



---

## Educational Reforms: Need of the Hour in Developing Economies

---

Saloni Kumari<sup>1</sup> & Poonam<sup>2</sup>

Corresponding Author – Saloni Kumari

DOI - 10.5281/zenodo.15100883

---

### Abstract:

*Education is a basic necessity for humans after essential psychological needs like food, shelter, and clothing. Every person has the right to education. Education is the process of acquiring knowledge, skills, values, beliefs, and habits through teaching, training, research. It is a lifelong journey that enables individuals to develop intellectually, socially, and emotionally, preparing them for personal growth, career opportunities, and active participation in society. This study aims to explore the necessity of education reforms in India's developing economy. It examines how aligning education with technological advancements, practical skill development, and diverse career opportunities can contribute to national progress. A review of existing literature highlights that India's education system largely emphasizes theoretical knowledge, limiting students' preparedness for real-world challenges. research on global education models, such as those in Finland and Singapore, indicates that skill-based learning, financial literacy, and mental well-being education improve employment rates and societal development. Findings suggest that an inclusive and flexible education system, incorporating diverse subjects like financial literacy, psychological well-being, and career-oriented training, can enhance economic productivity. Education reforms focusing on practical learning and inclusivity are crucial for India's economic development. A holistic approach can ensure equal opportunities, empowering individuals and strengthening the nation's economy. By incorporating these changes, education can lead to equal opportunities for all, ensuring that no child is left behind.*

---

**Keywords:** Education, Technology, Opportunity, Practical Knowledge, Empowerment

---

### Introduction:

Education is a fundamental human right and a crucial driver of economic and social progress. Beyond essential physiological needs such as food, shelter, and clothing, education serves as the foundation for individual and national development. It plays an important role in shaping human capital, encouraging innovation, and enabling individuals to contribute effectively to society. In the modern era, education has evolved into a tool for empowerment, economic stability, and social transformation. However, for education to be truly effective, it must be dynamic and adaptable to the changing needs of society, particularly in developing economies like India.

India, with its rapidly growing population and evolving economy, faces significant challenges in its education system. The current system mainly highlights theoretical knowledge, often failing to teach students the practical skills necessary for real-world applications. As the nation tries to compete in the global economy, there is a pressing need for education reforms that align with technological advancements, industry demands, and societal needs.

***Historical Context of Education in India:***

The Indian education system has undergone several transformations since its independence in 1947. The government has implemented numerous policies to enhance literacy rates and expand access to education. The Right to Education (RTE) Act of 2009 was a landmark reform, making education free and compulsory for children aged 6 to 14. Additionally, initiatives such as the Sarva Shiksha Abhiyan and the National Education Policy (NEP) 2020 have aimed to improve the quality of education and make it more inclusive.

Despite these efforts, the system remains largely examination-oriented, with an emphasis on rote learning rather than critical thinking and problem-solving. This traditional approach limits students' preparedness for real-world challenges and stifles creativity and innovation. In contrast, global education models, such as those in Finland and Singapore, emphasize skill-based learning, interdisciplinary education, and the holistic development of students. These models provide valuable insights into the changes required in India's education system.

***Challenges in India's Education System:***

India's education system remains heavily theoretical, highlighting memorization and standardized testing over critical thinking, creativity, and problem-solving. As a result, students often graduate without the practical skills required for employment. This skills gap makes it difficult for graduates to secure industry-relevant jobs. Additionally, India's higher education institutions focus more on teaching than on research and innovation, leading to low research output and disrupting the country's global competitiveness in technological advancements.

Beyond skill deficiencies, unequal access to quality education remains a major challenge due to socioeconomic disparities. Wealthier states invest more in education, leading to better infrastructure and learning outcomes, whereas poorer states struggle with inadequate resources, affecting literacy and skill development. The curriculum is also outdated, failing to integrate modern teaching methods, digital literacy, financial education, and mental well-being awareness, which are essential for navigating today's world. Furthermore, the higher education sector is entangled in complex regulatory frameworks, with multiple governing bodies overseeing different aspects, often delaying necessary reforms. These governance inefficiencies restrict institutional autonomy and slow down policy implementation, preventing the system from adapting to evolving educational and economic needs. Addressing these issues is crucial for creating a more inclusive, practical, and globally competitive education system.

***The Need for Education Reform:***

To overcome these challenges and improve India's global competitiveness, a well-planned education reform strategy is necessary. Education, as seen in countries like Finland and Singapore. Introducing vocational training and industry-specific courses from an early stage can provide students with practical knowledge, making them more employable and encouraging entrepreneurship. Additionally, financial literacy is crucial, as many graduates lack basic economic knowledge. Integrating financial education into the curriculum can empower students to make informed financial decisions, manage personal resources, and contribute to national economic growth. Similarly, strengthening research and development through increased government and private sector investment, research grants, and industry-academic collaborations can position India as a global leader in innovation and technological advancements.

As the world transitions to a digital economy, promoting digital and technological education is essential. To build a more effective and inclusive education system, India must shift from rote learning to skill-based learning. Expanding access to e-learning platforms, coding education, and digital classrooms can enhance students' adaptability to modern industries. Ensuring equitable education for all is equally critical—strengthening policies that promote

gender equality, offering scholarships, and improving rural infrastructure can help bridge the educational divide. Lastly, empowering teachers through regular training, mentorship programs, and performance-based incentives can improve teaching quality and student engagement. By implementing these reforms, India can create a dynamic, inclusive, and future-ready education system that fosters innovation, skill development, and economic progress.

#### ***The Impact of Education Reforms on Economic Growth:***

A well-structured education system plays a crucial role in driving economic development by creating a skilled workforce, boosting productivity, and fostering innovation. Aligning education with industry demands ensures that graduates possess relevant skills, reducing unemployment and underemployment while enhancing job opportunities. Additionally, integrating entrepreneurship and financial literacy into the curriculum equips students with the knowledge and confidence to start their businesses, driving economic growth and self-sufficiency. A strong education system makes a country more attractive to foreign investors, as multinational corporations seek skilled professionals and a stable business environment. Increased foreign direct investment can further enhance economic stability and industrial expansion. Moreover, nations that prioritize education reforms consistently rank higher in global innovation and economic performance. By adopting a holistic and skill-based approach to education, India can improve its global competitiveness, foster a culture of research and entrepreneurship, and strengthen its economic standing. Investing in education is not just a social necessity but a strategic move toward long-term economic progress and sustainable development.

#### **Literature Review:**

A review of existing literature highlights that India's education system largely emphasizes theoretical knowledge, limiting students' preparedness for real-world challenges. Research on global education models, such as those in Finland and Singapore, indicates that skill-based learning, financial literacy, and mental well-being education improve employment rates and societal development.

#### **Case 1**

##### ***National Education Policy (NEP) 2020 – A Step Toward Holistic Development:***

India's education system has long been criticized for its rote learning approach, which has a 10+2 model. In 2020, India launched a new education policy with a new curriculum structure of 5+3+3+4, and this new structure aims to promote skill-based learning, critical thinking, and regional language development, shifting the focus from rote memorization to practical application and holistic growth. The impacts of this policy are Increased Critical thinking, problem-solving, and creativity among students; students are encouraged to think independently and apply knowledge in real-world scenarios. a bridge between the gap of education and employment and rural population. ensuring that graduates possess relevant skills for the job market rather than just theoretical knowledge. Technical and vocational training from an early stage further enhances employability and entrepreneurship opportunities. The implementation of NEP 2020 faces several challenges. There has been a lack of infrastructure for the training, and most educators are unfamiliar with the new curriculum and lack resources for every state. By allowing students to learn in their local language during early schooling, the policy aims to improve comprehension and cognitive development. Also, not all states have the financial or technological capabilities to implement digital learning effectively, creating disparities in educational quality across regions. Government funding, proper monitoring, and private sector collaboration will be essential to overcoming these barriers.

#### **Case-2**

***Skill India Initiative and Vocational Training in Schools:***

India has a lack of skill development and vocational courses. The Skill India Mission (2015) was introduced to promote vocational education and practical training in collaboration with industries. So, the government introduced vocational courses for the 9th-2th class students, introducing Pradhan Mantri Kaushal Vikas Yojana. It is a scheme for free training in various vocational skills, including IT, healthcare, construction, manufacturing, and development at Industrial Training Institutes. The Skill India initiative and vocational training programs have the economy by enhancing employability and encouraging entrepreneurial activity. These programs provide job-specific training, reducing dependence on traditional academic routes and bridging the gap between education and employment. Many trainees have been able to start their businesses or secure jobs in industries facing a skilled workforce shortage, such as construction, electronics, and automobile manufacturing. Moreover, women's skill development has helped increase workforce participation, especially in healthcare and textiles. The implementation of vocational training programs faces several challenges. A key issue is the lack of industry collaboration, as many companies hesitate to invest in skill training due to concerns about workforce retention and program effectiveness. The insufficient infrastructure in many vocational training centers and ITIs limits hands-on learning experiences, affecting the quality of training. Also, there is low awareness about vocational courses, with many students and parents still preferring traditional degree programs over skill-based education. This stigma around vocational training reduces enrollment and prevents many individuals from exploring alternative career paths.

**Case -3*****Kerala's Literacy Model – A Benchmark for Other States:***

Kerala literacy model is top in India. A literacy rate of over 96% compared to other states, which have a 77%. The state's success is associated with its strong public schooling system, high investment in education, and community participation. It allocates a high budget for education. The result is a highly literate population with better employment prospects, improved healthcare awareness, and enhanced social mobility. A crucial aspect of Kerala's education model is its high budget allocation, ensuring well-funded schools, trained teachers, and the widespread implementation of educational policies. Also, night school education programs for adults and compulsory education for all should be implemented. Kerala's emphasis on female education has played a transformative role in promoting gender equality, workforce participation, and women's empowerment. Special programs encourage girls to complete their education, contributing to Kerala's high female literacy rate. Apart from these achievements, Kerala's model presents challenges that make it difficult to replicate nationwide. Many states lack the financial resources, policy consistency, and public-private partnerships that Kerala has successfully leveraged over decades. Moreover, Kerala's strong focus on formal education has led to a gap in vocational and technical training, resulting in high unemployment among educated youth. While the state produces graduates, many struggle to find industry-relevant jobs, leading to migration in search of better opportunities. Kerala's literacy model demonstrates the impact of sustained investment and inclusive policies in education. It serves as a blueprint for India's need for educational reforms, proving that quality education fosters economic growth, social progress, and human development.

**Case-4*****Digital Learning and E-Governance in Education – The Role of DIKSHA & SWAYAM:***

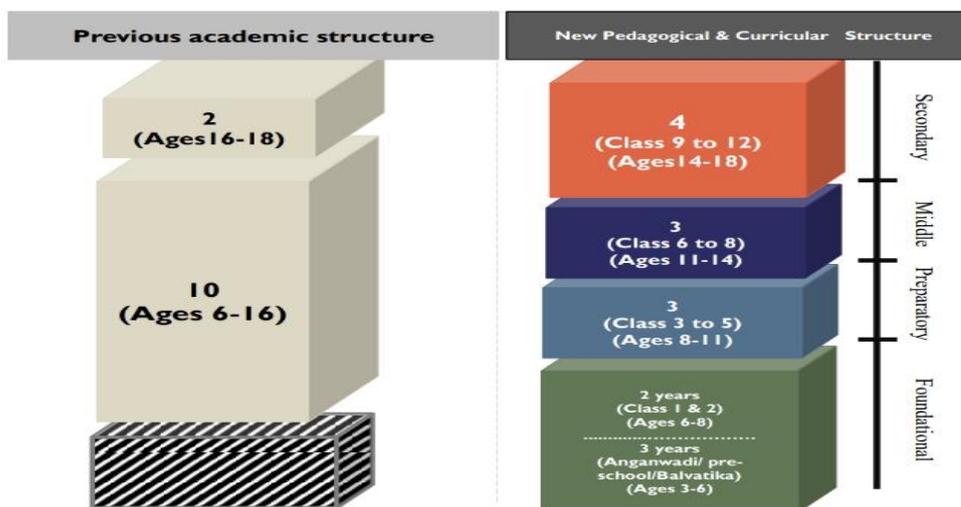
Today's era is all about digital learning and the digital world, from education to business to daily routine. So, to promote e-learning, the government introduced diksha (digital textbooks, interactive courses, and teacher training materials), Swayam (Massive Open Online Course), and PM e vidya (to provide digital education to students in rural areas. All these schemes help the government to expand education in rural areas and improve teacher training according to the new curriculum. Due to the low internet connection, not everyone gets these benefits. Also, there is the language barrier for the students who don't know English. English is a global language. It is necessary to speak English, especially in Multinational companies. However, despite these benefits, several challenges limit the effectiveness of digital education in India. Low internet connectivity in rural areas prevents many students from fully accessing e-learning platforms. The digital divide, caused by a lack of devices and stable internet, creates inequality in education opportunities. To maximize the impact of digital learning, the government must improve internet infrastructure, provide affordable digital devices, and expand multilingual content. Encouraging bilingual education, where students can learn in their native language while developing English proficiency, can help overcome the language barrier. Moreover, collaboration with private tech companies can enhance content quality and accessibility.

**Case-5*****Mid-Day Meal Scheme – Boosting Enrollment and Nutrition:***

The reason for introducing the Mid-Day Meal is to tackle malnutrition and increase school enrollment among underprivileged children. It is one of India's largest nutrition programs. Government Schools Students are provided free meals, and according to the nutritional guidelines, students get adequate food. This initiative aims to address both hunger and education by encouraging children, especially from economically weaker sections, to attend school regularly. To ensure proper implementation, the government partnered with Akshaya Patra, a non-profit organization, to monitor food distribution and quality. The program has yielded significant positive changes. School enrollment rates, particularly among girls, have increased, as many families now see schooling as beneficial not just for education but also for daily nutrition. Moreover, children's health has improved, leading to better concentration, academic performance, and cognitive development. The scheme faces serious challenges. Corruption and fund mismanagement have led to poor-quality food being served in many schools. There have been numerous reports of food contamination, inadequate portions, and unhygienic preparation conditions. Additionally, there is a lack of nutritional diversification, meaning that many meals fail to provide essential vitamins and proteins, leading to hidden hunger and deficiencies among children. To improve the Mid-Day Meal Scheme, strict monitoring, regular quality checks, and transparent fund allocation are necessary. Encouraging public-private partnerships and using technology for meal tracking can help ensure better accountability. Moreover, diversifying meal plans by including protein-rich foods, fruits, and dairy products can enhance the program's nutritional impact.

**Objectives:**

The objective of this research is to explore the necessity of educational reforms in India and examine how aligning education with skill-based learning, technology-based learning, financial literacy, mental well-being education, and career-oriented training can contribute to national progress.



Ministry of Education, Government of India. (2020) *National Education Policy 2020*

### Research Methodology:

This study takes on a literature review methods approach to systematically analyze the need for education reforms in India. The research involves an in-depth examination of existing policies, economic trends, and global education models to draw meaningful comparisons and insights. The data collection process includes secondary sources such as research papers, and government reports, to analyze prior research on education reforms.

### Results:

Education reforms focusing on practical learning and inclusivity are crucial for India's economic development. A holistic approach can ensure equal opportunities, empowering individuals and strengthening the nation's economy. Aligning academic subjects with industry and technological advancement demands ensures that graduates possess relevant skills and knowledge, reducing unemployment and underemployment while enhancing job opportunities. Additionally, integrating entrepreneurship and financial literacy into the curriculum equips students with the knowledge and confidence to start their own businesses, driving economic growth and self-sufficiency. A strong education system makes a country more attractive to foreign investors, as multinational corporations seek skilled professionals and a stable business environment. By incorporating these changes, education can lead to equal opportunities for all, ensuring that no child is left behind.

### Findings:

Findings suggest that an inclusive and flexible education system, incorporating diverse subjects like financial literacy, psychological well-being, technological education and career-oriented training, can enhance economic productivity. The literature reviewed provides key insights into the challenges and potential solutions in the Indian education system.

The current education system in India is heavily focused on theoretical knowledge, limiting students' preparedness for real-world challenges (P. Geetha Rani, 2020; Ms. Anjana Sharma, Dr. Achanta Ravi Prakash, Dr. R. S. S Neha, 2022). Studies suggest that reforms should incorporate skill-based learning to improve employability and economic growth (Dr. Satya Narayan Misra, Mr. Sanjaya Ku. Ghadai, 2015; Subhasmita Rana, Shibalal Meher, 2023).

The NEP 2020 aims to introduce multidisciplinary learning, skill-based education, and digital learning platforms (Ministry of Education, 2020; Chetan Singai, T R Kumaraswamy, Ajay Chandra, 2020). However, challenges remain in implementing these policies at the grassroots level (Dr. K. Archunan, 2024).

Successful education models from Finland and Singapore emphasize financial literacy, psychological well-being, and career-oriented training (Subhadeep Dutta, 2017; UNESCO, 2020). These approaches lead to higher employment rates and societal well-being, which India can adapt to its context.

An inclusive education system integrating financial literacy, psychological well-being, and career training is crucial for India's progress (Anjali Nayar, A. 2011; Ridhi Ambavale, Dr. Shefali Dani, 2015). The Kerala literacy model demonstrates how regional reforms can drive large-scale change (Kerala State Planning Board, 2021).

### Conclusion:

Educational reforms are crucial for the growth of developing economies, particularly in India, where the current system emphasizes theoretical knowledge over practical skills. The literature highlights the need for skill-based learning, vocational training, and digital education to improve employability and economic productivity. While policies like the **National Education Policy (NEP) 2020** and initiatives such as **Skill India** and **DIKSHA** aim to modernize education, their implementation remains a challenge. Global best practices from countries like **Finland and Singapore** demonstrate the benefits of integrating financial literacy, psychological well-being, and career-oriented training into the curriculum. Also, India's own **Kerala Literacy Model** shows how localized reforms can drive large-scale educational success. A holistic and inclusive education system is necessary to bridge existing gaps and align learning with workforce demands. Prioritizing **practical knowledge, digital accessibility, and industry-oriented skills** will not only empower individuals but also contribute significantly to India's economic progress. Implementing these reforms effectively can ensure equal opportunities for all, covering the way for a stronger, more sustainable future.

### References:

1. P. Geetha Rani, (2020). Economic Reforms and financing Higher Education in india. *Journal of Educational Policy Studies*, 45(3), 210-230.
2. Ms. Anjana Sharma, Dr. Achanta Ravi Prakash, Dr. R. S. S Neha. (2022). Reforms in higher education in India: National education policy - 2020. *International Journal of Health Sciences*, 6(S5), 7220–7230. <https://sciencescholar.us/journal/index.php/ijhs/article/view/11610>.
3. Subhadeep Dutta. (2017). Mass Education in the Era of Globalization in India: A Study on the Educational Contributions of Swami Vivekananda. *International Journal of Research*, 4(8), 1082-1097. Available at <https://edupediapublications.org/journals/index.php/IJR/>.
4. Chetan Singai, T R Kumaraswamy, Ajay Chandra. (2020). Reforming Higher Education in India: In Pursuit of Excellence. *6th International Conference on Higher Education Advances (HEAd'20)*, Polytechnic University of Valencia. DOI: [10.4995/HEAd20.2020.11237](https://doi.org/10.4995/HEAd20.2020.11237).
5. Anjali Nayar, A. (2011). Developing World: Educating India. *Nature*, 472(7), 24-26. DOI: 10.1038/472024a

6. **Dr. Satya Narayan Misra, Mr. Sanjaya Ku. Ghadai (2015).** Make in India and Challenges before Education Policy. *Journal of Education and Practice*, 6(1), 97-102. [www.iiste.org](http://www.iiste.org).
7. Ministry of Education, Government of India. (2021). National Education Policy 2020: Implementation Report. [www.education.gov.in](http://www.education.gov.in)
8. UNESCO. (2020). Education for Sustainable Development: Policy Recommendations. UNESCO Publications.
9. **Gülsün Atanur Baskan , Yücel Erduran. (2009).** Reforming education in developing economies of the world *I*(1), 347-357. Elsevier Ltd. DOI: 10.1016/j.sbspro.2009.01.065.
10. **Ridhi Ambavale, Dr. Shefali Dani,(2015).** Governance in Indian education system [www.garph.co.uk](http://www.garph.co.uk).
11. **Subhasmita Rana, Shibalal Meher. (2023).** Disparity in education expenditure and economic growth in India 3(5), 26-34. DOI: [10.55529/jpome.35.26.34](https://doi.org/10.55529/jpome.35.26.34).
12. **Merlym M. Ramirez. (2014).** Economic Growth and Education Reform in Developing Countries. *All Graduate Plan B and Other Reports*, 384. Utah State University. <https://digitalcommons.usu.edu/gradreports/384>.
13. **Dr. K. Archunan (2024).** New Education Policy and Its Impact on Higher Education in India. *Shanlax International Journal of Management*, 11(S1), 84–89. DOI: 10.34293/management.v11iS1-Jan.7144
14. **M. Swapna (2018).** Education System in India: An Overview. *Indian Journal of Applied Research*, 8(2), 26-27.
15. **Pratima Dutta (2007).** India's Education System, Its Policies, and the World Paradigm. *Indiana University Bloomington*.
16. **Sudip Ranjan Basu. (2004).** Economic Growth, Well-Being, and Governance under Economic Reforms: Evidence from Indian States. *HEI Working Paper No. 05/2004*, Graduate Institute of International Studies, University of Geneva.
17. **National Education Policy (NEP) 2020: A Step Toward Holistic Development.** Ministry of Education, Government of India. (2020). *National Education Policy 2020*. [https://www.education.gov.in/sites/upload\\_files/mhrd/files/NEP\\_Final\\_English\\_0.pdf](https://www.education.gov.in/sites/upload_files/mhrd/files/NEP_Final_English_0.pdf)
18. Skill India Initiative and Vocational Training in Schools. Ministry of Skill Development and Entrepreneurship, Government of India. (2015). *National Skill Development Mission*. <https://www.msde.gov.in/en/reports-documents/policies/NSDM>
19. Kerala's Literacy Model: A Benchmark for Other States: Kerala State Planning Board. (2021). *Economic Review 2021*. [https://spb.kerala.gov.in/sites/default/files/2022-03/ECNO\\_%20ENG\\_21\\_%20Vol\\_1.pdf](https://spb.kerala.gov.in/sites/default/files/2022-03/ECNO_%20ENG_21_%20Vol_1.pdf)
20. **Digital Learning and E-Governance in Education: The Role of DIKSHA & SWAYAM.** Central Institute of Educational Technology, NCERT. (n.d.). *DIKSHA*. <https://ciet.ncert.gov.in/initiative/diksha>
21. Mid-Day Meal Scheme: Boosting Enrollment and Nutrition. Ministry of Education, Government of India. (n.d.). *Mid-Day Meal Scheme*. <https://www.education.gov.in/mid-day-meal>