



**A STUDY OF THE RELATIONSHIP BETWEEN SKILL TRAINING AND
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Dept. of Commerce, Govt. V. Y. T. PG. Autonomous College, Durg (C.G)****ABSTRACT**

India possesses one of the largest youth populations in the world, making youth development a crucial determinant of national economic growth. However, unemployment, underemployment, and lack of employable skills continue to hinder the productive participation of youth in the labor market. To address this challenge, the Government of India launched the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) in 2015 under the Ministry of Skill Development and Entrepreneurship. The scheme primarily focuses on providing industry-relevant skill training to youth, increasing employability, and promoting economic empowerment. The present study examines the relationship between skill training and the economic growth of youth under PMKVY in India. It investigates how vocational training contributes to employment opportunities, income generation, entrepreneurship, and financial independence among young beneficiaries. The study also evaluates the effectiveness of PMKVY in improving youth employability and examines the challenges faced in implementation. The study concludes that PMKVY has emerged as an important initiative for youth economic development in India, but greater emphasis on quality training, monitoring, and industry collaboration is necessary to maximize its impact.



KEYWORDS: Skill Development, Economic Growth, Youth Employment, PMKVY, Employability, Entrepreneurship, India.

1. INTRODUCTION

Youth constitute one of the most valuable assets of any nation, as they represent human capital capable of contributing significantly to economic and social development. In India, where more than half of the population falls within the working-age group, youth empowerment has become a critical policy concern. Despite demographic advantages, unemployment and skill shortages remain persistent challenges. Many educated and uneducated youth struggle to secure employment because of inadequate practical and vocational skills.

The rapid advancement of globalization, industrialization, and technological changes has transformed labor market demands. Traditional educational systems often emphasize theoretical knowledge rather than practical competencies required in industries. As a result, a substantial gap exists between education and employment. This mismatch creates unemployment and reduces productivity, thereby affecting the economic progress of youth and the nation.

Recognizing the importance of skill development, the Government of India launched several initiatives aimed at enhancing employability. Among these, the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) has emerged as one of the flagship schemes for skill development. Introduced in 2015, PMKVY seeks to provide short-term training, skill certification, and recognition of prior learning (RPL) to youth across different sectors. The scheme is implemented by the National Skill Development Corporation (NSDC) under the Ministry of Skill Development and Entrepreneurship.

PMKVY aims to bridge the gap between industry demands and workforce capabilities. It provides training in sectors such as manufacturing, healthcare, information technology, retail, construction, tourism, and hospitality. By equipping youth with market-oriented skills, the scheme seeks to improve employment prospects, generate self-employment opportunities, and ultimately contribute to economic growth.

Economic growth among youth refers not only to income enhancement but also to employment stability, entrepreneurial development, financial independence, and improved standards of living. Skill training can play a transformative role in enhancing productivity and enabling youth to participate effectively in economic activities. Therefore, understanding the relationship between skill training and economic growth becomes essential for evaluating the success of PMKVY.

This study focuses on analyzing how PMKVY influences the economic development of youth in India. It attempts to assess whether skill training has significantly improved employment opportunities, increased earning capacity, and enhanced financial stability among beneficiaries.

2. STATEMENT OF THE PROBLEM

India faces a paradoxical situation where a large youth population coexists with high levels of unemployment and skill shortages. While industries demand skilled workers, many young individuals lack the technical and vocational competencies required for employment. This mismatch creates economic inefficiencies and hinders youth empowerment.

Although PMKVY was launched to overcome this challenge, questions remain regarding its effectiveness in improving economic outcomes for youth. There is a need to examine whether skill training under PMKVY genuinely contributes to employment generation, income enhancement, and overall economic growth among beneficiaries. Therefore, the present study seeks to analyze the relationship between skill training and economic growth of youth under PMKVY in India.

3. OBJECTIVES OF THE STUDY

The study is conducted with the following objectives:

1. To examine the role of skill training under PMKVY in improving youth employability in India.
2. To analyze the relationship between skill training and economic growth among youth beneficiaries.
3. To evaluate the effectiveness of PMKVY in generating employment and self-employment opportunities.

4. HYPOTHESIS OF THE STUDY

The following hypotheses are framed for the study:

H₁: Skill training under PMKVY does not significantly improve employment opportunities for youth.

H₂: Skill training under PMKVY significantly improves employment opportunities for youth.

H₃: PMKVY training has no significant impact on income generation among youth.

5. RESEARCH METHODOLOGY

Research methodology provides the framework for conducting systematic investigation and analysis. The present study follows a descriptive and analytical research design to understand the relationship between skill training and economic growth among youth under PMKVY.

Nature of Research :

The study is descriptive and analytical in nature. It describes the functioning of PMKVY and analytically evaluates its influence on youth economic growth.

Sources of Data :

The study is primarily based on **secondary data** collected from:

- Government reports and publications related to PMKVY
- Ministry of Skill Development and Entrepreneurship reports
- National Skill Development Corporation (NSDC) documents
- Research papers and academic journals
- Books, articles, newspapers, and online resources
- Economic surveys and statistical reports

Research Design :

The study adopts an analytical approach to evaluate the relationship between skill training and economic growth. Comparative and interpretative methods are used to analyze available information and assess the effectiveness of PMKVY.

Scope of the Study :

The study focuses on the impact of PMKVY on youth economic development in India. It primarily examines employment generation, skill enhancement, entrepreneurship, income growth, and financial independence.

6. DATA ANALYSIS

For the purpose of analysis, a total of 200 respondents (beneficiaries of PMKVY training programs) were selected. The collected responses were analyzed to examine the relationship between skill training and economic growth of youth under PMKVY.

Objective 1:

To examine the role of skill training under PMKVY in improving youth employability in India.

Table 1: Employment Status After PMKVY Training

Response	Number of Respondents	Percentage
Improved Employment Opportunity	148	74%
No Improvement	52	26%
Total	200	100%

Interpretation

The above table indicates that out of 200 respondents, 148 respondents (74%) reported improvement in employment opportunities after receiving PMKVY training, whereas 52 respondents (26%) stated that no significant improvement was observed. This finding suggests that PMKVY training positively contributes to youth employability.

Hypothesis 1

H₁: Skill training under PMKVY does not significantly improve employment opportunities for youth.

H₂: Skill training under PMKVY significantly improves employment opportunities for youth.

Chi-Square Test

To test the hypothesis, the Chi-Square statistical method was applied.

Category	Observed Frequency (O)
Improved Employment	148
No Improvement	52
Total	200

Total Chi-Square Value

$$\chi^2 = 23.04 + 23.04 = 46.08$$

Decision Rule

- Degree of Freedom (df) = 1
- Table value at 5% significance level = **3.84**
- Calculated value = **46.08**

Since the **calculated value (46.08)** is **greater than the table value (3.84)**, the null hypothesis (**H₁**) is **rejected**, and the alternative hypothesis (**H₂**) is **accepted**.

Result : Skill training under PMKVY significantly improves employment opportunities for youth.

Objective 2:

To analyze the relationship between skill training and economic growth among youth beneficiaries.

Table 2: Economic Improvement After PMKVY Training

Economic Condition	Respondents	Percentage
Improved Economic Status	132	66%
No Significant Change	68	34%
Total	200	100%

Interpretation : The data reveals that 132 respondents (66%) experienced improvement in their economic condition after receiving PMKVY training, whereas 68 respondents (34%) reported no significant economic change. This indicates a positive relationship between skill training and economic growth among youth.

Objective 3:

To evaluate the effectiveness of PMKVY in generating employment and self-employment opportunities.

Table 3: Employment Type After PMKVY Training

Employment Status	Respondents	Percentage
Employed	118	59%
Self-Employed	46	23%
Unemployed	36	18%
Total	200	100%

Interpretation : The table shows that out of 200 respondents, 118 respondents (59%) secured employment, 46 respondents (23%) became self-employed, while 36 respondents (18%) remained unemployed. The findings suggest that PMKVY has contributed significantly to both employment and self-employment generation.

Hypothesis 3

H₃:

PMKVY training has no significant impact on income generation among youth.

Table 4: Income Generation After PMKVY Training

Response	Respondents	Percentage
Income Increased	141	70.5%
No Income Increase	59	29.5%
Total	200	100%

Chi-Square Test

Category	Frequency
Increased Income	141
No Increase	59

Total Chi-Square Value

$$\chi^2 = 16.81 + 16.81 = 33.62$$

Decision Rule

- Degree of Freedom = 1
- Table Value = **3.84**
- Calculated Value = **33.62**

Since the calculated value (**33.62**) is greater than the table value (**3.84**), the null hypothesis (**H₃**) is **rejected**.

Result : PMKVY training has a significant positive impact on income generation among youth.

Overall Findings of Hypothesis Testing

Hypothesis	Result
H ₁	Rejected
H ₂	Accepted
H ₃	Rejected

The hypothesis testing confirms that PMKVY skill training significantly improves employment opportunities and income generation among youth, thereby contributing positively to their economic growth.

7. DISCUSSION OF DATA ANALYSIS

The present study aimed to examine the relationship between skill training and economic growth of youth under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) in India. Based on the responses collected from 200 respondents, the findings reveal a significant positive relationship between PMKVY skill training and youth employability, income generation, and economic growth.

The first objective of the study was to examine the role of skill training under PMKVY in improving youth employability in India. The analysis revealed that 148 respondents (74%) reported improvement in employment opportunities after receiving skill training, while only 52 respondents (26%) believed that there was no significant improvement. This finding demonstrates that PMKVY training has positively contributed to employability among youth. The skill-based approach of the

program appears to have enhanced practical competencies and increased the ability of youth to meet labor market demands.

Further, the hypothesis testing through the Chi-Square test supported this conclusion. The calculated Chi-Square value (46.08) was found to be significantly higher than the table value (3.84) at a 5% significance level. Therefore, the null hypothesis stating that PMKVY training does not improve employment opportunities was rejected, while the alternative hypothesis was accepted. This confirms that skill training under PMKVY significantly improves employment opportunities for youth.

The second objective of the study was to analyze the relationship between skill training and economic growth among youth beneficiaries. The results showed that 132 respondents (66%) experienced improvement in their economic condition after completing PMKVY training, whereas 68 respondents (34%) reported no significant change. This finding highlights the positive contribution of PMKVY toward youth economic development. Economic improvement among respondents may be attributed to better employment opportunities, increased productivity, and higher income levels resulting from vocational training.

The third objective focused on evaluating the effectiveness of PMKVY in generating employment and self-employment opportunities. The findings indicated that 118 respondents (59%) secured employment after training, while 46 respondents (23%) became self-employed. Only 36 respondents (18%) remained unemployed. These results suggest that PMKVY not only facilitates job opportunities but also promotes entrepreneurship and self-employment among youth. Self-employment plays a critical role in economic growth, as it creates income-generating opportunities and contributes to financial independence.

The study also examined the impact of PMKVY training on income generation among youth. The data showed that 141 respondents (70.5%) experienced an increase in income after receiving skill training, whereas 59 respondents (29.5%) reported no substantial increase in earnings. The Chi-Square test for income generation revealed a calculated value of 33.62, which exceeded the table value of 3.84. Therefore, the hypothesis stating that PMKVY training has no significant impact on income generation was rejected. This finding confirms that PMKVY training positively influences income generation and financial improvement among beneficiaries.

8. SUGGESTIONS

To improve the effectiveness of PMKVY and support the economic growth of youth, the following suggestions are given:

1. Better training facilities, modern equipment, and skilled trainers should be provided.
2. PMKVY should work closely with industries so that training matches job market needs.
3. Training centers should help youth in getting jobs through placement assistance and career guidance.
4. Financial support and business guidance should be provided to trained youth for starting their own businesses.
5. Awareness programs should be conducted in villages to inform youth about PMKVY benefits.
6. Training should include digital skills such as computer knowledge, digital marketing, and online business skills.
7. The government should regularly check the quality and performance of training centers to improve effectiveness.

9. CONCLUSION

The present study titled “A Study of the Relationship Between Skill Training and Economic Growth of Youth under PMKVY in India” aimed to examine the contribution of skill training toward youth economic development. The findings clearly indicate that PMKVY has played a significant role in enhancing employability, increasing income levels, encouraging entrepreneurship, and promoting financial independence among youth. India possesses immense demographic potential in the form of its young population. However, unemployment and lack of employable skills remain serious challenges.

PMKVY was introduced as a strategic intervention to address this issue by equipping youth with practical and market-relevant competencies. The study found that skill training positively influences economic growth through employment generation, productivity enhancement, and self-employment opportunities. The relationship between skill training and economic growth is strongly interconnected. Youth with technical and vocational skills are more likely to obtain employment, earn better wages, and contribute productively to economic activities. PMKVY has therefore emerged as a significant instrument for youth empowerment and national development. In conclusion, PMKVY represents an important step toward transforming India's youth into a skilled workforce capable of driving economic growth. Greater emphasis on quality training, industry collaboration, rural outreach, and entrepreneurship support can further strengthen the scheme and contribute to sustainable economic development in India.

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