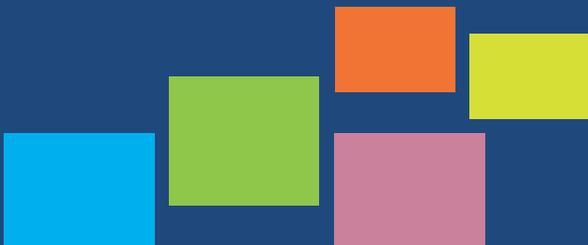




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Executive Summary for District wise skill gap study for the State of Jammu and Kashmir



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District wise skill gap study for the State of Jammu and Kashmir – Executive Summary

The state of Jammu and Kashmir lies in the northern-most part of India. The state shares its borders with Punjab and Himachal Pradesh internally and shares international borders with China and Pakistan. Jammu and Kashmir by itself internally has three regions – the Kashmir region, the Jammu region and the Ladakh region. The state also has two capitals – the winter capital is Jammu and the summer capital is Srinagar. The state is home to several scenic locations as well as locations of religious importance. Due to its unparalleled beauty the state enjoys the sobriquet – “Paradise on Earth”.

Today the state is at a cusp – with economic development on the anvil along with equitable social development. The transition of the state from being an economy solely dependent on the primary sector to an economy that is exploring other sectors is under process.

Jammu and Kashmir has a GSDP (at constant prices) of Rs.43,627 crore in 2012-13 as against Rs.40,770 crore in the year 2011-12 with growth of 7 per cent. This contributes to about 0.8 per cent of the nation’s GDP. The state today is looking to boost the secondary and tertiary components of the economy and in the process reduce the dependence on the primary sector.

It is at this cusp the human resource development assumes tantamount importance. For any economy to transcend and grow, an adequate support from the human resource is a must. The HR which is adequately equipped with the right skills and vision ensures that the economy and development move in the right direction.

To support this growth human resources, the state has 59 technical/Industrial/Art and Craft schools with an intake capacity of about 15,763 students; 32 polytechnics with intake capacity of about 7,000¹. There are 72 colleges, 5 engineering colleges, 6 medical colleges, and 8 universities in the State. In addition, the state government has come out with skill development policy for 12 five year plan with sector wise targets focusing on vocational and technical education.

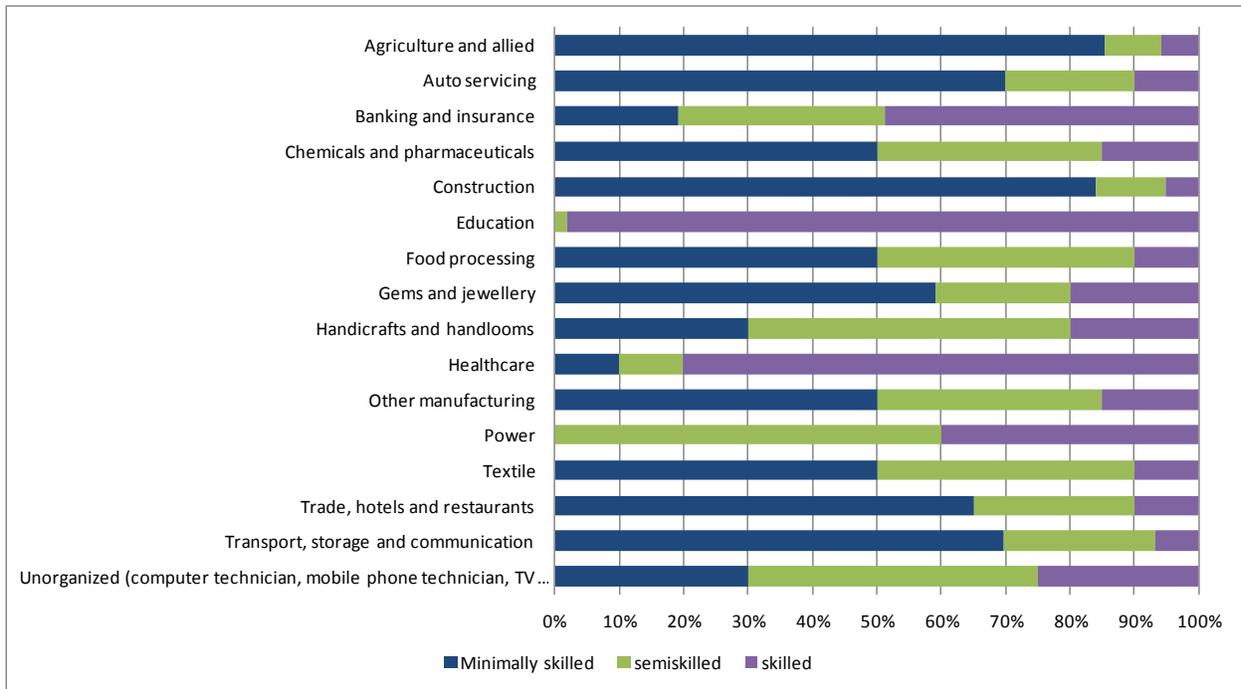
Given the above background and the growing importance of skill development in the State of Jammu and Kashmir, the National Skill Development Corporation (NSDC) mandated ICRA Management Consulting Services (IMaCS) to conduct an update district wise skill gap study.

IMaCS conducted the study in three phases – (1) Diagnostics, (2) Synthesis, and (3) Recommendations. It conducted the study through a combination of primary and secondary survey. IMaCS met key Government officials to review the policy direction. It also interacted with industry representatives in the formal and informal sectors to understand human resource and skill requirements from a district and regional as well as those unique to the State. In addition, it administered a structured questionnaire to select companies and educational institutions to map the current and future skill requirement.

¹ Source: J&K Economic Survey 2012-13

Based on its research, IMAcS identified sectors which will be the development and employment growth engines in the districts in the next ten years and will have skill training requirements. It forecasted both the demand and supply side numbers for 2012 to 2022. It forecasted the numbers for high growth sectors identified by NSDC. In addition, it identified power, which exists in Jammu and Kashmir.

The incremental demand was about 1.1 million people across the sector identified and incremental demand for minimally skilled workers was mainly concentrated in agriculture and allied sectors. Demand for semi-skilled workers was concentrated in sectors such as agriculture and allied, followed by other manufacturing, handicrafts and handlooms, banking and insurance, and trade, hotels and restaurants. Demand for skilled workers was expected to be driven by sectors such as education, banking and insurance, and healthcare. In addition to the above, we have also estimated job role / function wise incremental demand numbers.



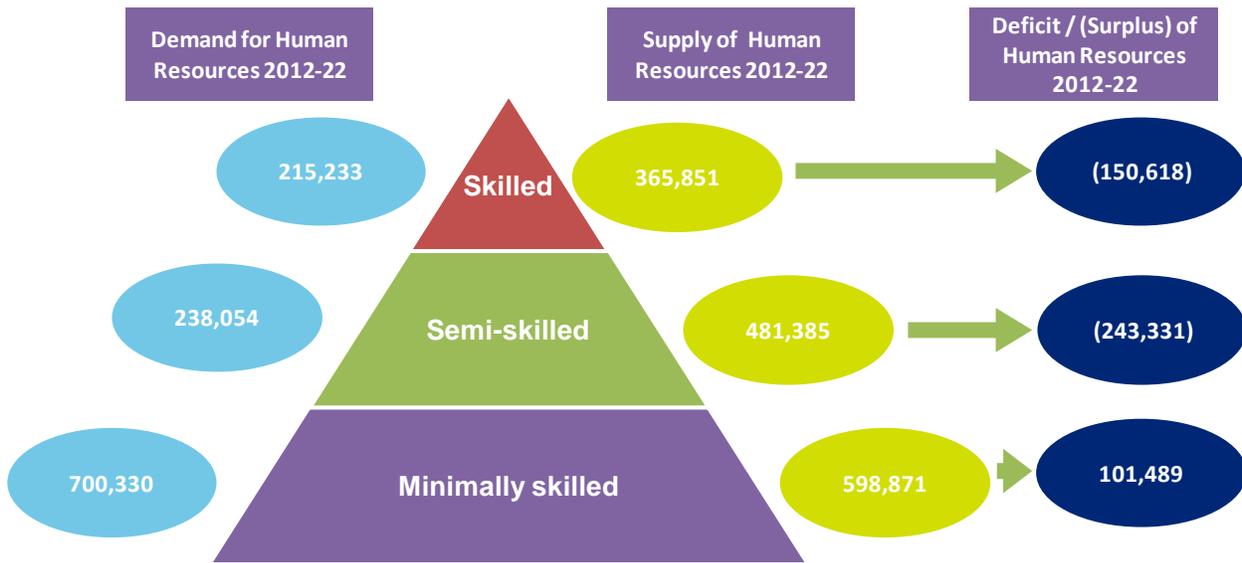
*Source: IMAcS Analysis; * Other manufacturing includes manufacturing of basic metals, fabricated metal products and other transport equipment (building of ships and boats, manufacture of railway locomotives and rolling stock, manufacture of air and spacecraft and related machinery, manufacture of military fighting vehicles etc.)*

As of 2012, Jammu and Kashmir has an estimated total population of 12.85 million persons. Of this, labour force is estimated at 5.27 million persons. Each year, people from different educational institutions join the workforce at different skill levels. We have estimated that between 2012 and 2022 (cumulative / incremental), about 1.45 million persons will join labour force and will be available in the job markets looking for jobs. This has been estimated based on the labour force participation rate obtained from NSSO 55th, 61st and 66th rounds and based on the trend which arising out of the same.

Year	2012	2017	2022
Population	12,852,799	14,498,941	16,379,887
Working Age Population	7,326,095	8,264,396	9,336,535
Projected Labour Force	5,269,647	5,944,566	6,715,754
Projected Work Force	5,141,119	5,799,576	6,551,955
Incremental Manpower Supply 2012-2022	1,446,106		

Source: IMAcS Analysis

This leads to a demand-supply gap as depicted in the figure below:



During the period 2012-22, we find that the excess supply of manpower in semi-skilled and skilled levels but there is a shortage of labour in minimally skilled category. The shortage of minimally skilled has to be bridged by skilling initiatives.

And though the semi-skilled and skilled categories have surplus supply of human resources, they also need to be constantly up-skilled and also need to build skills for export of skills considering the employability factor. The employability factor would further reduce the supply of human resources in the semi skilled and skilled categories.

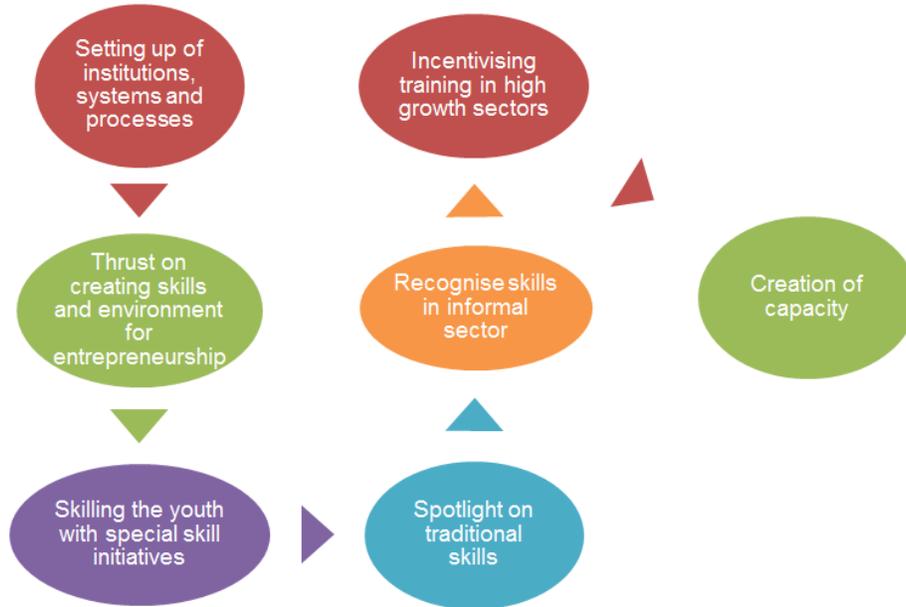
Lastly, the qualitative aspect of the skill set also comes into play when analysing the above pyramid. Though, surplus supply is available – quantitatively – in the semi skilled and skilled levels, the quality of the skill set demanded by the industry might not be met by the workforce. Though the person might be available for the job role, he/she might not possess the particular knowledge and skills that is demanded by the industry for that particular job role.

Thus, these twin issues of employability as well as market oriented skills have to be built across the skill levels.

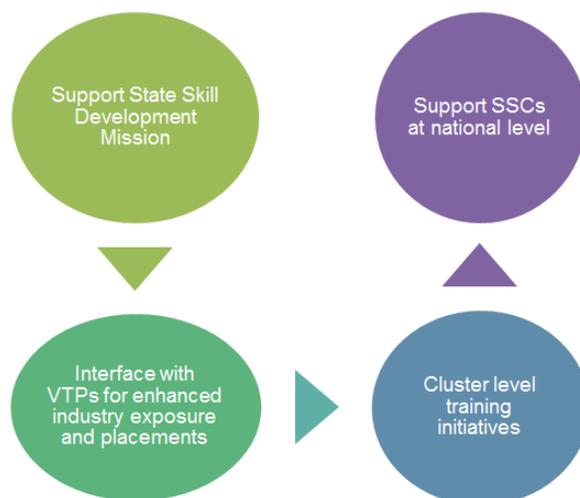
In addition to the demand-supply analysis, youth aspirations across the regions of Jammu, Kashmir and Ladakh were also analyzed and presented to map the attractiveness of working in a particular sector vis-a-vis the demand for skilled personnel in that sector.

To meet the demand and supply gap in the State as well as to bridge the youth aspirations and the incremental demand numbers across the sectors, IMAcS has made recommendations for four types of stakeholders: (1) Government, (2) Industry, (3) Private training institutes, and (4) NSDC. Detailed recommendations are presented in the report for all four stakeholders for each of the 30 districts. The Recommendations address the issues of skill gaps in the existing sectors as well as the upcoming sectors in the next 10 years. They focus on target actions which need to be taken to ensure the supply of required manpower in the State to meet the skilling requirements of different sectors. The recommendations also touch upon the overarching issues and challenges which need to be addressed for overall growth and development of each of the districts of Jammu and Kashmir.

The key themes for the recommendations made to the Government are depicted in the below figure – which broadly focus on taking skilling initiatives that are region specific to the grass root level:



The key themes explored for the industry recommendations are focussed towards the enhanced role of the industry in the skilling sphere in the state, as depicted below:



The recommendations for the private training providers focussed on analyzing and presenting an indicative list of courses which can be offered in the State, along with the districts where these can be offered. Detailed sector wise and course wise opportunities available in the districts for training providers are mentioned in the respective district profiles. For training programs to be successful, the training providers have to link training with outcome in terms of learning as well as placement. Also, given the economic conditions of the people, affordability across all economic levels has to be another key parameter.

Sectors	Courses	Focus districts
Trade, hotels and restaurants	Tourist facilitators, route and time optimisation across tourist spots, front desk management, cookery, housekeeping, kitchen and restaurant management, customer management, soft skills, English language training, basic computer course, trekking experts, adventure sports experts, experts in experiential games like Bunjee jumping etc.	Srinagar, Jammu, Leh, Anantnag, Pulwama, Budgam, Baramulla, Kulgam, Bandipora, Kupwara, Poonch, Rajori, Udampura, Kathua, Samba, Reasi, Doda
Transport, storage and communication	Driving and maintenance of commercial vehicles, road taxes across various geographies, road safety norms, first aid, material handling, cold storage management, documentation in logistics and warehousing, routing and fleet optimisation, inventory optimisation, 3PL, 4PL and 5PL management etc.	All districts
BFSI	Training on banking and insurance products, personality development training with	All districts (mainly Srinagar and Jammu)

District wise skill gap study for the State of Jammu and Kashmir

Sectors	Courses	Focus districts
	specific focus on communication skills for sales, basic training for computer operations, financial management and business operations as well as banking software etc.	
Handicraft and handlooms	Designs using computers, modern colour schemes, usage of modern equipment such as modern carpet weaving loom, finishing skills, pricing strategies, promotion and marketing, value addition processes, creative use of raw materials, product development and diversification, R&D, cost, quality and time management etc.	Srinagar, Budgam, Leh, Kargil, Anantnag, Pulwama, Ganderbal, Baramulla, Shopian, Kulgam, Bandipora, Kupwara
Education and skill development	Advanced teacher training for courses outlined in other sectors	All districts
Building & construction and Power	Project management, safety management, labour laws, plumbing, painting, welding, wireman, electrician, masonry, carpentry, bar bending, surveying, geology, hydrology, hydraulics, electrical, transmission and distribution systems, Hydel engineering, maintainence, etc.	All districts
Auto servicing	Customer management, pre and post servicing offerings, technical training, understanding of latest technologies, understanding of vehicle assembly, criticality of auto parts, critical assembly specifications	Jammu, Srinagar, Anantnag, Budgam, Baramulla, Kulgam, Bandipora, Kupwara, Kathua, Samba, Reasi
Healthcare Services	Critical care nursing, lab technician, medical equipment maintenance, laboratory operations, analysis and equipment related	Srinagar, Anantnag, Pulwama, Ganderbal, Budgam, Baramulla, Bandipora, Kupwara, Jammu, Poonch, Rajori, Udampur, Kathua, Doda
Chemicals and pharmaceuticals	Safety and health standards, IPR and its implications, quality management, environmental issues etc.	Jammu, Samba, Srinagar, Budgam, Udampur, Reasi
Food Processing	Modern technologies and processes of food processing, machine maintenance, material handling, packaging and finishing, marketing, warehouse management, supply chain management,	Anantnag, Baramulla, Shopian, Kulgam, Kupwara
Textile and Clothing	Use of design software (such as Ned graphics,	Srinagar, Jammu, Kathua

District wise skill gap study for the State of Jammu and Kashmir

Sectors	Courses	Focus districts
	jacqCAD master etc.), sampling the colour effects, higher order skills like jardosi, appliqué and akoba, stitching, finishing, sampling, pattern making, etc.	
Unorganised (computer technician, mobile phone technician, TV mechanic etc.)	Technical skills pertaining to computer software and hardware, mobile phones of different makes and models, TV sets of different makes and models etc.	All districts

Source: IMaCS Analysis

We have identified sectors wherein NSDC can intervene in the State, either by way of funding the private training institutes or through its Sector Skill Councils (SSCs). The sectors where NSDC can intervene have been divided into high-priority, medium-priority and low-priority, depending on their employment generation potential in the next 10 years. The same has been presented in the table below.

Sector	Focus districts
High priority	
Agriculture and allied	All districts
Trade, hotels and restaurants	Srinagar, Jammu, Leh, Anantnag, Pulwama, Budgam, Baramulla, Kulgam, Bandipora, Kupwara, Poonch, Rajori, Udampur, Kathua, Samba, Reasi, Doda
Other manufacturing	Jammu, Kathua, Samba, Srinagar, Anantnag, Leh, Udampur, Reasi
Transport, storage and communication	All districts
Banking and insurance	All districts (mainly Srinagar and Jammu)
Medium priority	
Handicrafts and handlooms	Srinagar, Budgam, Leh, Kargil, Anantnag, Pulwama, Ganderbal, Baramulla, Shopian, Kulgam, Bandipora, Kupwara
Education and skill development	All districts
Construction and power	All districts
Auto servicing	Jammu, Srinagar, Anantnag, Budgam, Baramulla, Kulgam, Bandipora, Kupwara, Kathua, Samba, Reasi
Healthcare	Srinagar, Anantnag, Pulwama, Ganderbal, Budgam, Baramulla, Bandipora, Kupwara, Jammu, Poonch, Rajori, Udampur, Kathua, Doda
Low priority	

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Sector	Focus districts
Unorganised (computer technician, mobile phone technician, TV mechanic etc.)	All districts
Chemicals and pharmaceuticals	Jammu, Samba, Srinagar, Budgam, Udampur, Reasi
Gems & jewellery	Srinagar, Baramulla, Jammu, Kathua
Food processing	Anantnag, Baramulla, Shopian, Kulgam, Kupwara
Textiles	Srinagar, Jammu, Kathua

Source: IMaCS Analysis

This report has been prepared by **ICRA Management Consulting Services Limited (IMaCS)**.

IMaCS is a multi-line management and development consulting firm headquartered in India. It has an established track record of over 15 years in consulting across various sectors and countries. **IMaCS** has completed over 950 consulting assignments and has worked in over 30 countries across the globe. Through the process of carrying out several assignments over the last decade and half, **IMaCS** has accumulated considerable analytical and consulting expertise, backed by the following capabilities:

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- Extensive and organised database on several sectors.
- Knowledge of key factors of success in different projects and programmes.
- Ability to research emerging trends in the economy, as well as in specific sectors.
- Insight into different programmes and organisational processes.
- Ability to carry out economic analysis, build quantitative and financial models to project future performance and identify imperatives.
- Ability to identify the various types of risks and suggest appropriate strategies to mitigate the same.

The Education and Skills practice at **IMaCS** focuses on identifying skill gaps, mapping future skill requirements, and formulating strategies to address them. Our service offerings encompass diagnosis, design and implementation of education and skill development interventions for government and private sector.



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