THE INDIA SKILLS REPORT 2014

PeopleStrong

India Partner

CII

Confederation of Indian Industry

Wheebox

Measuring World's Talent and Skill Potential

Reaching **100000 students** across **27 states**, **7 union territories** and more than **100 corporate players** from the demand side of **Talent Supply Chain**

ABOUT THE TEAM

PeopleStrong

PeopleStrong is a leading platform based mpHRO (multi-process HR outsourcing) and technology company headquartered out of Gurgaon, India. It **enables business leaders and CEOs to transform their people agenda.** Having implemented some of the largest HR Service Centers in Asia Pacific, PeopleStrong delivers employee services across regions and time zones for more than 300,000 employees. **They have an experience of hiring more than 40,000 employees through a unique technology interface coupled with high end decision making tools for people data**. It is the first company in the space to be successfully assessed on SSAE16.

Wheebox

India's leading online talent assessment company, Wheebox designs and delivers online talent assessments for nearly 4,00,000 users in the education and recruitment industry. Wheebox provides examination process and assessment solutions to Educational Institutions, Government Sector and Enterprise Solutions. Headquartered in Gurgaon, India and operations in South Africa and The United Kingdom. The test research & development teams have created a battery of over 100 validated tests, spanning across like English, cognitive skills, personality, information technology, general abilities and domain skills like Finance, BFSI, Retail, Sales, Automobile etc.

Wheebox Employability Skills Test (WEST) is endorsed from Industry body 'Confederation of Indian Industry' and from Academia 'Association of Indian Universities'. Wheebox is the only Indian assessment company certified member of International Test Commission.

India Partner – CII

CII is a **non-government, not-for-profit industry led and industry managed organization** playing a proactive role in India's development process. **Founded over 113 years ago, it is India's premier business association with a direct membership of over 7500 organisations from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 83,000 companies from around 380 national and regional sectoral associations.** CII catalyses change by working closely with government on policy issues, enhancing efficiency, competitiveness and expanding business opportunities for industry through a range of specialized services and global linkages.

It also provides a platform for sectoral consensus building and networking. Major emphasis is laid on projecting a positive image of business, assisting industry to identify and execute corporate citizenship programmes. Partnerships with over 120 NGOs across the country carry forward the initiatives in integrated and inclusive development which include health, education, livelihood, diversity management, skill development and water to name a few.

FOREWORD

The Confederation of Indian Industry (CII) is happy to partner Wheebox & Peoplestrong in the India Skills Report.

With a manpower of 1.2437 billion, it is ironic that we suffer from dearth of talent? As per recent studies the severity of the situation can be estimated that only 10% of MBA graduates of the country are employable and same is true for the engineering graduates where this number is as low as 17%. This scarcity of skilled talent makes it impossible for the Talent Supply Chain to operate effectively and is an issue which if not taken care of immediately will become uncontrollable. One can imagine the enormity of the challenge we will face when in year 2026, 64.8% of India's population would be in the working age of 15-64 years.

Solving this problem requires true-blue participation from all actors of the supply chain: the Academia, Industry and the Government. The first step towards any such partnership is a better understanding amongst partners: the needs, expectations and the challenges of each other. Only then can any plan bridge the gaps.

India Skill Report 2014, a joint initiative by CII with PeopleStrong and Wheebox, is a determined step in this direction. Reaching about **100000 students across 28 states and 7 union territories** from the supply side and corporate players from 10 diverse industry sectors, this first of its kind report aims to provide an insight into the hiring trends of the market while understanding the needs of the job seeker and organizations.

I congratulate the India Skills Report Team for their success in bringing Government, Industry, Sector Skill Council, Associations and Academia on one platform and bringing in a thinking tool that can be used by different stakeholders to come with a solution for the skills issues of the country.

- Mr. Chandrajit Banerjee, Director General, Confederation of Indian Industry

[ACKNOWLEDGEMENTS]

"Alone we can do so little; together we can do so much."
- Helen Keller

India Skills Report 2014 – the first of its kind initiative was made possible by the support and efforts of so many people. Before we take a tour of the skill landscape of India, we would like to thank all of them for their contribution.

First and foremost we would like to thank all the 100000 students from 28 States and 7 Union Territories of India who appeared for WEST that helped in preparing the first skill database of the country. Their participation in large numbers was the inspirational force for all of us.

We would also like to thank the corporates spread across 10 Industry sectors, who participated in our corporate job survey and provided meaningful insights about the hiring outlook of their Industries for the year 2014. Thanks are also due to the heads of about 200 educational institutions, who helped us in ensuring the participation of students in large numbers. This initiative would not have been possible without your guidance and support.

We express our sincere gratitude to the experts from business, government and civil society who took out time and shared their views on the skill levels and Talent Supply Chain. Their inputs brought in the reality dimension to the report. and helped us in bringing in making the report truly powerful and practical.

Last but not the least, we thank all the members of the CII National Committee on Skills Development, and CII office bearers across states who have lent invaluable support in administering WEST and Corporate Job Survey . Their support helped us in making students and corporate across the nation, part of this initiative in large numbers.

The energy and support which we received in these interactions was inspiring and we hope that through this report we are able to provide a platform for matching the skill.

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[EXECUTIVE SUMMARY]

Population of 1.3 billion, of which about 0.8 billion in the working age - India in 2020 is surely something the world can look forward to. According to economic predictions, that time would be the golden 'Growth' era in the demographic dividend. We would not only have enough manpower to meet our needs but we can help the rest of the world as well.

In the glitz and glamour of these numbers, one often chooses to ignore that in today's era of knowledge based economy, quality of workforce is more important than quantity. Infact having a lower head count of skilled manpower is much better than a manpower whose larger portion is unemployable. Considering the present situation, this is the future India is rushing towards. And this is one of the biggest challenges thatwe as a nation are ever going to face.

Researches show that if we continue in the current pace, we would have a skill gap of 75-80% across Industry sectors. There will be people but with skills that corporate do not require, and jobs for which the right fit is not available. The economic impact of this vicious cycle is something one can estimate, but the social impact of having a powerhouse of educated yet frustrated youth who are directionless with no jobs in hand is unimaginable.

Rigorous steps to tackle this challenge are thus the need of the hour. This requires combined efforts from several stakeholders. Considering the gravity of this situation Government is coming up with various initiatives. A National Skill Development Coordination Board (NSDCB), coordinated by the Planning Commission was established by the Prime Minister in 2008 with a target of skilling 700 million people by 2022. Individual states are also coming up with programs and policies to face this problem. However, the success of these efforts without active involvement of 'Actors' of this process is doubtful. Thus sincere efforts to ensure partnership between the source of skills (colleges, students etc.), and their destination (the corporate) are a must. It is imperative to educate them about each other's expectations so that informed plans for future can be prepared.

This report is an effort towards this goal. It captures the skill levels of the supply side and needs of the demand side of Talent Supply Chain. With separate studies conducted to understand each side, this report tries to bring in a more realistic, holistic view of skill and talent landscape in India.

WEST, an employability skill assessment test launched on Wheebox.com in 28 States, 7 Union Territories and 1800 Educational Campuses across India captures the current skill levels of the country. About 100000 students spread across these campuses were assessed on 260 domain areas and skill gaps that are scientific in nature were validated using reliable talent assessment tools. The result was an overall picture depicting how the students rank in terms of skills that would be imperative to judge the employability in the coming times.

Through Employer Job Survey more than 100 employers spread across 10 major sectors like Manufacturing, Retail, Infrastructure, ITES/IT, BFSI etc. were approached to get an idea of job demand and potential hiring forecasts of these employers for the coming year. Result was an industry wise hiring estimate for the coming year for different profiles.
Combining these two aspects, this report is an effort to form the basis of effective collaboration between the two ends of Talent Supply Chain. On one hand it aims to equip the students with information to access to the job pool in the market, on the other to provide the employers an access to skill reservoir of the country.

Considering the enormity of the impact, the skill – job gap is going to have in the socio-economic environment of the country, platforms such as India Skills Report have a vital role to play. With the first edition of the report being presented to the people of this country, the team hopes to bring in more value in the coming years and contribute towards taking the country to a stage to reaping the demographic dividend.

IMPACT OF RISING DEMOGRAPHICS ON EMPLOYMENT

THE GREAT INDIAN TALENT CONUNDRUM

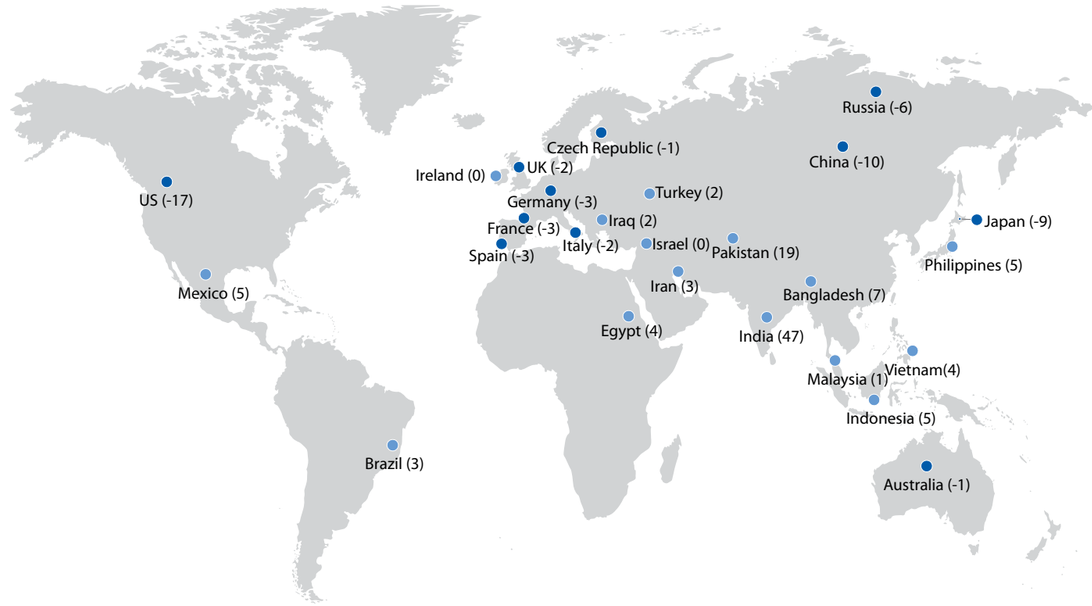
India and its manower is again at the center stage of the world. This time though, it's not a predicament, but it is the source of hope to the so called 'aging' developed nations. With an expected population of 1.3 billion by 2020, 60% of which would be in the working age group (15-59 years) India is the powerhouse of the coming decade. According to a research by Boston Consulting Group, estimate is that by 2020 India will have a surplus of active population - about 47 million people. This is almost more than all the rest of those countries with net positive growth combined. Depicted in the Map below dark blue circles are countries with a net loss of active population by 2020. Light blue circles are those countries with a net gain. One might think that China would be a big player in future, but with their one-child policy, they're down by 10 million. The U.S. is down by 17 million. The possible winner for building the biggest pool of future workforce is India.

This phenomenon for a nation when major portion of its population is active (in the working age 15-50 years) is referred to as the stage of **reaping the demographic dividend.** During this phase most of the population contributes to the country's Gross Domestic Product. It's a phase of lower dependency ratio – that refers to the number of children or elderly dependent on each earning person. The lower the dependency ratio -- the higher economic growth will be, all other things being equal. This extra boost to growth is the demographic dividend, and it's one reason why China has grown so fast in recent decades and why it might see slowing growth in the decades ahead. Such has been the case of nations that have undergone through this phase. For e.g. In the second half of the 20th century, East Asian countries experienced remarkable economic development in both savings and GDP growth known as the 'East Asian economic miracle'. These countries especially Japan and South Korea benefitted from the demographic dividends during this period. For e.g. Japan had a 10% average growth in the 1960s, a 5% average in the 1970s and a 4% average in the 1980s. By the late eighties Japan had moved from being a low-wage to a high -wage economy.

It is expected that this phase would soon start for India. When the developed nations of the world would be facing a decline in their 'working population', India would be at the stage of lowest dependency ratio. Considering that lower dependency ratio has been the feature of the of the development stories of various countries, world has a reasonto look up to us.

For a country to collect its full demographic dividend, it has to put enough money into education to turn a large number of those new workers into moderately productive ones. The country's economy has to be organized so that the available profits from a growing work force get reinvested in the economy. But for nation like India, where

Active population shortage and excess by 2020 (M persons)



Note: Potential population is calculated as the number of people in the working age group (15-59 years) that each country will either be in shortage of or will have a surplus in 2020 assuming the ratio of working population to total population needs to remain constant to sustain current levels of economic growth. Source: U.S. Census Bureau BCG Analysis. *The Boston Consulting Group*

the literacy rate has huge variation from one end of the country to another; and more than 90% of the workforce is part of un-organized sector this upcoming growth phase brings with it the shadow of an upcoming catastrophe. This economic situation is topped by the social condition of the country. Most of the resources fall short for the population they are intending to serve, resulting in unrest situations like Maoism and Naxalism prevalent in various areas of the country. Where the citizens of the land decide to take laws of land in their own hand and work for their survival. Even if the economic and social situation of the country is ignored, the quality of workforce is also an area of concern. We have a remarkable 60% of total population available for working and contributing towards GDP, but out of the total pool only 25 % is capable of being used by the market. If the research findings are to be believed there would be a demand-supply gap of 82-86% in the core professions; IT industry would face the shortage of up to 3.5 mn skilled workers. Same is the situation for almost all the sectors. In short our markets will grow, creating an increase in jobs and need for skilled manpower, but against the demand there would be a scarcity of skilled workforce.

This is what we call as the **'Great Indian Talent Conundrum'** that can easily transport us from the stage of **'Reaping Demographic Dividend'** to a stage of facing the **'Demographic disaster'.** According to the National Vision Document of India @75 (By CII, BCG and YII) , India would need a supply of 700 million skilled workforce to meet the demands of growing sectors. The graph below shows the requirement of different skill sets in 2022.

As we see the demand is not restricted to traditional sectors like auto & BFSI but also includes rising ones like organized retail. With this future ahead, the present condition of India's skill landscape is alarming.

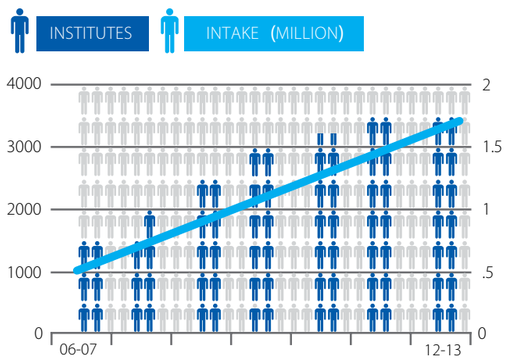
Taking a look at the skill supply side one sees exponential growth in the number of institutes and a steep decline in the quality of education being provided. Growth of the

institutes in not planned, but is driven by fad. Numerous engineering/computer education institutes are testimony to this fact. On one hand mushroom growth of vocational training institutes is skewing the skill distribution of the country; it is at the same time increasing the number of unemployable youth who are not fit to be absorbed by the market. This High rate of youth unemployment represents a wasted resource for developing economies like ours and limits the inputs available for urgently needed growth .Thus making it harder to realize the benefits of labor-intensive growth strategies.

An important thing to keep in mind is that this growth phase would not stay for long. Research has shown that, it is a nation's success or failure in realizing the economic potential of young people during this "low dependency ratio" period that can make the difference between sustained and faltering long-term development. (Dhillon and Yousef, Inclusion: Meeting the 100 Million Youth Challenge, 2007). So, We have to act fast rather than spent time in planning.

Apart from the economic Impact that many people seem to notice, everyone seems negligent of the social impact of having about **6 billion of young population unfit for work**. To understand the gravity of situation let's consider a case : India today produces about a million engineers every year(1.5 million), and according to a research out of this number somewhere between a fifth to a third run the risk of being unemployed.

Engineers are being churned out in spades ...

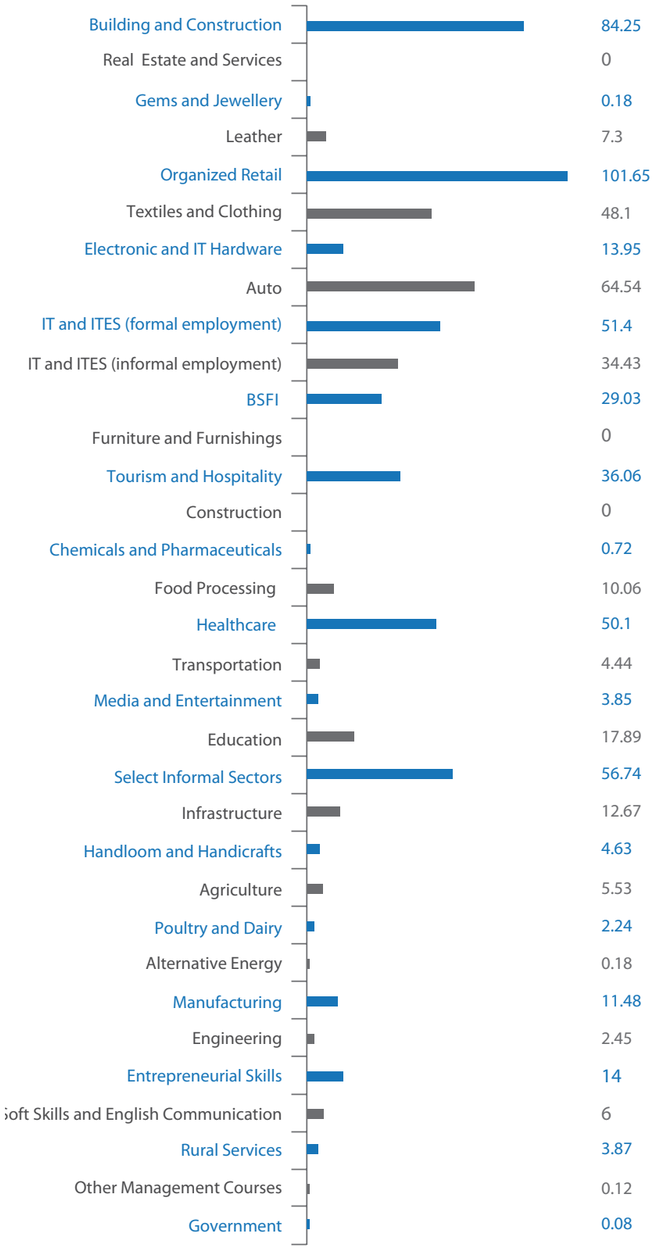


SOURCE: AICTE

The major chunk of the number that gets employed is absorbed by the IT and manufacturing sector (about 50-75%). If the current industry trends are to be believed even these sectors have surpasses the bullish growth phases and would not be hiring as aggressively they did in last few years. The Question arises what would happen to the rest. Some of them would go for higher studies in absence of a welcoming Job Market. But most of them would take a job that is way below their skill levels and would be underpaid. This is would lead to frustration amongst youth and bring in both social and economic strain to the society.

A quick look at the people who are, the face of modern violent Islamic extremism gives you a glimpse of same. A journalist, a doctor, a researcher at the Defense Research and Development Organisation, an employee of a major computer MNC and an engineer - all professionals, many excelling in their chosen fields, The new people who are being part of terrorism are no longer madarsa-educated, semi-literate individuals but can be from any segment of society. Even research says the same. A study conducted by two sociologists, Diego Gambetta and Steffen Hertog, on about 400 radical Islamic terrorists from more than 30 nations in the Middle East and Africa, born mostly between the 1950s and 1970s, showed that 20% of terrorist studied,

[REQUIREMENT OF DIFFERENT SKILL SETS IN 2022]



SOURCE: AICTE

were engineers and economic frustration was one of the push that made them go for terrorism.

Some might say that this study would not hold true for India, but aren't the recent figures of "educated" terrorists being captured point out towards this future? Our employers might not have place for this chunk of "Unemployable" youth, but with change in the Terrorism landscape there is a place for them with terrorist organisations that "are on the lookout for young men who speak good English, are comfortable with using the Internet and computer and most importantly would not look different. When you have the world's largest pool of angry, disillusioned unemployed workers who's to stop the Man-Power that we expect to serve the world, from being converted to a dangerous ticking bomb. There is no greater fuel to the fire of social unrest than a thwarted revolution of rising expectations.

Looking at the magnitude of impact this problem can have, it becomes essential to hasten efforts to tap the potential of the Youth Power and reap the demographic dividend while we can. Various steps are already being taken towards this direction, such as, the formulation of the National Skills Development Policy, delivery of Modular Employable Schemes, upgradation of existing institutions through World Bank and Government of India funding, as well as upgradation of training institutes under Public Private Partnership mode, setting up of the National Skill Development Corporation, and the plan to establish 50,000 Skill Development Centres. Apart from these, several ministries/departments and state governments are engaged in skill development initiatives.

However all these effort would count to nothing, if a partnership between the source or reservoir of Man-Power and the destination or refinery of Man-power is not maintained. It would require joint efforts from Government, Talent Suppliers (Institutes/Academia), and Talent Absorbers (Corporates/Employers). To initiate these efforts for bringing desired change, it is important to understand the current condition of demand and supply side. With the skill landscape and its present situation captured in detail in the first India Skill Report. We hope efforts are taken by the actors of the system to resolve this Great Indian Talent Conundrum.

SHAPING STUDENTS FOR A SOUND CORPORATE FUTURE

THE SUPPLY CHAIN OF TALENT

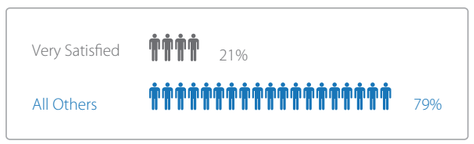
Matchmaking between the supply and demand of resources has been one of the most complex tasks performed. Be it the Initial days of Industrial development when the focus was on increasing the industrial output, to the present day knowledge economy where the output is service delivery; managing complex and dynamic supply and demand networks has always been the prime concern area. Various techniques have come up since then to demystify the puzzle of supply-demand mismatch and added to the list of Supply Chain Management Techniques.

With this issue of Talent supply-demand gap raising its head across all Industry sectors, "Talent Supply Chain" is the new buzz word in Talent Management arena. Companies globally are reporting greater difficulty in filling key roles. While they may have access to plenty of people, they don't always have access to plentiful talent. The availability of the right skill sets—the kinds that drive innovation, efficiency and competitive advantage—is elusive. According to a study conducted by HCI and Kelly OCG, frustration of Talent Supply is widespread, only 20% companies are satisfied with their access to right talent for job. With a huge skill pool available, this situation is surely a paradox. To be successful and fully leverage the talent pool available, implementing sound adaptation strategies is the smart way forward.

Simply waiting for conditions to improve is no longer a viable option, nor is it likely to provide access to the talent that's required now or in the future. This would require a more comprehensive understanding of the availability and competition for talent, which can be achieved by implementing basic supply chain management principles.

That is the reason why people want to utilize the supply chain techniques to ensure constant talent supply and meet the job demand. The research also shows that most of the companies that are satisfied with their access to talent are those which manage talent according to the Supply chain principle.

How satisfied are your business leaders with your organization's ability to access talent when needed?



SOURCE: HCI and Kelly OCG Report on Talent Supply Chain (2012)

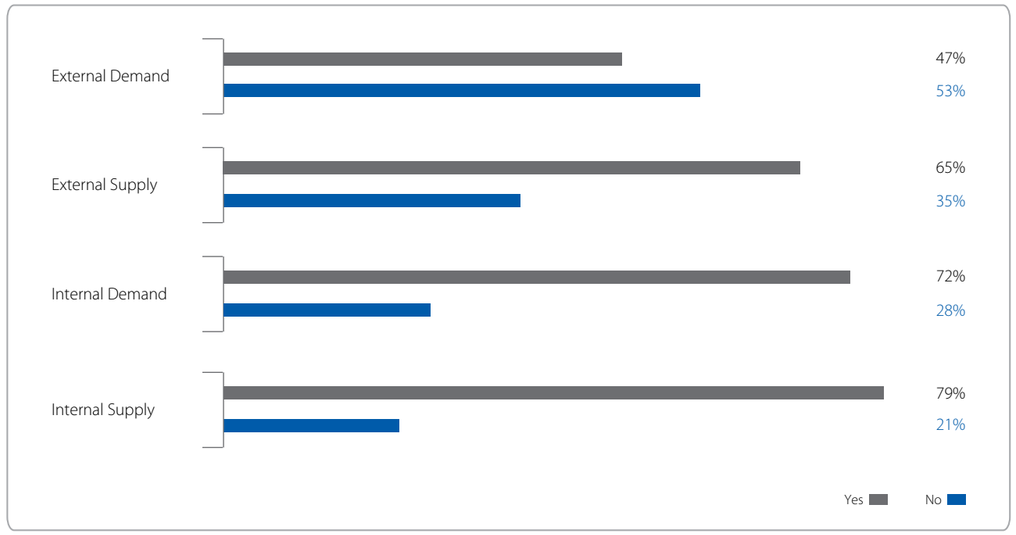
Coined by Keith Oliver the term "supply chain" when applied to the challenge of managing Talent is the set of activities and sub-activities that ensure sourcing of raw material/resource (i.e. Talent) from the reservoir (Colleges/ Academicia) to the Customer (i.e. the Employer). It requires complete understanding of who to hire, what skill levels to look for, how to identify those skills, understanding the competition and identifying differentiators to attract this talent. And the effective management of supply chain of talent would mean managing the uncertainty and variability that would exist in the talent acquisition process .For simplicity the Talent acquisition process can be clubbed into following stages: Attracting the Right Talent, Screening, Assessments and Interview Management, Offer Management & Pre-joining Engagement, Onboarding.

Together the optimized Talent Supply Chain requires efficient processes at each of these stages to ensure that right talent is available at the right time and right cost.

To understand what are the essentials to create an optimal talent supply chain, it's important cover all these stages in detail

The Talent Acquisition process starts off with planning. Before we actually go out to the market and start looking for talent, its imperative to understand the organization's talent needs. It is also important to study the market dynamics to understand if the talent we need is available, and also who would we need to compete with to attract this talent. Research shows that while more than 75% of the employers do try to understand the organization's talent needs, not much effort is made to understand the external market conditions (only 35 % employers think of understanding the external market dynamics). There are various sources available to facilitate this activity, but hardly one-third of the employer population uses them. Routine usage of the sources like market analysis, in-person events to understand the external market is to be encouraged.

Does your organization evaluate internal supply of talent, project internal demand for talent, evaluate external supply of talent and project external demand for talent?



SOURCE: HCI and Kelly OCG Report on Talent Supply Chain (2012)

Post planning, the next step is attracting the desired candidates. Employers need to have differentiating factor that can help get the best of available talent from the market. Of all the stages in Talent Acquisition, this is the most dynamic one. Right from the days when attracting candidates ended with an advertisement in newspapers, to today's time where employer branding is a strategic function drastic changes have happened. Today's skilled workers have a choice in where they work and It is crucial that an organization's employment brand sells. That is the reason why attracting candidates is receiving the same attention as attracting customers. Right from branding strategy, devising communication plans, and usage of new age social media, employers use any option that can help them reach the reservoir. With new technology getting introduced every day, this is the stage that has and will keep evolving at the fastest rate.

Once the pool of supply is present, next stage is screening. Companies should have a good screening process in place so their recruiters are not overwhelmed by the high volume of unqualified candidates. With the pool of candidates getting bigger and bigger, companies need to come up with screening engines that can efficiently filter out unqualified candidates, so that the recruiters are only dealing with the qualified candidates. This is important to the save recruiting staff's time and ensure that no qualified candidates are lost in the sea of resumes. This is one stage where companies have started applying the concepts of supply chain. Companies especially the one's dealing with volumes have devised processes to identify Critical to Quality parameters, to filter out the profiles .This has improved the efficiency of the process by saving time and cost and at the same time helped improve the quality of recruit.

Post screening comes the master stage of the talent supply chain i.e. the selection process. As organisations grow, their organization structure gains maturity and roles become more defined. With this increase in maturity, the selection processes have evolved a lot too. From the times when each job selection was done through a written test followed by 1 or two rounds of interviews; employers now select people for different roles in a unique way. Gone are the days when a simple resume scan followed by interviews could result in an offer. With evolution of recruitment and involvement of technology in the recruitment process, selection process is as long as 8 rounds, Assessment centers which claim to have the best success rate are being implemented, along with various other practices that are cost effective. Technology is being excessively used to manage and monitor the process and to reduce the time that is spent in transactional activities; instead the focus is on making the processes more effective.

Another important change that has happened in today's time is a recruiter's duty is not over by offering the job. He/she also needs to ensure that, the selected candidate joins the offered post. This has introduced another important activity in the Talent supply chain that is the pre-joining engagement. Efforts are made to establish a connect with the employee, introduce them to their future team members, and complete many joining transaction between the time when the employee has received the offer and the day of joining. Activities like this have helped many employers to increase their joining ratios and also increased the productivity of the first day.

Finally comes the day, when the candidate joins the organization and becomes an employee and this is the last stage of Talent supply chain. With the majority of companies' turnover happening in the first 90 days, Onboarding has become a focus for today's human resources and training departments. At this stage, the organizations are making a concerted effort to keep that employee engaged throughout this process. The Onboarding process is just as critical as the hiring process. It provides new hires with the knowledge, tools, and contacts they need to succeed in their new roles. It is also about assimilating a new person into the existing workforce so he or she can become a productive and happy member of team. Overall, this integration means making them feel comfortable, safe and welcome in their new environment.

These are the umbrella steps that form the Talent Supply Chain, as times are changing, so is the job market. With the voluminous hiring in IT/ITES sectors, where you have to deal in quantity as well as quality, it becomes more crucial to have a lean and efficient Talent Supply chain. Many organisations have started implementing the process improvement concepts like LEAN and Six Sigma to improve the process efficiencies. Recruitment technology is also evolving with time, from the days when it comprised just of an Applicant Tracking system, today it is completely integrated with social media, provides vendor management and involves pre-joining activities. With the evolution of the candidate lifestyle, it is expected to get more advanced.

Moving to a supply chain management model, requires data. It requires a true understanding of the skills and projects that are critical to business success, and then a broad enough and well-maintained network to be able to access those skills on a just-in-time basis. To know just how ready for these adaptive strategies an organization really is, proper mapping of the talent demands needs to be done. Research shows that organisations with a more holistic understanding of this talent market dynamics are better positioned to get the right talent.

By integrating supply and demand data with the principles of supply chain management, businesses can begin to evolve their strategies of accessing and managing talent to fit better with current-day business cycles. The Supply chain of Talent is one of the most critical supply chains. And considering the complexities involved when the material is "skill" which is difficult to "manufacture" unlike other cases of demand supply, organisations need to be more innovative to manage it effectively.

A look at the changes that have happened in the recruitment processes in the past few years and the technological advancements that are taking place every other day, one thing can be said for sure that this Talent Supply Chain is soon going to evolve and be more and more effective. Some stages would be removed; some processes would be more streamlined.

The coming generation of candidates who have to undergo this process must come with open mind and be ready for a more advanced and different Talent Supply Chain or recruitment process.

THE SEEKER'S VIEW

Knowledge Economy – a term popularized by Peter Drucker in his book The Age of Discontinuity, defines the current phase of the global economy. With focus on use of knowledge (savoir, savoir-faire, savoir-etre) to generate tangible and intangible values, it is the employee-the talent-the job **Seeker,** who is the chief engine of the economy and keeps this economy rolling. They might be called as "Human Resources" or "Human Capital", or the raw element that is processed in the Talent Supply chain, but they are the key enablers or essence of the system. Being such an important stakeholder of the system, their views are imperative, though ignored quite conveniently by the others actors of the system.

What is relevance of a skill report without the perspective of the "Skill Holder"? Infact, the impact of any change in the education system or recruitment process by employers is faced most by the students or **seekers** as we refer to them in this article. Yet rarely do the actors of this system i.e the Government, the Academicia and the Corporates, involve this third stakeholder in taking decisions. To come up with a system that is effective in the true sense, it is very important to gauge their expectations and needs as well. Their views on the existing systems, experience of being a part of them and then being declared unemployable by the employers definitely influence their career decisions and hence have a huge impact on the Talent Landscape. Imagine a situation when a skilling engine for Engineers is set up, but the target pool of engineering students has now moved on for better opportunities in other areas. This is a probability that evades our thoughts now, but it is not impossible. Infact, it is one of the factors that increases the complexities of Great Indian Talent Conundrum.

In this part of India Skill Report, a view of the skill landscape i.e. the Academicia, the Talent Supply Chain and the Employers, from the eyes of a job seeker is captured. It is an effort to bring in the complete picture of the system, so that the future course being chartered is based on views from all the angles.

> "Though industrial training has been made a part of the course, real impact would be visible only when the course curriculum includes recent technological advancements and their practical implications. At times when you have industry interactions you realize that what you are being taught was written off long back by the industry " - Sakshi

A Seekers role in the Supply Chain of Talent starts right from the time he/she joins an educational institute and becomes part of the Talent Reservoir. So it seems only fair to get the seekers perspective on the Education system of India, the most fundamental system that forms the base of entire supply chain.

According to a recent study conducted on 5,000 students from across 15 city colleges, 75% students rated the education system of the country either three or below on a scale of one to five . As per the report "Engineers, Commerce, Science or Arts, whatever be their streams, had one common thought about the Indian education system, which is that… (it) needs to change". This finding a week after no Indian institute made it to the top 200 in the world on the latest QS World University rankings does raise some doubts on our education system. Indian education system has been widely criticized for quite some time now for the content as well as its delivery to students. The view point of the student fraternity on this issue is not different. They feel that the major issue with Indian curriculum is, that its archaic. Sakshi, an engineering graduate we spoke to says, "Though industrial training has been made a part of the course, real impact would be visible only when the course curriculum includes recent technological advancements and their practical implications. At times when you have industry interactions you realize that what you are being taught was written off long back by the industry".

> "Preparation for most of the courses requires memorizing the notes and answering the questions. As most of the times we cram the notes to score well, retention of the concepts is not long lasting" - Rashi

In today's world where technology becomes obsolete every single day, this viewpoint seems logical. A look at the engineering curriculum backs the student view point. Technology today reached a stage where computers no longer occupy big rooms; instead they have found a place in pockets. But the major portion of the course curriculum still talks about the systems used in Mainframes. New advances in automotive engines are made quite often, but a mechanical engineer is still taught about archaic systems. Similar is the case of other engineering branches like Telecommunications. While an understanding of these systems might be useful to form a strong base; complete focus on old systems is definitely suicidal. How can a student, who is being trained on age old systems, be expected to work on advanced systems without being trained first?

On one hand the course curriculum is not progressive; on the other hand the course delivery methods are equally aged. In today's times when world is employing more and more "Technology" backed methods; most of our educational institutes still use the age old classroom delivery models which are geared towards teaching and testing knowledge at every level. Even the testing methodology is flawed; instead of testing the application of concepts, the power to memorize the concepts is tested. Most of which is forgotten as the academic year ends.

> "When all our student life deviances are discouraged, risk taking is mocked. How do you expect us to be innovative and creative suddenly when we join our jobs?" - Abhishek

Perhaps this is the reason, why there are lot of educated graduates, who are unskilled. In the words of Abhishek, a science graduate, "When all our student life deviances are discouraged, risk taking is mocked. How do you expect us to be innovative and creative suddenly when we join our jobs?" With inquisitive minds and an ocean of "knowledge content" in front of them the student of today no longer want to stay unskilled. They want opportunity to apply the knowledge gained in classrooms simultaneously. Tanvi, an economics graduate shared that "understanding old concepts and their usage is interesting and useful, but the curriculum should include how these concepts can be applied in real corporate scenarios."

Students also feel that replicating the case studies and simulation method of study that is common in B-Schools would help in increasing their job readiness.

Apart from the content and delivery of Indian Education system, a particular section of seekers was also concerned about the initial career decision making process. Our school education system does not ensure that the chosen stream matches the aptitude of students. No time is spent on assessing one's interest for a particular filed and check if it matches well with the aptitude one has and the chosen field of study. Instead most students take decisions based on incorrect factors like most sought after course, job

opportunities, parental and peer pressure. Our education system has geared under the newly acquired skin of modernity, towards generating engineers rather than babus and pen-pushers. This incorrect decision making is, perhaps the reason why even after graduating in Pharma, engineering etc. many students are going for Management courses. As Pulkit an engineer turned marketing manager

> "Within initial years of my graduation I realized that engineering was not my cup of tea. Management education seemed the best opportunity at that time" - Pulkit

shares, "Within initial years of my graduation I realized that engineering was not my cup of tea. Management education seemed the best opportunity at that time".

So while we are pondering over the skill quality in the country, some effort should also be made to create a system that enables, proper decision making.

Moving on to other side of Talent Supply Chain, the seeker's view on the employer's role is divided. This could be attributed the initiatives that companies in various sectors have taken, especially industries like IT Industry and Hospitality, where companies are partnering with colleges to tackle the issues of skill readiness. Infosys has launched a program called 'Campus Connect' to align the education being given at various engineering colleges, with the requirements of the industry. Wipro has also started a program called the Wipro Academy of Software Excellence, in association with BITS (Pilani) to prepare fresh graduates for careers in software programming and equip them with the necessary skills. Many multinationals have also established alliances with academic institutions on specific initiatives covering faculty upgradation, internships, curriculum revision workshops, research incubation, etc. In hospitality, the curriculum involves internships and various other programs where students get a taste of their professional life way before being a part of it. However these initiatives are restricted to certain industries or certain cities only. For specialized industries like Pharma there is clearly a lack of such initiatives. And these industries are facing a dearth of talent even as they chalk out their expansion plans. Similar challenges are cited by students belonging to smaller cities that have numerous institutes growing in every nook and corner with no job security. This seems to be another dimension of complexity that needs to be handled in this Talent puzzle.

Another thing that is bothering the Seekers is the availability of Jobs in their core areas. While they are being blamed for following the herd mentality for taking career decisions, Seekers say they don't have a choice. Varun an electrical engineer, working for a Top IT firm shares "when the job opportunities in my core branch of engineering are so low, what option do I have. It's better this way. I might have moved away from the core subjects I studied in four years, but atleast I have a job in hand". Similar are the views of Akanksha, a science graduate who is now working with an ITES firm. She says "there seemed to be no point in going ahead with masters in science as no job opportunities were available. With a month's training I was able to earn better than I would have otherwise". This kind of a scenario is not healthy for the overall talent landscape. The employers while preparing plans for acquiring quality talent should consider this migration of talent too. The sectors like manufacturing, automotives, core sector etc who fear to face a dearth of talent in coming future should understand that if they do not come up with strong skill development plans of their own, they will always be at the risk of losing their talent to sectors (like IT, ITES) which are working rigorously on these plans and are also increasing their reach to talent.

Though the student community seemed fervently vocal

> "I can say for sure that many employers, when they visit campuses, are not able to precisely describe and identify their requirements. In all aspects they should be the ones to know what the requirements are and what kind of person would be able to handle such a position and hire accordingly" - Anurag

in expressing their views about the two ends of the Talent Supply Chain, their views remain surprisingly neutral over the 'process'. Most of the 'Seekers' we talked to, felt that the problem is not in the churning process. With increasing involvement of Human Resource Techniques like assessment centers, student community feels that the processes are becoming more fair and objective. They just expect clarity of requirements from their employers. As Anurag, a Business graduate who recently joined a company shares "I can say for sure that many employers, when they visit campuses, are not able to precisely describe and identify their requirements. In all aspects they should be the ones to know what the requirements are and what kind of person would be able to handle such a position and hire accordingly." A fair point, the seekers are new in the game, but what stops the "experienced" employers in being clear from the beginning what are they hiring people for, and who has to join which profile. Though some employers do recruit with clear requirements in mind, in many of the cases the first job assignment is either random or something the employee might not be interested in. How do we expect performance when interest is lacking.

Coming from a bunch of college kids, who are in verge of, or have just become part of corporate, these are the unheard voices, a representation of the almost half of our 1.2 billion population that is going to be our future in the coming times. Their needs and expectations are not unrealistic they are fair as well as logical. This voice of future expects the 'adults' of the Talent System, i.e. the Academicia and Corporates to coordinate and collaborate. As Ankesh, a finance graduate points out "If they say colleges are not producing right talent then probably right communication is not going to the colleges from their side as well. If both parties will be so involved in each other and not communicate from time to time keeping their egos aside in most cases it will end up being an arranged marriage with either blaming the other to not be of the desired match.". Definitely a food for thought, though with a pinch of salt for our system. And who knows, some steps in this direction might be the missing piece that would bring the solution to our Talent Puzzle.

TAPPING THE TALENT LANDSCAPE WITH WEST

TESTING THE RESERVOIR

Businesses around the world are reporting a skills shortage epidemic that is weighing on growth prospects. Almost four in ten (39 percent) businesses around the world are struggling to recruit the right people, with a lack of technical skills cited as the primary problem (64 percent). The concern is that this lack of talent will dampen business productivity, ultimately threatening future growth and profitability. Infact for about 3/4th Indian businesses, one of the primary challenges faced is the shortage of technical or specific skills. The other challenges are shortage of general employability skills such as teamwork, communications and others faced by 2.3rd businesses followed by lack of applicants and required work experience faced by over 61 percent businesses respectively.

While on one side there is a skill dearth, on the other side there India's "demographic bulge" - the hundreds of millions of young people who will flood its job markets in the next decade - is in danger of sliding into a lopsided paunch that will weigh the nation down and crimp its gross domestic product. If the forecasts be believed by 2020, India would have a working population of about 0.8 billion out of the total population of 1.3 billion. With lakhs of students being added every year to this pool of job seekers in absence of proper management, the time when the entire system fails is not far away. Perhaps that is the reason why skill development has been in the centre stage lately. Lots of initiatives are being taken by the Government also. The target is to have a pool of skilled labour that is market ready and readily employable by the Industry. Managing such huge inflow of candidates across domains every year is a gargantuan task. It needs joint efforts from all entities of Skill Ecosystem.

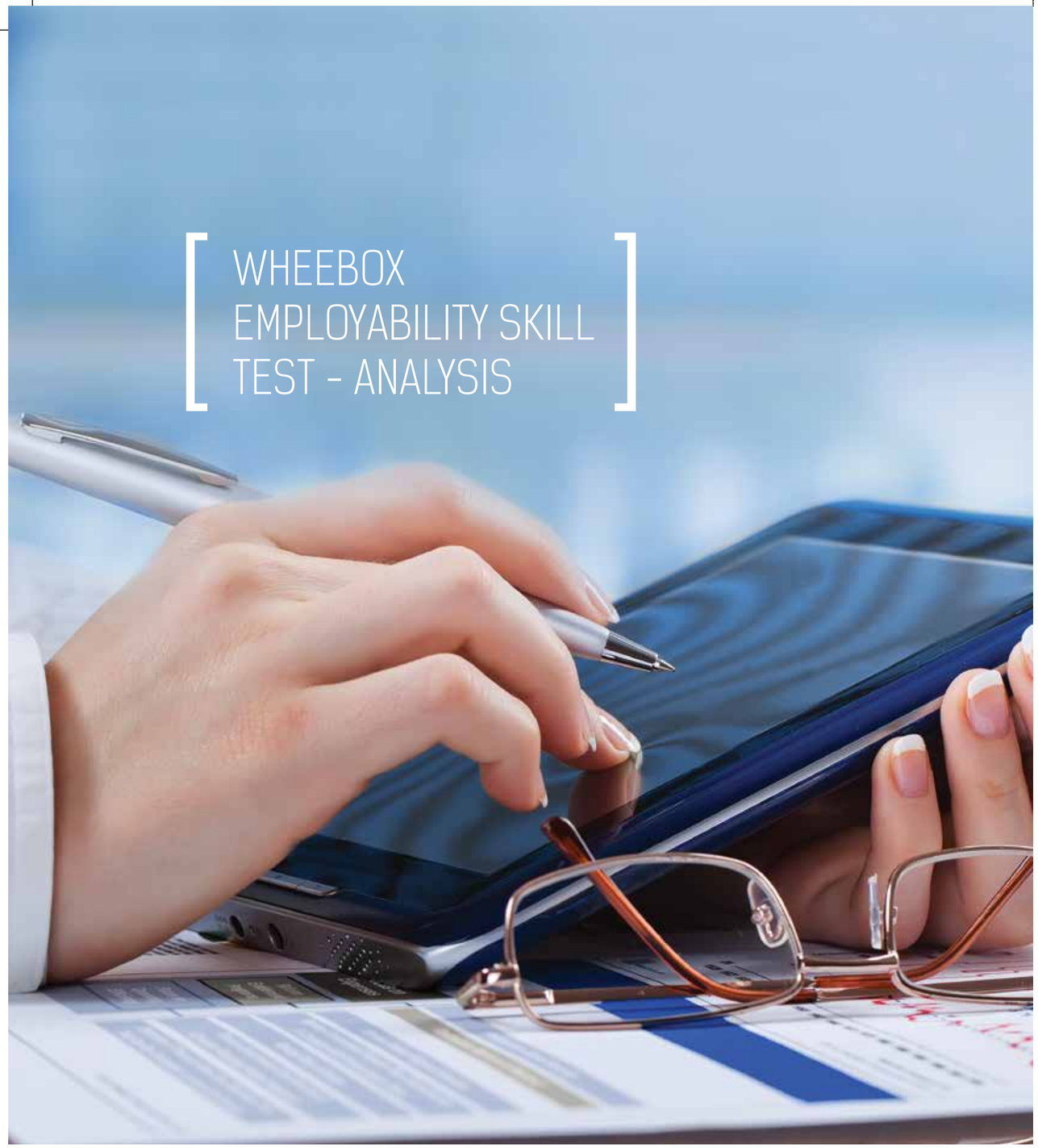
Peter Drucker said: "What gets measured gets managed." Words of wisdom by this management guru have been applied to various areas. Same is true for Talent. In today's times when talent is referred to as "Human Capital" where organisations invest and expect return on that Investment measuring talent is very common. Companies across industries are including assessment of different types. Whether its behavioral skills, domain knowledge or communication skills Corporates today want to have a framework to identify the skill levels of employees, firstly to identify if they fit for a particular job, secondly to take steps for developing these skills. So when we are entering into managing our skill reservoir, why not identify a framework that can help measure the skill levels and at the same time provide a mechanism to work towards future skill development. With this thought in mind was introduced the Wheebox Employability Skill Test. Launched in 28 States and 7 Union Territories across India the test was conducted to identify the skill gap that exists in the industry today by deploying a scientific approach across 260 domain areas. Research on Employability skills indicated that the components for success in a fresh job category are; knowledge, skill, aptitude and behavioral. Almost all of them concluded that reasoning tests have consistently been found to be the best predictors of job performance. Keeping all these researches in mind WEST was framed. Students were tested on their communication skills, logical ability, aptitude and domain knowledge. The objective of WEST was to bring reliable and authentic assessment to various aspects of education, training and employment. Every effort was made to provide a statistically valid multi-dimensional skill assessment to judge the employment suitability of a large pool of students.

The intent behind assessing the students was to identify the level of skills available across India and connect them to employers. This connect would help the employers in getting a direct connect to the skill reservoir of the country, on the other hand it would help the job seekers in their pursuit of job that makes the best use of their capabilities. The secondary objective is to provide feedback to students on development areas they need to work on to improve their employability.

The test went live on 10th of August, 2013 and was open till 10th of November,2013. During this timespan about 100000 students across, 28 states and 7 Union Territories in India across 1200 campuses appeared for it. The kind of reception we received from students and the campuses was phenomenal. Across domains students took this test to know their skill level vis-à-vis the available skill pool and at the same time connect with the employers for their dream jobs.

With the scores of students across domains and states at one place, we have tried to bring in demographic and geographic coverage of skill levels in India. While the detailed analysis would be covered in the successive sections, the skill levels of our country surely do need improvement if we want to reap the demographic dividend of having a working population of 0.8 billion. While the secondary objective of conducting this employability skill test would help the students by providing feedback on development areas, this first attempt would not be enough.

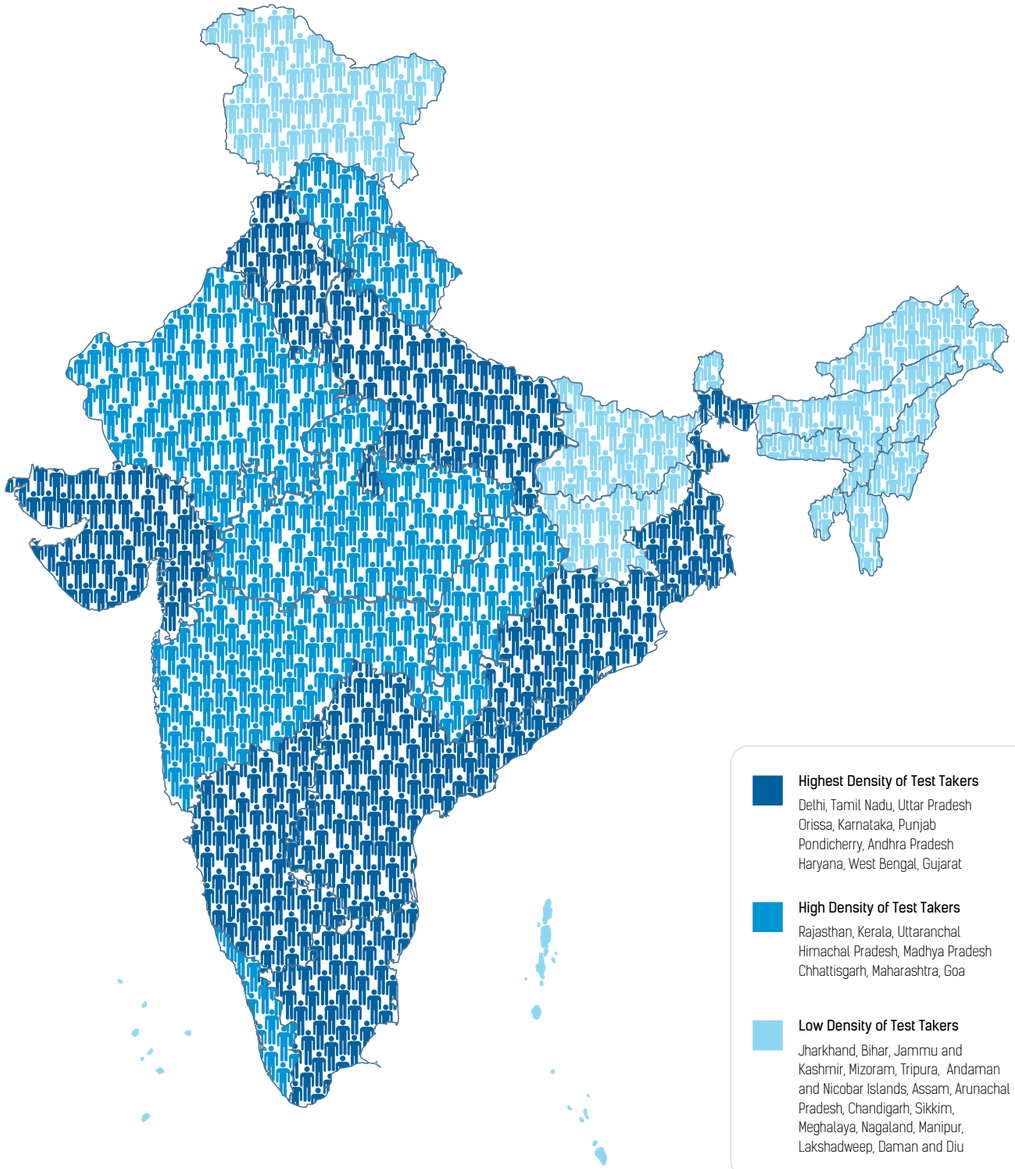
For a more effective solution of this problem, we need to have a strategy in place, where all the players know their part and are ready to collaborate and contribute.



WHEEBOX EMPLOYABILITY SKILL TEST - ANALYSIS

The Wheebox Employability Skill Test or WEST was the Instrument used to gauge the skill levels of the country. Based on researches that say that knowledge, skill, aptitude and behavioral components make the recipe of success in a job, the test assessed students across states and courses on their numerical & logical ability, communication skills and domain knowledge etc. All the candidates were evaluated on all these sections and a combined score of the three sections was used to come up with the final score. All those who scored more than 60% in the overall score were considered employable. About 100000 students from across states took this test to know their "Employability Status". The distribution of the test takers is captured in the map below. The states with maximum participation are : **Tamil Nadu, Uttar Pradesh, Orissa, Karnataka, Delhi, and Punjab.**

STATES WITH DENSITY OF TEST TAKERS



The scores of these 100000 students were then dissected based on the demographic and geographic data captured along with the scores. Some really interesting trends came up through this analysis which we will be covering in the coming pages. These insights would on one hand provide the students and colleges a glimpse into their current skill levels; on the other hand it would provide relevant information to the employers for making effective Talent Acquisition strategies.

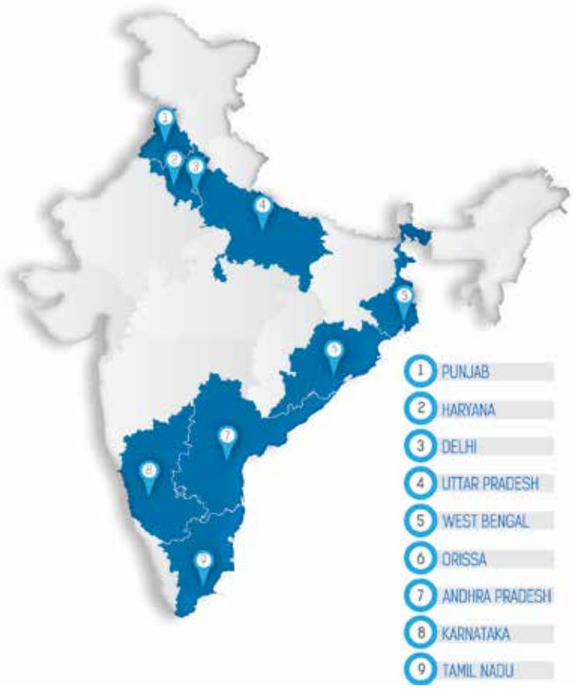
Out of about 100000 candidates who appeared for Wheebox Employability Skill Test across domains only 33.95% were found employable. This means about 2/3 rd of our skill pool is not fit to have a job. This information might not come as a surprise, since Corporates across industries have been pointing to this case for a long time now, but it surely is an indicator of challenging times that are ahead of us. With the number of students that are added to the skill pool increasing every year, one can only imagine the grave situation we would be in the coming year if the situation persists. This "Majority" unemployable chunk would surely be adding a pressure on the Gross Domestic Product of the country, but more importantly can lead to an even worse social environment (refer to The Great Indian Talent Conundrum, ISR 2014).

It is thus important that a full proof plan is chalked out to tackle this upcoming challenge. While we are Charting the future course of action to perform matchmaking between supply and demand, a more comprehensive look into the current state of skill level of the talent pool would be most helpful. Such information would also be handy for employers who can take steps to make their Talent Acquisition strategies more effective and efficient.

The scores of test takers show that only 1/3rd of the Talent pool was able to score more than the benchmark score of 60%. The spread of this population is across length and breadth of Indian Land. The top states where major part of the 'employable pool' comes from are: **Punjab, Tamil Nadu, Uttar Pradesh, Delhi, Andhra Pradesh, Haryana, Karnataka, Orissa, West Bengal**

Going deeper the analysis also captures the top 10 cities where maximum employable candidates are available. They Include: Ajnala, Dhariwal, Ponneri, Akola, Fatehgarh, New Delhi, Coimbatore, Madurai. Most of these cities are part of the top states except for a city that is part of Maharashtra.

TOP STATES WHERE MAJOR PART OF THE 'EMPLOYABLE POOL' COMES FROM

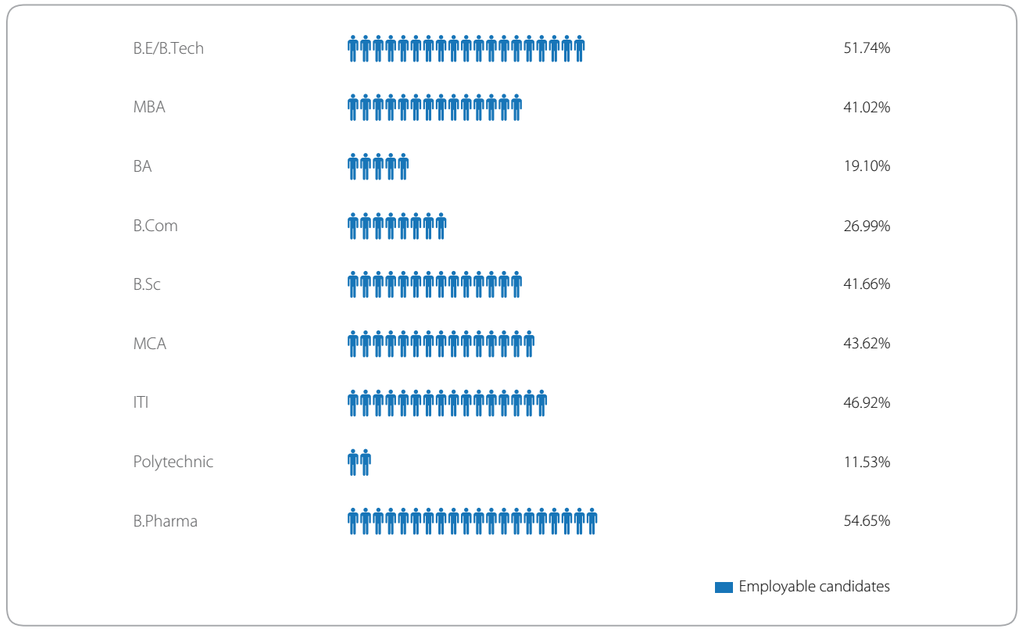


Another important division on which data was analyzed was the domain area. Test takers from about 9 varied domain areas appeared for WEST. With each domain leading to different job roles and profiles, the domain wise categorization captured some very useful insights.

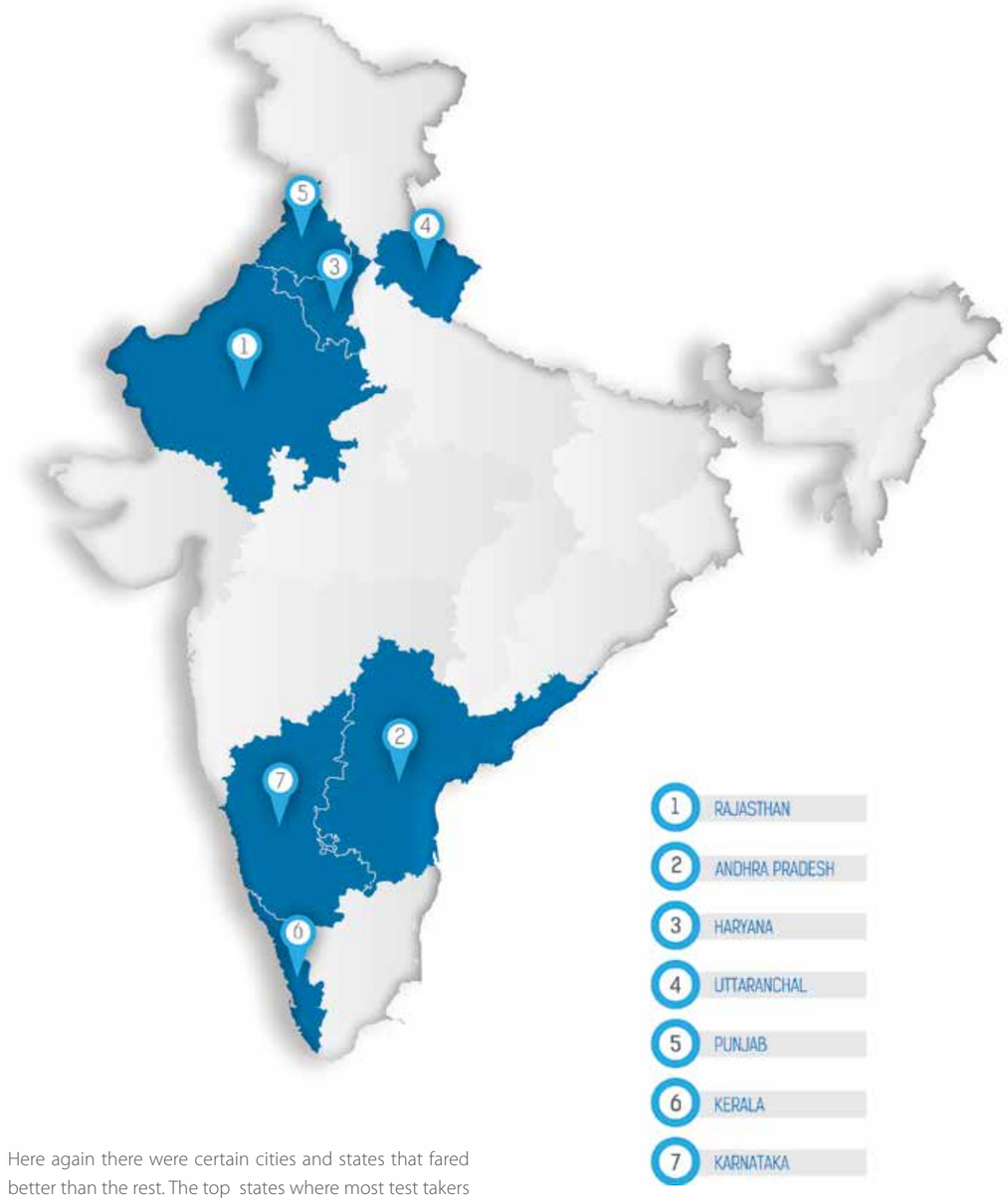
The analysis shows that out of all domains, maximum percentage of employable skill was available in Pharma domain, followed by engineering. The percentage of B.Pharma test takers who scored 60% in WEST was 54% and that of B.Tech test takers was 51.74%. The ITI, MCA and MBA candidates are next in the sequence with a percentage of 46%, 43% and 41 % respectively. The condition of pools for rest of the domains is grave as in these domains, not even 1/3rd of test takers could cross the benchmark levels. The domains that come under this category are Arts, Commerce, and polytechnics. The Government and Academicia might want to concentrate on improving the quality of education in these domains, so that the skill pool has enough candidates of various expertise areas to meet the needs of Industry.

Apart from their domain area the test takers were also assessed on three other skills areas that were considered important by employers for "employability" in a candidate. These skills were Communication skills, Computer Skills, and Numerical and logical ability. As mentioned in the previous article, these were the skills apart from the domain knowledge that the employers considered important for "Employability".

Employable candidates

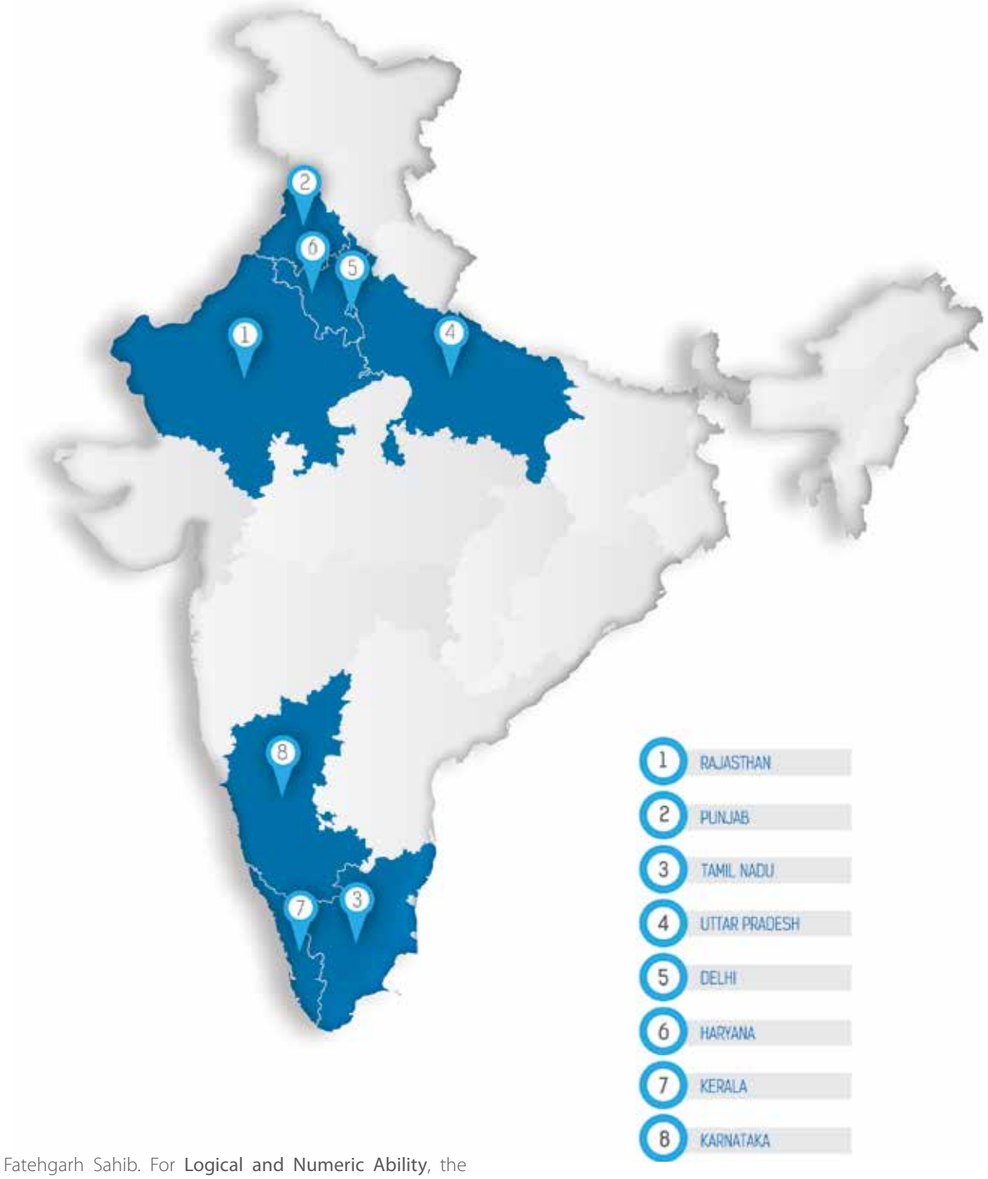


TOP STATES THAT SCORED WELL IN ENGLISH



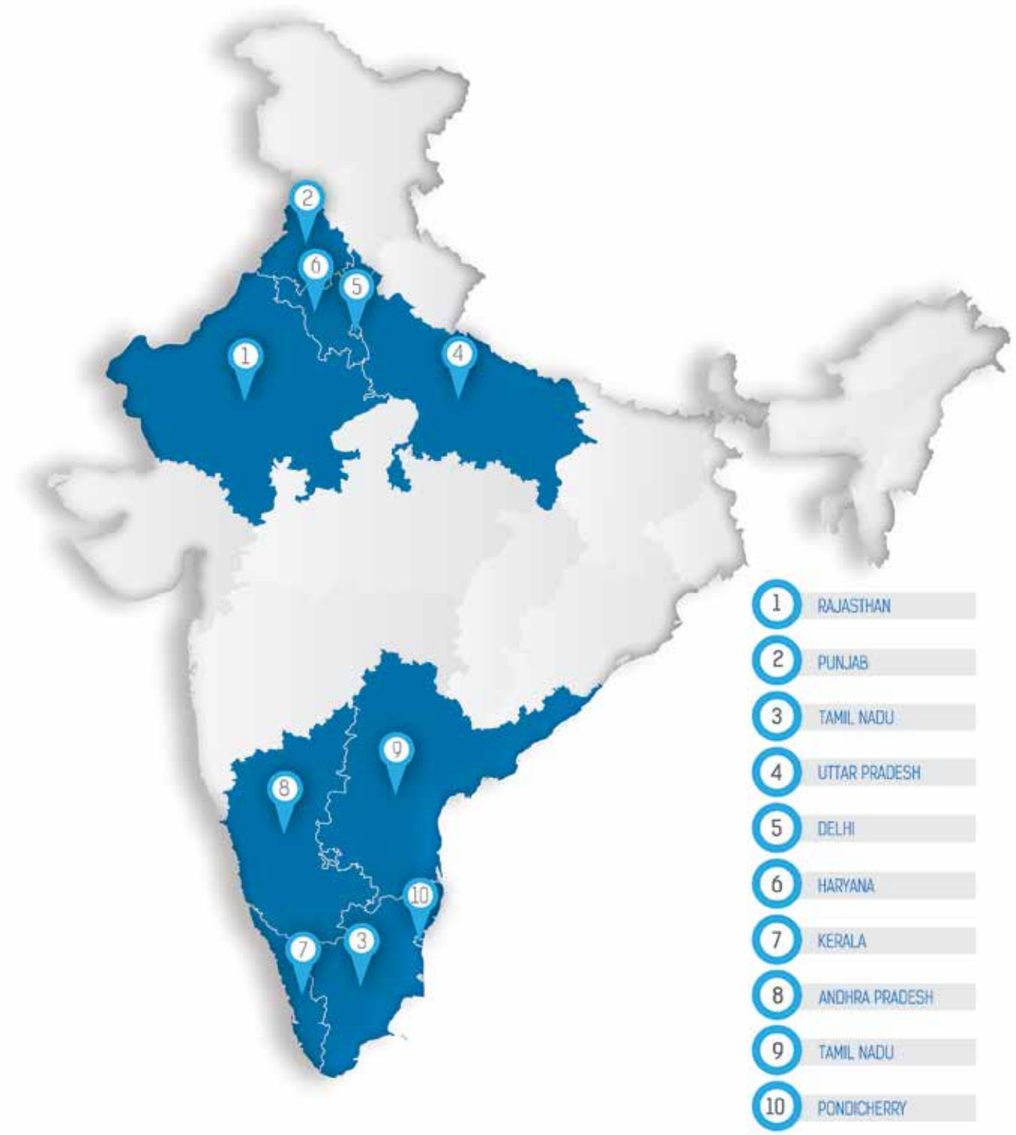
Here again there were certain cities and states that fared better than the rest. The top states where most test takers scored exceptionally well in **English** were: **Rajasthan, Andhra Pradesh, Haryana, Uttaranchal, Punjab, Kerala and Karnataka**. The corresponding cities where the test takers performed well are: Madurai, Coimbatore, Ghaziabad, Agra, Salem, Chennai, Kanyakumari, Erode and

TOP STATES THAT SCORED WELL IN LOGICAL AND NUMERICAL ABILITY



Fatehgarh Sahib. For **Logical and Numeric Ability**, the states which have the best of the talent are **Rajasthan, Punjab, Tamil Nadu, Uttar Pradesh, Delhi, Haryana, Kerala, and Karnataka.** The corresponding cities that performed well are: New Delhi, Vadamadurai, Coimbatore, Ghaziabad, Chennai, Erode, Delhi/NCR, Bangalore and Agra. When assessed on **Computer Skills** that states that performed

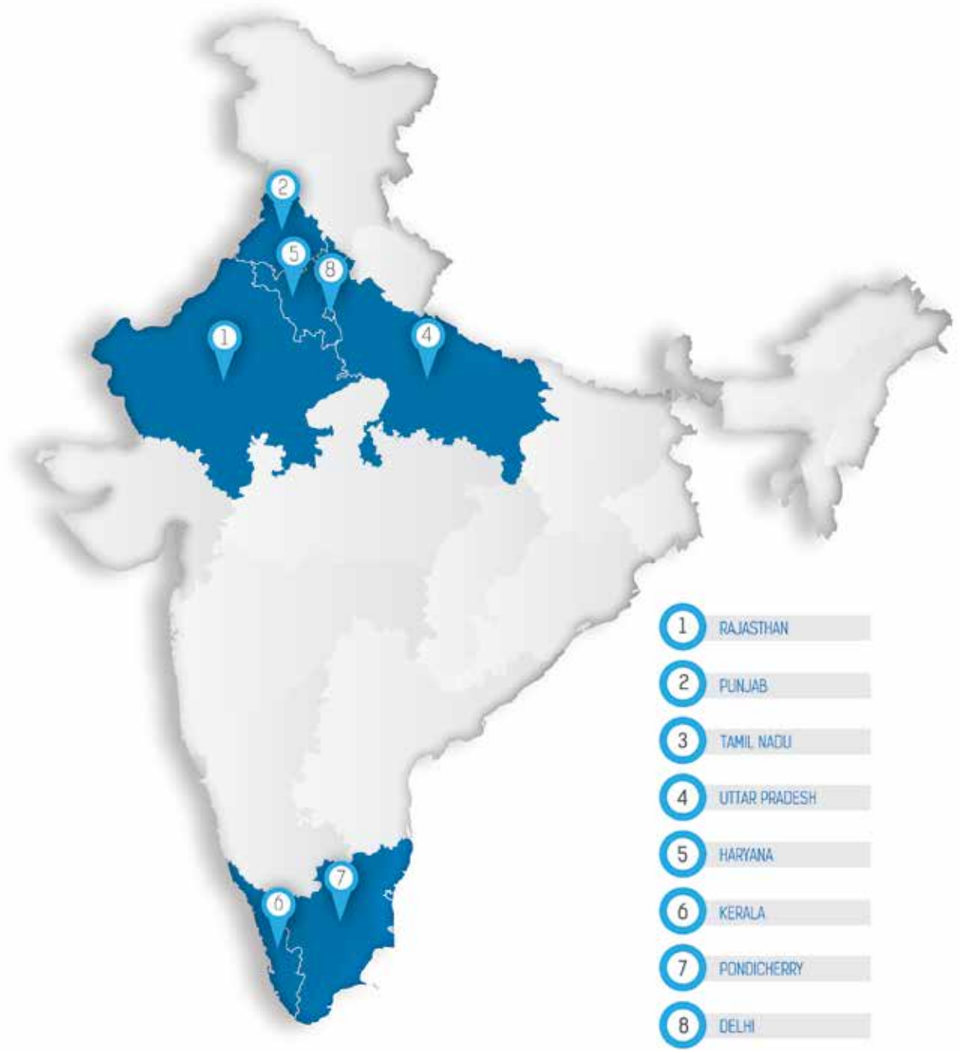
TOP STATES THAT SCORED WELL IN COMPUTER SKILLS



exceptionally well were : **Pondicherry, Rajasthan, Punjab, Tamil Nadu, Karnataka, Andhra Pradesh, Uttar Pradesh, Kerala, Haryana, Delhi**. When Judged on the basis of cities, the following were the ones where the test takers performed well: Pondicherry, Agra, New Delhi, Coimbatore, Madurai, Chennai, Salem, Bangalore, Ghaziabad, Erode. The total of score in all these four sections was what led to the final percentage. When comparing the states that **fared well in all the three sections** the states that form part of that list are :

Rajasthan, Tamil Nadu, Delhi, Uttar Pradesh, Haryana, Punjab, Kerala and Pondicherry.

TOP STATES THAT SCORED WELL IN ALL THREE CATEGORIES



An interesting occurrence here was the presence of some states in the in the top category for particular skills but not in others. Andhra Pradesh, Uttaranchal, Karnataka are few examples of such states. Andhra Pradesh for instance was in the top category for English and Computer Skills, but was not in the top states for Numerical and Logical Ability.

This might be the reason why the skill pool in this state is not getting employed in large numbers.

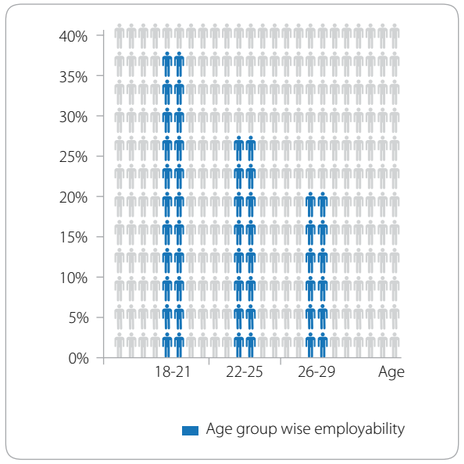
The respective state governments can take up these inputs and take necessary actions to work on these improvement areas.

The test takers not only belonged to different domain areas but also to varied age groups. So data was also analyzed identify how the skill levels varied as per the age groups. As per the data captured, Maximum numbers of employable resources are present in the age group of 18-21 years. Out of total number of candidates in the age group of 18-21 years who appeared for the test about 39% scored more than 60% and hence were part of the employable pool. They were closely followed by the age group 22-25 years, where out of the total pool of candidates (in this age group) who appeared for the TEST 29.11 % crossed benchmark score of 60%.Finally for the age group 26-29 Years, the scores secured by candidates in WEST suggest that only 20.38% of the people in age group 26-29 years are employable.

The graph shows that the "Employability" in the skill pool seems to decline with an increase in the age. This does confirm the fact that with an increase in age the capability to learn and re learn reduces. Thus for achieving the best results the process of skilling should be started in the early years of education, so that these skills become part of the person till he/she reaches the later part of his life.

With the information that the maximum number of candidates in the age-group 18-21 years are employable, next question arises: where do they belong to.

Age group wise employablity



For Industries which have age group preferences as well, information about the states and cities where most of these people belong would be helpful when they are planning the Talent Acquisition strategies. As per the data collected the top 10 states where the maximum percentage of employable resources in the age group 18-21 years reside are: Pondicherry, Uttar Pradesh, Tamil Nadu, Punjab, Andhra Pradesh, Delhi, Haryana, Karnataka, Orissa, West Bengal. Corresponding cities are : Coimbatore,New Delhi, Madurai,Ghaziabad, Chennai ,Erode ,Bangalore ,Cuttack ,Bhubaneswar,Delhi/NCR. Coming to the age group 22-25 years, the top states where most people in this age group are employable are: Punjab, Andhra Pradesh, Tamil Nadu, Delhi, Uttar Pradesh, Karnataka, Haryana, Orissa , West Bengal,Gujarat, Pondicherry. The cities where most of the employable talent in this age group could be found is: Coimbatore, madurai, Ghaziabad, Chennai, Erode, Bangalore, Cuttack, Delhi/NCR, Bhubaneswar. Similarly for the age group 26-29 years the states and cities are Delhi, Tamil Nadu, Punjab, Haryana, Andhra Pradesh, Orissa, Gujarat, Uttar Pradesh, Karnataka, West Bengal, Pondicherry; and Madurai, Coimbatore, Pondicherry, Ghaziabad, Cuttack, salem, Bangalore,Bhubaneswar,Erode,Balasore. A look at the states across age groups shows ; they are the same, which means that most of the employable candidates,in every age group are available in these states, the distribution across age groups might differ.

Age group wise presence of employable talent

Age group	States
18-21 years	Pondicherry, Uttar Pradesh, Tamil Nadu, Punjab, Andhra Pradesh, Delhi, Haryana, Karnataka, Orissa, West Bengal
22-25 years	Punjab, Andhra Pradesh, Tamil Nadu, Delhi, Uttar Pradesh, Karnataka, Haryana, Orissa, West Bengal, Gujarat, Pondicherry
26-29 years	Delhi, Tamil Nadu, Punjab, Haryana, Andhra Pradesh, Orissa, Gujarat, Uttar Pradesh, Karnataka, West Bengal, Pondicherry

Another important thing that the corporate world is working on is maintaining gender diversity. Even today the number of women employees across industries is very low. To achieve this balance, a constant supply of employable female candidates is needed. It is important to know if the source or the reservoir has enough females to help balance the number of women employees in corporate. When the scores of the test takers were analyzed based on Gender It was found that the quality of female candidates is better than the males. **As per the data collected, out of the female test takers about 42% are employable; however this number for male test takers is a bit low around 30%**. With such quality of female talent pool available the companies have a great opportunity in hand to improve the gender ratio in their organisations. To facilitate this process further, along with the "Employability" status of

male and female test takers; the states that have most of this employable lot were also identified .

The Top 10 states that have the maximum number of male and female employable candidates are :

Gender wise presence of employable talent

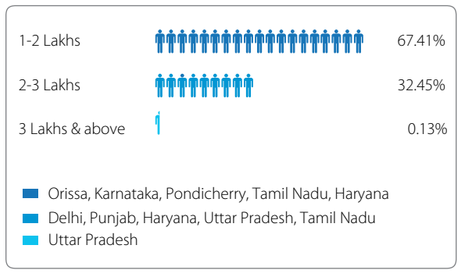
Male	Female
Tamil Nadu	Punjab
Punjab	Tamil Nadu
Uttar Pradesh	Uttar Pradesh
Delhi	Andhra Pradesh
Andhra Pradesh	Delhi
Haryana	Haryana
Karnataka	Karnataka
Orissa	Orissa
West Bengal	West Bengal

Important information that came out of this data is that there is no difference in the top 10 states list for males and females. The percentages of employable lot might not be very encouraging, but a good thing that comes up is that efforts being made to educate more women are showing some results.

To facilitate match making between the supply and demand side of talent supply chain; an important step is frequent communication between the two sides. This requires initiatives like internships, training programs etc. where both the talent supply and the Jobs providers interact. With this in mind the test takers were asked if they were interested in availing internship programs from the employers. As per the data collected; about 55% of candidates were inclined to be part of the internship programs. They felt these programs should be more frequent as they provide them experience of being part of the corporate life and at the same time provide them an opportunity to put the theoretical knowledge into practical use. The states where most of these candidates, interested in being part of internships could be found are :Punjab Pondicherry, Tamil Nadu, Karnataka, Andhra Pradesh, Haryana, Uttar Pradesh, Delhi, West Bengal, Gujarat . These states provide a very important pool that can be used to encourage fruitful interactions between supply and demand sides.

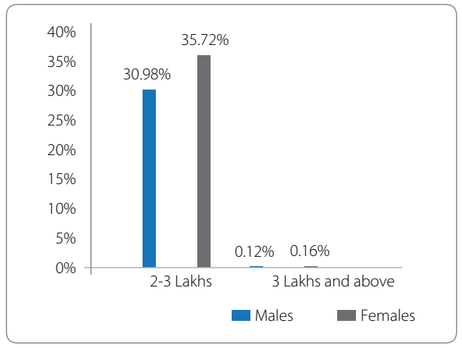
Another Interesting question that was answered by the test takers was on preferred salary ranges. While the employers are worried about the quality of talent available; it is equally important to understand what would be the expectations of this "Employable" talent. As per the data collected; about 67.41% of the TEST takers expect a starting salary in the range of 1-2 lakhs. There is a significant number that expects to start their career with a salary range of about 3 lakhs but there is a very small number who wants a salary more than that. The graph below also captures the top 5 states where maximum number of test takers opted for these salary ranges. The analysis also found that at the start of the career the salary expectations of male and female candidates do not differ. Considering that with growth in career the expectations do differ, it's interesting to know that both men and women start at the same level of expectations.

Preferred salary range



From the Talent Acquisition strategy perspective, it is important to have the best of available talent, but it is equally important to acquire this talent at the right time and right cost. Geographic focus is an important factor that can help in making these right choices. With this in mind the test takes were also asked about their preferred work locations. As per the data captured it seems that those days when job seekers had any location preferences are gone. Be it male or female candidates; job seekers are ready to go anywhere the job takes them. Amongst the male and female candidates there is not much difference in the preference of cities as well. Another interesting finding was presence of non-metro cities like Cuttack, Chandigarh etc. in the preferred areas of work.

Gender wise salary preferences



The data and the analysis in the above pages capture a comprehensive picture of the Skill Landscape of India. The information captured does indicate a challenging way ahead, but it also brings with it opportunities to come up with innovative solutions. Respective Governments and Institutes with active support from the Employers; would need to come up with strategies to improve this situation. Doors are also open for individual agencies and consultants to come up with inventive solutions to improve the skill levels; that can help both the corporate and academia.

Preferred places to work

All	Male	Female
Any	Any	Chennai
Chennai	Delhi/NCR	Any
Bangalore	Chennai	Bangalore
Delhi/NCR	Bangalore	Delhi/NCR
Bhubaneswar	Bhubaneswar	Coimbatore
Coimbatore	Delhi	Delhi
Delhi	Coimbatore	Hyderabad
Cuttack	Cuttack	Chandigarh
Hyderabad	Durgapur	Bhubaneswar
Chandigarh	Balasore	Mumbai

The detailed analysis of the skill supply side provided in this section can be used as the base to chart out the future course of action to implement an efficient Supply Chain of Talent.

VIEWS FROM THE OTHER SIDE

"Hide not your talents, they for use were made, what's a sundial in the shade?" – *Benjamin Franklin*

Put into beautiful words by Mr. Franklin, captures the fact that anything not put into use looses importance. Same can be said about Talent – the Human Resources as they are often referred to. The total population of India is projected to rise to 1.3 bn (according to Population projection for India and states 2001 - 2026) in 2020 with; the proportion of population in the working age group (15-59 years) expected to rise 64.2%. Substantial rise in the working age population or a reduction in dependency ratio augurs well for growth momentum of the Indian economy, as it will result in ample supply of labour for productive purposes. When we talk about such voluminous supply and availability of working population, the next logical thought is its utilization. Now that is the part determined by the demand side of Talent Supply Chain. So while we are gauging the skill levels of the country, it would definitely make sense to ask these employers, what do they feel about the current skill levels and what according to them should be the way ahead.

The turbulent times Indian economy is going through, have resulted in a hiring freeze season across Industries for the first two quarters of year 2013. With few measures being seen in the economic arena, things seem looking up atleast in some sectors. As per Manpower's Employment Outlook survey 2013 Q3, sectors like Retail, Services, Manufacturing, and Transportation and utilities have expected a positive job outlook for the quarter. If the positive sentiments are taken as an indication Indian Job Market could be seen on the road towards recovery. With the IT sector's better than expected performance in the quarter the hiring is expected to pick up pace. IT as a sector has always been a sunshine sector, absorbing most of the engineering graduate supply. But when it comes to the reach to the Talent Supply, even this sector seems to have issues. There is demand for talent , but the employers now face challenge of securing talent of best quality . In the words of Mr. Saurabh Govil Sr. VP, Wipro "Demand-Supply gap for talent has been a challenge for some time now. In the IT sector, despite various corporate initiatives, availability of ready talent is a problem. A lot of time and investment is done to get the students to be ready to deliver." This is a common sentiment that is shared across the IT sector. Almost all IT companies are facing the challenge of getting job ready talent. While the big companies like TCS, Infosys, HCL and Wipro have taken the task of training in their own hands, small and medium sized enterprises do not have that liberty. There are several technologies for which the number of candidates available in the market is really less. Employers in this domain feel that it is important for the candidates to understand that the "herd mentality" for technical skills is not good. In today's times when technology is developing more every single day, the workforce should be dynamic and at the same

"Demand-Supply gap for talent has been a challenge for some time now. In the IT sector, despite various corporate initiatives, availability of ready talent is a problem. A lot of time and investment is done to get the students to be ready to deliver."
Mr. Saurabh Govil Sr. VP, Wipro

"Global challenges have given India an opportunity to raise the bar and exceed global standards. Only competitive advantage for India to be ahead, is through bridging the skill gap. Education factories match demand & supply by producing qualified people, though skills have taken a back seat. Corporate needs Skills of Quality, Productivity and Sustainability. Only aspirants without skills are creating a huge talent shortage especially in niche markets like Pharma & Bio tech".
Devesh Srivastava, Sr. Vice President - Group HR, Teva Group

time be ready to take up and learn new technologies. It is one industry that thoroughly believes in the Alvin Toffler words ""The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn"

Another Industry sector, which aims to grow at a faster pace n the coming days following the relaxation in FDI norms, is Retail. While major hiring in this sector is done at the frontline level, where skill demand is less complex and easily available; challenge of Talent quality in Retail specific roles like merchandising, supply chain etc . The situation is so grave that this sector has to rely on the talent pool of allied Industries. Though many colleges have started some Retail management courses, the quality of skills imparted there is still not up to the mark. Being an Industry that aims to grow at a rapid rate in future employers of this industry want more employable candidates for specialized roles.

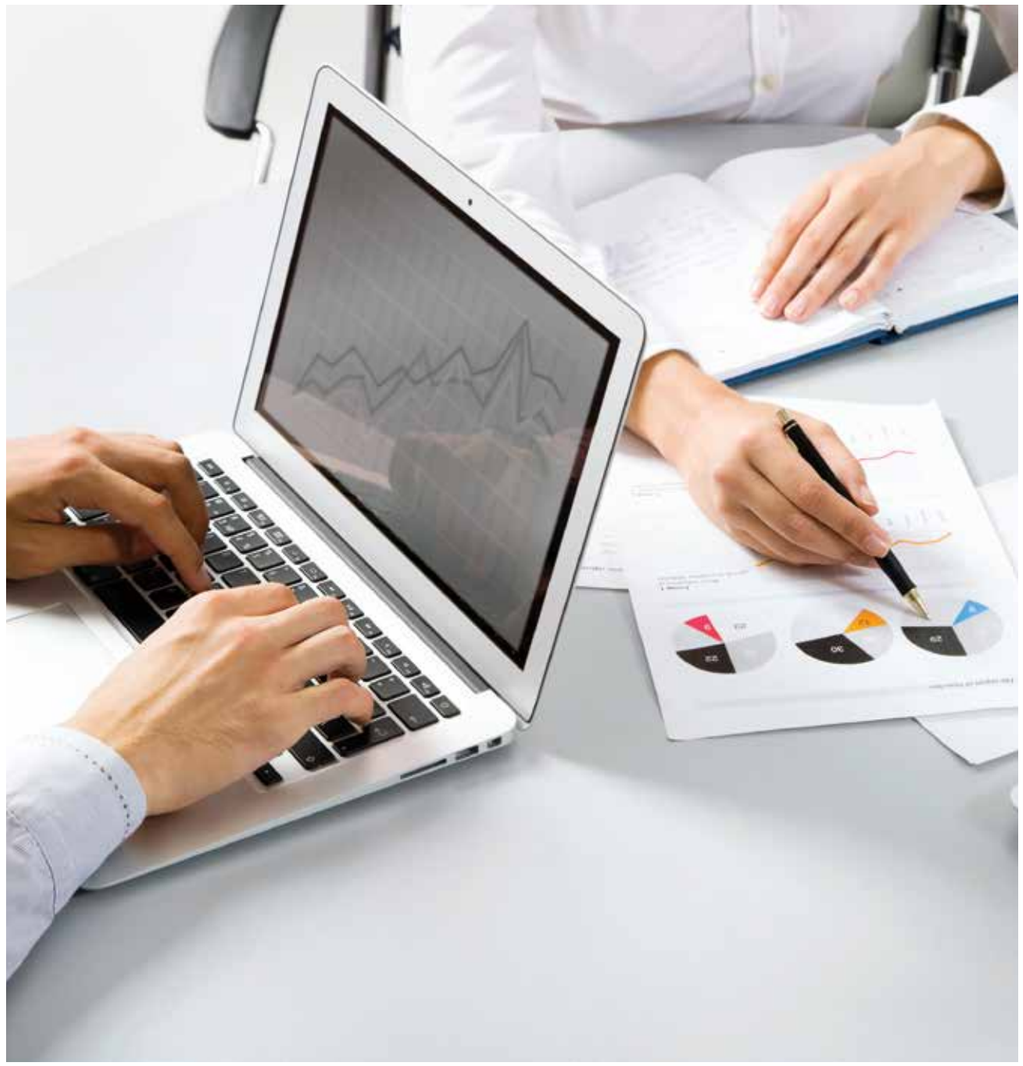
> "Shortage of skilled workforce is an identified problem area for quite some time now. I feel we need to understand challenges of skill reservoir & take focused steps, to ensure constant skill supply."
> **- Mr. Prabir Jha, Senior Vice President & Chief Human Resources Officer, Tata Motors Limited**

Pharma and healthcare is another sector that has Talent needs, which are not easily fulfilled by existing skill available. According to an article published in Times of India, All good pharmaceutical companies are growing, so there is a big need for talent in this industry. Most large companies are in expansion mode and are setting up new plants. Being a research-intensive industry, there is a need for more technically skilled and knowledge workers. India does not have a shortage of people. But there is an acute shortage of good, employable and industry-ready people. As Devesh Srivastava, Sr. Vice President - Group HR, Teva Group shares "Global challenges have given India an opportunity to raise the bar and exceed global standards. Only competitive advantage for India to be ahead, is through bridging the skill gap. Education factories match demand & supply by producing qualified people, though skills have taken a back seat. Corporate needs Skills of Quality, Productivity and Sustainability. Only aspirants without skills are creating a huge talent shortage especially in niche markets like Pharma & Bio tech".

This difference between the "Qualified" and "skilled" talent pool is a common problem across sectors. While every year lakhs of "qualified" candidates get added to the talent pool, the one's with required skills is very low. This is one of the major factors that is precipitating the "Great Indian Talent Conundrum". While the growth opportunities for various sectors are very lucrative, the inability to meet the talent needs is a major hurdle. Even for a sector like Automotives whose talent pool is expected to be quite abundant (Engineers, ITIs) the condition looks grave. With the decreasing skill levels in engineers, companies are finding it difficult to meet their demand. The picture looks no difficult in other sectors like Manufacturing, BFSI etc, and recruiters all over are facing skill shortage. This situation calls for rapid actions from Academia as well as the Government to impart the desired skills to Talent pool so that they are fit to get employment in Industry.

Reading these sentiments might create a picture of Corporates whining for shortage of skills and doing nothing about it. But reality is a bit different. Corporate efforts are being made, but they do not suffice considering the beneficiaries they are supposed to cater to. One merely has to look around and see what companies in different sectors are doing to solve this problem of skill scarcity. Be it internships, projects, or various other activities, Corporates are trying to interact with the skill pool as much as the skill pool is trying to interact with them. Major Companies in almost all sectors now have a campus relationship team to maintain a direct connect with the source pool. This however is not enough to solve the skill issues. Employer fraternity knows that, and believes that only through combined efforts would this problem be solved. As Mr. Saurabh Govil says " A lot of time and investment is done to get the students to be ready to deliver. There is a lot more which can be done from both Supply and demand sides for rendering better results." The similar thoughts were received from the stakeholders of other industries we interacted with. As Mr. Prabir Jha, Senior Vice President & Chief Human Resources Officer, Tata Motors limited shares "Shortage of skilled workforce is an identified problem area for quite some time now. I feel we need to understand challenges of skill reservoir & take focused steps, to ensure constant skill supply."

When the problem is so critical and complex in nature; it definitely makes sense to join forces and tackle it in a systematic manner. Matchmaking between the supply and demand sides of talent is an important step that needs to be taken as soon as possible. Unless this is done, the gap between the two sides would exist and might increase with passing time. The good thing is that the industry sentiment about collaborative effort remains positive. The need is to make proper plans and execute them promptly. With information on supply-demand matchmaking available through a medium like India Skill Report, the decision making would surely be more informed and structured. The detailed insights on both sides captured in this report would hopefully lead to effective steps that will hopefully help in solving the Talent Conundrum our country is on the verge of facing.



IDENTIFYING GROWTH WITH THE RIGHT PEOPLE

THE RULES OF TALENT REFINERY

The Indian economy in 2013 has been under the clouds of deep uncertainty. While about three years ago, all the economy outlooks were blooming with positive forecasts of the Indian growth story, today the opinions are divided. Some are sure of our downfall and are even comparing the current situation to the gloomy days of early 1990s, others still believe in Indian Economy, being on the road to recovery. With a growth rate at a 4-year low, and the projections of the coming year not all encouraging, even the best of monetary reforms can't raise the hopes of everyone around. Though sectors like IT have started gaining momentum from the second quarter, same cannot be said about all others. And as the Job demand outlook is the reflection of economy outlook, we cannot expect it to be all positive in this vague economic space.

But even in this situation, one thing is clear, whatever the economic performance be in coming days, Acquiring talent is going to be a challenge. If bullish economic growth leads to more demand, challenge would be to meet the upsurge with cost and process efficiency, if the demand is less, challenge would be the pick the best of talent from the humongous skill reservoir that plans to grow every year , no matter what happens to economy. So we might want to compare the Economy of 2013 to Economy of 1990s, but rule of Talent Refinery certainly have changed. Today the need is to bring innovation in the recruitment processes, look for alternatives, involve more technology to come up with a process to acquire talent that reaches out to major part of reservoir and brings in the best of talent onboard. Then only would a matchmaking of talent supply and demand be possible.

U.S. economists Alvin Roth and Lloyd Shapley won the Nobel Prize in 2012 for their match-making theories relating to supply-demand issues prevalent in the market. Their work underpinned the economics discipline by providing insights into how scarce resources can be allocated. It was a thrilling moment for Recruitment industry that finally a Nobel prize was awarded for something that can solve this perennial problem of right hiring.

India has a large and constantly growing potential workforce across different disciplines. In fact, if the population estimates be believed, the proportion of population in the working age group (15-59 years) is expected to rise from 57.7% in 2001 to 64.2% in 2021. So would matching the right job with the right candidate be an easy task? No, definitely not.

More often than not, the hiring process turns out to be very complicated and results in sometimes sub-standard staff joining the workforce. Hiring the right person is amongst the top challenges faced by CEOs and HR departments in India. There is a grave need to address this problem which is easier said than done, as corroborated by the McKinsey Global Institute's report, "Preparing for a New Era of Work." The study found that there is a stark skills shortage emerging worldwide thanks to global competition, changing demographics and persistent "geographic mismatches" between the supply of workers and the demand for them. The question arises – how?

The general logic is when existing ways don't work out look for the new ones. The recruitment experts worldwide are coming up with new options very often. There have been tremendous changes in the job market with respect to technology, modes of hiring, competition in the market etc. One such recent move is where recruiters decided to "think global and act local'. We have 623 districts in India that contribute to our skill reservoir. With such a geographic spread, which is of diverse nature, one can't make recruitment strategy which is Pan India. It has to be at the smallest unit of the country hence at best at a district or even pincodes/ zipcodes. This is what is known as the "Pincode Hiring" Model. It is not about temping or having someone to manage the "mess in the less". Let us understand and decode the pin code or zip code solution. India can be divided into 623 districts and each district can be drilled down to the level of the pin code/zip code. India is not only about the top ten cities but about the ten thousand pincodes where most of the economic activities happen. We don't need a job board that displays a job and the candidates available for it because that would not be able enough for matchmaking the talent supply and demand. We need to look at an application that shows the job and the available candidates at a particular location. This is because India Inc. needs a sales person to sell at a given pincode level and not at the corporate office locations. We need a Command Centre that would help us map the jobs and the talent availability at any given pincode. And this move brings in the solution to this problem.

Another important concept that can help in matching the demand and supply of skills is the Talent Stock exchange. This would be very different from Employment exchange that has now become part of the job museum of India. It would be place where assessment takes place and scores are allocated at an industry level based on a standard and fair assessment process. Job offers can be rolled out with technology intervention at the local level. Applicant tracking systems and reliable video recordings of interviewing process is probably the next big wave which will expose the talent stock exchanges as the new face of India job market.

Finally, with the new skill reservoir being a part of "Socially Interactive" generation, it's important that these next-gen ways of reaching out to them are leveraged. Using Facebooks/Linkedin/Twitter might be the next step that can on one hand increase the reach; on the other hand it can save cost.

Most important thing to keep this Talent Refinery running is that these eureka moments in recruitment industry should not stop. 85% of workforce after 20 years will be the people who have not yet joined the current workforce hence applying existing thinking and wisdom will hold very little in the new age of matchmaking and in the world of JOBS. We should be ready to innovate and re-innovate in our approach for recruitment so that the right people are able to meet to meet the right jobs, at the right time with right cost.

The India skill report in its essence is an effort to facilitate this out-of-box thinking. Its real purpose is to support match making between the skill supply and job demand side. While the snapshot of Supply side has been shared in previous sections, next few pages unveil the outcomes of the Corporate Job survey, an open-ended online survey, conducted on about 100 employers across India. Employers were questioned on the following major points: The Hiring potential and outlook for the coming year, profile wise hiring mix, sourcing channels, and experience level wise hiring mix etc. This information was collected to understand what are the kinds of profiles and people companies in different sectors hires for and what is the kind of education required to be eligible for the same. The information about the profile mix was collected to identify the skills for which major hiring is done in each industry sector. To understand the geographic focus of the companies representing different sectors, information about their "Talent sourcing" states was collected. We tried to demystify what was the most important skill companies look for. In totality the effort was made to provide as much insights as possible to the supply side about the thought process of Corporates, so that they can take wiser decisions in future and are ready to face the market with better preparation.

Contrary to the prior notions of Employers' reluctance in participating in such initiatives, employers across the industry segments shared their inputs without hesitation. People felt that an exercise like India Skill Report is interesting and much needed to fight the Talent Woes. This is a great indication to us. With the year 2020 being round the corner, the small isolated steps being taken by individual entities of system would not be of much help. Combined efforts are needed and extensive participation from the Corporates holds the key and such encouraging participation from them shows a bright future ahead.

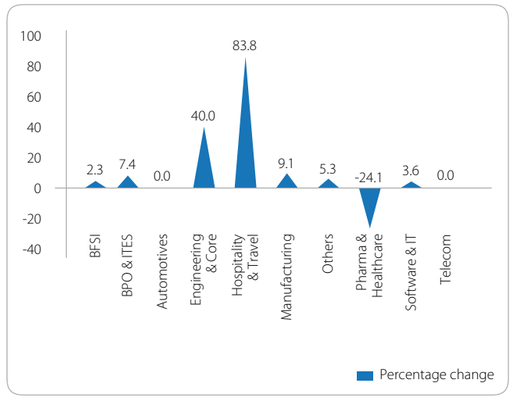
[CORPORATE JOB SURVEY]

With the year of economic turbulence almost over, it's time to gear up for year 2014. While year 2013, was the year of slowdown and freeze in hiring across industries, the supply as well as the demand side of Talent Supply Chain seem hopeful about the upcoming year. The corporate job survey, an effort to understand the "Job Providers", tries to capture the trends in Job market in detail. Reaching out to more than 100 employers across industries this job survey brings out the latest picture of the hiring outlook across 10 major Industry sectors.

Indian Employers across the 10 Major sectors show a mixed trend all together, when it comes to the hiring outlook for the next year. With a slight increase of about 1.4% in overall hiring numbers per month, the job outlook of does not indicate bullish hiring for the coming year. Though this overall number is not encouraging; there are sectors that expect a significant increase in average hiring per month. Their impact on the overall numbers however is negated by several others where this number is expected to have a steep decline.

A look at the average hiring monthly hiring number shows that sectors like Engineering & Core, Hospitality and travel, expect to increase their monthly hiring numbers significantly in comparison to last year. For majority of the sectors like BFSI, BPO/ITES, Manufacturing and others, however are expecting only slight increase in the range of 0-10% in the coming year. An exception to this trend comes in the form of Pharmaceutical and healthcare sector, that expects a significant drop of about 24% in the monthly hiring numbers. Considering that most of the industry sectors were on hiring freeze this year, these numbers do indicate a budding positive sentiment amongst corporates.

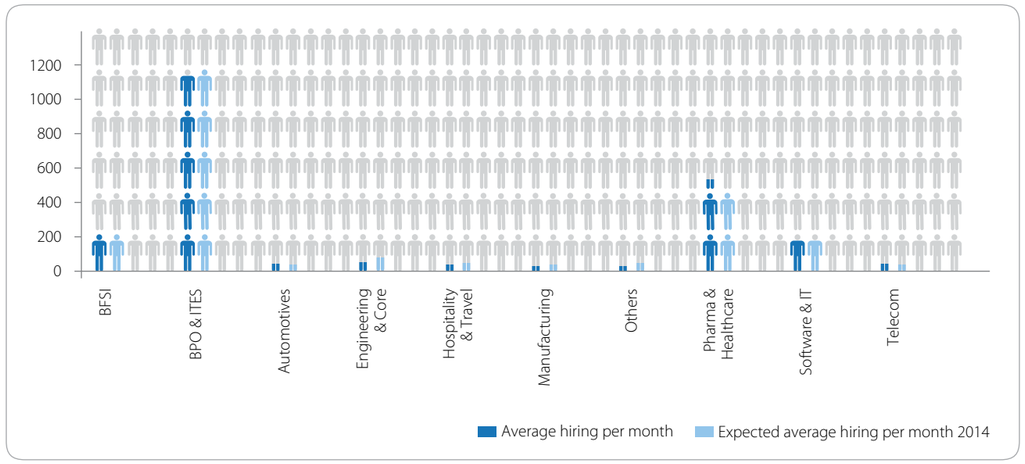
Percentage change in monthly hiring



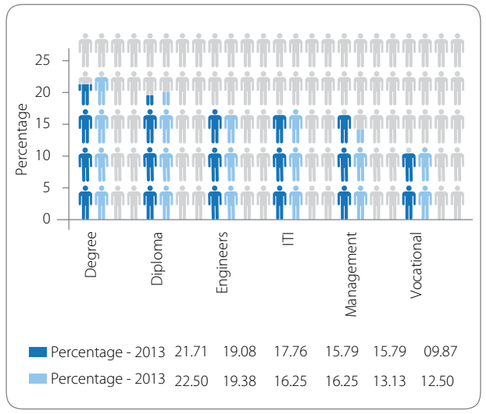
While understanding the overall hiring outlook, the employers were also questioned on domain wise segregation of the hires. This was done to understand domain area wise requirement of candidates across Industries. As per the data captured across industries, the domain wise demand of candidates remains almost the same with a nominal change of about 2-3% change in the share. This means that as far as overall market is concerned the domain wise hiring mix is not going to change much.

However when the hiring trends of individual domains are studied across industries some interesting trends are captured. The general trend shows a decline in hiring of diploma candidates, and increase in the number of management graduates in most of industry sectors surveyed. Looking from industry perspective, While BFSI is expecting to reduce the percentage of hires from Vocational Education and diploma domain significantly and hire more graduates and management candidates, the BPO/ITES domain plans to hire more from Management and Vocational domain reducing the number of degree, engineering and ITI hires. The Automotives sector wants to reduce the percentage of Diploma hires and include more management graduates and vocationally trained candidates. Even the IT & Software Industry plans to hire more of management graduates than other domains. The hospitality and travel sector that reported majority of its hiring from Management and Vocational in year 2013 is again planning to diversify across domains. A look at these trends also shows how the anxious Employers are and that they not leaving any stone unturned to get the best of talent. Domain is no longer a bar for industries, only thing that matters is that business performance is not impacted. Take for example industries like Core Engineering, Telecom that used to hire engineers primarily, and an industry like ITES etc that used to go for Degree and Diploma candidates, there is a significant move towards Management and Vocational candidates. While they are looking for higher

Change in average hiring per month

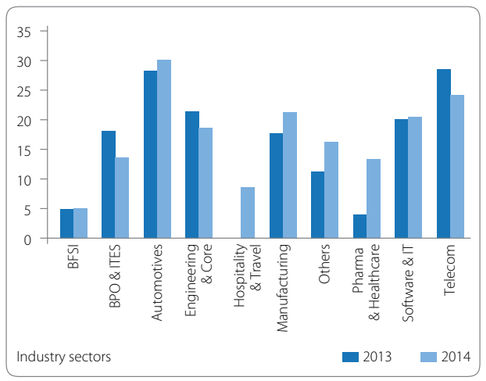


Domain wise hiring mix - Trends

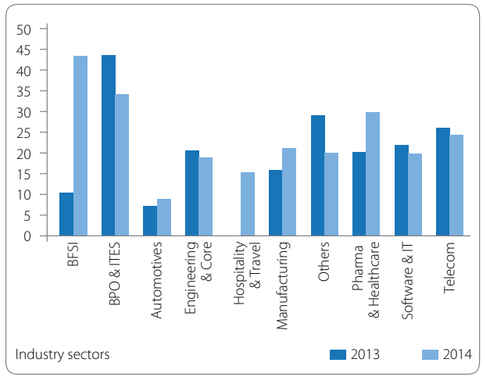


qualifications in candidates, the price tags attached across these skills are getting narrow and our talent pool in absence of better opportunities is accepting these offers. This is a risky proposition overall, as this lot of underpaid and over skilled talent supply might create some serious impact on India socially as well as economically. (The Great Indian Talent Conundrum, ISR 2014). The Employers might need to ponder over this possibility and take appropriate steps to bring the situation in control. Such a shift is also an area of concern for the Talent supply side. It is important for them to understand the driving force behind these changes so that required actions can be taken to improve any shortcomings that are present.

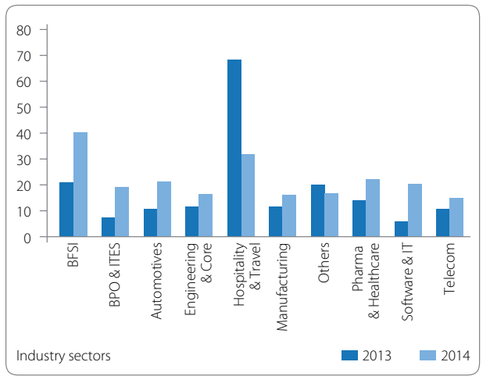
ITI - Hiring mix share



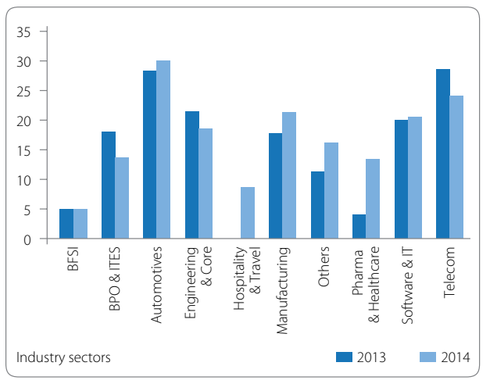
Degree - Hiring mix share



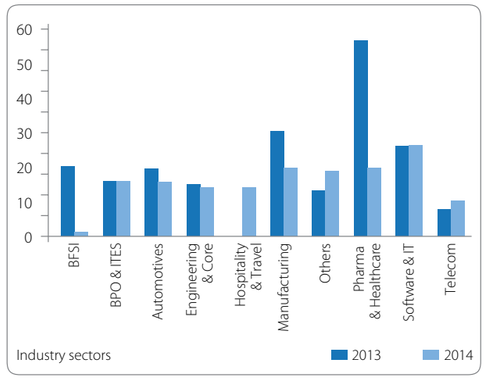
Management



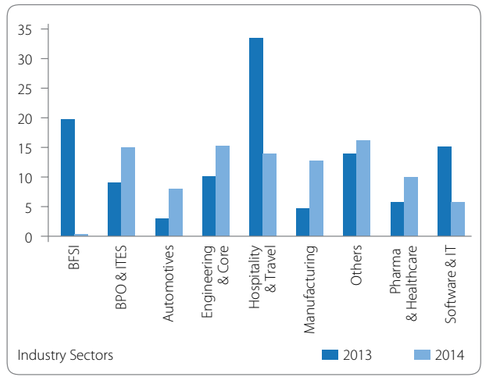
Engineering - Hiring mix share



Diploma - Hiring mix share



Vocational



Apart from the domain wise hiring trends it is important to understand the Geographic trends. For a country as diverse as India, with each state uniquely endowed by nature the economic activities are bound to differ. The clear impact of this can be seen in the state wise hiring trends. With this thought in mind; companies across sectors were questioned on their preferences for hiring. The premise was that with presence in particular regions of the country, Industry sectors would have some preferred states, from where they hire. This preference can be because of their proximity to offices, quality of talent or the cost incurred. When asked about the preferred states where companies across the 10 sectors hired from, the **Top 10 States in the employers** list were: **Karnataka, Tamil Nadu, Gujarat, Delhi, Andhra Pradesh, West Bengal, Madhya Pradesh, Maharashtra, Uttar Pradesh, Jharkhand.**

Though the above 10 states were the Top rated states; there were some sectoral preferences also for hiring. For BFSI, maximum hiring happened from Maharashtra with spread, for BPO/ITES; the hiring was spread uniformly across Maharashtra, Andhra Pradesh, Karnataka, Uttar Pradesh and Delhi. Maharashtra was again preferred by Automotives and Software sector, while Karnataka was the clear preference of Pharma & healthcare Industry. The table below shows the most preferred state for each of the Industry sectors.

Sector wise hiring preference

Industry	States
BFSI	Maharashtra
BPO & ITES	Andhra Pradesh, Maharashtra, Karnataka
Engineering & Auto	Maharashtra
Engineering & Core	Gujarat
Hospitality & Travel	Delhi
Manufacturing	Tamil Nadu
Others	Karnataka
Pharma & Healthcare	Karnataka
Software & IT	Maharashtra
Telecom	Madhya Pradesh

To Supplement this data of hiring preferences of Industries, the job survey also tried to capture the geographic presence of different industries. This was done to understand if there were some industry wise location preferences to establish operations. Though there is not much statistical evidence for this line of thought, but there are certain states which have more concentration of a particular Industry. This could be because of the natural resources available, Government policy or any several other reasons. When asked about their states of presence, companies across sectors chose varied options, some had presence in 2 states, and others from sectors like BFSI were present in as high as 25 states. Maharashtra seemed to be a state where companies of most industry sectors had a presence. It was closely followed by Delhi and Tamil Nadu, which were preferred by 6 and 5 out of 10 industry sectors respectively. The table below shows the top 3 state preferences of various industries.

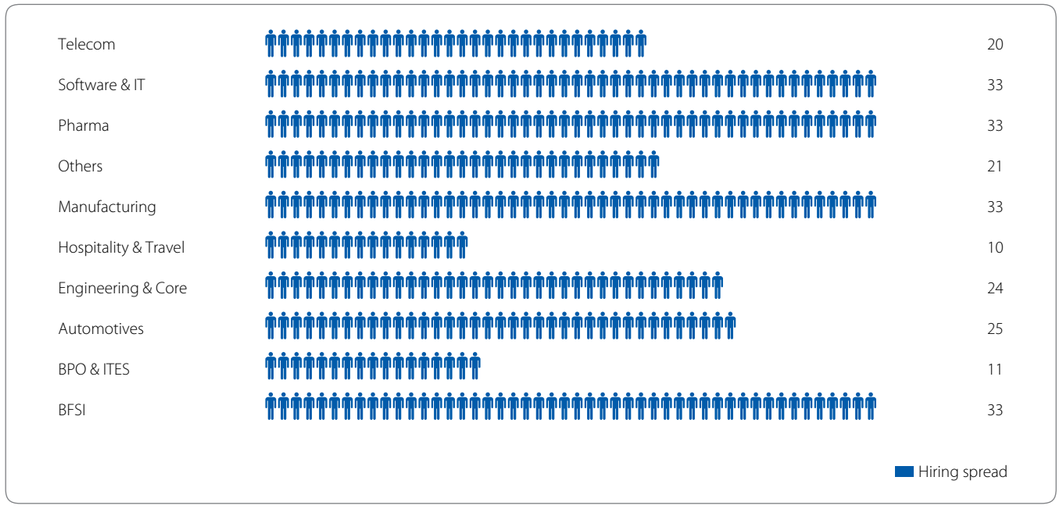
According to this data these three states seem to provide an encouraging environment that helps in growth and hence is an attractive proposition for the corporates. Apart from these three states, which were mentioned in the list of most sectors, there were certain sectoral preferences as well that are beautifully captured in the attached figure. Along with the sector wise state preferences the

Top 3 state preferences of various industries

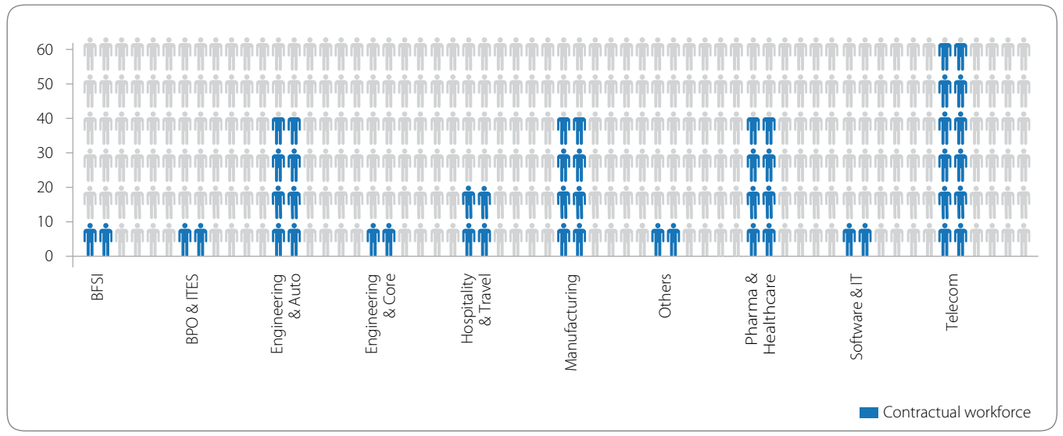
	Delhi	Goa	Gujarat	Himachal Pradesh	Jharkhand	Karnataka	Kerala	Maharashtra	Tamil Nadu
BFSI	●							●	●
BPO & ITES	●							●	●
Engineering & Auto			●					●	●
Engineering & Core	●		●					●	
Hospitality & Travel	●	●						●	
Manufacturing	●							●	●
Others						●		●	●
Pharma & Healthcare			●			●	●		
Software & IT	●					●		●	
Telecom				●	●		●		

"Hiring spread" i.e. the number of states from where companies across sectors hire was also captured. This was done to understand which of the industries hire talent across the length and breadth of the country. According to the data collected; companies from Software & IT, Pharma, Manufacturing and BFSI seem to be the ones which hire across India. Hospitality and Travel is the one which hires from selected states. This is an interesting trend, as employers are no longer restricting their hiring activity to few states, as was the scenario in 2004-05, when state wise employment by major sectors was restricted to few states like Maharashtra, UP, Karnataka, Gujarat & Tamil Nadu.(Source: NSSO 61st & 66th round, Planning Commission of India). This is an encouraging piece of information for the supply side of talent, as well as the Government. With the hiring spread increasing for most of the Industries, the candidates from all over the nation would have the opportunity to appear for a job.

Hiring spread - States and UT covered for hiring



Contractual workforce

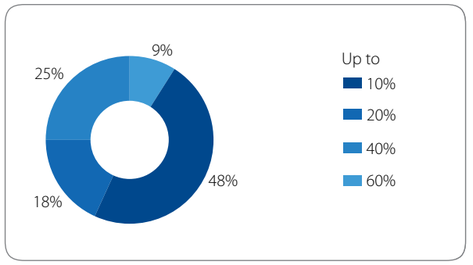


As time has passed a significant change has been observed in the hiring practices and workforce dynamics across industries. With increasing focus on cost and time efficiency increasing numbers of companies are now opting for Contractual workforce. And an interesting fact is that this trend is no longer restricted to manufacturing and allied sectors. Though they are the ones where the percentage share is higher, but contractual workforce is finding its way in other industries as well. When asked about the percentage of contractual workforce out of total employee strength, most of the employers placed their mark between 0-10%. Thus though in small numbers, the contractual workforce is finding its entry in the Knowledge based Industry sectors as well. And if this trend continues we might see further increase in the overall share of contractual workforce across industries. The figure below Contractual workforce trends across industries.

Industry wise, the share of contractual workforce shows a bit of variation, which can be attributed to their respective workforce needs. If we refer to the graph below Industries that have major share of their workforce as contractual workers are: Automotive, Manufacturing, Pharma and Telecom. These are the industries which operate primarily in the model of manufacturing units, where lots of non-core activities are passed on to contractors. For all other sectors, like BFSI, IT, ITES, Hospitality and Travel, which operate more in corporate spaces, this number is as low as 0-10%. So as far as the contractual labour mix is concerned the observations are as per the expected behavior of industries.

One of the major objectives of India skill Report was to provide detailed insights of the hiring trends to the supply side. With this in mind companies across sectors were

Contractual workforce

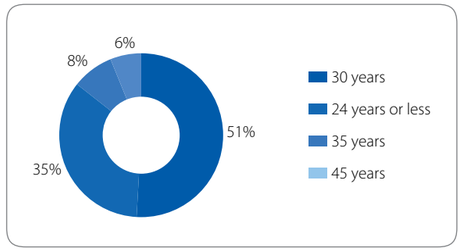


questioned on the preferred age group, preferred campuses, most important skill required, and the sourcing channels etc.

When questioned about the preferred age group; the overall trend shows a clear inclination towards young candidates; with about 86% employers preferring to hire candidates of age 30 years and below. The detailed insights are captured in the chart ahead.

Looking at the sector wise preferences, All sectors except for Telecom show clear preference to the age group

Preferred age group



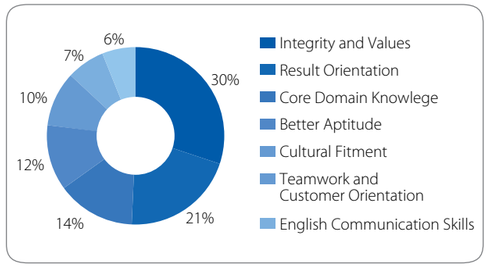
>24 years – 30. While for BFSI the 50% companies who responded to the survey prefer the age group 25-30 years, 60% of BPO/ITES companies prefer to hire from the age group less than 24 years-30 years. Similar were the preferences of the IT and Pharma sector companies where more than 80% respondents prefer this age group (>24-30 years). For a country like India, where a major share of population belongs to this age group, and is assessed to be most employable also (Refer to WEST Analysis) this seems to be a well thought move on part of employers.

Sector wise age preferences

BFSI	25-30 years
BPO & ITES	24 years or less
Engineering & Auto	25-30 years
Engineering & Core	25-30 years
Hospitality & Travel	25-30 years
Manufacturing	25-30 years
Others	25-30 years
Pharma & Healthcare	>24-30 years
Software & IT	>24-30 years
Telecom	35-45 years

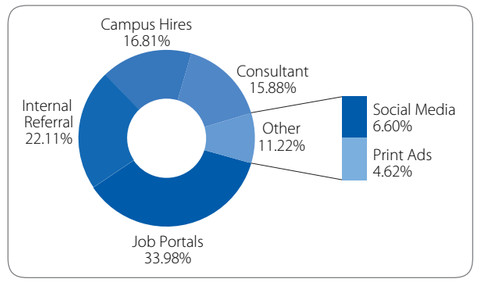
While for an employer the challenge is to find out the "skilled" talent pool , the unsolved mystery of the candidate's world is the question: what do employers want. What is that one skill that one needs to secure a job offer? The corporate job survey questioned the employers about the single most important thing they want in their prospective employees. They were given options like Integrity and values, domain knowledge, result orientation etc.When questioned about this, most of the employers across Industries, voted for Integrity and Values. This was followed by result orientation which was closely followed by Domain Knowledge.

Skills required



These preferences again, did differ for some industry sectors. While the BFSI, hospitality and ITES sectors considered Cultural fitment as the most important skill needed in a hire; the Core sector gave the most weightage to domain knowledge. But over all Integrity and values was something that came as the deciding factor for most of the industries. Another important question that job seeker has is where do the Employers look for the candidates. What is their preferred sourcing channel? For most employers across Industries, Job portals came across the most preferred sourcing channels. Internal referrals, Campuses and consultants were the other highly preferred sourcing channels. Another budding preference came in the form of the Social Media though only 7% of the surveyed employers preferred it over other sources.

Preferred sourcing channels



Again Industry sector wise the sourcing channel preferences varied, while the BPO/ITES and Manufacturing sectors' got major chunk of their supply from consultants, Automotive sector primarily sourced candidates from campuses, Core sectors from Internal referrals etc. A look at this trend shows that more and more employers now prefer the online tools for talent sourcing. While on one hand this makes it easy for the Talent Supply and demand side to reach each other, it opens up new opportunity to integrate and create efficient channels for talent supply. With Job portals being used in large number, if assessment systems like WEST are integrated to the systems, it would create a direct channel of connect from the skill pool to the employer and would inevitably increase the overall efficiency of supply chain of Talent.

An area that these days has the focus of corporates is "Gender Diversity" .According to a research conducted by Credit Suisse, on "Gender diversity and Corporate Performance" , Companies with one or more women on board have delivered higher average returns on equity, lower gearing and better average growth .With the importance attached to this issue the job survey also tried to capture the status of gender diversity prevalent across sectors. Inspite of increasing number of women breaking boundaries of sectors, corporate world still appears to be a Men's World. Though Industries like BFSI, ITES, Software & IT are trying to even out the gender Imbalance, the overall gender ratio stands as scewed as 76:24 across sectors. The chart below captures the sectoral status of gender ratio. Most of the sectors the number of women is not even 1/3rd

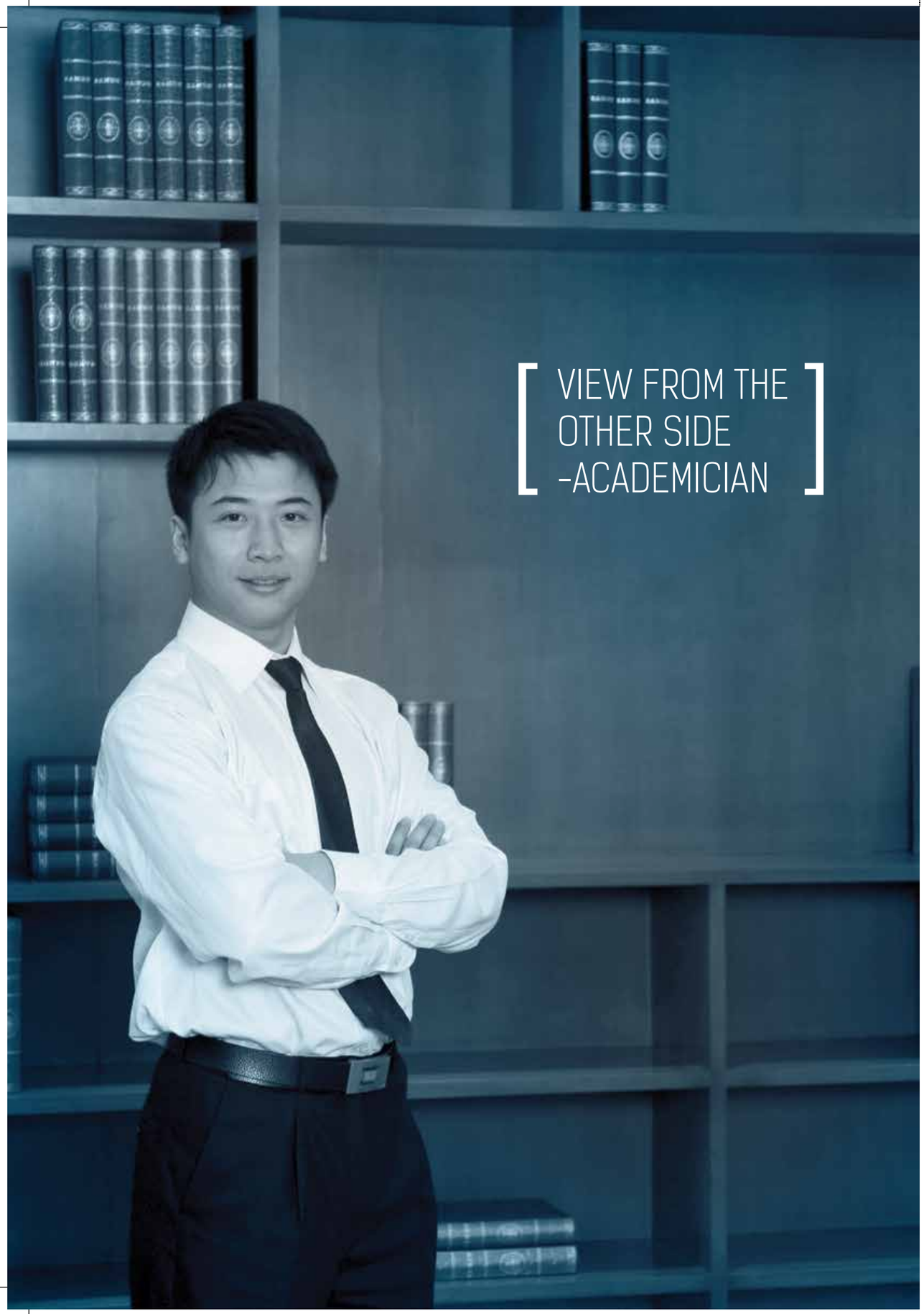
Industry wise gender diversity

Industry	Gender	Percentage
BFSI	Female	39.29
	Male	60.71
BPO/ITES	Female	38.78
	Male	61.22
Engineering & Auto	Female	16.33
	Male	83.67
Engineering & Core	Female	18.18
	Male	81.82
Hospitality & Travel	Female	33.03
	Male	66.97
Manufacturing	Female	19.39
	Male	80.61
Others	Female	38.53
	Male	61.47
Pharma & Healthcare	Female	42.42
	Male	57.58
Software & IT	Female	28.57
	Male	71.43
Telecom	Female	23.00
	Male	77.00

of the total workforce. The information collected shows that though efforts to encourage women are being made across Industries, much more is left to be done.

These detailed insights about what the employer world thinks are beneficial to both the supply and demand side of Talent Supply Chain. While the demand side can see their as-is state and make plans to reach their desired state ; With these detailed insights about the hiring outlook, and preferences of employers in hand, the skill pool is definitely much more equipped to take informed decisions about the future.

Now that the insights of the both the Talent Supply and demand side are captured, the upcoming section of the report would concentrate towards matchmaking between the data points of both sides. The combined inferences would provide better information to both ends and hence facilitate better planning and decision making.



VIEW FROM THE OTHER SIDE -ACADEMICIAN

India Skills Report 2014 aims to create standard reporting guidelines for corporate on potential skill gap involving all leading players of the Industry, supported by CII and active government participation. Through the information and analysis, this report on one hand equips the students with information to access to the job pool in the market, on the other hand provides the employers an easy access to the skill reservoir of the country.

When "Skills" are the focal point of this report and also the major topic of discussion lately, how can the picture of the skill landscape be considered complete without the custodians of skill development? While we talk about the dearth of skills and lack of employability in the existing skill pool, is it not important that to understand what the Academicians have to say about the job market. What do they think about the current level of efforts being made by the Government and the Employers and what are their future expectations from them.

The Indian Education system is perhaps the most criticized system in this world. Not only is the curriculum termed Archaic, the method of teaching have been deemed as ineffective. Even the Prime Minister has raised concern over this matter "We must recognize that too many of our higher educational institutions are simply not up to the mark. Too many of them have simply not kept abreast with the rapid changes that have taken place in the world around us in recent years, still producing graduates in subjects that the job market no longer requires. It is a sobering thought for us that not one Indian university figures in the top 200 universities of the world today." he said. These ranking might be dismissed based on the parameters used etc. ; but they surely reflect the quality of education that is being imparted at our Temples of Learning. Some people believe it's the lack of accountability of the educational institutes towards Government and Society. Some blame the system for being suboptimally organized and significantly overregulated, limiting initiatives for change and stifling or misdirecting private efforts. However lagging our education system might be, but nobody can negate the fact that educational institutes are one important part of our skill landscape. Thus it becomes imperative to understand their view points on the Indian Job Market, the steps that are needed to ensure matchmaking between supply and demand and how should they be implemented.

When academicians across domain areas were reached out and their views on current job scenario were sought they had plenty to share. The Impact of "job freeze" in major Industry sectors showed its impact when the academicians termed the market as not healthy at present. In the words of a faculty from Tecnia, an institute for Post Graduate Studies , "Job market scenario is not at all healthy at present. Openings for freshers are very limited and due to lack of expansion plans by various corporates, new opportunities are limited." While almost all the Academicians accept that the current job market has become very challenging, many

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- Mr. Amit Kumar,
Tecnia, An Institute for Post Graduate Studies

of them are believe that for a "quality" talent there is nothing like Job Freeze.

As shared by Prof. B S Bhullar, from BBSB Engineering College "The job market although fluctuating, is equally demanding for the skilled people. ". He believes that if learning attitude, cultural flexibility and working environment adaptation is reflected by the young talent, they can transform these challenging times to opportune times and make the most out of it. Similar views were also shared by Prof Ridhi from TIPS, dwarka, who believes in the economic strength of India. In her words , "Most market gurus in India and abroad are of the opinion that India has never been hit badly economically in the past not even in the time of recession. This is a huge boost for the Indian Industry and there has never been a slump in employment. This is enough proof that India is economically stronger than some of the developed countries of the world." She feels that with rapid globalization, and entry of foreign players in Indian markets large numbers of jobs have been created and this is an advantageous situation for fresh

graduates and professionals alike who are looking for better and highly paid jobs. Though the overall views on the Job market do seem hopeful, some of the academicians also have some complains with the employers. They believe that the employers in the job market are not being fair to all colleges. According to Mr. Praveen Saini from G L Bajaj group of institutions, "The biggest problem which is being faced by students that companies are not giving fair chance to the students apart from students of IITs, NITs & regional

"The biggest problem which is being faced by students is that companies are not giving a fair chance to the students apart from students of IITs, NITs & regional colleges to participate in the selection process. I would like to suggest that companies should give fair chance to all the students to appear in the selection process so that students from other colleges can also prove themselves"

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G L Bajaj Group of Institutions

colleges to participate in selection process. I would like to suggest that companies should give fair chance to all the students to appear in the selection process so that students from other colleges can also prove themselves."This is a valid point to bring up. While most of the employers fight for the talent in few premier institutes students from other colleges are overlooked. These students then do not get jobs in their related field of specialization and often end up in jobs which are way below their skill levels or stay unemployed. This is a condition that is faced by students of almost all educational institutes in small cities. If we want to have true matchmaking between skills supply and demand sides rigorous steps are needed to solve this problem. The colleges need to provide best in class facilities and relevant knowledge to their students so that they are competent enough to face the talent from premier institutes. Employers need to come up with recruitment processes that hire students on the basis of their capability and skills, not the college's name. Their support is also required in making the available skill pool more competent. Even the academia feels the same. In their views "Employer is the only one who can give proper guidance to the students about employability skills.

They know which all the skills are highly required to perform above the expectation in the organization. In actual they are having real world experience. So their guidance to the students would add value to students". Similar views were also shared by Mr Gaurav Saini, MVM University. According to him "Employers and business have an essential role to play in setting the standards for training and education so that young people can develop high quality, relevant skills that will enable them to make a positive contribution to the success of organisations". Especially in areas related to technology, where rapid advancements take place with each passing day, academia feels the need for support all the way more. As Professor Bhullar shares, "Employers adopt new technology seeking the commercial benefit and are expected to contribute to the technology transfer to the budding technocrats. This time lapse monopolizes the technology and bereft the younger generation from their advancements." An essential ingredient for any enduring partnership is equal commitment and participation from both parties. While the academia seems up and ready to bring in changes to meet the market needs, the employers too need to contribute by maintaining Employer-Institute relationship. While in many sectors this is a common occurrence, it is important that this practice is accepted throughout the sectors and is not restricted to few colleges and geographic areas.

While most of the time academia of our country is under scanner, sometimes due to the education system; other times with respect to the infrastructure being provided to students, they also face challenges that is rarely captured. They have to follow the Government regulations and frameworks for course curriculum, groom the talent in a manner that it is readily employable by the corporate. When asked about their challenges, the academia shared their views on different areas. Some felt that the Student Assessment system in itself is a challenge. It should be devised in such a manner that the students are able to work on their improvement areas. According to Mr Praveen Saini "There are some challenges which are coming on the way while students are being guided for skill development. The biggest one is proper assessment of the students and then implementation of solution for the same."This is very similar to concern that was raised by employers , citing need for

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"skilled" rather than "qualified" labour. When the assessment techniques used in our education system are not accurate, how can the Talent that is measured and judged on its basis be the best in class.

Another area of concern for the academia is dealing with the "Talent" in an empathetic manner. The transformation from being a student to an employee is a crucial event of a person's life. It is important to handle them with care and at the same time make them ready to face the challenges of real world. This in itself is an intricate task. And more often than not, the biggest challenge is maintaining the student's interest and at the same time encourages their participation. As rightly shared by Professor Ridhi , "As a mentor and a coach, we are faced with a lot of difficulties that need to be addressed for efficient skills development. The major challenge is to bring the students out of their comfort zones and acquaint them with the concept of "struggle" to inculcate and improve their skills. A significant amount of planning and creativity is needed to make it possible. Lastly, placing the student into a wide variety of environments assess the degree of skill acquisition." The job of being the "Custodians" of skill development is certainly not easy. And it requires support from Government, Students, as well as employers. If the connection with any of these entities is broken, the quality of skill will go down and all the entities of the skill landscape would suffer.

A look at the hiring outlook and the skill levels of talent supply as captured in the India Skills Report shows that, India has a humongous task ahead of it. With the quantity of "quality" talent required to meet the Job demands in the coming years, it is important that the fears and challenges faced by Academia are taken into account . The Government, and the Employers need to work more closely with each other as well as the academia to ensure that the Talent coming from the source is no longer wasted.

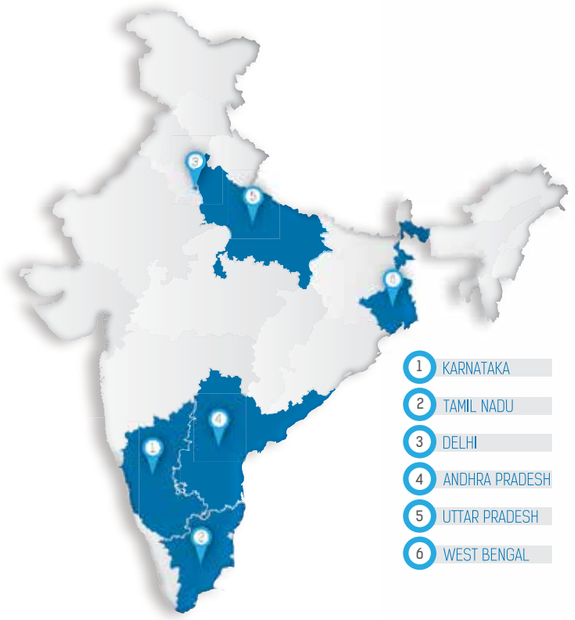
[CONCLUSION]

Year 2020 for our country India, is going to bring with it challenging days. A young "to-be employed" population on one hand with jobs that have a demand for "skilled" workforce on the other. The only way to turn these challenging days to an advantage is - Matchmaking the Talent supply and demand. The first India Skills Report, with its Employability Skill Test and a Corporate Job survey provides information that can help in taking steps in this direction.

In the previous sections of the report, the analysis of the WEST scores of ablout100000 candidates, brought out the current skill levels across states; age groups; domain areas and gender and the Analysis of response to the Corporate Job Survey brought out the hiring and job demand outlook across industry sectors. This section would be used to draw parallel between the inferences of the two sides, and bring out some useful insights for both the job seekers and job providers.

The In-depth analysis of the WEST score of test takers across states helped us understand the employability status of the available skill pool. With this data, the employability of the skill pool of Individual states was also measured. This data when combined with the data from the demand side, carved out a clear picture of states where the talent and job have the best opportunity to meet each other. These states which have the most employable talent and at the same time are the "preferred" hiring destinations of employers were: **Karnataka, Tamil Nadu, Delhi, Andhra Pradesh, West Bengal, Uttar Pradesh** ***(Refer to the map below).***

Though not much regional interpretations can be drawn from this list, the states belonging to Northern and Southern region of the country seem to be in a better situation. These



are the states that are doing an exemplary job – at one end of creating an encouraging environment for employers to establish their centers and create employment opportunities in state, on the other end they are training the skill pool to be best in class and ready to be employed by these employers. A cursory look at the practices shows the various skill development and industrial development initiatives that the Government is taking in these states. There are Investor meets, Fares, & Business parks being created which help in market development and Various training and skill development initiatives to convert the "qualified" graduates to "skilled" prospects for employers Though the overall number of candidates who are eligible for employed is not as high as it should be but replication of the initiatives being taken in these states is surely a good way to start. (A detailed overview of the initiatives taken by these states is part of the next section of India Skill Report.)

The 10 industry sectors which are considered in India Skill Report are different, not only in their area of work, services and products offered, but also in the kind of people they hire the most. As their needs for a particular domain of candidates are different, their focus areas for hiring would logically be different. A combined study of data from the supply and demand side brought out the following insights. Taking into account the top two domains that dominate the hiring pie for each sector from the demand side, and the **Top states where the best talent for those domain areas is available, following states were identified as lucrative hiring regions for each of industry sectors:**

BFSI	Haryana, Tamil Nadu, Uttar Pradesh, Delhi
BPO & ITES	Orissa, Punjab, Delhi, Uttar Pradesh, Andhra Pradesh, Karnataka
Engineering & Auto	Karnataka, Tamil Nadu, Andhra Pradesh, Punjab, Uttar Pradesh, Delhi
Engineering & Core	Karnataka, Tamil Nadu, Punjab, Delhi, Andhra Pradesh, Uttar Pradesh
Hospitality & Travel	Karnataka, Tamil Nadu, Uttar Pradesh, Delhi
Manufacturing	Delhi, Karnataka, Tamil Nadu, Andhra Pradesh, Punjab
Pharma & Healthcare	Punjab, Delhi, Tamil Nadu, Andhra Pradesh, Uttar Pradesh, Karnataka
Software & IT	Orissa, Andhra Pradesh, Tamil Nadu, Delhi, Karnataka, Punjab
Telecom	Karnataka, Tamil Nadu, Uttar Pradesh, Delhi, Andhra Pradesh, Punjab

These states contain the best of talent in particular domain areas, hence if makes business sense for employers, hiring from these states would help them in meeting the best of talent. Consider Karnataka for e.g. this state is amongst the top states that provide the most skilled engineers to the Industry. And that is why it is preferred by the sectors like Software & IT, Manufacturing Telecom etc.

In today's times when employable candidates are lesser in number; getting the best of talent is a "war" in itself. To win this "War of Talent" companies try to understand the preferences of their candidate pools and try to provide as much levy as possible. At times compromises are made on compensation, work timings and even on job locations. **With this in mind the WEST test takers were also asked about their preferred destinations to work. This information when combined with the top states where companies of various sectors have a presence (as captured from Corporate Job Survey) provided the list of states where the thought process of the talent supply and demand sides meet. The states that made to this list are: Tamil Nadu, Karnataka, Delhi/NCR and Maharashtra.**

It could be attributed to the support provided to the employers by the government in these states, or to the infrastructure and facilities that attract the job seekers towards the cities in these states; but other states surely need to take steps so that the population of job seekers is not concentrated towards particular cities and states. But here again there is a word of caution for the Governments of these states, since they are preferred by the employers, there is no room for error. Come what may they have to ensure that a continuous supply of skilled manpower is ensured because if the states are not able to meet the talent needs, employers too might move out to meet the talent needs.

The work culture and work environment of companies in different sectors varies quite significantly. This variation is one of the major factors which govern the workforce demographics. For e.g. An industry that requires too much physical prowess, tends to have more male employees, an industry like BPO where the work timings are odd hires young population who can adjust to these time swings. To understand the overlaps between the Supply and Demand side over these factors the WEST scores of the supply side and survey responses of the demand side were also analyzed through the demographic lens.

For this purpose, when data captured through Employability Skill Test and Corporate Job Survey was brought in together a striking match between the supply and demand side came up. As per the data captured from most preferred age group for hiring as per the employers across industry sectors is from below 24 years till 30 years. More than 80% of the employers preferred to hire from the age group less than 30 years. When it comes to the supply side, about 35% of the test takers in the age group less than 30 years were found employable. And most of this lot belonged to the age group of 18-21 years (about 40%) significantly higher than the other age groups.

The combination of these data points brought out good news for sectors like BPO/ITES, Engineering & Auto, Manufacturing, Pharma and Healthcare, Software & IT , Retail, and Consulting etc. where most employers (more than 1/3rd) prefer to hire from the age group 18-21 years as the maximum number of quality talent belong to this age group. As for the other Industry sectors and age groups, the employers, academia, government as well as the skill pool would need to work together, to come up with a way to solve the talent puzzle.

When both the Government and Corporates are trying to encourage the participation of women in Job market and economy as a whole, it made sense to understand how the females fared in terms of skill levels, also in terms of presence in the corporate well. These data points captured respectively from WEST score and corporate responses when clubbed together brought up an encouraging picture for the future. As per the corporate job survey the current gender diversity status across industry sectors is 76:24. This means that currently the number of females has not even reached one-third of the total workforce. Infact out of the 10 Industry sectors that were studied, only 4 had a gender ratio of 2:1. The supply side on the other hand showed that women test takers significantly more employable than the male test takers. Thus, though the efforts of Government are showing results with such encouraging levels of employability in women, the corporate from different Industry need to do their part and provide them the opportunity to put their knowledge and skills to work. The states from where these "Employable" female candidates can be hired are "Punjab, Tamil Nadu, Uttar Pradesh, Andhra Pradesh, Delhi, Haryana, Karnataka, Orissa, and West Bengal". If we compare this data with the current preferred hiring locations of employers across

sectors, following **sectors have the best opportunity of improving the gender ratio of the organisations, as they already hire in large number from the states where the 'employable' females are found in large numbers.**

BFSI, BPO/ITES, Hospitality, Manufacturing, Pharma and Healthcare, Software and IT . As for the other sectors, some extra efforts would be needed, either to increase the skill levels of females in the states they hire, or to increase the spread of states from where they hire.

With the status of both sides of the Talent Supply Chain put together; the complete skill landscape is being painted on the canvas. This comprehensive understanding of the supply and the demand side shows various areas where the employers, academia, as well as the Government need to work. The situation looks challenging, but it also brings with it an opportunity to come up with new ideas and plans to make situation better. Today, the presence of Technology is also a major facilitator. All needed is to create processes and value chains that can be facilitated by its use. For setting up this kind of a system the academia, Government and employers need to brainstorm and come with the processes that can help both sides communicate more and ensure that the talent supply-demand gaps are reduced with each coming day.

BRIDGING THE DEMAND AND SUPPLY GAP

[SYMBIOTIC SYSTEM]

The findings of Employability skill test, the corporate job survey along with the views from Academia, Students and Employers unanimously support that Collaboration amongst the players holds the key to resolve the Big Indian Talent Conundrum. While currently there's no clear path that can be followed right away; there is a ray of hope in the form of States where matchmaking to some extent has taken place. These are the states, which are progressing in the right path and giving birth to a symbiotic system where the talent flourishes, Industries grow and together they contribute towards the economic development of the country. If the mild success that these states have achieved is an indication, taking inspiration from the programmes and initiatives from these states definitely makes sense. The models implemented in these states if replicated across states might be able to create a Symbiotic Ecosystem, where both the Industry and Skill with grow in Tandem leading to a developed nation. With this line of thought this section tries to enlist the initiatives and schemes of the three states that fared better than others in matchmaking Skill supply and demand.

KARNATAKA

Karnataka, with its Capital in Bangalore is one of the major states that have created a symbiotic environment, for equal development of Talent as well as industry. The eighth largest State in India in terms of area and home to 5.1 per cent of country's total population, Karnataka has emerged as a key State in India with setting up of knowledge based industries such as IT, biotechnology and engineering over the last decade. The major industries in the state include Aviation and Aero space; Auto and auto components; Engineering; Textiles; Pharmaceuticals; Biotechnology etc. With over 100 Research & Development (R&D) Centres and 650 MNC already located in the state, Karnataka leads in exports of electronics, computer software, and biotechnology. It has a Gross State Domestic Product (GSDP) of Rs. 298 thousand crore (as of 2011-12) at constant prices with biggest contribution from the Services (54 per cent), followed by 28 per cent in industry and 17 per cent in agriculture.

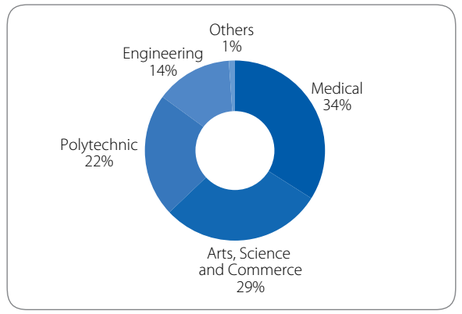
The State is a manufacturing hub for some of the largest public sector industries such as Hindustan Aeronautics Limited (HAL), Bharat Heavy Electricals Limited (BHEL), Bharat Earth Movers Limited (BEML), etc. According to Annual Survey of Industries (ASI), the State has about 9,000 factories and accounts for more than 5.38 per cent of the total registered factories in the country.

This widespread presence of varied sectors in the state is an indication of the encouraging economic environment that fosters this growth .There are bodies like Karnataka Udyog Mitra (KUM), a single contact point for all investors who intend to set up enterprises/business in Karnataka which encourage more and more businesses to establish in the state. It is the result of efforts like this which placed Bangalore amongst the world's top 20 influential startup ecosystems, a list that was led by Silicon Valley, Tel Aviv and Los Angeles.The list had only one other Asian country, by Singapore Global research firm Startup Genome. The Government provides funding support to these startups. Infact it recently created a Rs 5-crore angel fund to finance innovative startups. Various Industrial areas and Special Economic zones have been established for providing better facilities . Karnataka Industrial Areas Development Board (KIADB) , a wholly owned infrastructure agency of Government of Karnataka, works towards providing necessary infrastructural support to the companies. KIADB has so far developed 141 industrial areas in 28 districts of the State. The State Government has also been inviting investments into the State through its initiative of arranging Global Investors Meet (GIM) in the State. Through these GIM, the State Government enters into MOUs with companies which have the potential to create employment opportunities for people. Such Initiatives and investments from the Government are attracting more and more companies towards Karnataka and are resulting in more employment in the state.

As per the Corporate Job survey, conducted on companies of 10 major sectors across India, Karnataka is amongst the top three states where maximum hiring takes place. The major Industry sectors that reported significant hiring from Karnataka were Software & IT, BPO/ITES, Pharma and Healthcare, Automotives, Core Sector, Hospitality & Travel, Manufacturing, BFSI, Retail, Telecom. The state has presence of almost all industry sectors.

With the presence of these Industries the state has to meet their talent demands as well. For meeting the Talent Demands, the Government of Karnataka has made education and skill up-gradation as the corner stone's of its policy.

Karnataka, also known as the 'Knowledge Hub of India' has about 44 universities. Most of the colleges at 52 per cent are private unaided, followed by 26 per cent Government owned and remaining 22 per cent private aided colleges. The state has some of the reputed higher education institutions. These include IISc, IIM, NIT, NLS and other renowned colleges. The following chart shows the distribution of these institutes, which are more than 1300 in number.



SOURCE : NSDC Report 2012

Apart from professional qualification, special attention is given to vocational training. Government has opened 289 polytechnic institutes throughout the State, in addition to setting up of 1,507 Industrial Training Institutes (ITIs). Assistance is also provided to private players for setting up training institutes within the State. In 2008, the State Government set up the State Skill Commission with a mission at empowering all individuals through improved skills and knowledge. The Government has also set up a Knowledge Commission (Karnataka Jnana Aayoga) within the State on the lines of the National Knowledge Commission, to build excellence in the educational system to meet the knowledge challenges of the 21st century and increase Karnataka's competitive advantage in fields of knowledge. In addition, Karnataka Vocational Training and Skills Development Corporation (KVTSDC) has also been set up with a target of imparting skills and employment to 10 lakh persons in the next five years. In addition to the above, various training programmes are organized independently by different Government Departments. There are also some private training institutes which have the capacity provide skill based training to over 22000 people in areas like software, hardware, animation, multimedia, BPO training etc.

Apart from these initiatives, various steps have been taken in collaboration with the employers. Karnataka's own Skills Commission with representatives from trade and industry has also been established to come up with sound planning. KVTSDC converting a few employment exchanges in the districts into HRD centres in PPP with Team Lease. India's first Retail Training Centre has also been launched in PPP with Bharti Wall Mart in Govt. ITI in Peenya, Bangalore.

KVTSDC	GoI and GoK	Department of Horticulture
• Organize skill and job fair • Skill training programmes under MES • Establishing HRD centres in employment exchanges in PPP • Launch of India's first retail training centre in PPP • Target of skilling 10 lakh people	• Oil Palm Development Programme • Exposure visits and training programmes for farmers on advance practices in oil palm cultivation	• Annual training programmes • Post-harvest management programmes • Setting up mango development centres
Karnataka Co-operative Poultry Federation	**Dept. of Animal Husbandry**	**Brackish Water Fish Farmers Development Agency**
• Short term training in poultry provided to farmers	• Pig breeding programmes • 793 farmers trained in 2011-12 • Established polytechnic centre in Tumkur in 2011-12	• Development of brackish water area • BFDA established at Karwar and Udupi
KEONICS	**Dept. of Collegiate Education**	**Dept. of Agriculture**
• Karnataka State Electronics Development Corporation (KEONICS) provide IT and ITES training • Has a network of 289 centres across state	• Hosa Hejja Programme for teachers • Key initiatives – Sahayog, Manavathe, Angala, Sampark, Aptamitra, Shikshana, Adalat, Daksha	• Karanataka Krishi Mission • National project for cattle and buffalo development

Source: Economic Survey of Karnataka 2011-12 and IMaCS Analysis

Some of training programmes and schemes being run by State Government are listed above.

All these initiatives are surely showing their results. **As per the scores of WEST takers in the state, Karnataka is amongst the Top 10 states which have the most employable skill pool. With an employability percentage of about 18%, the state also finds place in the Top 10 list of Individual skills required for "Employability" i.e. Communication skills, Logical Numerical ability etc. Even when the top states with "employable" male and female populations are segregated, Karnataka features in the Top 10 states. The state also has the best quality engineering & ITI / Polytechnic graduates in the country.**

Though all these initiatives might not have achieved 100 % of the targets but they surely are the steps in the right direction. These initiatives can definitely be used as a blue by other states to draw up the skill development plans of their own.

DELHI

Delhi, also known as the National Capital Territory of India, is the largest commercial centre in northern India. With a Net State Domestic Product (NSDP) of Rs 201,653 Cr in 2012 (at constant prices with base year 2004-05) its economy is primarily service sector oriented with the tertiary sector contributing about 87% of total NSDP in 2012. Key service industries are information technology, telecommunications, hotels, banking, media and tourism. Construction, power, health and community services, and real estate are also contribute a lot to Delhi's economy. Apart from these the two sectors that are growing rapidly are retail and Manufacturing. As per the Fifth Economic Census conducted in 2005, Delhi was ranked 16th in all India ranking (based on the results of only 35 States and Union Territories) in respect of number of establishments contributing about 1.80 per cent of the total establishments in India.

Being the National Capital and a Metropolis, the thrust is towards encouraging modern Hi-tech, sophisticated, export-oriented, non-pollutant small scale industries in Delhi. One of major steps taken by the Government of was envisaging the Industrial Policy for Delhi 2010-2021 in this regards. The vision is to make Delhi a hub of clean, high-technology and skilled economic activities by 2021 by policy shift essentially to change industrial profile from low skilled to high tech and high-tech and high- skilled.

With the help of this plan, Infrastructure Development was encouraged through better O & M of industrial assets, support skill development and other promotional measures (like allowing knowledge based industries in industrial areas, decongesting industrial areas through redevelopment process, discouraging polluting industries through higher infrastructure development fee). DSIIDC has been deemed as the agency for Development, Operation and Maintenance of the entire industrial infrastructure of Delhi. To empower DSIIDC and to make special provision for securing the orderly establishment of industrial areas/ estates and their management, operation and maintenance in the NCT of Delhi, the Legislative Assembly has enacted the Delhi Development, Operation and Maintenance Act 2010. This legislation meets the need for institutionalize legal arrangement for development and maintenance of industrial infrastructure in Delhi. Apart from this, investment is being made by the Government to develop more knowledge based Industrial parks where players from varied industry sectors would be provided best in class facilities. Apart from providing support to existing players to establish entities in the state and create employment opportunities, Government is also encouraging new players to come up. With initiatives like Society for Self Employment, entrepreneurs are encouraged to start small and medium sized entities and they are provided support. To attract investments for these players, the Govt. of Delhi also organizes Trade Fairs and Exhibitions along with subsidy to participate in international trade fairs organized by ITPO and organisations like CII for SME's.

This kind of focused attention being given to both existing and new players seems to have worked for Delhi **Featuring in the Top 5 preferred states for hiring, Delhi is provides employment opportunities better than some other states which are twice or thrice its size. With the National Capital being a part of the state almost all major industry sectors reported significant hiring in Delhi. The major sectors whose presence was captured as per the Corporate Job Survey, Software & IT, BFSI, Core Sector, Hospitality & Travel, Manufacturing were the sectors.**

The above facts show that Delhi is amongst the preferred destination for many companies who have or are planning to have their presence in the state.

Government Schemes

Name of schemes	Departments involved	Brief description
Craftsman Training Scheme	Directorate General of Employment and Training (Govt. of India) & Directorate of Training and Technical Education (Govt. of the NCT of Delhi)	1-3 year certificate courses in 100 trades
Apprenticeship Training Scheme	DGET (Govt. of India) and DTTE (Govt. of the NCT of Delhi)	0.5-4 years industrial training in 188 trades, primarily in the manufacturing sector, along with a monthly stipend
Centre of Excellence Scheme	DGET (Govt. of India) and DTTE (Govt. of the NCT of Delhi)	Upgradation of 100 ITIs to provide 2 year multi-entry-multi-exit courses at a total cost of 160 crores
Modular Employable Skills Course under the Skill Development Initiatives Scheme	DGET (Govt. of India) and DTTE (Govt. of the NCT of Delhi)	Training 1 million people in short term modular courses, or test and certify their existing skills (with a free refund for successful candidates) over a period of five years
Part-time Industrial Workers (evening classes) Scheme	DTTE (Govt. of the NCT of Delhi)	2 year course for trades of Electrician, Mechanic Motor Vehicle, Refrigeration & A/C and Fitter
Special Component Plan/Tribal Sub-Plan Scheme	Department for the welfare of SC/ST/OBC/Minorities (Govt. of the NCT of Delhi)	SC/ST youths trained to become plumbers, welders and scooter mechanics; tool kit provided to successful trainees
Coaching-cum-Guidance Scheme	DGET (Govt. of India) and DTTE (Govt. of the NCT of Delhi)	Free stenography training in English for SC/ST candidates, along with a monthly stipend
Earn While You Learn Scheme	DTTE (Govt. of the NCT of Delhi)	On job training for ITI students by employing them in the maintenance work of the ITIs, with fixed remunerations

SOURCE : NSDC Report 2012

Government Schemes

Name of schemes	Departments involved	Brief description
Swarn Jayanti Shahri Rojgar Yojna (SJSRY) Scheme	Ministry of urban development (Govt. of India), department of urban development and DTTE (Govt. of the NCT of Delhi)	Providing short term courses to rain slum dwellers in employable skills and financial assistance to set up gainful self-employment ventures, till date more than 2100 people have been trained
Welfare Scheme of the Delhi Building and other Construction Workers Welfare Board	The Delhi Building and other Construction Workers Welfare Board of the Labour Department (Govt. of the NCT of Delhi)	Providing vocational training and financial assistance for education and the purchase of work related tools to register construction workers and their family members
Technical Education Community Outreach Scheme (TECOS)	DGET (Govt. of India) and DTTE (Govt. of the NCT of Delhi)	Providing training programmes for slum dwellers through NGOs to enable them to gain self/wage employment
Delhi Ladli Scheme 2008	Women and Child Development Department (Govt. of the NCT of Delhi)	Empowering girls by linking financial assistance (accessible after attaining 18 years of age) with their education
Community Based Computer Assisted Vocational Training and Skill Development for Women	Women and Child Development Department (Govt. of the NCT of Delhi)	Providing multi skill training in various trades like computer assisted textile designing, computer designed woolen garment making etc. to women living in slums through NGOs
Support to Training and Employment Programme for Women (STEP)	Women and Child Development Department (Govt. of the NCT of Delhi)	Providing training for skill upgradation through NGOs to poor and asset less women in the traditional sectors viz. agriculture, animal husbandry, fisheries, handlooms etc.
Rajiv Gandhi Swavlamban Rojgar Yojna (RGSRY)	Delhi Khadi and Village Industries Board (Govt. of the NCT of Delhi)	Financial aid of upto Rs.3,00,000 as loan for eligible projects in the secondary, tertiary or service sectors

SOURCE : NSDC Report 2012

As the supply side data collected in the report shows, Delhi is one of the states where the skill pool was most employable. **With about 29% of the skill pool termed as employable employable, Delhi is amongst the top 3 states which have maximum employable population. Not only this, the state also finds place in the Top 10 list of Individual skills required for "Employability" i.e. Communication skills, Logical Numerical ability etc. It also fares well in the list of top states that have maximum employable population – gender wise, and also age group wise. With such striking presence in all the data categories, Delhi surely is amongst the highly "skilled" states of the country.**This to some extent could be attributed to High level of urbanization that leads to better literacy rate or to the Best-in-class institutes that are present in the state. As far as professional education space is concerned Delhi is home to four central, five state universities and eleven deemed universities. It includes, premier institutes in almost all fields of education. But apart from the professional education that is being provided in these institutes, various other steps are being taken to facilitate skill development. The Directorate General of Employment & Training (DGE&T), Ministry of Labour & Employment, at Central Government level has started some schemes along with State Government to cater to the semi skilled manpower requirement of the Industries in both organized and unorganized sectors. These schemes vary from short term part-time courses (60 hours to 1-3 year programs, primarily catering to various skills in the manufacturing sector. The private sector is also involved in the training of workforce. Three 'Centers of Excellence' have been set up and another three have been upgraded under the Public Private Partnership (PPP) scheme for training workforce in the manufacturing and information technology sectors. The table below captures few government schemes that are in place and are working to increase the skill levels of Talent.

Though the success of these skill development programs has been limited due to implementation issues, even this limited success has made the talent available more "Employable" in comparison to other states. One can only imagine the impact that can be brought in by complete implementation of these plans. Nonetheless , these initiative do make part of the best practices that can be used by other states to improve the quality of their skill pool and resolve the talent supply and demand gap issue.

Government Schemes

Name of schemes	Departments involved	Brief description
Setting up of Employment-cum-Income Generating Units for Women (NORAD)	Women and Child Development Department (Govt. of the NCT of Delhi)	Through NGOs training poor women in traditional and non-traditional trades, ensure their employment and provide financial assistance; partially funded by the North American Aerospace Defense Command (NORAD)
Prime Minister Employment Generation Programme (PMEGP)	Ministry of micro, small and medium enterprises (Govt. of India) & Delhi Khadi and Village Industries Boards (Govt. of the NCT of Delhi)	Providing subsidy for 15-35% of the total cost of setting up of an enterprise in the manufacturing, business or service sector
Self-Help Employment Courses	Delhi Labour Welfare Board (Govt. of the NCT of Delhi)	Short term (8-15 days) long term (30-65 days) self-help employment courses

SOURCE : NSDC Report 2012

Private sector participation

- 3 ITI colleges have been setup under the **'Centre of Excellence'** scheme in partnership with private players like Hindustan Machine Tools, Educom IT Solution and North Delhi Power Limited
- 3 institutes have been **upgraded to 'Centre of Excellence'** under Public-Private-Partnership
- Plans of upgrading other institutes to 'Centre of Excellence' – **MOUs signed with private players** like LG, CISCO and Toyota Kirloskar
- Private organizations, industries and NGOs registered as **Vocational Training Providers (VTPs)** under 'Skill Development Initiative Scheme'

SOURCE : NSDC Report 2012

TAMIL NADU

Tamil Nadu is one of the leading states in terms of demographic dividend, with approximately 66% of the population lying in the working age group. The eleventh largest state in India by area and the seventh most populous state in India, it is the second largest state economy in India as of 2012. It contributed 7.6 per cent to India's gross domestic product (GDP) in 2012-13 and its gross state domestic product (GSDP) grew at a compound annual growth rate (CAGR) of 16.1 per cent between 2004-05 and 2012-13, reaching US$ 133.1 billion in 2012-13.The state has the highest number (10.56 per cent) of business enterprises and stands second in total employment (9.97 per cent) in India, compared to the population share of about 6 per cent. In the 2013 Raghuram Rajan panel report, Tamil Nadu was ranked as the third most developed state in India based on a "Multidimensional Development Index".

Tamil Nadu is also the second most industrialized state in India. Services contribute to 45 per cent of the economic activity in the state, followed by manufacturing at 34 per cent and agriculture at 21 per cent. Some of the sectors that are prominently present in Tamil Nadu are leather Industry, Textile and Engineering, Automotive, Heavy Industries, Electronics & Software.

One unique thing about Tamil Nadu is that Government is the major investor in the state with 51 per cent of total investments, followed by private Indian investors at 29.9 per cent and foreign private investors at 14.9 per cent. This alone speaks volumes about the involvement of Government towards Industrial development. In addition to this, the state has a well-developed social, physical and industrial infrastructure and virtual connectivity. Excellent road and rail network, three major ports, 23 minor ports

and seven airports provide excellent connectivity. It is one of the first states in India to have 100 per cent metaled road connectivity. The State also fully recognizes the need for spreading the new industries into all regions of this State particularly on the less developed regions of South Tamil Nadu. To this end, creation of industrial corridors, extension of special packages, and creation of new 7 infrastructures in such regions is given importance. Apart from this the government has various individual bodies which are driving the Industrial development in the state. Some of these entities are **Tamil Nadu Industrial Development Corporation Limited (TIDCO)**, a Government of Tamil Nadu Enterprise, to identify and promote the establishment of large and medium scale industries within the State of Tamil Nadu in association with the private sector, **State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT)** to play a catalytic role in the development of balanced industrial growth by development of infrastructural / industrial parks, bringing in investment from multinational companies and contributing to the development of backward areas of the State; and **Tamil Nadu Industrial Investment Corporation Limited (TIIC)** , to foster industrial growth by providing long term financial assistance to industries for purchase of land, construction of building, purchase and erection of machinery etc. A Guidance Bureau (Nadu Industrial Guidance and Export Promotion Bureau) has also been constituted with the objective of "attracting major new investment proposals" into Tamil Nadu. Apart from these there are various entities like Tamil Nadu Newsprint And Papers Limited, Tamil Nadu Cements Corporation Limited, Tamil Nadu Minerals Limited which work in their specific areas of expertise.

With such interesting credentials it is no doubt that this state attracts players across industry sectors like magnet. **It is amongst the Top 3 most preferred states for giving, as per the responses of companies to the Corporate Job Survey. The major industries that prefer hiring from Tamil Nadu are: Automotives, BFSI, BPO/ITES, Core, Manufacturing, Software & IT . These are also the major sectors that are present in the city. With these figures in hand it does seem that the Government policies are also helping in generating employment for the state**. A lot of credit also goes to the state government that is coming up with plans to provide better facilities like infrastructure and investment support . The state's diversified industrial base, competitiveness in both labour intensive and capital intensive sectors due to rich human capital, right set of policy measures and comfortable linkages between banks and businesses have been the drivers for its growth. The Government has also shown a futuristic outlook, with a clear vision 2023, The Government of Tamil Nadu plans to act as a true facilitator for economic delivery. On one hand it is trying to bring in new technical and administrative capabilities in its way of working, it plans to develop a culture of responsive and transparent Governance that ensures progress, security, and equal opportunity to all stakeholders. Such clarity of thought would definitely bring in better results for the state.

Not only does Tamil Nadu provide home to companies across Industry sectors, It has relatively high capacity for skilling students. Perhaps this is the reason why a significant portion of the skill pool of this state was assessed to be employable. **With more than one-third of the skill pool employable, Tamil Nadu fares better than the overall average of country. With the skill pool proficient in individual skill areas of employability like Communication, logical ability etc. the state is also amongst the Top 10 states, which have the high percentage of female candidates who are employable. It also provides employable candidates in all age groups (18-21 years, 22-25 years, and 26-29 years).** This data makes it more interesting to have a view of the education and skill development activities of the state. Tamil Nadu is home to some of the most reputed institutes for higher education in India, which include about 40 Government universities (State, Central & Joint Support) and over 20 private universities. To take care of the skill levels the Government also has taken steps. It's Department of Employment and Training (DET) is responsible for producing skilled workforce by implementing various skill training programmes to ensure a steady flow of skilled manpower in different trades .It has a complete framework of training programmes and schemes like Craftsmen Training Scheme (To train the craftsmen to meet the existing and future demand of trained manpower of the industries.), Apprenticeship Training Scheme(ITI/ Polytechnic trainees are sponsored as apprentices in Industrial establishments for a period ranging from 6 months to 2 years for acquiring industrial skills) ,Industrial Schools (For Training in 110 trades mainly in the areas like catering, tailoring, Computer Software, beautician, Office Automation etc), Skill Development Initiative-Modular Employable Skills(Courses on minimum skill sets required in each skill area to make the trainees employable) , Centres of Excellence , Upgradation of Govt ITI's under Public Private Partnership (PPP) mode, and Skill Initiatives of Tamil Nadu Skill Development Mission (TNSDM).The TNSDM acts as the nodal agency for all skill development initiatives in the state and partners with industry to identify skill gaps and designs course material leading to Modular Employable Skills (MES) Certification or other industry acceptable Certification. Apart from this Tamil Nadu Government has several schemes like **Soft Skill training, e-modules and Simulator based Training** in ITIs, **Faculty Development Institutes** to ensure continuous supply of quality instructors , **"Tamil Nadu State Skill Registry"** to capture and monitor skill data.

Though many initiatives mentioned above are in the early stages of implementation, but whatever has been done, has made the talent available in Tamil Nadu more employable. With such initiatives planned for the future, the coming days do seem bright for this state.

GUJARAT

Gujarat is one of those States of India where economy has always performed better than the national average. A state with nearly 5 percent of the country's population and 6 percent of the country's geographical area, Gujarat contributes to 7.39 percent of Gross Domestic Product of India. The economic performance of the State may be considered as even more remarkable in view of the fact that the state has limited natural resources. It has limited mineral base and its water resource are scarce with most of the rivers flowing through the state having reasonable water during rainy season only. Despite these limitations, the entrepreneurial nature of the people of the state and popular participation in development efforts has contributed significantly to rapid economic growth. The economy of the state has expanded by almost 17 times in the duration of 52 years between 1960-61 and 2011-12. The share of primary, secondary and tertiary sectors has been reported at 21.8 percent, 36.1 percent and 42.1 percent respectively to the total GSDP in 2011-12 at current prices. Contribution of secondary sector comprising manufacturing, electricity, energy and construction is significant among the Indian states indicating the crucial role that the sector has played to the growth of the state. Almost 50 percent of the country's refined petroleum products and 45 percent of the drugs and pharmaceuticals are from Gujarat. The State's exports stand at 14 percent of India's total exports, exhibiting a strong global orientation of the industrial structure. The above indicators are a result of the economy's robust foundation. Gujarat is amongst

few Indian states, that have initiated adequate policy thrust to develop the manufacturing sector. While the other Indian state economies are predominantly service based, a flourishing manufacturing sector has been the building block for Gujarat's economy. These imperatives have positioned Gujarat not just as a leading State of India, but also put forth the focus to design its growth story similar to those of other developed countries. A lot of policy initiatives that have been implemented and are underway would make the State a strong contender for being a model state at the global level. Perhaps this is the reason why The Economist, in one of its reports, referred to Gujarat as India's Guangdong. With double-digit growth rates, Gujarat continues to outpace growth in other Indian states. Beyond better road networks, The Economist article claims the state government of Gujarat has kept red tape to a minimum, does not ask for bribes, and does not interfere with entrepreneurial corporations. The state, the article claims, has less onerous labour laws, reliable electricity, and effective bureaucracy. This has led to a booming entrepreneurial economy in Gujarat.

Apart from this focus on the manufacturing sector The government of Gujarat has introduced various schemes to facilitate Industrial development .It has initiated a modified scheme to provide financial assistance to Industrial Park with a view to promote and encourage the establishment of Industrial Parks by private institutions to accelerate industrial infrastructure in the state. The process of making land available for economic development through the process of land acquisition is becoming difficult day by day. The Government of Gujarat has decided some interventions for land aggregation through the enactment of Special Investment Regional Act. The process is a win-win situation for the farmers, the State and the stake holders in the integrated economic development. The government of Gujarat is also using technology to fuel its growth agenda. It has introduced Investment Facilitation Portal (IFP). The portal is helpful in investor facilitation and monitoring of projects. Year on year investment growth trends in industrial and large scale service enterprises, according to IEM data, indicates a clear shift in the investment outlook since 2006. Over the last five years, the state has witnessed over Rupees One lakh Crore of investments proposed per year. This impressive investment focus has been a prime driver for Gujarat to generate and sustain accelerated economic and employment growth in the state. Over the recent years State Government has initiated measures to enhance the industrial growth in backward districts across the state through suitable incentives leading to an increased investment potential of these regions over the next decade. The Gujarat government has devised the Blueprint for Infrastructure in Gujarat 2020 (BIG 2020) for industrial development and targets to expand the service sector and stimulate the per capita income of Gujarat. Another initiative called the Vibrant Gujarat Summit has acted as an effective catalyst in this journey. The Vibrant Global Investment Summit (VGGIS) which are held twice in a year, have been successful in projecting Gujarat, as a preferred investment destination. Further, the Gujarat Government has been granted approval by the central government for setting up the Gujarat International Finance Tec-City (GIFT) SEZ, Gandhinagar which would be the first operational International Financial Services Centre (IFSC) in India. This promises high growth for the services sector. With such focused and planned steps taken to develop the infrastructure, encourage investments and support the Secondary as well as tertiary sectors alike, Gujarat undoubtedly is amongst the best states as far as "economic" performance is considered.

In order to promote economic and industrial development in a state, the essential requirement is the capacity to develop skilled manpower of good quality. Gujarat being an industrially developed state with significant opportunities for organized employment, there is an ever increasing need for graduates and skilled professionals. Further, considering the entrepreneurial aspirations of the youth, education plays a crucial role to develop professionally trained human resources in the area of entrepreneurship, to augment the industrial development in the state. While historically, Gujarat has been a knowledge society with educational infrastructure comparable to the national average, the situation has changed very rapidly during 2001-11 as the Government of Gujarat has embarked on various initiatives in higher education and technical education. Continuous efforts directed towards enhancing the capacity and quality of education has resulted in substantial increase in number of students from other states coming to Gujarat to access quality education. As per 2010-11 statistics, Gujarat has over 8.9 lakh enrollments in higher education across streams standing eighth among the states in India. Faculty wise breakup of enrollments in Gujarat brings out clear focus that the state has laid down on improving technical education over the years with Engineering/Technology enrollment proportions higher than the national average. Another striking difference is in the state impetus to develop quality faculty across education streams primarily in schools through graduate/post graduate programs (B.Ed/M.Ed) in education. State also has high focus on training adequate faculty, which is crucial to try and solve the issues of faculty shortages. An overview of educational institutions in Gujarat is presented in the table.

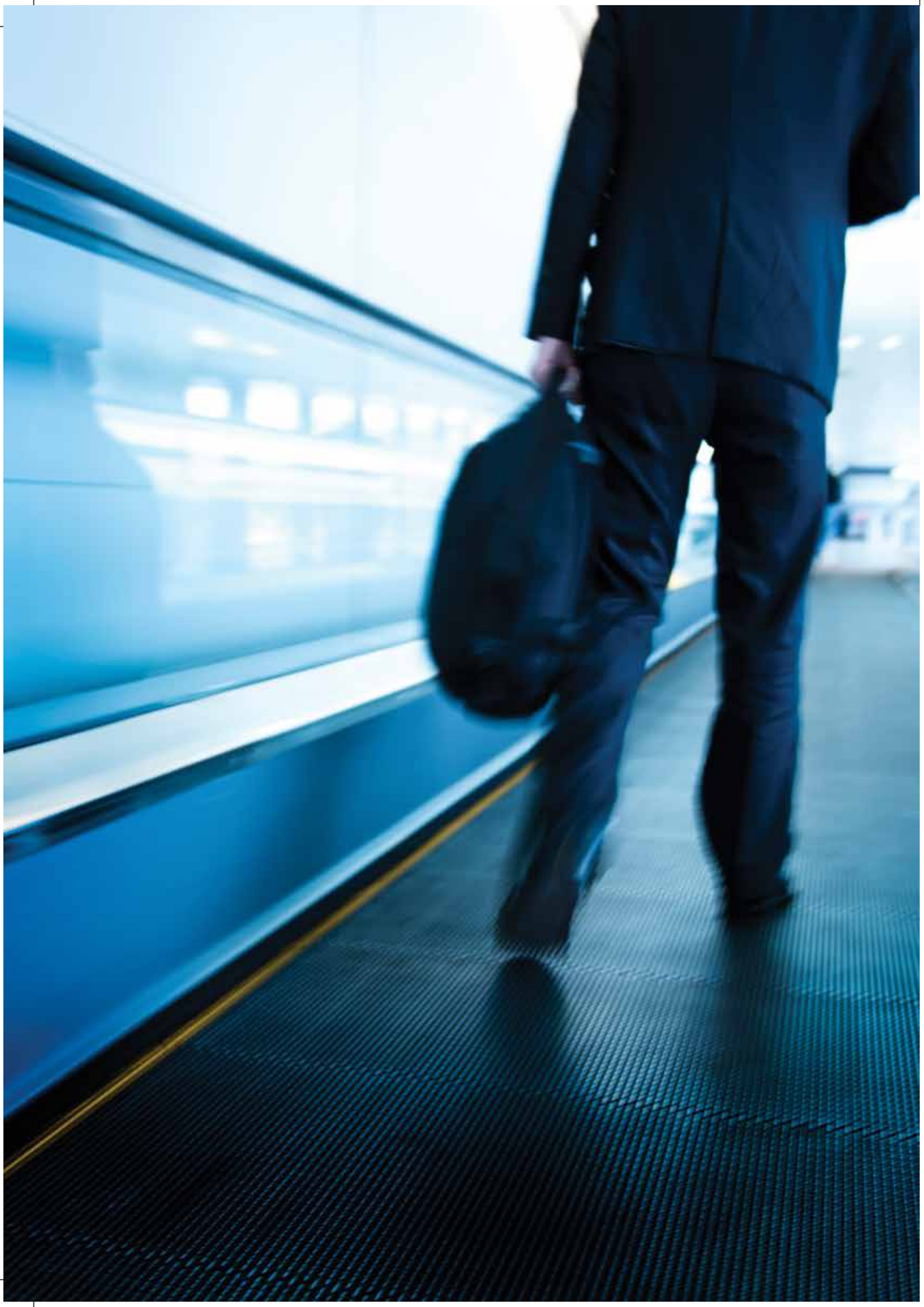
Government Schemes

Category	Number of Institutions
Universities, Research Institutes, Institutes of National Importance	62 (Including IIT Gandhinagar, IIM Ahmedabad and NIT Surat)
Govt. Colleges	71
Grant in Aid Colleges	356
Self Financed Institutions	605

SOURCE : NSDC Report 2012

Apart from this the Government has embarked various initiatives to augment capacity in higher and technical education along with improving quality of education and focusing on employability of youth. Engaging the private sector more actively in both formal and non formal modes of education is a key initiative considering the financial constraints for Government expenditure on education. The key initiatives of the government to improve the quality and further the development of higher education in Gujarat, are **Attracting Private Investments into Education, Promoting Industrial Participation in Education and Training, Introducing Flexible Curriculum, Improving Employability of Students etc.** The Government of Gujarat has passed the Private Universities Bill allowing the formation of private universities without having to pass legislation through the Assembly. Public Private Partnerships are initiated in higher education and vocational education in areas of capacity building, training and faculty training.It has also initiated promotional schemes through Center for Entrepreneurship Development (CED) aimed at increasing private participation in vocational education. . Schemes for setting up extension centers/Skill Up gradation Centers(SUCs) at GIDC estates, ITI premises, industrial clusters, industrial parks, SEZs, investment regions, Specialized Skill Development Centers, providing financial assistance towards capital expenditure (building/land/equipment), are currently undertaken by the Government. Through Center for Entrepreneurship Development (CED) the government is also running Short Term Bridge Courses in PPP mode. This scheme provides interested industrial players with options to either run existing courses or implement special programs in partner institutes. Currently seven PPP initiatives have been approved with players including General Motors, Tata Motors Pvt Ltd and Powai Labs. Employability enhancement measures through initiatives like UDISHA (Universal Development of Integrated Employability Skills through Higher Education Agencies) and finishing school, language training programs (SCOPE) are undertaken by the state Government. Apart from initiatives to provide "skill" based training to employees, State has also implemented measures to provide flexibility in curriculum selection for students across levels of higher education Initiatives like Choice Based Credit System (CBCS), CoE in vocational education ,Active Learning Methodology(ALM) – a practical learning approach etc. have been introduced to increase the quality of education that is being imparted. Government has also ensured special focus on improving accessibility of education and training for disadvantaged sections on regional, social and gender basis. Special training programs for girls in schools through Gujarat Knowledge Society in collaboration with training partners like IL&FS, NIIT and HCL. Efforts are also being made by the Government to support research activities in various areas, encourage cooperation amongst institutes, to create a sustainable model of skill development.

With such focused initiatives to develop skills and at the same time the market, in action Gujarat seems to be moving in the right direction. Though considering the skill demand gap that exists in the state much more of these initiatives are required.



THE WAY FORWARD

The India Skills Report is one of its kind initiative that was started with a vision to bring the Talent supply and demand side on the same table and facilitate matchmaking between these two ends. **Reaching out to almost 100000 students across domains spread across the length and breadth of country parallel to 100 employers spread across 10 Industry sectors, the report has helped create an agenda that can function to solve the talent supply-demand challenge the country is facing** .

This report has been an attempt to facilitate the efforts being made towards skill development and ensure that the skill meets the job. In its first edition, the **report has tried to capture the essence of the skill landscape of India in a single frame**. Each of the subsequent edition would now aim to increase the coverage of this report on both the supply and demand side so that the picture captured is as comprehensive as possible. As time passes more and more domain areas and industry sectors would form part of the India Skill Report and new insights would be shared to facilitate the charting of future course in the Skill landscape.

However the **real objective of this report would be achieved if its findings can be used by the actors of the supply chain of Talent to take relevant steps for skill development and deployment**. Though some work is already being done to reduce the skill supply and demand gap, time now is to consolidate these efforts and make a stronger impact. To ensure that this happens efforts need to be made from both the demand and supply side of talent.

One of the **first steps** to be taken is **regularizing the study of skill supply by frequent Employability Skill Tests, so that the skill levels of the talent pool are gauged regularly**. This information would not only help the students and academia in improving the skills levels but would also form a window, where the employers can communicate with the skill pool and vice versa. Similarly **regular sharing of the 'Employer' or 'Job Market' sentiment would help the skill pool to take corrective steps and increase its utility**. This kind of value chain is the need of the hour and could be the solution to most of Talent woes that our country is facing.

The India Skills Report with its current and upcoming editions would keep trying to bring in useful insights that can facilitate these actions.

APPENDIX

BACKGROUND

The skill or talent pool of a nation is amongst the major driving forces of economic growth and social development. And when you have such voluminous supply of talent as India, proper management is crucial to unleash it's true potential of available talent. In such a scenario, having a gap in the Supply and demand of talent would not only make the task of "Talent Management" difficult but would impact the growth rate of the country. For India, especially since it is on the verge of entering the stage of "Demographic dividend" such an event would be unfortunate. So, rapid steps to solve this issue of Demand-Supply Gap are the need of hour.

With this need in mind, PeopleStrong and Wheebox, in collaboration with CII started this initiative of creating an information base that can enable planning and decision making that can help India reap the "Demographic Dividend". The idea was to reach out to the skill source (supply) and skill destination (demand), collect their outlook for the coming year; place the views from two sides on the table, and draw meaningful insights that can be used charting the future course for them. To study and gauge the skill levels of the Talent Supply, the Employability Skill Test (WEST) was conducted and the Corporate Job Survey was used to get the Employers' view. The details of the kind of questions asked, the respondent profiles of the same are captured in the coming sections. With the help of views from both sides, the First ever India Skills Report was able to provide meaningful insights that can be used by the two ends to take steps into the future.

OBJECTIVE OF THE REPORT

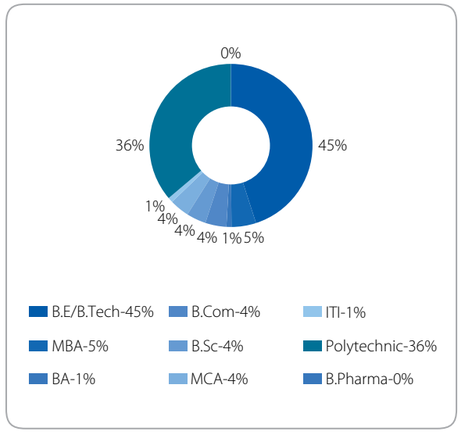
To create standard reporting guidelines on potential skill supply-demand gap, that can provides insights into the hiring trends of the market while understanding the needs of the job seeker and organizations.

WHEEBOX EMPLOYABILITY SKILL TEST

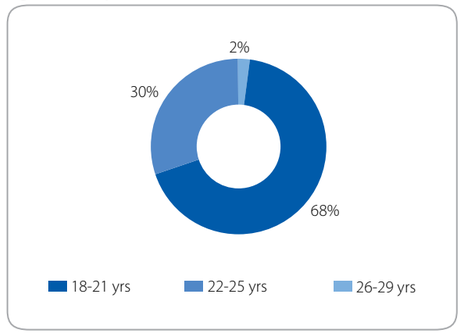
For finding solution to any crucial problem, it is always advised to start the investigations from the source. Going by the same logic, when the country is facing the issue of skill dearth across industry sectors, it was imperative to understand the current state of the skill pool and identify the skill gaps so that required steps to remove them are taken. For this purpose WEST was conducted, to check the "employability" of the skill pool using reliable talent assessment tool across domain areas. As already discussed in the WEST section of the Report, it assessed the test takers on four areas, Domain Knowledge, Communication Skills, Computer Skills and Numerical and Logical Ability. This test was taken by about 100000 students across states and domain areas. The detailed respondent profile of the test takers is shared below.

With the help of the scores of these respondents a comprehensive analysis of the skill pool was done, the details of which have already been shared in the Section III of the report. The insights shared would hopefully help the academia, government and the employers to take steps for improving the quality of skill pool.

Domain wise respondents



Age wise respondents



Gender wise respondents

THE CORPORATE JOB SURVEY

The major purpose of the first edition of India Skills Report was to provide the Job seekers and Job Providers a reliable source of Information that can help them understand each other, so that combined efforts to solve the issue of Talent Supply-Demand mismatch are made. The Corporate Job Survey, a close ended questionnaire was the instrument used to capture the outlook of the Employers or Job Demand side. In this 15 question survey, employers were asked about their hiring mix, their preferences for hires based on domain, age group etc. Information about their preferred states for hiring preferred skills in a candidate etc. were also captured to provide meaningful insights to the talent supply side. About 100 employers across 10 Industry sectors participated in the survey and shared their thought process. The sector wise respondent profile is shared below.

The detailed analysis of the responses received has already been covered in detail in Section IV. These insights provide a glimpse of the corporate world to the skill supply side , can be used as guidelines for matchmaking the talent supply and demand sides.

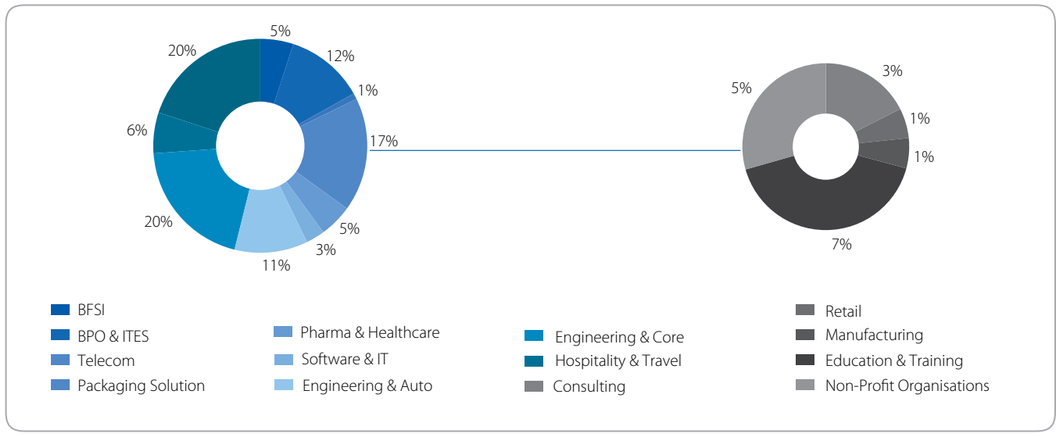
ANALYSIS – THE METHODOLOGY

The Analysis process for India Skill Report was a two step process. As the first step, a first cut analysis of the scores of test takers of the employability skill test, and the employers' response to the corporate survey was done separately. Normalization was done to remove any kind of skewness in the data. Inferences derived from these Individual analyses were use to provide detailed insights of the "Supply" and "Demand" world which are covered in the section III and section IV of India Skills Report. As would be evident from the analysis in these two section, the data collected from the two sides was analyzed primarily from three angles: Demographic, Geographic and Sectoral. Demographic angle covered the insights of the WEST scores and Corporate Job survey from the perspectives, like age group, Gender etc. The Geographic stance provided the state wise status of employability in the skill pool and available jobs. And finally Industry wise focus (primarily for the corporate job survey) helped understand the industry wise preferences. Domain specific supply and demand status was also captured by analyzing the scores of Individual domains, and also analyzing the employer responses on the their domain wise preferences.All this formed part of the first cut analysis of data collected.

This first cut information from both ends was then used for matchmaking and drawing combined inferences that would help both the supply and demand sides of skills to take future decisions. These combined inferences are covered in detail in the Section V of the Report.

These individual and combined inferences drawn from Demand and Supply side data, paint a comprehensive picture of the skill landscape of India. This information can be used to create guidelines for consolidated action by academia, employers, students as well as Government, against the Talent Supply-Demand mismatch challenge that stands in front of the nation.

Sector wise responses



[TESTIMONIALS]

"The Education system in this country is undergoing a paradigm shift to improve upon the employability factor. NIELIT is an important part of this chain. The India Skills Report 2014 with comprehensive insights into India's Skill Reservoir can be used as the strong base for bringing this change by scaling up the employability opprtunities. My Best wishes for taking this initiative"
- Dr. Ashwini Kumar Sharma, National Institute of Electronics & Information Technology, New Delhi

"Creating a skill pool that can be employed readily by corporate is a mamoth task . The Detailed insights captured in India Skills Report would help in taking steps for match making in skill demand and supply. I extend my best wishes for the appreciable Report."
- Mr. V.P Rao, Director, Department of Training and Technical Education Government of NCT, Delhi

For meeting the Talent needs of the Industry in coming days, combined efforts need to be made by all the actors of the system. Equipped with India Skill Report's Indepth Study, it would be easier to chart the path for desired state.
- Mr. A.K Shrivastava, Chairman, AIM Board of Directors

With Industry's increasing demand for skilled rather than qualified talent; it is important to understand the needs of demand side better. The India Skills Report with its reach to both the skill pool and employers would help in this task.
- Mr. Y.K. Gupta, Owner, Sharda Group of Institutions

"Rising unemployment among well-qualified youth population is a big concern and indicates three possible reasons; a) Demand-supply mismatch b) Expectation mismatch and c) Skill mismatch. This problem can be fixed by the players within the ecosystem i.e. academia and corporateS. The initiative like ISR (India Skill Report) should be helpful for every player to understand the marketplace and contribute towards development of a sustainable, pragmatic and scalable framework. "

- Mr. Pramod Maheshwari, CMD, Career Point Ltd.

"The lack of adequate skills and high attrition rates, has a huge impact in terms of India's ability to absorb new technologies and new solutions. The deep insights into the skill reservoir and the skill gap of the country as captured in the India Skills Report, will be crucial for developing actionable steps for reaching the next level of growth in India!"

- Mr. Poul Jensen, Director , European Business and Technology Centre (EBTC)

"Matchmaking between the skill supply and demand is imperative to resolve the 'Talent' crisis. The India Skills Report with a holistic picture of both sides seems like an information base for the same. It is great to see how matchmaking between the two ends can be done. "

- Captain Gopinath – Founder, Air Deccan

"Demand-Supply gap for Talent has been challenge for some time now. The India Skills Report with a holistic picture involving both sides seems like an information base which can help to bridge these gaps. It will be great to see how matchmaking between the two ends can be done."

- Mr. Saurabh Govil, Sr. Vice President – Human Resources, Wipro Technologies

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