



Reshaping Training Programs to Better Meet Market Demands

Overview

Using a reform-based loan from the International Development Association (IDA), India has successfully improved the quality of vocational training provided by 400 industrial training institutes (ITI) and strengthened the quality of more than 10,000 vocational training instructors, helping to ensure that more than 200,000 trainees are more suited to the job market.

Challenge

With more than 60 percent of its population below the age of 40 years, India faces the huge task of providing its youth with skills that are valued by employers, and that can contribute to India's growth and poverty reduction agenda. There are more than 12 million new entrants into the labor market every year in India, but the Technical and Vocational Education and Training (TVET) system's capacity to train is limited to 4 million. A TVET sector report in 2005-06 found that more than 60 percent of trained youth were unemployed even three years after graduation, close to two-thirds were not employed in the trade they were trained in, and one-third were trained in obsolete trades. The skills challenge facing India is therefore not only one of scale, but also of reducing the mismatch between skills taught and those in demand by employers. The vocational training sector also suffered from: (i) lack of information on the quality and effectiveness of training providers, (ii) negligible involvement of industry in the vocational training system, and (iii) lack of incentives to improve performance at the institution level.

MULTIMEDIA

MORE

- » [Education for All in India](#)
- » [Primary Education for All in India](#)

More Results

60%
employment rate for graduated students

Approach

The World Bank's Vocational Training Improvement Project has been designed to (a) bring private sector industry into the management structure of training institutes and into the design of training curricula, (b) change the way training

institutions function by giving them more financial and managerial autonomy, (c) upgrade training institutions' infrastructure and facilities, (d) establish an instructors training network; (e) build capacity of the TVET system through large-scale instructor training, leadership training of heads of institutions, and development of resource institutions such as instructor training and curricula development institutes; and (f) establish a strong monitoring and evaluation mechanism in the sector.

Results

The project's objectives to improve the employment outcomes of the graduates of the vocational training system, by making the design and delivery of training more responsive to the demands of today's employers. The following key results have been achieved:

- The employment rate of ITI graduates increased from 32 percent after a year of graduation in 2006 to above 60 percent in 2011;
- There was a more than 25 percent increase in the real monthly wages of employed ITI graduates between 2006 and 2011;
- The pass rates of ITI trainees increased from 60 percent in 2006 to 70 percent in 2011;
- Instructor vacancy in ITIs fell to 5 percent in 2011, from 25% in 2006;
- Centers of Excellence established in 300 ITIs;
- Twenty one women's ITIs upgraded;
- Functional Institutional Management Committees, with 50 percent of their membership drawn from industry and private sector employers, established in 400 ITIs;
- More than 10,000 ITI instructors trained in basic and advanced pedagogy and trade related courses between 2007 and 2011, and;
- Thirty-one basic and advanced course curricula for ITIs revised and multi-media course material developed between 2007 and 2011.

10,000

instructors trained in basic and advanced pedagogy

MORE INFORMATION

- » Project Documents
- » Ministry of Labor and Employment, Government of India
- » SAR Education Website
- » Employability and Skills Set Working Paper
- » India Country Site
- » End Poverty in South Asia Blog
- » Connect with us on Facebook
- » Talk to us on Twitter

Voices

“I completed two years of certificate level training in computer operations and programming. I now has a job with a multinational company at a starting monthly salary of Rs. 20,000.”

—*Hari, Graduate*

Bank Contribution

The Vocational Training Improvement Project is the largest IDA-funded vocational training project globally. The total project cost is US\$360 million, of which IDA's contribution is US\$280 million.

Partners

There is a strong partnership between IDA and the Ministry of Labor and Employment of the Government of India in project implementation. IDA also supports the Ministry in knowledge management to improve the national TVET system beyond the boundaries of the project, with technical assistance in relevant policy areas such as a qualifications framework for the sector, and the facilitation of inputs from national and international expertise in the sector.

Toward the Future

The project will close in December 2014. By then all 2,000 public sector ITIs will have benefited from the first phase of reform. The 12th Five Year Plan (2012-2017) of the Government of India projects an estimated allocation of around US\$400 million to sustain achievements in, and for further development of, the TVET sector. These include resources to be sought possibly from IBRD or IDA and other donors, and through partnerships with the private sector.