

## **Role of PMKVY on Promoting Youth Entrepreneurship Karnataka**

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### **ABSTRACT**

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is one of the famous schemes in Karnataka related to skill development and youth entrepreneurship. This paper aims to understand the role of PMKVY in youth entrepreneurship in Karnataka. Based on a detailed examination of objectives, assumptions, and approaches, this paper analyses the role of PMKVY in skill development for youth and equipping them with the knowledge and aptitude required for entrepreneurship development. The paper also studies the role of PMKVY in improving the entrepreneurship ecosystem, enhancing employability, and providing access to resources for young entrepreneurs. Further, the paper highlights the challenges and makes suitable recommendations to enhance the role of PMKVY in promoting sustainable socio-economic development through youth entrepreneurship in Karnataka. This paper gives a deep insight into the journey of PMKVY and its relevance in youth entrepreneurship in Karnataka.

**Key Words:** PMKVY, Youth Entrepreneurship, Empowerment, sustainable socio-economic development.

### **I. INTRODUCTION**

India would require around 700 million skilled people by 2022 to meet the demands of a growing population. However, the present state of preparedness of Indian youth, to be the skilled workforce is rather weak. First, the supply of skilled workforce in India is very low as compared to other countries of the world. In India less than 4% of the workforce is skilled as compared to 47% in China, 74 % in Germany and 96% in Korea. Second, the level of skill and training or the 'employability' of the youth that actually undergoes technical training/higher education is not as per the industry requirements. For example, according to the India Skills Report 2019, the employability of technical graduates stood at 63.11 %, and for MBA and polytechnic graduates, stood at 47.18 % and 45.90 % respectively. (India Skills Report, 2019, n.d.). Though successive governments had been making efforts to build an ecosystem for vocational and technical training so that a steady supply of trained and employable youth can be created; there existed a demand-supply gap. This gap was further widening due to demand for workforce trained in new technologies and new sectors where employment opportunities were being created. Also, given the pace of rapid technological transformations that are taking place in today's world, the skills sets are becoming redundant quickly. Hence, there is also a challenge, of regular up-skilling of trained

personnel. Understanding the need for bringing about a paradigm shift in the way, the skill training was being carried out through a network of technical and vocational training institutions; on July 15, 2015 - the World Youth Skills Day, the Prime Minister launched the prestigious Skill India Mission in association with the Ministry of Skill Development and Entrepreneurship (MSDE). Under this Mission, several other developmental schemes were also launched - including the 'Pradhan Mantri Kaushal Vikas Yojana' (PMKVY). In the journey of economic growth and development of any state, encouraging and promoting youth entrepreneurship is one of the major attributes and has become a demand of the hour for sustainable growth and prosperity. Keeping this in mind and to skill its youth in relevant skills along with an entrepreneurial mindset for certain, Government of Karnataka launched a revolutionary scheme called Pradhan Mantri Kaushal Vikas Yojana (PMKVY) which is proving to be a milestone in bringing employment and socio-economic development to the state. Youth entrepreneurship in Karnataka is the need of the hour. The coming of PMKVY has given the state a new direction apart from the conventional employment generating activities. PMKVY reaches the unreached and unexplored sectors by providing the youth with necessary skills, knowledge and other support services. It helps in releasing the hidden talent of the country and channelize it in the right direction for wealth creation and employment generation for inclusive growth.

The article deals with the various aspects of PMKVY and its role in youth entrepreneurship in Karnataka. It also puts light on the importance of skill development, promotion of entrepreneurship and overall sustainable socio-economic development of the state and its citizens. A thorough analysis has been made in this paper to judge the impact of PMKVY on employment assurance, skill development, entrepreneurship and its role in the overall economic development of the State.

## **II. BACKGROUND OF PMKVY**

Under Skill India Mission, Ministry of Skill Development and Entrepreneurship (MSDE) is delivering skills through Pradhan Mantri Kaushal Vikas Yojana (PMKVY) with an objective to impart short duration skill development training and certification to youth and to make them employable for better livelihood across the country. Pradhan Mantri Kaushal Vikas Yojana (PMKVY) was firstly launched in 2015. Presently, the third phase of PMKVY, i.e., PMKVY 3.0 (2020-22) is being implemented across the country. Since inception, till 31.12.2021, 1.34 crore candidates have benefited from the PMKVY across the country. PMKVY has two training components, namely, Short Term Training (STT) and Recognition of Prior Learning (RPL). Under PMKVY, placement opportunities are being provided to STT certified candidates, while RPL is not linked with placements as it recognizes the existing skills of candidate. Under PMKVY-STT, 53.89 lakh candidates have been certified; out of which, 23.70 lakh candidates have been provided with the placement including 2.95 lakh self-employed candidates in various sectors across the country. The phase-wise targets and candidates benefited under PMKVY since inception, in Karnataka state is given below:

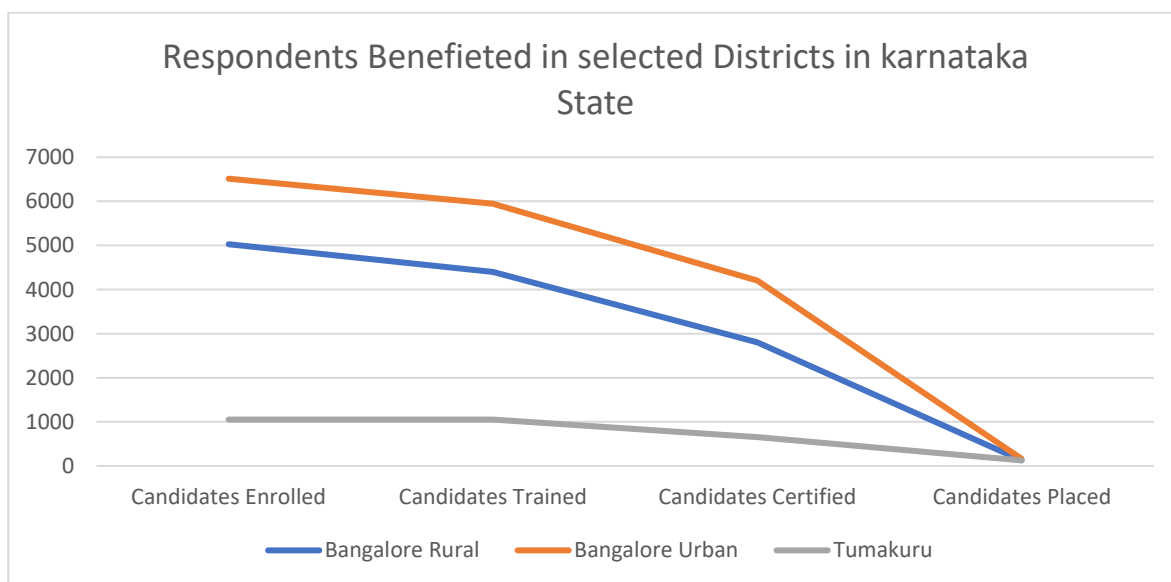
Phase	Candidates Enrolled	Candidates Trained	Candidates Certified
MKVY 1.0 (Phase I)	77051	77051	55979
PMKVY 2.0 (Phase II)	432411	406146	337641
PMKVY 3.0 (Phase III)	37136	34041	22855
<b>Total</b>	<b>546598</b>	<b>543503</b>	<b>416475</b>

**Source:** Skill India Digital Hub

The phase-wise targets and candidates benefited under PMKVY since inception, in Bangalore Rural, Bangalore Urban and Tumakuru District in Karnataka state is given below:

District	Candidates Enrolled	Candidates Trained	Candidates Certified	Candidates Placed
Bangalore Rural	5027	4396	2806	127
Bangalore Urban	6513	5948	4204	163
Tumakuru	1052	1052	658	127
<b>Total</b>	<b>12592</b>	<b>11396</b>	<b>7666</b>	<b>417</b>

**Source:** Skill India Digital Hub.



A comprehensive list of online and offline programs offered by Government of India and Government of Karnataka, in Skill Development, Livelihood Entrepreneurship, Apprenticeship and Employment.

Sl. No	Schemes or Program	Purpose	Eligibility Criteria
<b>Apprenticeship and Skill training</b>			
1	National Apprenticeship Promotion Scheme (NAPS)	Provide apprenticeship opportunities for any individual, who has completed 14 years of age, is physically fit and having minimum educational qualification prescribed for a trade	14 years of age (18 years in case of hazardous industries) Educational/technical and physical qualification prescribed under the Curriculum for the concerned trade Minimum of 5th class pass
2	Pradhan Mantri Kaushalya Vikas Yojana (PMKVY)	Short term skill training (STT) Certification of informally skilled workers or Recognition of Prior Learning (RPL)	RPL 18-45 years Prior experience in the job role for certification STT15-45 years
3	Chief Minister's Kaushalya Karnataka Yojane (CMKKY)	Short term skill training	a. Jai Kaushal Jawan (Ex-servicemen) 33 to 50 Yrs b. Widows of ex-servicemen, war-widows 18 to 50 Yrs c. Specially challenged 14 to 50 yrs d. Juvenile delinquents 14 to 18 Yrs e. Jail inmates (Kaushal Karagruha) 18 to 50 yrs f. Trainees for Short Term Agricultural & Animal Husbandry Courses: 18 to 50 yrs g. All Others 18 to 35 yrs
4	Deen Dayal Upadhyay Grameen Kaushalya Yojana (DDUGKY)	Skill training and placement	Rural youth Age between 15 and 35 years 15-45 years for women, vulnerable tribal groups, PwD, transgender and other special groups
5	Karnataka German	Skill training and Placements (Both Paid and Free courses)	Diploma SSLC or equivalent with Maths

	Technological Training Institute (KGTTI)		and Science as a subject of study At or below 19 years of age (22 years for reserved category) Not enrolled in any other course or training Physically handicapped should be able to stand and work with both hands
6	Rural Self Employment Training Institute (RUDSETI / RSETI )	Entrepreneurship Development training	Unemployed youth Age 18-45 years
	SKILL CONNECT by Kaushalkar	For job seekers and job providers	No specific criteria
<b>Entrepreneurship and Livelihoods</b>			
1	Startup India Online courses	Digital learning platform for startups at all stages	No specific criteria
2	Centre for Entrepreneurship Development of Karnataka- CEDOK	Entrepreneurship and Self-employment Training and Capacity Building	No specific criteria
3	National Urban Livelihood Mission (NULM)	Skill Training Credit Linkage SHG formation	No specific criteria
4	National Rural Livelihood Mission (NRLM)	Skill Training Credit Linkage SHG formation	No specific criteria

**Source:** <https://www.pmkvyofficial.org>

## REVIEW OF LITERATURE

Shrivastav & Jatav (2017) demonstrated how the many initiatives the Indian government has started can lead to job openings in India with new industrial skill requirements. The report finishes with an overview of the skill capacity that is already available, as well as the need, gaps, and initiatives that the Indian government is working on for skill development. The corrective measures are urgently needed in India in order to support the present skill development approach. (Aiyar Shekhar and Mody Ashoka, 2011). A major component in the development and growth rate of any country is the base of its human resources. It comprises of a vast spectrum of elements like information technology, health, education, skill development and vocational training. Demographic dividend has Acutely large in each Indian state. India provides the highest number of young workers to the world. The growth rate of working age population in India has grown enormously and its impact. Each year Demographic Dividend of India adds two percent to the GDP growth rate and very high increase in income of some of the poorest states of the country. (Alan Abrahart, S.A.A. Alvi, Dar Amit, Jena Nalin and Tan Hong, 2009) Employers want for a certain talent in human resources in addition to qualifications, and human resources wants employability. Thus, the creation of jobs has been linked to the development of skills in order to encourage young people to work for themselves. Compared to the demand for labour, India has a lower supply of skilled workers. Furthermore, India is not keeping up with China, Mexico, South Africa, or Russia in terms of meeting the demand for skilled labour and the supply gap. The lack of a clear link between education and skills of individual and the labour market is the cause. Sharma, L. (2014). The aim of the study article is to examine student's career choice behaviour types of family wealth; financial capital, human capital and manpower capital among Higher Education Institutions (HEIs) in Uttarakhand India. The other aim of the study is to test whether an individual student's social capital has any effect on his/her professional choice or not. The study executes a quantitative analysis in Indian state of Uttarakhand on sufficient size of sample of students who are registered in professional programmes in the state universities and private universities of Uttarakhand. Bhuvana S. Kavaya and Geetanjali p. The study on the effectiveness of PMKVY centres in Bengaluru. This study done based on both primary and secondary data. The data is collected from 200 respondents using simple random sampling technique. The researchers suggested there is a need to provide training facilities to youth for enhancing their skills and knowledge for getting good jobs or starting their own ventures. Manish Kr. Jindal (2016) in his study "Entrepreneurship development in India: a new paradigm suggested that a proper monitoring should be require to analyze the skill initiatives and to avoid overlapping activities. From the survey he found that 59% people still feel that corruption and some policies prevent the growth of the entrepreneurship. Entrepreneurship development policies should not concentrate on digital start-ups or technological startup with main focus on manufacturing and to provide self-employment opportunities to technology deficient youth of the nation.

## Statement of the Problem

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is a flagship scheme of Government of India to promote skill development among youth. Despite its objectives of employability and entrepreneurship, there is no comprehensive understanding of its impact on youth entrepreneurship in Karnataka. This state with diverse economy and high entrepreneurship activity presents an opportunity to assess how much PMKVY has contributed to youth led enterprises. The problem statement is to assess the role of PMKVY in youth entrepreneurship in Karnataka. Issues to be addressed Awareness and Outreach How much are the youth in Karnataka aware of PMKVY and its entrepreneurial schemes, how well are these schemes reaching and engaging the target group. Skill Development How well the skill development under PMKVY matches the needs of aspiring entrepreneurs in Karnataka, Are the skills imparted by the program relevant and practical for starting and running a business. Support mechanisms are provided by PMKVY to young entrepreneurs to start and sustain their ventures How much these supports are available and accessible in the local context of Karnataka. The measurable impact of PMKVY on youth entrepreneurship in Karnataka. This includes number of new ventures started, success rate of ventures, overall contribution to the state economy. The major challenges and obstacles faced by the youth in Karnataka while using PMKVY for entrepreneurial purposes how to overcome these challenges to improve the program. This will help to assess the role of PMKVY in youth entrepreneurship in Karnataka, what works and what not. So that the program can be optimized to serve the young aspiring entrepreneurs better and state's economy better.

## OBJECTIVES OF THE STUDY

1. To investigate the Pradhan Mantri Kaushal Vikas Yojana's impact on the development of skills among Indian youth.
2. To evaluate the PMKVY skill development initiative.

## HYPOTHESIS OF THE STUDY

**H<sub>0</sub>:** "There is no significant impact of the PMKVY in improvement of the skill development of youth in Karnataka State".

**H<sub>1</sub>:** "There is a significant impact of the PMKVY in improvement of the skill development of youth in Karnataka State".

## III.MATERIAL AND METHODOLOGY

For this study, Descriptive' research design was used for which only concentrate on Bangalore Rural and Urban and Tumkur districts were selected in Karnataka, pertaining to rural, semi-urban and urban belts where the youth were getting training under the PMKVY. Convenience sampling was used to elicit responses from the youth in



these affiliate centres as per their availability and willingness to participate in the survey. Primary data was collected using structured questionnaires as administered to 275 trainees/ beneficiaries. The data was analysed using statistical techniques of frequency distribution and multiple regression analysis in SPSS 25.

## V. RESULT AND DISCUSSIONS

The analysis of the study consists of demographic profile of the study, awareness level of the people towards PMKVY schemes, the result of the primary data has discussed below.

### a. Demographic profile of the respondents

**Table-1:** Demographic profile of the respondents

Demographic Factor	Attribute	F	Percent
Gender	Female	121	44
	Male	154	56
Age	18-24 Years	192	69.81
	25-29 Years	83	30.19
Education	SSLC	52	18.9
	PUC	60	21.8
	Under Graduation	102	37.09
	Post Graduation	61	22.18
Income Level	Nil	145	52.72
	Less than 10,000	80	29.09
	Less than 15,000	50	18.18
Occupation Before Training	Self Employed	60	21.8
	Salaried Employed	50	18.18
	Unemployed	165	60

Source: Primary Data

It is observed from the above the table is that, there the gender profile of 275 personnel who participated in this survey. The results showed 56 percent were males and the rest 44 percent were females. The survey for the study considered varied age groups, out of the total respondents the majority of them i.e. 69.21 percent belongs to 18-24 years and remaining 30.19 percent in the age group of 25-29 years. Evident from this study majority of the respondent's 60 percent were unemployed followed by 21.8 percent were self-employed and about 18.18 percent were salaried employees. From it can be deduced that the income of the large majority was nil and this calls for more PMKVY training in the state of Karnataka to increase the employability of the youth over there.

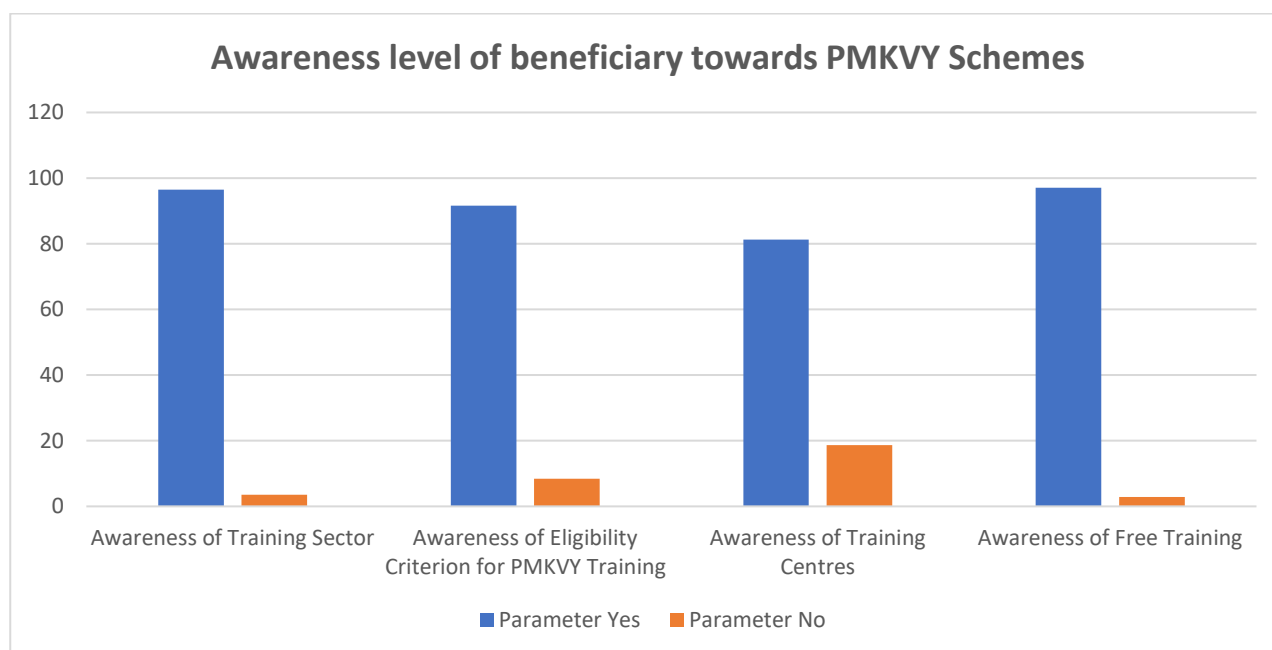


## b. Awareness level of beneficiary towards PMKVY Schemes

**Table-2: Awareness level of beneficiary towards PMKVY Schemes**

Parameter	Frequency			Percent		
	Yes	No	Total	Yes	No	Total
Awareness of Training Sector	266	9	275	96.5	3.5	100
Awareness of Eligibility Criterion for PMKVY Training	252	23	275	91.6	8.4	100
Awareness of Training Centres	223	52	275	81.3	18.7	100
Awareness of Free Training	267	8	275	97.1	2.9	100

Source: Primary Data

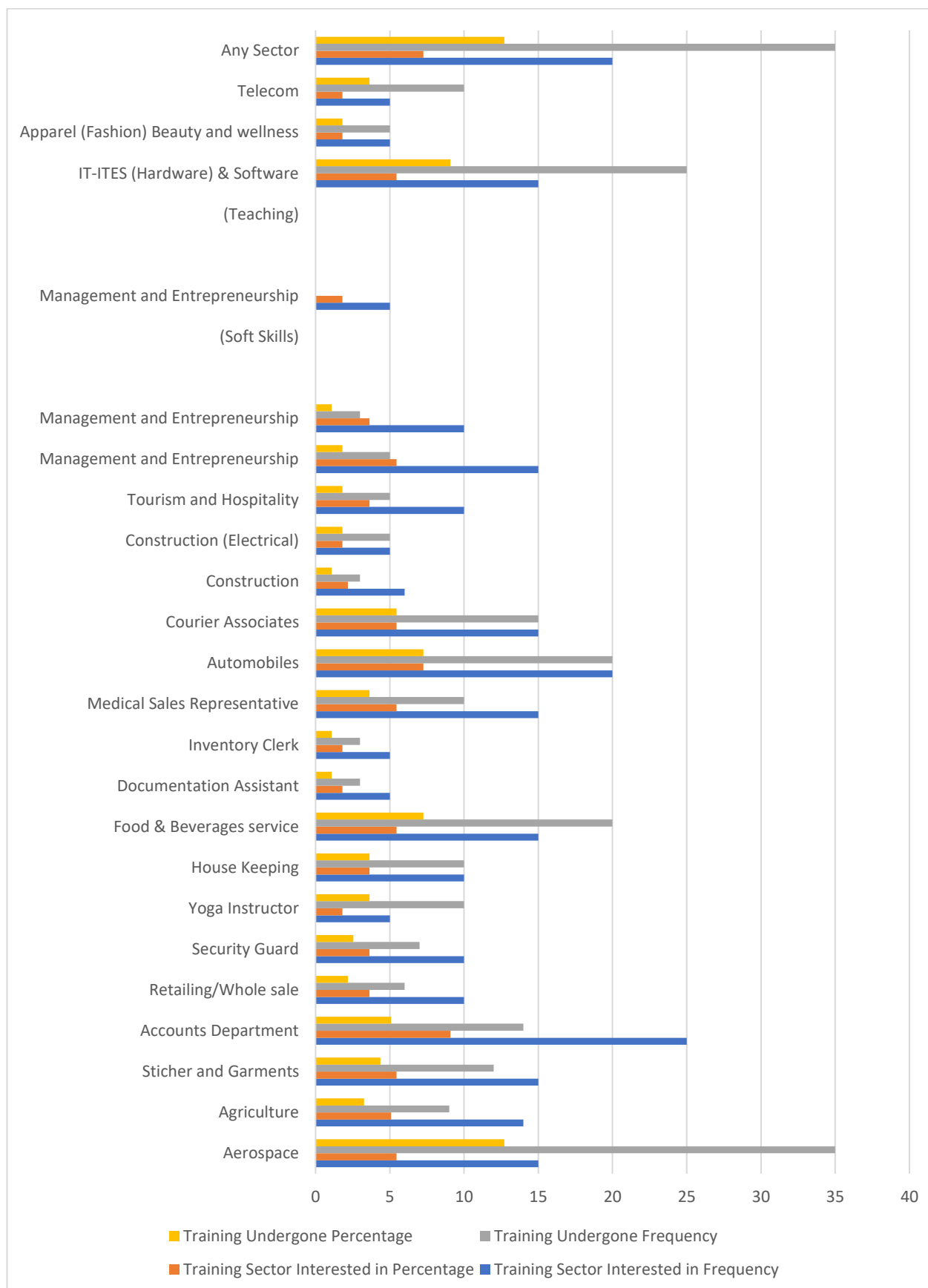


The evident from the above table and the majority of the respondent's 96.5 percent were aware about PMKVY Schemes that training is provided on the basis of requirements of the younger generation. It can be observed that majority of the respondent's 91.6 percent are known about the eligibility criteria and 81.3 percent of the respondents knew the training or skill centre are located in their respective district. It accrued that 97.01 percent of those surveyed knew that the PMKVY training is being provided free.

Table-03: Training Sector Interested in and Training Undergone

Sectors/ Fields	Training Sector Interested in		Training Undergone	
	Frequency	Percentage	Frequency	Percentage
Aerospace	15	5.45	35	12.72
Agriculture	14	5.09	09	3.27
Sticher and Garments	15	5.45	12	4.36
Accounts Department	25	9.09	14	5.09
Retailing/Whole sale	10	3.63	06	2.18
Security Guard	10	3.63	07	2.54
Yoga Instructor	05	1.81	10	3.63
House Keeping	10	3.63	10	3.63
Food & Beverages service	15	5.45	20	7.27
Documentation Assistant	05	1.81	03	1.09
Inventory Clerk	05	1.81	03	1.09
Medical Sales Representative	15	5.45	10	3.63
Automobiles	20	7.27	20	7.27
Courier Associates	15	5.45	15	5.45
Construction	06	2.18	03	1.09
Construction (Electrical)	05	1.81	05	1.81
Tourism and Hospitality	10	3.63	05	1.81
Management and Entrepreneurship	15	5.45	05	1.81
Management and Entrepreneurship (Soft Skills)	10	3.63	03	1.09
Management and Entrepreneurship (Teaching)	05	1.81	0	0
IT-ITES (Hardware) & Software	15	5.45	25	9.09
Apparel (Fashion) Beauty and wellness	05	1.81	05	1.81
Telecom	05	1.81	10	3.63
Any Sector	20	7.27	35	12.72
<b>Total</b>	<b>275</b>	<b>100</b>	<b>275</b>	<b>100</b>

Source: Primary Data



## D. Testing of Hypothesis

**Impact of Pradhan Mantri Kaushal Vikas Yojana in Entrepreneurship Development with Special Reference to Tumkur District. Source: Primary data.**

Impact of Pradhan Mantri Kaushal Vikas Yojana	1. Strongly Disagree	2. Disagree	3. Neutral	4. Agree	5. Strongly Agree
You have full knowledge of the PMKVY Scheme	03	07	25	45	75
You have a fair knowledge of the PMKVY Scheme.	05	15	25	55	125
PMKVY scheme is accessible and affordable to your business	03	07	25	55	85
The government's PMKVY Programmed aids in the economic growth of new businesses.	03	07	25	61	85
The government plan (PMKVY) has the potential to create new jobs.	05	15	25	55	135
PMKVY is a government programme that encourages entrepreneurs to innovate and come up with new business concepts.	03	07	25	61	97

Anova: Single Factor						
SUMMARY						
Groups	Count	Sum	Average	Variance		
Column 1	6	22	3.666666667	1.066666667		
Column 2	6	58	9.666666667	17.06666667		
Column 3	6	150	25	0		
Column 4	6	332	55.33333333	34.26666667		
Column 5	6	602	100.3333333	586.6666667		
ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit

Between Groups	37999.46	4	9499.86	74.3261	1.65534	2.7587
Within Groups	3195.33	25	127.8133333			
Total	41194.8	29				

**Source: Primary data, SPSS output \*5 percent level of significance**

The ANOVA results show a clear and significant difference between the group means ( $F(4, 25) = 74.33$ ,  $p < 0.001$ ). The p-value ( $1.66 \times 10^{-13}$ ) is way below the usual significance threshold of 0.05, and the calculated F-value is higher than the critical F-value (2.76). When we look at the between-groups variability ( $MS = 9499.87$ ), it's noticeably greater than the within-groups variability ( $MS = 127.81$ ). This suggests that the differences in the group averages (Column 1: 3.67, Column 2: 9.67, Column 3: 25, Column 4: 55.33, Column 5: 100.33) aren't just random chance. The high variance in Column 5 (586.67) points to more variability in that group compared to the others. Overall, this analysis confirms that at least one group mean is significantly different from the rest, which means we should conduct further post-hoc tests to pinpoint the specific pairwise differences.

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