

International Journal of Foreign Trade and International Business



E-ISSN: 2663-3159
P-ISSN: 2663-3140
Impact Factor: RJIF 5.22
www.foreigntradejournal.com
IJFTIB 2025; 7(1): 228-235
Received: 10-04-2025
Accepted: 15-05-2025

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Development of skill is a root factor for sustainable economic growth in India

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DOI: <https://www.doi.org/10.33545/26633140.2025.v7.i1c.162>

Abstract

Skill with knowledge is a significant derivation force for sustainable economic growth, where knowledge endorsed the analytical power and skill provide efficiency for performing any task which enlarges productivity and create revenues for an economy. The present study deals with the “Development of Skill is a Root Factor for Sustainable Economic Growth in India”. The main purpose of this manuscript is to identify the levels of skill and to analyze the existing level of skilled workforce which is significantly contributor in national GDP. The study is based on primary as well as secondary data. The primary data collected through interviews and questionnaire whereas secondary data from journals, magazines, publications, articles, research papers and websites. Today, the demand of workforce has been changed due to sky rocketing change in technological factor. Therefore, skill has become the most important tool to enter the employment market but India has facing the huge shortage of skilled workforce i.e only 6.06 crore (4.7%) workforce has skilled which is very little in comparison to other skilled countries including USA has 52%, China (58%), UK (68%), Germany (75%), Japan (80%) whereas Korea have 98% skilled workforce, which is the highest skilled workforce in world.

Keywords: Skill development; muscle power; economic growth; productivity; sustainable

Introduction

Human capital is very prestigious assets of the nation. All, those countries which has utilized their muscle power properly have become developed and those not utilized, remain underdeveloped country. Meanwhile, India is lying in the list of developing country which has used their muscle power in somewhat ratio due to lack of skill which is significant factor for economic growth.

Skill isn't some activity which is learnt and forgot over time. It is an experience, intellect and passion acting in unison. Therefore, skill with knowledge is a significant driving force as an engine of economic growth, where knowledge endorses the analytical power and skill provides efficiency, for performing any task which enlarges productivity and economy growth. Today, the demand of workforce has been changed due to sky rocketing change in technological factor and employer demanding skilled workforce who can knob up all the problems related to their occupation. Thus, during the process selection, every employer asks the question to job seekers, don't show us paper qualification justify your skill what you have. Therefore, skill has become the most important tool to enter the employment market but India is facing the shortage of skilled workforce i.e only 4.7% (6.06 crore) workforce has skilled which is very little in comparison to other skilled countries like the USA has 52%, China (58%), UK (68%), Germany (75%), Japan (80%) whereas Korea have 98% skilled workforce, which is highest in the world.

To eradicate the problem of unemployment, Indian government started 'Make in India' programme which will be helpful to snap the crisis of unemployment & poverty. Under 'Make in India' programme, overseas investors are likely to invest in 25 sectors of Indian market which will create enormous employment opportunities for skilled manpower, but India is facing shortage of skilled workforce. Therefore, the Prime Minister has launched another new programme on July, 2015 called 'Skill India Mission' (SIM) for the success of 'Make in India' programme for fulfill the requirement of skilled workforce. Thus, 'Skill India Mission' will play a significant role for exponential as well as sustainable economic

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growth by providing skills to workforce for overseas companies in domestic market. Thus, 3M-model described

below is significant to economic growth which convert the muscle power to money power through mind power.

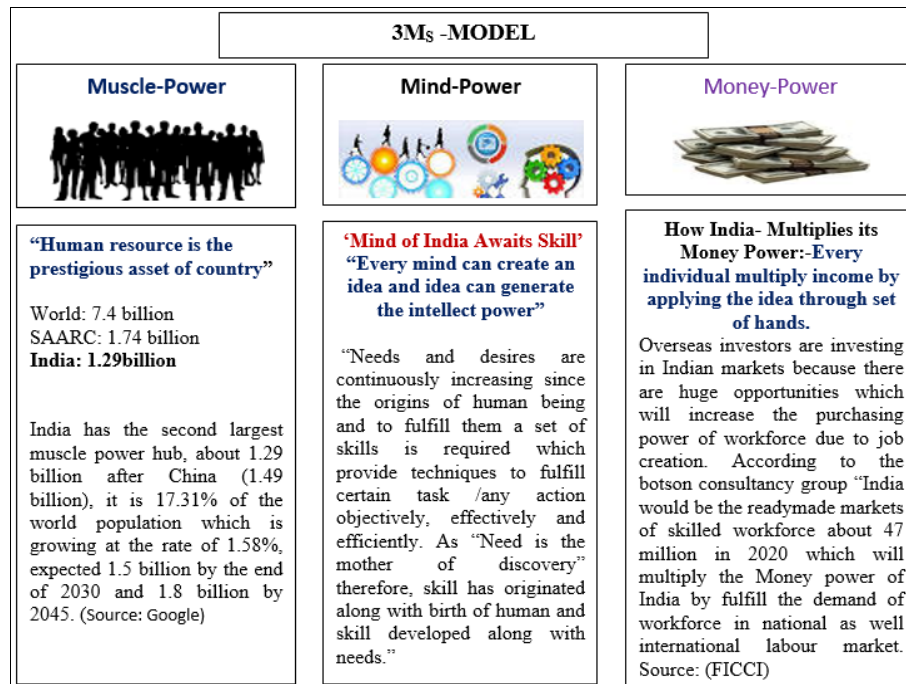


Diagram-1

Objectives

- To identified the levels of skills.
- To analyze the existing skilled workforce in India.

Research Methodology

The design selected for this research is descriptive in nature. In this study, primary and secondary data have been used for collection of data. The primary data collected form well designed questionnaire and collected data from 150 household based on education qualification and levels of skill. Secondary data were collected from journals, magazines, publications, articles, research papers, websites and primary through a well-designed questioner.

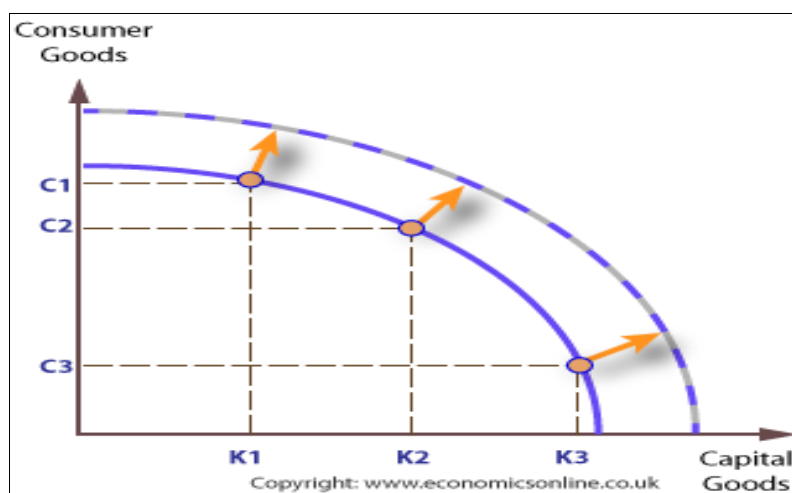
Sustainable Economic Growth

Economic growth occurs when real output increases over time. Real output is measured by Gross Domestic Product (GDP) at constant prices, so that the effect of price rises on

the value of national output is removed. Meanwhile, Sustainable economic growth means a rate of growth which can be maintained without creating other significant economic problems, especially for future generations. There is clearly a trade-off between rapid economic growth today, and growth in the future. Rapid growth today may exhaust resources and create environmental problems for future generations, including the depletion of oil and fish stocks, and global warming. But, skill development can be very significant factor to improve the overall technique of using the resource so that economic growth became the sustainable economic growth.

Production Possibility Frontier s and economic growth

For an economy to continue to grow in the future, it needs to increase its capacity to grow. An increase in an economy’s productive potential can be shown by an outward shift in the economy’s PPF.



Seg-Model

Sustainable economic growth depends on the three factors like skill development, lifelong learning and proper use of natural resource defined in equation (1)

$$SEG = f(SD, L_l, P_{UNR}) \text{ ----- (1)}$$

Where

- SEG=Sustainable Economic Growth
- SD=Skill development
- L_l = lifelong learning
- P_{UNR} = Proper use of natural resources

Skill development depends on education and training depicted in equation (2)

$$SD = f(E, T) \text{ ----- (2)}$$

Where

- SD= Skill development
- E= Education
- T= Training

Education depends on many factors are described in equation (3)

$$E = f(T_{te}, L_{ii}, R_L, I_{dc}, P_m, A_a, S_t, F_{ct}, P_t, Isa, F_p \text{ --etc.}) \text{ ----- (3)}$$

Where

- T_{te} =Tendency towards education
- L_{ii} =Lack of information and interest
- R_L =Rigidity nature of learner
- I_{dc} =Involvement in domestic work
- P_{imo} =Problem of immobility
- A_a =Absence of good advisor
- S_t =Shortage of expert trainer
- F_{ct} = Frequent change of technology
- P_t =Problem of transportation
- Isa =Inadequate of seating arrangement
- F_p = Financial problem

Equation (4) define the growth equation which is a composite function of equations (1), (2) and (3)

$$SEG = f(T_{te}, L_{ii}, R_L, I_{dc}, P_m, A_a, S_t, F_{ct}, P_t, Isa, F_p, T, L_l, P_{UNR})$$

Therefore, equation (4) defined sustainable economic growth is composite function of equation (2) and (3) i.e T_{te} =Tendency towards education; L_{ii} =Lack of information and interest; R_L =Rigidity nature of learner; I_{dc} =Involvement in domestic work; P_{imm} =Problem of immobility; $A_{g.a}$ =Absence of good advisor; S_t =Shortage of expert trainer; F_{ct} = Frequent change of technology; P_t =Problem of transportation; Isa =Inadequate of seating arrangement; F_p = Financial problem; T= training; L_l =lifelong learning; Proper use of natural resources.

Thus, Skills development and lifelong learning and proper use of natural resources are the central pillars for sustainable economic growth. The skill efficiency improved employability conditions, living standard and became productive to contribute in national GDP. It eradicate the extreme poverty and hunger achieving the targets like productive employment and appropriate work for all,

including women, young people, physically challenged, retired people, school and college drop-out, schedule cast, schedule tribes, prisoners and baggers who are able to work by acquiring skills. Lifelong learning proved durability for intellectuals in the economy who are the assets of nation. Proper use of natural resources is significant factor of economic growth because without implementing it other two factors are failed to progress sustainably grow the economy. The storage of natural resources is limited therefore the uses of these resource should be in such a way that present need could fulfill and remain for future generation also. Therefore, the programmes on training and development of competencies promoted by Ministries of Skill Development and Entrepreneur (MSD&E) and through public and private partnership like National Skill Development Corporation which has emphasized that "Education and training are necessary for economic growth and social development. They also contribute to personal growth and provide foundation of an informed community. Education and training are a means to empower people, improve the quality and organization of work, enhance citizens' productivity, raise workers incomes, improve enterprise competitiveness, and to learn proper use of natural resources etc. Therefore, skills development is a fundamental pillar of decent work, with a vision of lifelong learning consistent with public policies in the economical, fiscal, and social and labour market areas, all of which are essential for job creation, social development and sustainable economic growth.

In brief, Skill development required to create revenues through employment for the entire human resources irrespective of age, sex, cast, creed and religion, so that each and every living being enjoy health & employability be a contributor to India economy" whereas 'Sustainable economic growth aims to secure every human being with sound mind in a healthy body with cash in his hand to buy all his worldly needs and in turn multiply the economy manifold every passing day.

Identified Levels of Skill

Every human being born with a specific ability and plays different rolls in society either he or she is literate or illiterate. So, the different roles played by them signify the presence of skills in human being. Skill is divided into different categories based on the levels and duration of training provided to human being. According to the National Skill Development Corporation (NSDC), skill are classified into four levels but there are another levels of skill defined in the study which identified during the field survey are as follows

- **Zero level skill (L-0):** Refers to such type of ability/aptitude (ability changed into skill through any form of training) which is inherent in human beings by birth in the universe. The ability is just like the clay which can modify into skill according to the need of eon.
- **Somewhat skilled (L-1):** Refers to such type of skill which can be acquired through informal sources i.e personal links, observation and doing by learning by own efforts. Many times, such experts can perform very efficiently but they neither get proper respect in society nor legal document as evidence which could support to their skills. During the period of Mahabharata, Eklavya was the best example of somewhat skill.

- **Semi-skilled (L-2):** Refers to skills that can be acquired through on-the-job training, short-term i.e one to 12 month courses.
 - **Skilled (L-3):** Acquired through polytechnic/vocational training or skill certificates, and are specific to the occupation, such as knowledge of complex operations and machinery, skills of supervision, etc.
- High skilled (L-4):** Refers to skills which require long drawn preparations through acquisitions of

undergraduation (U.G) degree.

- **Higher skilled (L-5):** Refers to skill which can be acquired through the Post Graduate degrees course. These skills are required for highly technical and commercial operations.
- **Highly skilled (L-6):** It is highly specialized skills involving research and design which can be gained through Doctoral and Post-Doctoral research work and extensive long period work experience.

Mission- Skill India is not only a war against poverty but a concerted an exponential growth in 10 years hence.

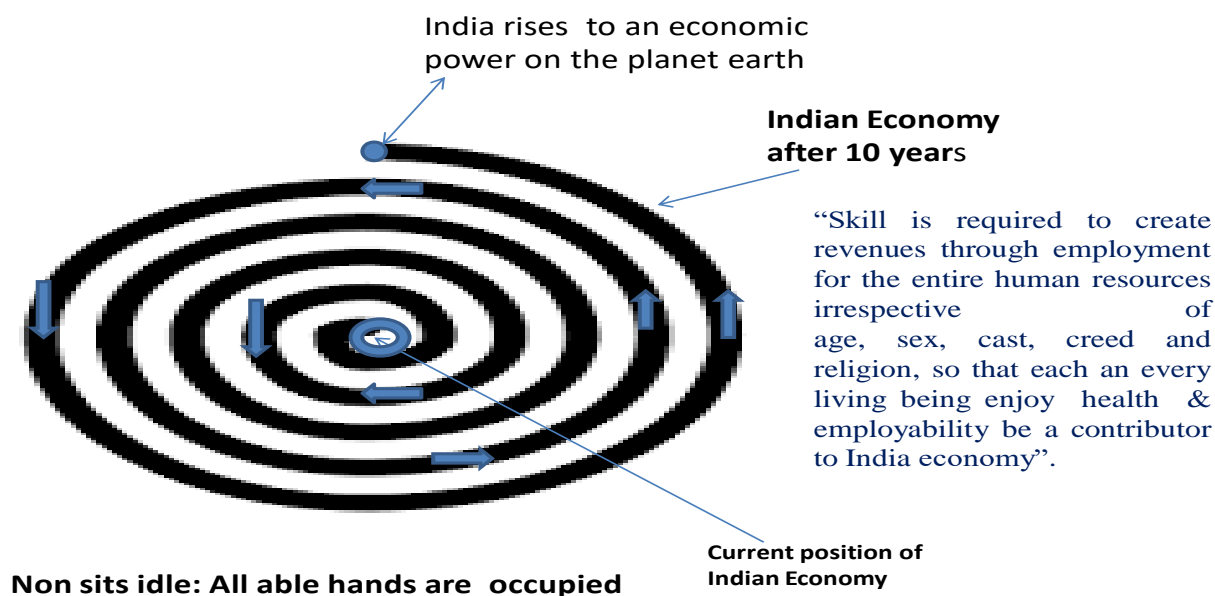
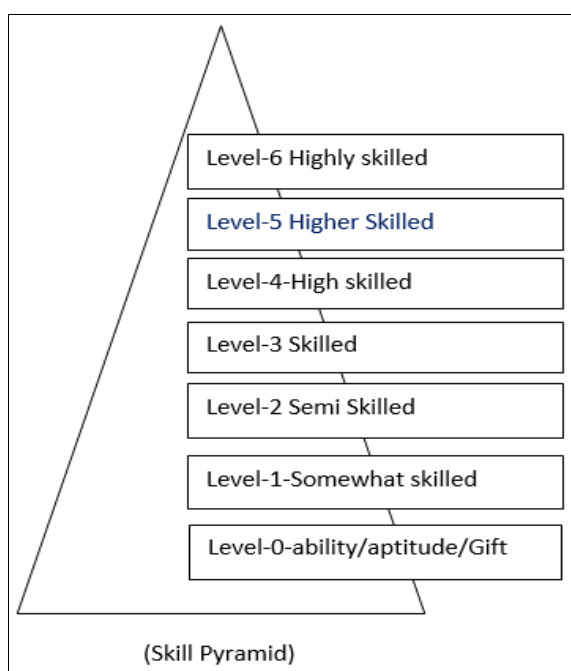


Fig.-Indian Economy grow by

Exponential rate of Indian Economy = $n \log e$



(Diagram- Levels of Skill)

In the above diagram

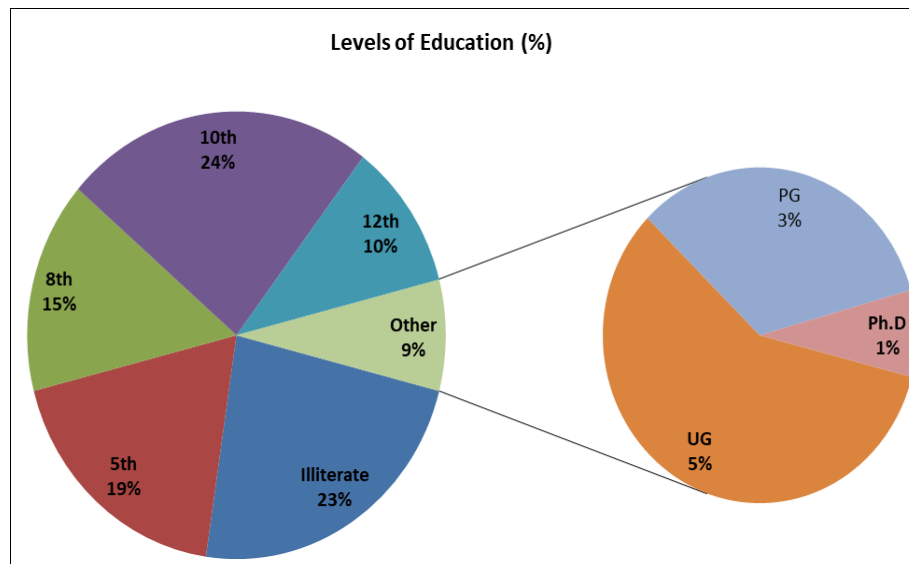
Zero level (L0) is the prime stage of Skill Pyramid which defined the ability/Gift of God, lying in human beings naturally which is unknown and unshaped. It is the basic talent which can be shaped according to 3S i.e Shortage, Security and Solution. Where, L-1 level is somewhat skill which have acquired from nearby source but such type of unorganized trainers/local trainers can't provide certificate or document to define the trainees skill. The local trainees including carpenters, cobblers, welders, blacksmiths, masons, nurses, tailors, weavers etc. can perform better than a degree holder in practical life but due to lack of legal certificate they can't get job in employment market. Thus, 'Skill India Mission' is such programme which will focus in skill development to school dropouts, college dropouts, graduates and post graduates, engineering, vocational skills, agriculture and allied activities, and provides legal certificates to them which will be beneficial for acquiring job.

Findings

Education Status in Rural Area

Table 1: Education Status in Rural Area

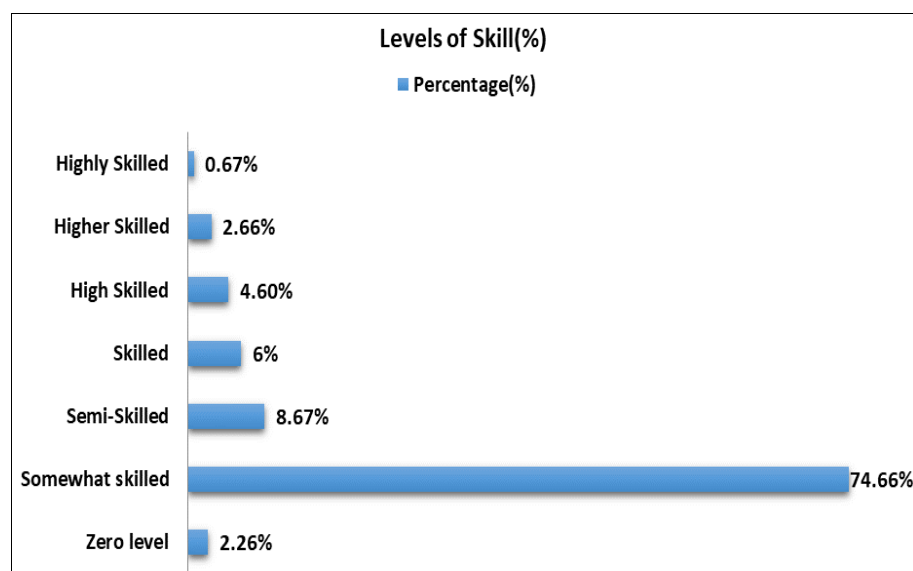
Sl. No.	Status of Education	Respondents	Percentage (%)
1.	Illiterate	35	23.33%
2.	Primary education	28	18.66%
3.	8 th	23	15.33%
4.	10 th (any certificate)	36	24%
5.	12 th /it is/ Politechnic/Vocational/JBT/NTT/ANM,	16	10.66%
6.	Under Graduation Degree/B. Sc/B. Tech/ any equitant	07	4.66%
7.	Post-Graduation Degree (M.A/M. Sc/M.Com/M.Tech/MBA/MCA/any	04	2.6%
8.	Ph.d/or equivalent	01	0.66%
	Total	150	



(Pie Chart-1)

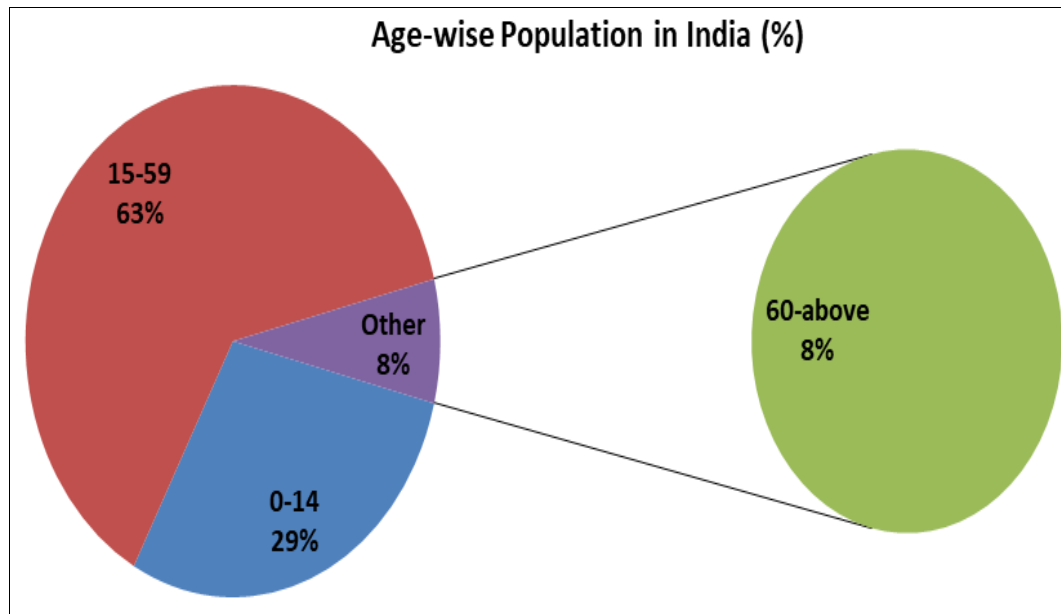
Table 2: Levels of Skill

Sl. No.	Levels of Skill	Total Nos.	Percentage (%)
1.	Zero level skill (L0- it is by birth ability gifted by God	4	2.26%
2.	Somewhat skilled(L1-learned something nearby links)	112	74.66%
3.	Semi-skilled (L2-acquired by certificate course from 1-12 months)	13	8.66%
4.	Skilled(L3-acquired through diploma i.e 1-2 years)	09	6%
5.	High skilled (L4- acquired through Under Graduate degree i.e 3-4 years)	07	4.6%
6.	Higher skilled (L5- acquired through Post Graduate degree i.e 2- 3 years)	04	2.66%
7.	Highly skilled(L6- acquired through Ph.D/ Post Ph.D and long years experience in their chosen area of specification)	01	0.66%
		150	

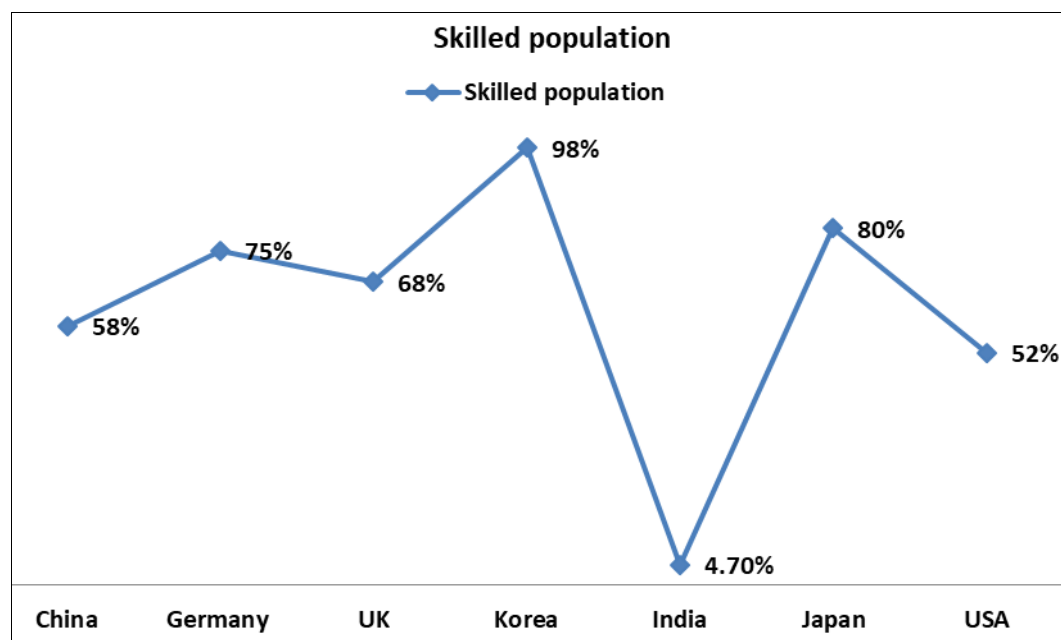


Bar Diagram-1

According to the Ministry of Skill Development and Entrepreneur (MSD&E) the existing skilled workforce in India are as under



Pie chart 2: Muscle Power of India



Source: Ministry of Skill Development & Entrepreneurs

Diagram 3: Skill population

Pie chart-2 shows the age-wise bifurcation of the total population (1.29 billion), approx 29% population (37.4 crore) belonging to the age between 0-14 years, approx 7.8% population (10 crore) is under the age between 60-70+ year and 63.10% population (81.5 crore) belonging to the age-group between 14-59 year which is the main workforce of India. Diagram-3 shows the skilled and unskilled population in India. Of the total population 129 crore, 6.063 crore is skilled workforce in India which is very few in

comparison of other developed countries.

In short, India has a huge task of identifying approx 81 crore populations falling in the age group 15-59 years who are legally employable in some way or the other by become a productive part of Indian economy. It is sad that as on date only approx 6 crore of Indian population is skilled and employable and the rest approx 75 crore of the population remains unutilized/underutilized/semi-utilized due to lack of skills imparted them.

Summary: Kaushal Bharat, Kushal Bharat and Sustainable Economic Growth**Conclusion**

In the 21st century knowledge, skills and technology are major driving forces for the economy growth. These are the new emerging factors of productivity, without which we cannot attain efficiency and effectiveness in our economy. Knowledge and skill enhancement will match the requirements by the industry which will help in higher productivity and to reduce hidden unemployment. Skill development programs throughout the nation in all sectors will facilitate more sustainable growth. Efforts should be taken to reach each and every strata of the society for inclusive growth. Not only Indian government but private units should have to invest in educational field to develop a

strong infrastructure. Thus “Skill development is required to create revenues through employment for the entire human resources irrespective of age, sex, cast, creed and religion, so that each and every living being enjoy health & employability be a contributor to sustainable economy growth”.

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