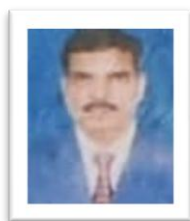


Tracers Study Under New Apprenticeship Regime of MoE, Govt. of India

Paper Submission: 03/03/2021, Date of Acceptance: 20/03/2021, Date of Publication: 22/03/2021



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Abstract

Educational and Training set-up at the institutional level is unable to cater to the growing aspirants of skill-sets at the enterprise level and is a matter of concern throughout the world. To minimise this gap, every country is taking its own policy decision. In case of India, amendment to The Apprentices Act, 1961 was enacted in 1973 to facilitate industrial training and exposure to cater industrial process to the fresh Graduate engineers and Diploma engineers entering into the labour market. This Scheme is known as National Apprenticeship Training Scheme (NATS) and is being anchored in the Ministry of Education, Govt. of India. NATS is being implemented through four independent Regional bodies i.e. Board of Apprenticeship Training (located at Mumbai, Kanpur and Chennai) and Board of Practical Training (located at Kolkata).

There are varied signals emanating qualitative and quantitative effectiveness of the NATS in the Industry-Institute eco-system prevailing in the country. The impact of the apprenticeship training on the successful trainees vis-à-vis rise in the employability and skill enhancement. The quantitative effectiveness in terms of miniscule percentage of beneficiaries out of the about 15 Lakhs Graduate and equal number of Diploma engineers passing every year in the country. Similarly the qualitative effectiveness in terms of the impact of the apprenticeship training on the successful trainees vis-à-vis rise in the employability and skill enhancement

Keywords: Apprenticeship; Employability; Skills; Ecosystem

Introduction

Apprenticeship has always been considered as one of the best bridges to connect the entire education/skill ecosystem (along-with colleges/training institutions) and students looking for employment, with industry looking for shop floor exposed job ready skilled manpower. To put it simply, apprenticeship is a formal On-Job-Training (OJT) exposure on the shop/office floor in any manufacturing or service industry for a student who is educated/ skilled based on a contract between a potential employer and an apprentice, (student). This exposure helps a student to round off as a skilled workforce fully ready for employment; and the student earns an apprentice stipend while learning. Unlike in some of the developed countries in Europe, apprenticeship in India had not really taken off despite of the law mandating industry to engage apprentices on its shop floors since 1961. As against Germany where 4% workforce is apprentices, in India the number is insignificant.

The main reason for this is that in India, the industry always found the provisions of the Act to be too prescriptive to be able to meet the needs of the industry. But over the past two years we have noticed a change in the trend as apprenticeship seems to be at last picking up. And it could just be one of the major reforms the Govt. could pursue even in the post COVID scenario as in the background of mass scale absenteeism, companies are looking to substitute workforce and this substitution can be done better by using the apprenticeship connector to get a more rounded skilled workforce.

The main reason why apprenticeship has picked up in India are the comprehensive amendments in the apprenticeship laws made by the Govt. as a part of its first set of reforms in 2014/15, and again in September

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2019, which has made it extremely industry friendly. The most significant change is that complete discretion has been given to a company to design its own apprenticeship courses and run the programme in ways which suits it to meet its requirements for skilled human resources. A company is now no more bound to run apprenticeship only in job roles notified by the govt under the "Designated Trades" umbrella administered by the Director General of Training (DGT) or the Board of Practical / Apprenticeship Training (BOPT/BOAT). It now has the liberty to run its own programme under the "Optional Trades" umbrella. (Optional Trade simply means those job roles, different from the ones notified by the Govt., on which the industry has opted to run its apprenticeship programme). Further, apprenticeship is no longer restricted to the manufacturing sector. The law mandates all companies the service sector included, having more than 30 employees to engage apprentices between the bands of 2.5% to 15.0% of its workforce every year, and pay a minimum prescribed stipend to them. Similarly, on the supply side, it no longer limits an apprentice to be only from the engineering back ground. Just anyone who has done classes beyond the 5th standard can be engaged as an apprentice by a company; the entire discretion as to what kind of educational qualification is required for which job role is left to the industry to decide. To top all of this, Ministry of Education, Govt. of India (the then MHRD) in 2015 introduced digital platform to the industry and other stake holders, which is processed on line through the national apprenticeship portal. In fact, it is interesting to note that the portal finds its way under the definitions in the Act itself. The entire programme is run on this portal-an; exceptionally forward looking arrangement as there is no requirement by industry to move paper or people. And this portal is up and running housed at the third party site at Chennai.

The impact of these reforms is beginning to be felt. As more and more companies are taking note of this, the number of apprenticeship contracts crossed 3 lakhs in 2019-20 up by 50% from CFY 2018-19, (as compared to 17-18% year on year growth in the previous years); the number of contracts falling under the "optional trades" window saw a 6 times growth to touch nearly 1 lakh which is a whopping 500% growth! In less than 2 years of focused implementation the Optional Trade contracts is now one third of the total apprenticeship contracts in India. Seen against the background that the Apprenticeship Act has been there in India for 60 years now, this is a phenomenal growth by all standards.

And all of this happened without the states having contributed much as even today only a few of them have focused on the Optional Trades window; the growth has essentially been driven by the larger companies who fall under the Central Govt's jurisdiction; the smaller companies under state jurisdiction are yet to understand the amendments and hence have not yet taken to the programme. Thus, the growth is bound to be even sharper once the Govt. capacity builds the states; the larger

companies too are expected to play a role in pushing their ancillaries and franchisees to adopt to apprenticeship as they see the benefits of the programme for themselves. State like Bihar and Odisha has picked up momentum during last two years in this endeavour.

A report recently released by Department for International Development (DFID) through Dalberg, perhaps the first after the changes in the apprenticeship laws, substantiates that the industry feels the programme is well crafted and works on ground. 67% employers surveyed in the report saw net value in apprenticeship; Lower recruitment costs, better long-term performance, and significant productivity gains were rated as the top 3 benefits by employers.

One of the important components of the Apprenticeship ecosystem is the training of Graduate and Diploma engineers. The training of Graduate and Diploma engineers were brought under the purview of the Act through amendment in the year 1973. Since then, the skill development of Graduate and Diploma engineers has scaled up along with the outturn of the students with opening of large number of private colleges throughout the country. Out of 3 lakh total apprenticeship contracts in 2019-20, about 1.2 lakh contracts constituted of Graduate and Diploma engineers. The training of Graduate and Diploma engineers is being conducted by the establishments according to a well-structured training program approved by the Regional Boards of Practical / Apprenticeship Training. It was in the year 2014 that, with the amendment of the Act, major qualitative changes have been introduced in the training framework. With the introduction of digital platform in the year 2015 for all business transactions for the stake holders viz. Industries, Institutions, Regional Boards and Students / Apprentices, the communication between the stake holders has been seamless. The enrolment of aspiring Graduate and Diploma engineers on the portal www.mhrdnats.gov.in has increased 10 times by the year 2020-21. The ease of selection of the apprentices for the training establishments through the portal application has resulted into more number of industries getting registered in the portal.

In the past lack of monitoring mechanism of the training activities viz. the level of skill development continuously happening during the course of training in the Apprentices was one of the biggest challenges. In the year 2015, the Regional Boards under the guidance of MoE (the then MHRD), Govt. of India, introduced a new Assessment & Certification system through which more uniform assessment and certification of students belonging to different disciplines is possible. Six important attributes such as Communication, Attitude Development, Time Management, Analytical Creativity & Innovation, Multi-Tasking and Leadership & Team Dynamics along with the technical skill development in three pre-identified areas have been identified by the collegium of industries as pre-requisite skills commonly searched by the employers. The quarterly progress of the training is being monitored in the identified areas.

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Marks are awarded on a scale of 1-10 and a skill sheet along with the Certificate of Proficiency is issued on successful completion of the training. The skill sheet reflects the level of the skill sets on a scale of 1 to 10 possessed by the trainees. This helps the employer in identifying / selecting right candidate possessing the right skill sets against the job specification for which the employer intends to hire the employees.

Another landmark achievement is development of a digital system for Tracer's study. It helps in continuous assessment of the efficiency and efficacy of the Apprenticeship Training Program for Graduate and Diploma engineers. This has been made possible with addition of Post Apprenticeship Permanent Employment (PAPE) module as part of NATS portal. Through this module, the employers are facilitated to submit the information pertaining to the offer of employment to the apprentices during the course or after successful completion of the training. The module also facilitates the students to provide input regarding acceptance of employment offered to them and about the status of their Post Apprenticeship self-employment scenario. The data captured through this module for the year 2018-19 and 2019-20 of 79.8% and 42.17% of the apprentices trained in the respective years, is a significant portion of the domain of the apprentices. The percentage of apprentices against whom the response has been uploaded by the industry for the year 2019-20 is all likely to increase since the training of most of the apprentices is yet to complete due to extended training period on account of pandemic. The data shows a national figure of 59.6% and 89.9% of the apprentices got direct employment in the same or in other industries after successful completion of Apprenticeship. Students / Apprentices opted for self-employment is less than 1%. More comprehensive study on this area is needed to provide illustrative justification to the data.

Aim of the Study

A Critical Analysis of National Apprenticeship Training Scheme (Nats) and It's Employability on Technical Graduates: A Case Study of The Eastern Region.

Conclusion

Yet there is a long way to go. As per data from the 6th Economic census available with the Labour Bureau, Ministry of Labour on India's workforce, there are 60 lakh companies in the country with a total workforce of 550 lakh employees which can engage apprentices under law. Going by these numbers, India can have as many as 22 lakh apprenticeship contracts in a year to be at par with Germany considered the global leader on apprenticeship, where apprentices constitute 4% of its workforce. And herein lies the opportunity and the peril. The employment percentage after apprenticeship is very encouraging and it can be inferred that with the high efficacy of the Apprenticeship program for Graduate and Diploma engineers, the Scheme should be more publicised so as to attract more and more students for apprenticeship. It can be said that the Scheme is fulfilling its designed objective of making unemployable technical manpower employable and providing them with jobs. The Scheme should not suffer for lack of inadequate funds for meeting up the Central govt. share of stipend being paid to the apprentices.

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