

NEW EDUCATION POLICY AND ITS IMPACT ON SKILL DEVELOPMENT AND ENTREPRENEURSHIP IN INDIA

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I. A Brief Introduction to the Education System in India

Post independence the union government continued to be in charge of maintaining appropriate standards in higher education, research, and scientific and technical education, while the state governments' primary responsibility for education remained with the union. To create a plan for the growth of several facets of society, including education, the Indian government formed the Planning Commission in 1950. After that, new plans were created and put into action (typically every five years). The primary aims of these plans encompassed the following: (1) attaining widespread access to primary education; (2) eliminating illiteracy; (3) implementing vocational and skill development initiatives; (4) enhancing and modernizing education at all levels, particularly emphasizing technical education, science, environmental education, moral education, and the nexus between schooling and employment; and (5) establishing well-equipped educational facilities in every district of the country to ensure high-quality education.

Three significant commissions were also created by the Indian government beginning in 1947 to recommend educational changes. Regarding course reorganization, evaluation methods, instructional media, student services, and teacher hiring, the University Education Commission of 1949 provided insightful recommendations. The secondary and teacher education were the key areas of attention for the Secondary Education Commission in 1952–1953. The entire educational landscape was thoroughly examined by the Education Commission from 1964 to 1966. For all educational levels, it created a national pattern. In July 1968, the Indian government formally unveiled a national education policy in response to the suggestions put out by the commission. The aforementioned rule underwent modification in the year 1986. Technology in education, morality, and international integration were highlighted in the new policy. To establish a standard course of study across the nation, a core curriculum was developed.

The Ministry of Human Resource Development, overseen by a cabinet minister, encompassed the national department of education. The central advisory board on education provided guidance to both federal and state governments. The Department of Education housed several autonomous groups. The University Grants Commission (established in 1953), the National Council of Educational Research and Training (established in 1961), and the All-India Council of Technical Education (established in 1945) emerged as the most prominent bodies in the field. The founding body provided guidance to the government for technical education and maintained standards for its advancement. The second body established and enforced standards for instruction, assessment, and research within the realm of universities, while also facilitating and organizing university education. The entity have the authority to conduct investigations into the financial procedures of the establishments and allocate financial assistance.

The third group endeavored to enhance the quality of education at educational institutions and offered support and guidance to the Ministry of Human Resource Development in the execution of its significant educational programs and initiatives. In accordance with the seventh five-year plan (1985–1990), one such vidyalaya was to be established in each district. All other basic and secondary education fell under state government jurisdiction. Despite variations between states, conditions were generally not sufficient.

Institutions of higher learning, such as universities and colleges, offer opportunities for individuals to pursue advanced education. In 1986, the government made revisions to the national education policy, wherein it stipulated that by 1990, all individuals reaching the age of 19 would be expected to have successfully completed a minimum of five years of formal education or its commensurate alternative. Efforts were also undertaken to augment and expand the adult and non-formal education systems. However, progress was impeded at every stage by disagreements between political parties, industrialists, businessmen, teachers, students, and other organizations. This politicization of education was a direct result of this division. The NPE-1986 was put forth to raise educational standards and increase access to higher education. In addition, it would maintain the egalitarianism, socialism, and secularism values that have been supported since Independence. To balance its budget, the government planned to seek financial assistance from the business sector. The Central Government also declared that it will acknowledge the difficulty of implementing a national, integrative system of education in order to raise educational standards and quality. On the other hand, the State Governments continued to play a significant role in curriculum development.

NPE-1986 advocated a 10+2+3 recognised constitution national system of education. It is proposed that a primary education system consisting of five years of primary education and three years of upper primary education be implemented, following the completion of two years of high school education, in order to rectify the shortcomings observed during the initial ten years of education. Acharaya Rammurti served as the chairman of the committee that was formed in May 1990 to review the National Policy of Education (NPE) and make recommendations for changes. The Rammurti Committee's report was taken into account as various revisions to the NPE were considered by the Central Advisory Board of Education, a body established in July 1991 and chaired by Andhra Pradesh's Chief Minister, Shri N. Janadhana Reddy. The National Programme of Action (NPA) of 1992, a report by this committee, was published in January 1992. The primary objective of the NPA policy was to enhance the process of national integration, facilitate national development, and cultivate a collective feeling of cultural identity and citizenship. It forced India's educational system to undergo a necessary rebuilding in order to improve its quality, which led to a stronger emphasis on science, technology, and the quality of people's lives.

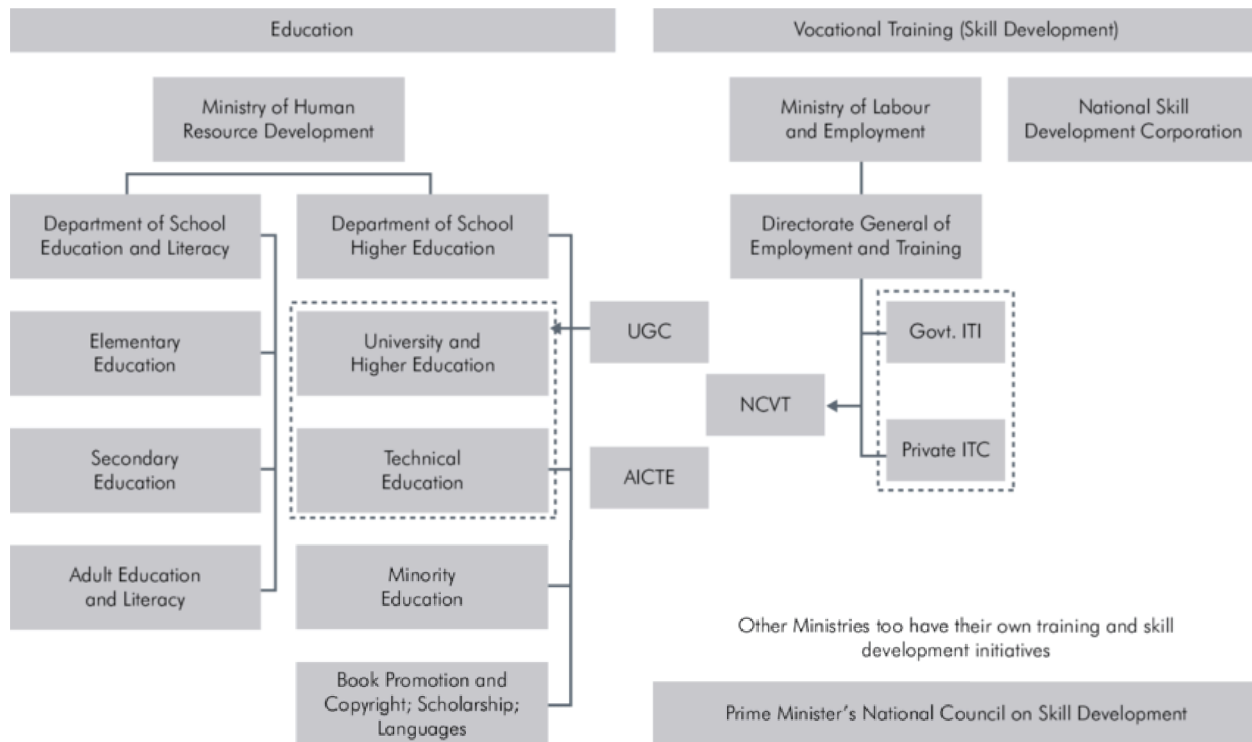
One of the biggest achievements in the Indian educational sector has been the release of the National Education Policy (NEP) 2020, which was delayed for thirty years. It is a comprehensive policy that prioritizes technology-supported education and universities' multidisciplinary and multimodal methods. The Indian educational system's organizational structure has undergone a thorough transformation because to the new NEP. In order to help pupils thrive in life, it places a strong emphasis on character and skill development. A more adaptable and diverse curriculum is essential to ensuring that children are prepared for the 21st century, according to the NEP 2020. The goal of NEP 2020 is to include everyone and provide equal access to education. The universalization of education is the main advantage of NEP 2020. The mission of NEP is to promote equity and inclusion in education. NEP will aid the students in experiencing education of international caliber.

II. Objectives of NEP 2020

The fundamental goal of NEP 2020 is to make primary and secondary education widely accessible by the year 2030. It facilitates the development of connections between the learner and the larger society. Every child is unique and deserves the opportunity to receive a fundamental education, for which the government ought to make better allowances.

- A.** All students up to third grade are expected to achieve foundational literacy and numeracy, according to NEP 2020.
- B.** The 2020 new education policy has two main goals: to reduce dropout rates by ensuring enough infrastructure facilities and by giving the teachers the proper training.
- C.** In order to bring Indian education up to par with international norms, the policy is focused on adopting instructional aids. It also places a strong emphasis on the proper management of educational institutions, for which the teachers receive ongoing instruction and support.
- D.** Every student must continually work on his or her skills, such as communication and presenting abilities, for overall development. Vocational training is also supported in order to improve employment prospects for those who do particular skill-based jobs.
- E.** Between the ages of 0 and 8, a child's physical, socioemotional, and cognitive development are all included in the early child developmental period. There must be high-quality Early Childhood Care Education (ECCE) provided since early education establishes the groundwork for schooling that will be pursued later in life and is also crucial for the development of a person's cognitive capacity. Here, it's important to pay attention to socially underdeveloped areas.
- F.** To keep the interest of any learners towards the subject matter, learning should be comprehensive, integrated, fun, and engaging. Experiential learning is encouraged at all levels as part of NEP 2020 because it places an emphasis on understanding the subject rather than evaluating rote memorization.
- G.** The policy focuses on utilising instructional tools to bring Indian education up to par with international norms. It also places a strong emphasis on the administration of educational institutions, for which teachers are repeatedly given the right knowledge and instruction.
- H.** The NEP 2020 strategy emphasises the importance of universal access to education and the idea that everyone should be treated fairly. This policy helps students with special needs as well because it has numerous programmes in place that make it possible for students with disabilities to participate in the educational system. This feature aligns with the SDG.
- I.** Technology has advanced significantly, and as classrooms become digitalized and lectures are delivered online, so are attendance measures. Teaching aids are also being produced in tandem with these developments.

Figure 1: Structural Framework of Education and Skill Development in India



Source: FICCI Report

The Ministry of Human Resources Development assumes the responsibility of supervising several aspects of education, encompassing both collegiate and postgraduate levels. The University Grants Commission (UGC) is responsible for the coordination and establishment of teaching, examination, and research standards at universities. Furthermore, it provides financial support through grants. Technical education encompasses various academic programs, such as engineering education and polytechnics, among others. The regulatory body responsible for overseeing technical education in India is known as the All India Council for Technical Education (AICTE). The Directorate General of Employment and Training (DGET), under the purview of the Ministry of Labour and Employment, is responsible for the supervision of both Government Industrial Training Institutes (ITIs) and Private ITIs. These institutions constitute a substantial percentage of the existing vocational training infrastructure.

The National Council on Vocation Training (NCVT) plays a pivotal role in the formulation of training curricula, establishment of standards, and administration of trade tests for the purpose of certification. In order to implement the Skill Development Mission, a hierarchical institutional structure has been put in place, comprising of three tiers: (i) the Prime Minister's National Council

on Skill Development, (ii) the National Skill Development Coordination Board, and (iii) the National Skill Development Corporation (Dayal & Dayal, 2016).

III. Importance of skill development for India's economic growth

In the context of skill acquisition in India, it is observed that two primary structural streams exist, namely a somewhat limited formal stream and a significantly larger informal stream. The formal framework encompasses several key components: (i) the provision of higher technical education through professional colleges; (ii) post-secondary vocational education offered in schools; (iii) technical training supplied by specialized institutions; and (iv) apprenticeship training. Numerous institutions provide occupational education and training programs across various tiers of proficiency. Several professional institutions offer advanced professional and technical education, with a primary focus on disciplines such as agriculture, education, engineering and technology, and medicine.

The process of developing new talents is known as skill development. It is a lifelong process that might be formal or informal. In today's environment of rapid change, skill development is crucial. The improvement of skills aids employment. Finding a job they enjoy or starting their own business is easier for people who have skills. Organizations that allocate resources towards enhancing employees' skill sets have the potential to enhance employee retention rates and reduce costs linked to turnover, including spending related to recruitment, training, and decreased productivity. Through the cultivation of existing abilities or the acquisition of new ones, the process of skill development empowers individuals to secure more favorable career opportunities. This involves improving interpersonal interactions, problem-solving skills, reading speed, decision-making, and other related areas. Skill development has the potential to facilitate structural transformation and foster economic growth by enhancing employability, labor productivity, and national competitiveness. The productivity of an employee is positively associated with their level of competence. The productivity of a skilled worker surpasses that of an unskilled person due to their ability to achieve a higher level of output within a shorter timeframe. This ensures that the organization will maximize production output while maintaining high quality standards. Employee turnover is well recognized as a significant contributor to waste within organizations. Firms experience increased expenses when employees frequently depart from their job due to limited career prospects or unfavorable working conditions, as they are compelled to recruit new personnel to fill the vacancies created by resignations or terminations.

The development of skills plays a key role in fostering economic progress in nations, including India. In recent years, India has been focusing on developing its human capital through skill development programs and initiatives. Skill development is important for the economic growth of India:

- A. Increased productivity:** Skill development programs play a crucial role in augmenting the productivity of the workforce. When individuals possess the requisite skills and knowledge to execute their job responsibilities with proficiency, they are able to operate with increased efficiency and generate goods and services of superior quality. Consequently, this phenomenon leads to a higher level of economic productivity.
- B. Job creation:** Skill development programs can help to create new jobs by equipping people with the skills required for emerging industries and sectors. This can help to reduce unemployment and increase the participation rate in the labor force, which is critical for economic growth.
- C. Innovation:** Skilled employees are more likely to innovate and generate new ideas that can stimulate economic expansion and enhance competitiveness. India can cultivate a culture of innovation and entrepreneurship by investing in skill development, which can lead to the creation of new products and services and the expansion of existing industries.
- D. Foreign investment:** A skilled workforce is an attractive proposition for foreign investors looking to set up operations in India. By investing in skill development, India can create a competitive advantage and attract more foreign investment, which can contribute to economic growth.
- E. Poverty reduction:** Skill development programs have the potential to mitigate poverty by equipping individuals with the necessary competencies to obtain employment opportunities that offer higher remuneration, thereby enhancing their overall quality of life. Consequently, this phenomenon can result in heightened levels of consumer expenditure, thereby stimulating economic expansion.

Skill development is a critical factor in the economic growth of India. By investing in human capital through skill development programs and initiatives, India can increase productivity, create jobs, foster innovation, attract foreign investment, and reduce poverty, all of which are crucial for sustainable economic growth. A crucial component of any nation's social and economic development is the development of its workforce. It is crucial to provide employment possibilities

for the nearly 12 million young people who join the workforce each year due to the demographic change in our nation. Accounts have been kept throughout the seven years between 2005 and 2012. The kids must have the necessary competence and abilities to increase their employability. Our country is currently struggling with a significant lack of skilled and qualified labour. The lack of talent development in India is a significant issue for both supply and demand. Persistent attempts have been made to expand developing economic activity and increase employment opportunities in order to address this demand-related difficulty. On the other hand, taking into account the issues with the supply side, it is essential to take into account the expected population as it provides sufficient justification to rely on them and meet the increasing demand.

IV. Importance of Entrepreneurship for India's economic growth

In accordance with the concept of skill development, entrepreneurship plays a significant role in the economic development of a nation. Entrepreneurship increases access to goods and services, fosters economic development, and raises general living standards. By providing services to underserved areas and developing environmentally favorable products, many entrepreneurs also improve the well-being of their communities. By creating new products and services, they promote new employment, which ultimately accelerates economic growth. Therefore, a public policy that encourages entrepreneurship is essential for economic growth. Entrepreneurs foster economic expansion by providing cutting-edge technologies, products, and services.

Promoting entrepreneurship is essential for India's economic development for multiple reasons:

- A. Making new jobs:** Entrepreneurs create new businesses and ventures, which in turn create new jobs. By promoting entrepreneurship, India can create more job opportunities, thereby reducing unemployment and poverty.
- B. Innovation:** Entrepreneurs are often the drivers of innovation, as they are more likely to take risks and try new things. India's economic growth can be aided by fostering a culture of invention and creativity through the encouragement of entrepreneurship.
- C. Increased competition:** Entrepreneurship promotes competition, which can lead to increased efficiency and better-quality goods and services. This can benefit consumers by providing them with more choices and lower prices.
- D. Foreign investment:** Entrepreneurs and startups are attractive to foreign investors, who are always looking for innovative and promising ventures to invest in. By promoting

entrepreneurship, India can attract more foreign investment, which can contribute to economic growth.

E. Economic diversification: India's economy is heavily dependent on a few industries, such as IT and agriculture. By promoting entrepreneurship, India can encourage the development of new industries and sectors, leading to economic diversification and reducing dependence on a few key industries.

F. Women empowerment: Entrepreneurship can be a powerful tool for women empowerment, as it allows women to become financially independent and contribute to their families and communities. By promoting entrepreneurship among women, India can address gender inequality and promote inclusive economic growth.

Promoting entrepreneurship is crucial for the economic development of India. It can create new jobs, foster innovation, increase competition, attract foreign investment, promote economic diversification, and empower women. By creating a favorable environment for entrepreneurship, India can unleash the potential of its people and drive sustainable economic growth.

A. This response provides a concise summary of the primary elements of the National Education Policy (NEP) that pertain to the domains of skill development and entrepreneurship.

The National Education Policy (NEP) 2020 has several provisions related to skill development and entrepreneurship. It proposes several initiatives and programs to promote skill development and entrepreneurship.

- **National Skills Qualifications Framework (NSQF):** The NEP 2020 proposes the development of a National Skills Qualifications Framework (NSQF) to ensure standardization and quality in vocational education. Under the NSQF, various vocational courses would be organized into levels and qualifications, allowing for flexible learning pathways and recognition of prior learning.
- **Vocational Education:** The NEP 2020 recognizes the value of a well-rounded education and calls for the inclusion of vocational training in public schools. Vocational schools and colleges are advocated for, as is the creation of a new national curriculum framework.

- **The National Skill Development Corporation (NSDC)** is a collaborative initiative between the public and private sectors with the objective of fostering skill enhancement in India. The National Skill Development Corporation (NSDC) has played a significant role in the effective execution of the provisions pertaining to skill development within the National Education Policy (NEP).
- **Internships and apprenticeships:** The NEP 2020 proposes the integration of internships and apprenticeships into the curriculum to provide students with hands-on experience and exposure to the industry. This would help students to acquire the skills and knowledge required for the job market. It also proposes the establishment of a National Apprenticeship Training Scheme (NATS) to provide apprenticeships to students and to promote industry-academia collaboration.
- **Entrepreneurship education:** The National Education Policy (NEP) of 2020 acknowledges the significance of entrepreneurship education and suggests the incorporation of entrepreneurship education within the educational framework at all levels of instruction. This initiative would facilitate the cultivation of an entrepreneurial mindset among students, enabling them to gain the essential skills and information required for initiating their own enterprises. Additionally, it suggests the implementation of incubation centers within educational institutions in order to provide assistance to student companies and foster the development of entrepreneurial endeavors.
- **Incubation centers:** The NEP 2020 proposes the establishment of incubation centers in educational institutions to support student startups and promote entrepreneurship. These centers would provide students with access to resources, mentorship, and funding to start their own businesses.
- **Industry-academia collaboration:** The NEP 2020 emphasizes the importance of collaboration between the industry and academia to promote skill development and entrepreneurship. It proposes the establishment of industry-academia partnerships and the integration of industry-relevant skills into the curriculum. The suggestion is to create a

National Research Foundation (NRF) with the aim of fostering research and innovation while also facilitating collaboration between industry and academics.

- **Lifelong learning:** The National Education Policy (NEP) of 2020 acknowledges the significance of lifelong learning and puts forth a recommendation for the creation of a National Educational Technology Forum (NETF) with the aim of fostering the integration of technology in the field of education. This would facilitate the development of new skills and continuous learning, which is crucial for entrepreneurship and career growth. It also proposes the development of a National Digital Education Architecture (NDEAR) to provide a platform for online learning and to facilitate continuous learning.

NEP 2020 has several provisions related to skill development and entrepreneurship, including the integration of vocational education, internships/apprenticeships, entrepreneurship education, incubation centers, industry-academia collaboration, and lifelong learning. These provisions aim to develop a skilled workforce and promote entrepreneurship, which are crucial for the economic development of India.

B. Challenges and Limitations of Implementing the NEP's Provisions related to Skill Development and Entrepreneurship

Implementation is difficult due to the education sector's immense size and variety in India. India maintains its position as the country with the second-largest educational system globally, boasting a staggering number of over 15 lakh schools, 25 crore pupils, and 89 lakh professors. The higher education system is characterized by its substantial scale. The burden of promoting shared accountability and ownership among key stakeholders, including the corporate sector, within the education leadership will be substantial, particularly at the state and district levels where a notable amount of diversity exists. The state's capacity plays a pivotal role in determining the ultimate success of the NEP. The NEP Drafting Committee, under the leadership of K. Kasturirangan, accurately observed that the educational system in India suffers from inadequate funding, excessive bureaucracy, and a dearth of innovation and scalability. In order to effectively execute a comprehensive initiative encompassing several experiential objectives, a substantial number of educational institutions, including schools and universities, would be required to enhance their capabilities and realign their focus. The extent of collaboration between the Central government

and state governments would play a crucial role in determining the success of the National Education Policy (NEP). The successful implementation of the National Education Policy (NEP) relies heavily on the active involvement of the states, despite its creation by the Union administration. This phenomenon can be attributed to the fact that state governments are primarily responsible for overseeing and providing a majority of education-related services. To clarify, it is imperative for the Centre to adopt significant actions while adeptly managing the concepts of cooperative federalism and decentralization. In light of the current intensification of political polarization and the apparent decline in trust between the federal government and the states, executing this task presents a considerable challenge.

The active involvement of the private sector is of utmost importance in achieving the inclusive objective of the NEP, particularly in addressing the higher education sector. It is imperative to underscore that a significant proportion, namely up to 70%, of higher education institutions, encompassing colleges and universities, are under the management and administration of the private sector. The private sector plays a significant role in providing essential financial and innovative resources. To effectively leverage the contributions of the private sector and acknowledge its role as an equitable collaborator in the NEP (National Economic Policy) process, it is imperative for the government and regulatory bodies to build pragmatic institutional frameworks. The effective implementation of important programs necessitates the presence of ample financial resources over extended periods of time. The NEP has stipulated that the government should augment public expenditure on education to 6 percent of the Gross Domestic Product (GDP) in order to attain the objectives outlined in the new policy. Considering the prior commitments and their subsequent realization, this task presents a formidable challenge.

V. Conclusion

In India, skill development and entrepreneurship could be strongly impacted by the National Education Policy (NEP). The policy's emphasis on transdisciplinary education, experiential learning, and vocational education is a positive step towards giving students the abilities and knowledge required to thrive in the quickly evolving labour market of today. A conducive environment for aspiring entrepreneurs is also anticipated to be created by the NEP's emphasis on promoting entrepreneurship through initiatives like the establishment of incubation centres and entrepreneurship cells in higher education institutions and the provision of simple access to credit for startups. The NEP's ability to encourage entrepreneurship and skill development, however,

will depend on how well its provisions are put into practice. The government must make sure that sufficient funds are set aside to implement the policy and that all relevant parties—including academic institutions, business, and students—are actively involved in the procedure.

In a nutshell the NEP has the ability to revolutionize India's educational system and foster entrepreneurship. However, the policy's effectiveness will depend on how well it is put into practice, thus the government must make sure that all interested parties are actively involved.

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