

# Skill Gap in industries in India: An Overview

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**Abstract-** A Skill gap is the difference between the required skill to perform a specified job and a actual skill that an employee posses. Skill development can curb the poverty by enhancing employability, productivity and helping sustainable organizations development and through which inclusive growth can be possible in developing country like India. Growing production demand has caused manufacturers to create new positions and new titles, but the sits remain vacant as none of them are found suitable for the job. One of the major reasons of skill gap is difference between acquired knowledge through education and its applications in job. In this paper an attempt has been made to present the review of literature on the concept of skill gap in this industry. Various sources like the print and digital media.

**Key words:** Skill Gap, Seafood processing industry, Production demand, Acquired knowledge.

## INTRODUCTION

Acquired Educational knowledge and application at workplace

According to the Deloitte and MFI report (2010), computer skills, problem solving skills, technical training and mathematical skills topped the list of skills companies wanted, but which job applicants lack. The shortage is visible mostly in skilled production like machinists, operators and technicians. Freshers have technical knowledge but they simply don't have a comparable amount of industry experience.

According to Hiromichi Shibata (May, 2001), difference in the troubleshooting and the machine maintenance skills possessed by production workers, maintenance workers and team leaders are found to be main cause of the performance gap.

According to the report of Integrated Coastal Management (ICM) (December, 2003), the major problem with Indian marine fisheries sector was related to post harvesting. Labours are not skilled, they don't have sufficient managerial knowledge of this sector.

Swamy (2009), as there are a number of laboratories available to check for viral infection in shrimp seeds (this process is applicable for culture prawns/shrimps), the procedures needed to be standardized. The results in each laboratory comes different and farmers at a loss in the absence of authentic diagnostic results.

Peter Capelli mentioned in his book ' Why Good People Can't get Jobs' that Skill gap is not primarily a problem of schooling. There are not major shortage of workers who do not have basic reading and math skill or of workers with engineering and technical training. New technologies require specific new skills that school do not teach and that labour markets do not supply. Education does not measure technical skills. A graphic designer who holds Bachelor degree does not necessarily have the skills to work on a web development team.

The Boston Consulting Group conducted in its own research report in Oct, 2012 identified that The educational system is failing in grooming skilled workers.

according to NSDC report, Inadequate technical knowledge about the new machines and the associated aspects of maintenance are the main causes of skill gap in Seafood processing sector.

Cortina (1993), Skill gap that was assumed to be between what schools teach & the expectancy of preparedness by the employers.

Spenner (1990), the indirect measurement uses wage rates or educational levels of people or occupational groups as an indication of overall skill level.

(Bolino 1968; McLean 1936; Evans et al. 2000; Gyimah Brempong 2001; Musila & Belassi 2004; Permani 2009), Since long, it was believed that education can improve the quality of human capital which in turn can increase productivity.

(Adams 1965; Carpentier 2006), during 1960s many states of Africa, Asia, and Latin America allocated a greater share of their GDP towards education, believing it to be the driving force behind the economic growth.

(Bennett, Jr. 1967; Hu 1976), the relationship between education and economic growth is like egg and chicken. Education and economic growth are cause and effect of one another.

Lewis(1961), education can increase the supply of highly educated labour force, which the developing nations like India may fail to absorb, creating a fall in wage rate and severe under-employment.

Ghosh and Chatterji (2015), education has become more closely linked to markets, industry and corporate business after NEP 1991 in India. So when education is divided based on time period, then after 1980 public expenditure on education did affect GDP.

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Grubbs & Lazerson (1982), introduced the idea of ' surrogate skills' which means a substitution of the job related skills to include more appearance and literacy skills. He mentioned the connection between schooling and work.

Kantor & Tyack (1982), reformers argued to use schools to prepare youth toward 'the nature and meaning of industrial life'.

Kantor (1986) goes on to say that through a dedicated school system closely tied to the needs of its industry and commerce.

Jeemul Unni (2016), We conclude that policy that encourages non-graduate technical and non-technical diploma/certificate holders into the lower graduate-intensity occupations would help to close the skill gap and reduce the pressure on graduate higher education.

Coopers and Lybrand (1998) define ' employability skills' in terms of four key areas: 1.

traditional intellectual skills i.e., critical evaluation, logical arguments 2. key skill communication 3. personal attributes, motivation, attitude 3. self reliance 4. knowledge about the organisation and how they work. 'skills' are often referred to as capabilities, competencies or attributes, levels or learning outcomes, thus compounding the sense of confusion.

Esland (1991: 314-5), in West Germany, Training providers and managers undergo formal training on management techniques of training on 21st century workplace. Most German graduates receive regulated three years management skills.

Little (2001), education is a multi-dimensional concept and there is a need to distinguish and there is a need to distinguish between factors relevant of obtaining job and factors relevant to the preparation for work.

India Skill Report (2018), 8.11% employers suggest that very few job seekers possess the required skill while 9.01% employers agree that nearly all job seekers possess the required skill.

The IBM study 'Upskilling India' derives insights from a survey of academics, corporate-recruiters, and emerging education leaders in India. Addressing the looming talent shortage will be instrumental to prepare

India for the competitive global economy. A majority of Indian executives surveyed in the study said that the quality and quantity of skills in the Indian workforce are at least comparable to those of other countries, and many reported them to be superior. Only higher education can bridge India's skill gap.

However, only 40 percent indicated new employees recruited in local labour markets have the requisite job skills.

Aspiring Minds National Employability Report, of the 1.5 lakh engineering graduates in 2015 from over 650 colleges, 80 per cent of them are unemployable. There seems to be an inherent disconnect between the curriculum based learning at the school and university level, with the requisite 'job ready' skills needed by Indian corporate. Despite some initiatives taken by the government towards enhancing skill development, there still exists a large gap between supply and demand, with students expressing their frustration by way of limited job opportunities and corporate looking for quality talent.

The Global Competitive report 2010-11, India's rank is 85, US rank is 9, Japan rank is 20 and China 60 in case of High Education and Training.

In the next decade, economic forecasters predict that India's economy will climb to the third largest in the world, behind only the U.S. and China, but despite rapid economic growth, unemployment is rising. The country's low skill intensity, and low education attainment present a major challenge in preparing the workforce for India's future.

According to the Economic Survey, 2017 by the Organisation of Economic Cooperation & Development (OECD), public spending on education in India is 3.8% of the GDP, lower than the countries Brazil and Malaysia. The education system and syllabus haven't kept up with the fast-changing business needs, especially those that are interlinked to soft skills, advanced technology adoption, and even the flexibility to re-skill for emerging opportunities.

"Training Magazine" an online magazine explored the various aspects of the technical, leadership and soft skills gaps faced by organizations around the world. They discovered how employee motivation techniques, technology, and partnerships with colleges and universities can help bridge those gaps. They identified the best practices and strategies successfully employed by the organizations to hone some of the skills.

Hager et al (1996), the findings about the holistic interweaving of soft skills and the need for them to be learned and adapted to the unique and changing circumstances of each building and construction site are supported by earlier research findings about generic competencies.

Mason (2009), found that structured work experience and employer involvement in degree course design and delivery have clear positive effects on the ability of graduates to secure employment in 'graduate-level' jobs.

Conclusion: considering the different views and opinions, it has been clear that employees lack the required qualification, experience, managerial skill and on job training. The skill gap is evident in manufacturing, IT and Construction jobs. Indian Industries are facing the same problem. But apart from the gap of education a degree, there are many other reasons to justify the skill gap in Indian Industrial sector.

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