



MAKE IN INDIA AND EMPLOYABILITY- A STUDY OF STUDENT'S PERCEPTION

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Abstract-Make in India is an initiative launched by the Government of India to encourage multi-national, as well as national companies to setup their business in India. This is conceptualized by the PM of India to attract investments from businesses all over the world and transforming India into a global manufacturing Hub. The study has been conducted to understand the present status employability of graduates to support 'Make in India' campaign. Further, it aimed at identifying the Challenges to Employability in India. We have also tried to analyze the perception of Professional and Humanities students & Social Sciences students towards awareness and impact of 'Make in India' campaign. Data were collected from 150 students of different colleges and universities of Bhubaneswar. Statistical tools like mean, standard deviation and t-test are used to analyze the data. The findings show that there is little dissimilarity in perception of between two groups of students regarding "Make in India" initiatives.

Key words: Make In India, Employability, challenges, perception

1. INTRODUCTION

Make in India is an initiative of the Government of India to encourage multinational, as well as domestic, companies to manufacture their products in India. It was launched by Prime Minister Narendra Modi on 25 September 2014. India would emerge, after initiation of the program in 2015, as the top destination globally for foreign direct investment, surpassing China as well as the United States. The major objective behind the initiative is to focus on job creation and skill enhancement in twenty-five sectors of the economy. The initiative also aims at high quality standards and minimizing the impact on the environment. The initiative hopes to attract capital and technological investment in India. Under the initiative, brochures on the 25 sectors and a web portal (www.makeindia.com) were released. Before the initiative was launched, foreign equity caps in various sectors had been relaxed. The application for licenses was made available online and the validity of licenses was increased to three years. Various other norms and procedures were also relaxed. In August 2014, the Cabinet of India allowed 49% foreign direct investment (FDI) in the defence sector and 100% in railways infrastructure. The defence sector previously allowed 26% FDI and FDI was not allowed in railways. This was in hope of bringing down the military imports of India. Earlier, one Indian company would have held the 51% stake. This was changed so that multiple companies could hold the 51%. Between September 2014 and November 2015, the government received Rs. 1.20 lakh crore (US\$18 billion) worth of proposals from companies interested in manufacturing electronics in India. 24.8% of smart phones shipped in the country in the April-June quarter of 2015 were made in India, up from 19.9% the previous quarter. Make in India focuses on 25 sectors of the economy, covering all most all the sectors. 100% FDI is permitted in all the above sectors, except for space (74%), defence (49%) and news media (26%).

2. REVIEW OF LITERATURE

The previous studies related to employability and make in India were collected from various sources in order to identify the decisive factors affecting employability, general patterns of the findings and the conclusions that have been made earlier. The literatures were collected from existing journals, articles, reports and websites keeping the objectives of the study in mind.

2.1 Make in India

'Make in India' is a dream campaign launched by the Prime Minister of India to boost this sector so that India can present its candidature for becoming the Global Leader [1]. Make in India is a considered as driver for growth in manufacturing sector. Job creation, skill development and innovation can be attended by encouraging Public Private Partnership (PPP), Joint Ventures (JV), Foreign Direct Investment (FDI) inflow in India [2]. Make in India is the key to revitalization of Indian economy. It is one of the schemes to pull back the economy from clutches of recession. Make in India initiative aims to correct the composition of Indian GDP which is the root cause of recession [3]. The development of education on the basis of skill development is necessary in India. Reforming the structure of training and education facilities to the reality of the employment market will be beneficial for employment rates [4].

2.2 Employability

There is a strong need for awareness among the Indian graduates to know the appropriate employability skills required by the global talent market. Further, there should be long and sustainable plan to train young graduates to raise their bar to attain jobs in the global talent market [5]. The employability of Indian youth has emerged as a major concern in recent years. Ironically, it is not just the uneducated and untrained that lack skills but it is also the educated that consistently lay below the required standards [6]. The applicant who is multi-tasking can sustain and gain in the employment in the present scenario [7]. The technical graduates should acquire & demonstrate a set of generic skills such as Effective communication, Inter-personal skills, Presentation skills, Technical knowledge, Leadership skills, Self assessment & Goal setting in order to improve their employability skills required by the Global Talent market [8].

2.3 Impetus to Make in India Through Better Employability

“Make in India” project will create new job opportunities and there will be higher demand of skilled labour. But it is found that there is a huge skill gap in India. Implementation of various skill development initiatives will lower down the skill gap between the available skills and desired skills [9]. Experts have opinion that employability of Indian graduates can be enhanced by bringing reforms to education systems, selection procedure for admission into graduate colleges, curriculum and quality of teaching, student interest and lack of corporate involvement. To “Make in India” project successful, various corrective measures should be taken to bridge the gap between existing and required skills and also to improve the implementation of skill development initiatives [10]. Skill development initiatives of the government should focus on uplifting employability and develop the programmes accordingly to resolve these hurdles for the complete success of the skill development initiatives [11]. The reforms in educational system will lay the platform for imparting adequate skill for students to make them employable and filling the skill gap.

3. RESEARCH OBJECTIVES AND METHODOLOGY

Employability has become a major concern for government as the success of ‘Make in India’ is only possible by supplying efficient and skilled labour to cater the demand of foreign investors in India. The study has made an effort to address the issues of employability by setting up following objectives;

- To highlight the present scenario of Employability in India.
- To identify the Challenges for Employability and its impact on “Make in India” drive and
- To examine the students’ perception on “Make in India” and its impact on different key economic dimensions.

The research is exploratory in nature, where different reports submitted by various committees have form the base. The research is based on both primary and secondary data. The primary data is collected through structured questionnaires which were circulated among the students of different colleges of Odisha. The secondary data used for the purpose is collected from various sources like journals, magazines, websites, news papers and government reports. A purposive sampling method was adopted to draw a sample of 380 respondents from various colleges under study. Based on the available literatures and data collected from respondents, this research has made an effort to give valuable suggestions to overcome the challenges of employability in India.

The structured questionnaire includes six different questions relating to perception of students towards ‘Make in India’ initiatives. The questionnaire contents two different parts. The ‘Part A’ includes questions to elicit responses on demographic characteristics of the respondents. Similarly, ‘Part B’ includes items to collect responses on awareness and impact of ‘Make in India’ initiatives among students in a ‘5- point rating scale from (1) ‘strongly disagree’ to (5) ‘strongly agree’”.

4. EMPLOYABILITY AND ‘MAKE IN INDIA’ IN PRESENT CONTEXT

The better the rate of employment in any nation better is the overall economic condition. Employability is defined as the development of skills, abilities and personal attributes that enhance student's capability to secure rewarding and satisfied outcomes in their economic, social and community lives.

According to the Global Talent Index 2015 almost four in ten (39 percent) businesses around the world are struggling to recruit the right people, with a lack of technical skills cited as the primary problem (64 percent). The concern is that this lack of talent will dampen business productivity, ultimately threatening future growth and profitability. In fact for about 3/4th Indian businesses, one of the primary challenges faced is the shortage of technical or specific skills. India is set to play a pivotal role in the world due to the presence of active population. With an expected population of 1.3 billion by 2020, 60% of which would be in the working age group (15-59 years) as per the Boston Consulting Group Report, India is going to have a surplus of active population - about 47 million people.

5. CHALLENGES IN EMPLOYABILITY IN INDIA 2016

In the following paragraphs we have discussed the various challenges prevailing in India in order to improve the employability and making the passing graduates job ready.

5.1 Rapid Population Growth

It is the leading cause of unemployment in Rural India. In India, particularly in rural areas, the population is increasing rapidly. It has adversely affected the unemployment situation largely in two ways. In the first place, the growth of population directly encouraged the unemployment by making large addition to labour force. It is because the rate of job expansion could never have been as high as population growth would have required. Secondly, the rapid population growth indirectly affected the unemployment situation by reducing the resources for capital formation.

5.2 Decline of Cottage Industries

In rural India, village or cottage industries are the only means of employment particularly of the landless people. They depend directly on various cottage industries for their livelihood. But, now-a-days, these are adversely affected by the industrialization process. Actually, it is found that they cannot compete with modern factories in matter of production. As a result of which the village industries suffer a serious loss and gradually closing down. Owing to this, the people who work in there remain unemployed and unable to maintain their livelihood.

5.3 Defective Education

The day-to-day education is very defective and is confined within the class room only. Its main aim is to acquire certificated only. The present educational system is not job oriented, it is degree oriented. It is defective on the ground that is more general then the vocational. Thus, the people who have getting general education are unable to do any work. They are to be called as good for nothing in the ground that they cannot have any job here; they can find the ways of self employment. It leads to unemployment as well as underemployment.

5.4 Lack of Transport and Communication

In India particularly in rural areas, there are no adequate facilities of transport and communication. Owing to this, the village people who are not engaged in agricultural work are remained unemployed. It is because they are unable to start any business for their livelihood and they are confined only within the limited boundary of the village. It is noted that the modern means of transport and communication are the only way to trade and commerce. Since there is lack of transport and communication in rural areas, therefore, it leads to unemployment problem among the villagers.

5.5 Inadequate Employment Planning

The employment planning of the government is not adequate in comparison to population growth. In India near about two lakh people are added yearly to our existing population. But the employment opportunities did not increase according to the proportionate rate of population growth. As a consequence, a great difference is visible between the job opportunities and population growth. Besides this, the government also does not take adequate step in this direction. The faulty employment planning of the Government expedites this problem to a great extent. As a result the problem of unemployment is increasing day by day.

6. DATA ANALYSIS

A total of 150 questionnaires were received in complete out of 180 respondents from the selected colleges and were used in the data analysis representing a response rate of 87.7 percent. After receiving the responses, questionnaire were analyzed and the respondents were divided into two groups – students of Humanities and social sciences and students of professional education. The Humanities and social sciences students include Arts, Commerce, Science and Education and Professional educational students include Engineering, Pharmacy and Management students.

6.1 Demographic Analysis

The demographic profiles of respondents were presented Table 6.1 and the preference for jobs across demographic variable is presented in Table 6.2.

Table-6.1 Demographic Analysis

Variable	Levels	Frequency	Percentage
Age (years)	Below 20	41	27.3
	20-25	58	38.6
	25 & above	51	34.0
Gender	Female	76	50.7

	Male	74	49.3
Education	Professional	66	44.0
	Humanities and social sciences (HSS)	84	56.0

Source: field study

From the table 1, it can be depicted that 38% of students is within the age group of 20-25 years. The percentage of male is 49.3% and female is 50.7%. The percentage of students of professional education is 44% and students of HSS are 56%.

Table-6.2 Preference for Jobs Across Demographic Variables

Variable	Levels	Manufacturing		Service	
		f	%	f	%
Age (years)	Below 20	15	37	26	63
	20-25	27	47	31	53
	25 & above	21	41	30	59
Gender	Female	31	41	45	59
	Male	32	43	42	57
Education	Professional	26	39	40	61
	HSS	37	44	47	56

Source: Field study

It can be observed from the table 2 that 47% of students in the age group of 20-25 have preferred to do job in manufacturing sector and 53% have preferred service sector. Similarly, among the students in below 20 years age group, 37% of students have preferred jobs in manufacturing sector and rest 63% in service sector. Similarly, both male and female students have preferred to choose jobs in service sector in comparison to jobs in manufacturing sector. The percentage of professional (61%) and HSS (56%) students have preference for jobs in service sector. The preference to do job in service sector has increased due to two reasons; first, service sector is a dominating sector in Indian economy and large numbers of jobs are created in service sector compared to other sectors. Secondly, this sector provides jobs in wide variety of industry for people to work as per their suitability.

6.3 Perception of Students

The table 6.3 described the perception of respondents and their mean and standard deviation measured in 5-point rating scale.

Table-6.3 Perception Towards 'Make in India' Initiatives

Construct	Statements	Mean	SD
'Make in India' initiatives	Awareness about Make in India	3.35	.935
	Make in India as a growth path	3.73	1.06
	Entrance system for admission into technical and professional courses	3.83	0.98
	Make in India and creation of jobs in various fields/sectors	3.81	1.11
	Increase in Foreign Investments and job creation	4.01	1.01
	Spread in education and employability	3.80	1.20
	Make in India and global employment Opportunity	2.99	0.80

Source: field data

From the above table 3, it can be observed that foreign direct investments and job creation has the highest mean value of 4.01, followed by good entrance system with a mean value of 3.83. Good entrance system will facilitate the admission into technical and professional courses may create good employment opportunity. Which implies that Make in India will encourage foreign invests that will create huge employment in different sectors and it will also create a platform for strengthening Indian Economy. The third highest mean value is 3.81 for Make in India and creation of jobs in various fields has a great importance. The highest variability is observed in spread in education and employability; indicating greater variance in responses. The present education system is not sufficiently equipped to take up the employment opportunities to be created through 'Make in India programme'.

6.4 T-test for Difference in Perception for 'Make in India' Initiatives

The perception across educational differences (Professional and HSS) of the respondents towards 'Make in India' were presented in table 6.4 and also were analyzed by using statistical tools like mean, standard deviation and t-test for significance.

Table-6.4 Perception Towards ‘Make in India’ Initiatives Across Education

‘Make in India’ initiatives	Professional		HSS		T-value	P
	Mean	SD	Mean	SD		
Awareness about Make in India	3.28	0.92	3.40	0.95	-.759	.449
Make in India as a growth path	3.65	1.02	3.80	1.10	-.233	.816
Entrance system for admission into technical and professional courses	3.82	0.98	3.83	0.99	-.333	.740
Make in India and creation of jobs in various fields	3.77	1.07	3.83	1.15	-.925	.357
Increase in Foreign Investments and job creation	4.02	0.94	4.01	1.07	-1.026	.306
Spread in education and employability	3.92	1.12	3.70	1.26	-1.210	.313
Make in India and global employment Opportunity	3.00	0.83	2.98	0.78	-1.270	.228

Source: field data

The table 6.4 shows the calculated t-values which are used to measure the difference of perception between different educational groups (professional and HSS students) towards awareness and impact of ‘Make in India’ campaign. The significance value of t-test for different items are 0.05, which indicates that there is no significant difference between the perceptions towards awareness and impact of ‘Make in India’ initiatives between professional and HSS students.

Table-6.5 Perception Towards ‘Make in India’ Initiatives Across Gender

‘Make in India’ initiatives	Male		Female		T-value	p
	Mean	SD	Mean	SD		
Awareness about Make in India	3.18	0.98	3.53	0.86	2.33	0.02
Make in India as a growth path	3.65	1.05	3.79	1.09	0.81	0.42
Entrance system for admission into technical and professional courses	3.76	1.08	3.91	0.88	0.94	0.35
Make in India and creation of jobs in various fields	3.80	1.12	3.82	1.10	0.10	0.92
Increase in Foreign Investments and job creation	4.01	1.04	4.03	0.99	0.08	0.94
Spread in education and employability	3.74	1.28	3.86	1.12	0.57	0.57
Make in India and global employment Opportunity	2.95	0.83	3.03	0.77	0.62	0.54

Source: Field data

In the table 6.5 it is observed that the t-values for different initiatives under make in India programme are not significant except awareness about ‘Make in India’, indicating a significance difference in the awareness level between male and female students.

7. RECOMMENDATIONS

- India needs Good Educational institutions to meet the challenges of the employability in future. According to Knowledge Commission of India, 1500 universities are required to educate students to take up the opportunities of employment generated through ‘Make in India’.
- Proper planning, appropriate guidelines and corrective measures are to be spelt out to improve the quality of higher education in India in line of opportunities created through ‘Make in India’.
- There is problem at every stage of educational system. At school level, syllabus does not stress simple and subtle concepts, but involves tiresome details. Hence, curriculums should be modified from the school level.
- Entrance tests emphasis on speed and memory than calm and collective thinking. When young students join some institutions, by that time they are exhausted than exited. They show confidence but no capacity. They demonstrate familiarity but no understanding. Hence, it is desired to change the entrance system for admission into technical and professional institutions.
- To achieve such quality, adequate and qualified competent teachers be hired for strengthening the higher education system. They should be trained to become innovative, research oriented and competitive.
- Most of the course curriculums in the higher education is, by and large, are theoretical and lacks appropriate practical knowledge. They are not able to accommodate the rapid change that happens in scientific development. Suitable curriculum should be developed to embrace such changes.
- “Make in India” will invite more foreign players who will operate in IT platform. E-commerce Education should be made extensive so that large number of youths can be employed in this sector.



- More awareness should be spread through mass media and other means among the students across different spectrum of the society by highlighting different initiatives taken under the “Make in India” programme.
- As “Make in India” initiative provides a path to make Indian economy strong and vibrant, students should be trained and developed for harnessing the opportunities created through these initiatives.

CONCLUSION

The dream project of Prime Minister of India has created a vibration among the students in different domain of education; be it technical, professional or liberal subjects like arts, science and commerce. Make in India programme is definitely going to create more employability among the students by creating opportunity in formal sectors and self employment. These initiatives will bring more foreign investments and will also invite the overseas businessmen, particularly the NRIs to set up their own business ventures in India. Now it has become important to reform the educational system as well as the admission process of different courses focusing more on employability through skill development. The education system should also nurture creativity and instill confidence to take up their entrepreneurial ventures. The education system should be tuned to accommodate changes that happen in the technological world and accordingly it will enhance the capabilities of the students to take up employment opportunities around the world.

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