



A STUDY RELATED TO PROBLEMS OF SKILL DEVELOPMENT AMONG INFORMAL WORKERS IN THANE DISTRICT (WITH REFERENCE TO SMALL SCALE UNITS IN KALYAN DOMBIVLI MIDC)

Vishal R. Tomar

Smt. M. M. K. College of Commerce and Economics

Abstract

Around 90 percent of the working population in India is engaged in informal sector. This sector is neglected as most the workers laws cover formal workers and workers in informal sector lack social security. These workers work with zero skill or minimum skill which affects their decent life. Informal sectors contribution to GDP often remains neglected. With the launch of 'Make in India' initiative provides an opportunity to informal workers and hence there is need for employable skill which will help them in improving their living standard. Workers in informal small scale units lack skill and there is an urgent need to provide skill through internship, training centres etc as government of India is promoting indigenous manufacturing through 'Make in India' initiative. Present study tries to find out the challenges and prospects of informal workers in small scale units in relation to skill development in Thane district.

Keywords: *Skill development, informal workers, employable skill.*



Scholarly Research Journal's is licensed Based on a work at www.srjis.com

a. Introduction

Skills among workers are one of the important contributors to nation's economic and social development. Countries which offer opportunities for their workers to acquire skill are in better position to face challenges and competition in the world. India is seen as such one county which has recognized the need to developed skilled human resource. India is having advantage of having pool of young population and stable economic growth of 8 to 9 percent when rest of the world is facing crisis calls for the skill development need of population so that they are readily employable. In order to become strong country India needs to improve its infrastructure, agriculture, financial sector and skilled workforce.

Skill development is an important tool to increase the effectiveness of worker in production. Skill development not only increases the productivity but also helps in increasing motivation and moral of the workers which positively affects his attitude at work place, family and society at a large. Skill development helps in improving the decent life of the worker and his social acceptance. Skill can be defined as a variety of features which relates to physical abilities and interpersonal skill which is required to complete a job as per desired

performance. Marketable skill is the skill which requires specific specialization that can be utilized to earn income or helps in getting employment. Thus for a nation to develop its economy and growth, needs to provide marketable skill to its population. Skill development will not only develop a pool of quality human resources but also will ensure social well being at a large.

India has agriculture based economy but with the changing time, contribution of agriculture to GDP has changed. Agriculture contributes around twenty percent, secondary sector twenty five percent and tertiary sector contributes around fifty five percent to the economy of the country. Skills required in these three sectors are different from each other and this creates problems in framing correct skill development program. Demography and profile of population of rural and urban India is changing and with the development of technology and education knowing the correct skill is a challenge.

b. Workers in informal sector in India:

In India, out of the total available workforce of 450 million, around 9 percent of the workers are absorbed in formal sector. Majority of the workers are working in informal sector with minimum or no skill. It is estimated that around 2.5 percent out of 91 percent of informal workforce possess formal skill development and around 12.5 percent informal workers have informal skill development. Thus it indicates that skill development is the need of the hour as major portion of the population is engaged in informal sector. Some of the reasons for the lack of skill development of the workers are limited vocational training centers, high school drop outs of students, lack of industry oriented syllabus etc. Every year around 12 million people are added to the current strength of working population which is increasing the pressure on employment. Limited capacity of formal sector to provide the employment and scattered informal sector with large number of population looking for employment has created social and economic challenges for the society and also put stress on providing employable skill to the young Indians. Migration of workers from rural to urban areas for the search of work has added pressure on the problems of imparting skill to the workers.

d. Some skill development initiatives in India:

New government in the centre has one of the core of objective of improving and imparting skill development to 350 million working population by 2022 and accordingly has taken some important steps such as Bandhan bank, Mudra bank, start up India mission etc. Skill

development will provide a push to the governments one of its pet project 'Make in India'.

Below some of the initiatives of skill development in India:

Around 17 ministries under the government of India are currently providing skill development initiatives. Human Resource Development (HRD) department is actively involved in its skill development mission through inclusion of vocational skill impartment training courses. Ministry of Labour has initiated with the schemes such as National Skill Development Council (NSDC) and National Skill Development Agency (NSDA) which are trying to impart skill among the working class in India. These agencies also play an important role of monitoring and coordinating various skill development initiatives.

Some of the important initiatives of skill development in the rural area were introduction of Swarnajayanti Gram Swarozgar Yogna (SGSY) in 1999 which was merged with National Rural Livelihood Mission (NRLM) in 2009. Government had set up rural self employment training institutes in all the districts of the country to provide training to the workers in informal sector. Ministry of women and children initiated the training and employment programme for the women in the areas of agriculture, dairy, handlooms etc.

Thus the present study tries to find the current status of skill development in informal workers and impact of skill development on their life and job satisfaction.

e. Literature review:

Mitra A (2002) in his working paper on skill development in the informal sector suggested the need of redefining training for informal sector. There is a need to look into challenges beyond training and creating an environment for successful skill development. Workers can learn the skill himself or from each other and there is need to upgrade the skill frequently.

Nandagopal R (2015) in her paper on skill development in informal sector suggested the need to strictly implement the initiatives for the development of informal sector. Special program is required to skill the informal sector workers so that they will be able to get the employment. Further there is need to reduce the skill mismatch in the informal sector so that their competitiveness can be improved.

f. Research design:

Study is based on finding the level of skill development of informal workers in small sector in MIDC area of Kalyan-Dombivli in Thane district and their problems. Following is the research design for the study

i. Objectives of the study

Following are the objectives of the current study-

1. To study the problems related to skill development faced by informal workers in small scale units.
2. To study the need of skill development requirement for informal workers.

ii. Hypothesis of the study

In order to start the research with data finding with the help of questionnaire, introductory statements in order to put them on test, following hypothesis for study is made

1. Workers in the informal jeans manufacturing units are provided with the training relating to work.
2. Skill development has no impact on informal workers job satisfaction

iii. Data collection method

Data for the current study will be collected form primary and secondary sources. Books, journal, research articles, news papers, various government reports etc, will be the part of secondary source of data collection. Structured questionnaire is prepared and distributed among sample respondent to collect the primary data. Field work will constitute the major part of the research.

Sampling

Sample size of 60 informal workers from the small scale units in the MIDC area of Kalyan-Dombivli is selected randomly. For the purpose of the study convenient sampling method is used.

iv. Statistical tools

Various statistical tools such as mean, average, correlation regression etc will be used to test the hypothesis and objectives of the study. Data will be collected from the workers and will be entered in the data sheet.

v. Limitation of study

Following are the limitation of the study-

1. Workers in informal sector are casual workers and that why it is difficult to tress them due to their nature of their job
2. Due to limitation of time and resources, sample size may not represent the entire informal sector.

vi. Data collection and its analysis:

Questionnaire was distributed to the workers and responses were marked in the data sheet and the analysis of the same was done through the use of statistical tools. Following analysis was done from the data collected.

Out of the total usable 100 questionnaire, 98 percent of respondents were male workers.

Workers were asked about the skill they acquire and its impact on their earning and job satisfaction. Following responses were received from them

Sr. No.	Particular	Percentage
1.	Skill possessed by informal workers	91 percent were not having basic training
2.	Skill provided by the employer to workers	84 percent were not provided training
3.	Awareness of worker relating to skill training centre	89 percent were not aware of training centres

From the above data it is cleared that even though government has taken initiatives of skill development but many informal workers has not been able to access it. Majority of the workers learn skill while doing the work and during that period they are paid less wages as the quality and number of units of their production is low.

Data was collected related to informal worker’s response towards skill and their earning and job satisfaction, it was found that around 88 percent of the workers were of the opinion that level of skill acquired has positive relation with their earning and job satisfaction. Majority of the workers were not satisfied with the job and earnings.

91 percent of the workers responded that they are highly dissatisfied with the skill related issues such lack of financial support for acquiring skill, negative role of employer towards skill training etc. All the three hypothesis of the study was disapproved.

vii. Findings and suggestions:

From the above primary data collected it is clear that workers in informal sector possess some challenges relating to skill development because of the nature of their job and informality. However workers were found positive towards skill up gradation and acquiring skill. Some of the findings that was drawn from the study are mentioned below-

1. Workers in the informal sector has no formal skill for engaging their work
2. They acquire the skill while working
3. They do not have access to formal skill training or training centres

4. They are not aware of any skill development centres
5. Lack of skill directly impact their earning and job satisfaction

Suggestions:

From the above findings following suggestions can be drawn so that environment for skill development among the informal workers can be improved.

1. Setting formal skill development and training centres
2. Training should be provided near their residence or work place
3. Employer should support workers for acquiring skill and getting certification of skill acquired.
4. Awareness should be created for the skill development among informal workers.
5. Incentives should be provided to the workers for acquiring skill

Informal workers should be provided with the necessary skills that will help them to reap in the benefit of make in India initiative and also will help them to secure a decent life for them and their family.

References

- Saini V, Skill Development in India: Need, Challenges and Ways Forward, Abhinav National Monthly refereed journal of research in arts and education, Vol4, issue 4, April 2015*
- Nandagopal R, Skill Development in the Informal Sector in India: Labour Market Reforms to Act as Catalyst, tactful management research journal, vol I, march 2015.*
- Mitra A, Knowledge and Employability Informal Economy Training and Skill Formation for Decent Work in the Informal Sector: Case Studies from South India, International Labour office, June 2002.*
- Government of India, Report of National Commission on Labour, Vol I, Part II, Skill development, 2002.*
- Government of India, Report on Conditions of Work and Promotion of Livelihoods in the Informal Sector, New Delhi, 2007*
- Government of India, Skill Formation and Employment Assurance in the Informal Sector, New Delhi, 2009.*
- The India skill report 2014, CII, 2014.*
- Report of working group on Skill development and vocational training, planning commission, government of India, New Delhi, 2006.*