joining up training, assessment and certification with real demand.

Skills development at present is very fragmented with no single overall thrust. In addition, India is yet to make extensive use of the major development projects to kick off Big Skills Model programmes.

The Corporate Social Responsibility (CSR) funding from companies is available for skills development but is not necessarily co-ordinated in that way.

5 Moving India Forward

It is widely recognised that the Governmental initiatives over the last 10 years have not yet achieved the ambition and therefore a different way forward is needed.

Due to the large number of economic development and infrastructure programmes being undertaken, India is in the perfect position to maximise the benefits of the 'Big Skills Model'.

Within key sectors the most effective way of developing the skills that industries need is to link training and assessments (qualifications) to demand – the 'Big Skills Model'. To do that, skills programmes need to be embedded in major development and economic generation projects as a first step in this process.

A new structure for skills will also have to be developed, building upon the work already undertaken on NOS (National Occupational Standards). As part of this, apprenticeships will need to be introduced and embedded.

Before being in a position to export a skilled workforce, India will need to establish a skilled workforce to achieve its own economic ambitions and to then raise the skills of the workforce to internationally recognised standards.

6 Big Skills Strategy Model

So what do we actually mean by the Big Skills Strategy Model?

The concept is one of managing the supply of people and developing their skills as you might any other aspect of a development programme. Key components of the Big Skills Model are:

Legal Requirements

There needs to be in place a statutory requirement which will encourage all parties, particularly employers, to actively take part in the skills development programme. This can take several different forms, such as planning development conditions, Government and State funding conditions, Levies etc.

Sufficient Funding

The funding sources must be agreed early on, based upon practical estimates of the cost of training adequate numbers of people; not just 'project/industry' skills but the wider ambition of all the support and logistics jobs created by the investment in the wider local economy. Funding parameters and rules also need to be flexible so they can be adjusted in response to changing circumstances.

Sound Governance & Management Structure

It is essential that there is sound governance and a management structure put in place that is experienced in skill development programmes and has the knowledge of how to develop and manage the implementation of such large and complex programmes. Employer and key stakeholder participation in this governance arrangement is essential.

Employer & Stakeholder Engagement

The employers of the skilled workers together with other key stakeholders such as Government, recruiters, trade associations, professional bodies, academic and training institutions, need to be involved and supportive of the objectives of the programme. They will need to commit to their part of the programme and remain engaged for the duration of the project. The procurement contractual conditions may actually be designed to require the employers and other key parties to commit to the programme in specific and targeted ways.

Demand & Supply Analysis

For the programme to achieve the real benefits of building skills capacity, it must focus on priorities – defined Job Roles where there are skills gaps. There is no point for example in training more finance clerks and painters if there is already an over-supply. Excellent demand and supply analysis will under-pin the programme's design, defining in real and practical terms what it should be concentrating on.

Skilling Programme Design

With a clear understanding of the skills-gap priorities, the scale of the gap (numbers of jobs) and the funding available, a Skilling Programme with timescales and clear deliverables can be designed.

Job Brokerage

A Job Brokerage service needs to be set up to ensure potential workers are supported and managed through the process into training/skill development and then into employment. This must work with all sources of potential employees, including Government employment agencies, local community groups and recruiters.

Quality Training Capacity

Training capacity has to be sourced or developed to match the need. These providers need to be vetted to ensure they can deliver to the required standard. This can only be achieved by implementing sound and robust Quality Assurance processes and procedures and Verification arrangements. Part of this capacity building should be Centres of Excellence, both for the specific skills being needed by the 'project/industry' but also the broader demands for increasing the numbers of highly skilled trainers and assessors.

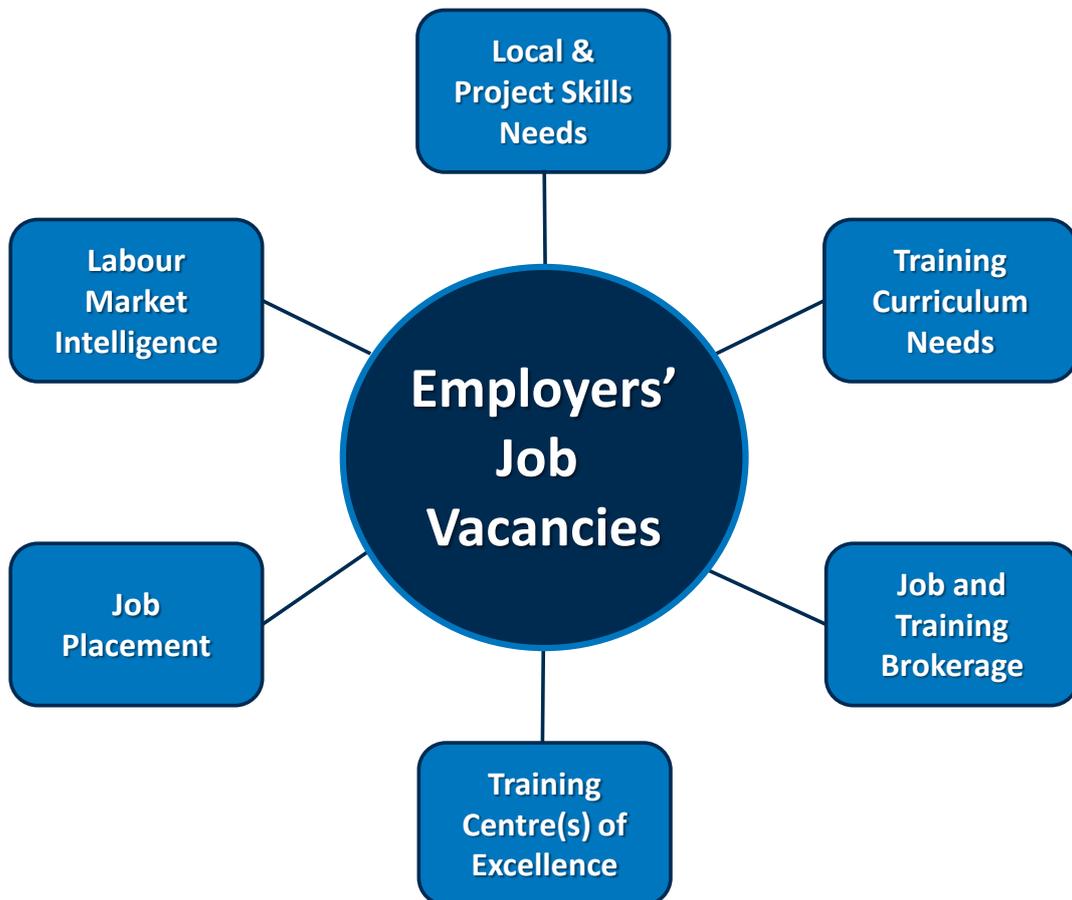
Excellent Assessment Methodologies

The Assessment Plan must set out clearly how potential employees will be assessed, tested and examined; only passing those that match the required standard. Formative, Gateway and End Point Assessment techniques will be needed. So that employers can have confidence in the assessments, they must be undertaken by experienced independent assessment bodies, preferable with international experience, who can then certificate the achievement of the individual.

Transparent Monitoring & Reporting

To ensure that the programme achieves its goals and targets it must put in place and manage a monitoring and reporting system which provides accurate and uncorrupted information.

The 'Big Skills Model'



- SUPPORTED BY -

Capacity Building

Training Institutes, skills trainers and assessors

Governance and Legal Framework

Government funding, State Funding, Planning Rules, Procurement Criteria, CRS, Taxation

7 Summary

By adopting the 'Big Skills Strategy Model' India could start to really achieve its ambitions. Significantly improving skills, living standards and the value of life for all its people.

NOCN can support India Skills Mission as a consultant to develop the model for Big Skills Program and implement a Pilot Project.

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About NOCN

NOCN India Skills Foundation is part of **NOCN Group**, an international non-profit organisation which creates opportunities through learning and skills.

NOCN is the leading provider of apprentice assessment in England. It is a Government regulated Awarding Organisation, providing high quality vocational qualifications in a wide range of industrial sectors from Entry to Level 7.

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