

PMKVY PLUS - a concept note

This document outlines a new program for skill development for wage employment in India.

Top challenges in Skill eco system

The top challenges in skill eco system today are:

- Private sector employer participation in PMKVY
- Employment after Skilling
- Retention after employment
- Quality of training. The specs of the training program is defined by the donor currently and not the beneficiary (the employer) ,often necessitating retraining by employer. Excessive checks and balances are required to prevent fraudulent training practices.
- Excessive dependence on a 100 % grant model of public money
- wastage of public money when the trainee is not able get a job and use the skill

PMKVY PLUS will address all these problems

What is PMKVY PLUS?

- Classic demand driven skill model with stake for employer
- Co- pay system with employer and government contributing
- Employer specifies Customised training on top of SSC QP program
- SSC , employer , training partner and skill ministry come together to offer the training program specific to a job role for the employer
- It is a Skill plus productivity model of training

How does this work?

- SSC and Training Partner (TP) approach large employers that they will offer “ day one” productive SSC certified employee provided they co-pay and pre- select employees for the skill training
- The TP will develop a customised training program - based on the existing QP course for that role or create a new QP - in consultation with the SSC and the employer
- SSC will issue a new QP for this role.
- Employer will take responsibility for the quality of training and will choose the training partner
- Employer will ensure high certification and employment % by continuous evolution of the QP and the course
- Certification will be issued by SSC, skill ministry and the employer
- Employer will assess the candidates - pre and post training
- The employer will hire the certified trainees at the end of the program
- Employer will pay for the training to the TP and claim the government share only for Candidates retained after three months of employment.
- in short the employer designs the program, pre-selects and counsels the Candidates - executes through a TP, conducts quality assessments with the SSC help, certifies with the SSC and skill ministry, pays the TP and claims after three months for the retained candidates a share of the cost

Why custom designed training ?

Productivity on the job requires customised training designed for productivity post training. Employers are willing to co-pay only if the induction training is also included and employer need not provide additional training

Why would employer co- pay?

Because a productive employee is worth paying for and the co- pay amount will be lower than the cost of low productivity of the untrained employee.

How big can this program be?

This can be a new program aimed at graduate segment in addition to PMKVY and DDUGGK. Many sectors where there is a shortage of productive employee will participate - banking ,insurance , Financial services , health care , Retail are some of the sectors

Roles ideal for PMKVY PLUS are sales and customer service in the above sectors. The potential could be as much as a million graduates an year with in 2 to 3 years.

Benefits to the employer

Day one productive employee at a subsidised cost

Benefits to the candidate

A job after training and a great chance of retaining the job plus a certification to help get the next job

Benefits to the government

- Ideal skill development model where the employer drives the entire skill development and also pays part of the cost , absorbs the skilled employee and also retains him/her
- frees skill ministry time to focus on entrepreneurship Skilling and other programs like DDUGGK
- frees the ministry to be a regulator rather than a monitoring agency
- minimises wastage in job linked Skilling program - pay only for those retained
- employers participating in the program will have to pay fair salaries to retain employees.

Next steps

TMI E2E academy along with RASCI - Retail SSC can take the initiative with Life Insurance Council - apex body of life Insurance companies - to pilot this in life Insurance industry.

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