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Graduate Employability and Emerging Skills in India

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Executive Summary

India stands at a critical juncture in its development journey, with over 65% of its population under the age of 35, presenting a unique demographic divide. However, the potential of this youthful population is at risk due to high dropout rates, limited employability, and a disconnect between education outcomes and industry needs. This report explores the challenges affecting graduate employability in India, assesses the role of various stakeholders, and offers strategic recommendations to bridge the gap between academic learning and workforce demands.

Context and Key Issues

Despite initiatives like Skill India and the National Education Policy (NEP) 2020, a significant number of graduates remain unemployed or underemployed due to a skills mismatch. Outdated curricula, minimal industry collaboration, and high secondary school dropout rates exacerbate these issues, leaving only half of India's youth employable. The rising demand for digital and technical skills underscores the urgency for reforms.

Study Objectives and Methodology

The study identified core challenges in education and skilling, assessed the impact of technological disruption, evaluated industry-academia collaboration, and reviewed relevant government initiatives. Both primary (surveys and interviews) and secondary (literature review) methods were used to provide a comprehensive view of the employability landscape.

Key Findings

1. **Skill Gaps and Outdated Education Models:** Curricula focus heavily on theory, with limited emphasis on practical skills, critical thinking and problem-solving, leaving graduates underprepared for the job market.
2. **Disconnect Between Academia and Industry:** Limited industry involvement in curriculum design and faculty training creates a mismatch between education outcomes and market needs.
3. **Limited Impact of Government Initiatives:** Although several schemes exist, poor implementation, quality control issues and weak industry partnerships have limited their effectiveness.
4. **Emerging Skills Demand:** Employers now seek candidates with digital literacy, critical thinking, teamwork, adaptability and an entrepreneurial mindset.

Strategic Recommendations

1. **Integrate Vocational Skills with Higher Education:** Encourage every higher education institution to offer employability-focused vocational programmes and set up on-campus skills centres to align with market needs.
2. **Career Counselling for All Students:** Provide personalised career counselling to guide students in identifying suitable career pathways and job roles.

3. **Incorporate Digital Literacy Across Programmes:** Make digital literacy a core component of all academic programmes and provide affordable Internet access to underserved students to bridge the digital divide.
4. **Embed Life Skills in the Curriculum:** Integrate critical thinking, emotional intelligence, problem-solving and entrepreneurial skills into academic programmes to prepare students for the future.
5. **Strengthen Industry-Academia Collaboration:** Develop joint curricula, faculty training and dual certification programmes with industry partners. Mandate on-the-job training and apprenticeships to ensure practical learning.
6. **Adopt Micro-Credentials:** Implement stackable credentials that allow learners to earn and accumulate skills and qualifications incrementally.
7. **Flexible Learning:** Enable lifelong learning opportunities through the National Credit Framework, providing adaptable education pathways to suit diverse career goals.

To harness the demographic dividend, India must address systemic challenges in education and skilling through comprehensive reforms, industry-academia partnerships and lifelong learning pathways. Coordinated efforts from policymakers, educational institutions, industries and civil society will be essential to create an ecosystem that fosters practical learning, innovation and entrepreneurship.

With proactive measures, India can empower its youth, enhance employability and drive sustainable economic growth, positioning itself as a global leader in the fast-changing digital economy.

Acronyms and Abbreviations

AI:	Artificial Intelligence
AICTE:	All-India Council for Technical Education
ASER:	Annual Status of Education Report
CSC:	Common Service Centre
CSR:	Corporate Social Responsibility
COL:	Commonwealth of Learning
CMIE:	Centre for Monitoring Indian Economy
DDU-GKY:	Deen Dayal Upadhyaya Grameen Kaushalya Yojana
DEB:	Distance Education Bureau
DGT:	Directorate General of Training
DST:	Dual System of Training
HEI:	Higher Education Institution
FDP:	Faculty Development Programme
ITI:	Industrial Training Institute
KVK:	Krishi Vigyan Kendra
MSC:	Migration Support Centre
MSDE:	Ministry of Skill Development and Entrepreneurship
NAPS:	National Apprenticeship Promotion Scheme
NCVER:	National Centre for Vocational Education Research
NIRF:	National Institutional Ranking Framework
NEP:	National Education Policy
NSDC:	National Skill Development Corporation
NSDCI:	NSDC International
NAAC:	National Assessment and Accreditation Council
ODL:	Open and Distance Learning
OJT:	On-The-Job Training
PMKVY:	Pradhan Mantri Kaushal Vikas Yojana
PPP:	Public–Private Partnership
RSETI:	Rural Self-Employment Training Institutes
SSC:	Sector Skill Council
SSM:	State Skill Mission
UDISE+:	Unified District Information System for Education Plus
UGC:	University Grants Commission
WEF:	World Economic Forum

Introduction: Overview of the Employability Landscape in India

India stands at a critical juncture, poised to leverage its demographic dividend – a unique opportunity where the working-age population outnumbers dependents. With over 65% of the population under the age of 35 and a median age projected to remain below 30 until 2030, India is one of the youngest nations globally (India Today, 2024; S&P Global, 2024). However, according to the India Skills Report 2023 – produced by Wheebox in collaboration with PeopleStrong, the Confederation of Indian Industry (CII), the All-India Council for Technical Education (AICTE), and the National Skill Development Corporation (NSDC) – nearly half of employers in India report difficulties in finding job-ready talent due to a lack of specific skills.

Foundational Challenges

Education and Dropout Rates

Primary and secondary education plays a crucial role in shaping future employability. However, the Annual Status of Education Report (ASER) 2022 reveals that more than half of rural fifth graders struggle with essential reading, and only 26% can solve simple division problems. These early learning gaps cascade throughout a student's academic journey, limiting their readiness for higher education or vocational training.

High dropout rates worsen this issue. According to the Ministry of Education's Unified District Information System for Education Plus (UDISE+) 2021-22 report, around 17.3% of students in India drop out after Grades 9–10, and this number rises to approximately 24% in Grades 11–12. Socio-economic factors, inadequate school infrastructure, early marriages and the need to join the workforce prematurely disproportionately affect girls, restricting access to education and employment opportunities. This limits the pool of candidates qualified for higher education or skilled jobs, posing long-term challenges to economic growth.

Systemic Issues in Higher Education

Higher education institutions (HEIs) often rely on outdated curricula that emphasise theoretical knowledge over practical, job-ready skills. Critical thinking, problem-solving and digital literacy are underrepresented, leaving graduates unprepared for technology-driven industries. Additionally, the lack of faculty development programmes (FDPs) means that many educators are not equipped to teach topics like emerging technologies, social entrepreneurship, or sustainability.

These systemic flaws are reflected in unemployment statistics. According to the Centre for Monitoring Indian Economy (CMIE), the unemployment rate among graduates stood at 17.2% in 2023, while the India Skills Report 2023 highlights that only 50.3% of Indian youth are considered employable. This gap reveals the disconnect between academic output and industry requirements, further aggravated by automation, digitalisation and changing job roles.

Disconnect Between Education and Employment

Several factors contribute to the employability crisis:

- Theoretical learning dominates curricula – there is little focus on internships or hands-on training.
- Many graduates pursue degrees that are misaligned with industry demands, leading to an oversupply in fields like humanities and a shortage in technical or vocational skills.
- Inadequate career counselling and industry–academia collaboration further hinder students' ability to transition smoothly into employment.

Vocational education also suffers from low social acceptance. It is often seen as inferior to formal education. This perception limits participation, contributing to skill gaps and reducing India's capacity to build a competent workforce.

Slow Implementation of Policy Reforms

The National Education Policy (NEP) 2020 promotes skills integration and industry collaboration, but implementation remains inconsistent and slow. Educational institutions still operate in isolation from industry, limiting joint efforts in curriculum development, faculty training and apprenticeships. As a result, graduates often lack essential competencies like digital literacy, problem-solving and entrepreneurial mindsets, which are crucial for thriving in a modern economy.

India's Performance at WorldSkills Lyon 2024 – a case in point

At the WorldSkills Lyon 2024 competition, China emerged as the top-performing country, securing the first position with a total of 187 medal points. China's impressive haul included 36 gold, nine silver and four bronze medals, showcasing its strong dominance in skills and vocational training. Korea followed in second place with 108 points, including 10 gold, 13 silver and nine bronze medals. France and Switzerland rounded out the top four with 66 and 65 points, respectively, showing significant prowess with multiple medal wins, including golds and silvers.

In contrast, India ranked 13th with 20 points and earned four bronze medals and 12 Medallions for Excellence among 52 teams. Despite best efforts, India could not secure any gold or silver medals, highlighting a significant gap compared to the top-performing countries. This performance underscores the long journey India must undertake to elevate its standing in global skills competitions and emphasises the need for greater investment in skills development and training programmes to match the levels of leading nations like China and Korea.

Objectives of the Study

This study aimed to assess the factors that influence graduate employability in India and to provide actionable strategic recommendations for stakeholders to bridge the gap between education and employment. The specific objectives were as follows:

1. Identify key issues in graduate employability

- Assess the state of graduate employability by examining skill gaps, quality of education and alignment of curricula with industry requirements.
 - Analyse the effectiveness of educational programmes in preparing students for workforce demands.
2. Analyse challenges in the education and skilling ecosystem
 - Explore systemic challenges such as dropout rates, outdated curricula, faculty readiness and societal perceptions of vocational training.
 3. Examine the impact of technological disruption and emerging skills needs
 - Investigate how automation, artificial intelligence (AI) and other technological disruptions reshape job roles and required skills.
 - Assess the extent to which HEIs integrate emerging technologies and digital skills into their curricula.
 4. Evaluate government initiatives and policies
 - Review the effectiveness of critical policies and programmes, including Skill Universities, PMKVY, and NEP 2020, in addressing employability challenges.
 5. Provide strategic directions and recommendations
 - Develop actionable recommendations for policymakers, educational institutions and industries to improve graduate employability and foster collaboration.

Methodology of the Study

The study adopted a comprehensive, two-pronged research approach, combining secondary and primary research to gain an in-depth understanding of the issues and opportunities in graduate employability.

Research Paradigm

The study was grounded in a pragmatic paradigm, emphasising a mix of qualitative and quantitative data to develop actionable insights that could inform policy and educational practice. This approach allowed for both understanding stakeholder perspectives and quantitatively assessing the alignment of graduate skills with employment requirements.

Research Design

The research followed an exploratory and descriptive design to identify and describe the factors that affect graduate employability in India. This multiphase approach incorporated secondary research to establish a baseline understanding and primary research to validate and contextualise these findings.

Secondary Research

The secondary research involved a literature review of national and international reports. These reports provided a broad understanding of the employability landscape in India. This phase explored vital themes, including skill gaps, industry needs, government policies, and the role of technology.

Research Steps

1. Define key themes and focus areas
 - Critical themes such as employability challenges, emerging skills and the impact of technology on the job market were identified.
2. Collect and organise reports
 - Reports were gathered systematically from reputable organisations and government sources to ensure comprehensive data coverage.
3. In-depth review of reports
 - Key findings were analysed to assess the status of workforce readiness, skills demand, and alignment between academia and industry.
4. Comparative analysis and synthesis
 - A matrix was developed to compare key indicators across reports, highlighting common trends, challenges and gaps.

Insights obtained from the secondary research established a baseline understanding of the employability landscape, which informed the design of the primary research phase.

Primary Research

The primary research phase focused on gathering first-hand data through surveys and interviews with key stakeholder groups: students, recent graduates, academic leaders, faculty members, and employers. This phase provided context-specific insights and validated findings obtained in the secondary research phase.

Research Objectives

- Current students: Understand students' perceptions of their coursework, participation in skills-based training and challenges in finding employment.
- Recent graduates (employed): Assess their transition from education to employment, the impact of internships, and their advice for current students.
- Recent graduates (unemployed): Identify reasons for job-search difficulties, skill gaps and support required to enhance employability.
- Academic leaders and faculty members: Evaluate how institutions integrate employability skills into curricula, challenges faced and the status of industry collaboration.
- Employers: Capture expectations, skill gaps and recommendations to enhance graduate readiness for the workforce.

Survey Instruments and Data Collection

- The survey was structured to target each stakeholder group, ensuring relevant questions and that actionable insights were captured.
- Gender equality was prioritised by ensuring responses were collected equitably from both male and female participants.

Sampling

A stratified sampling technique was employed to ensure that responses from each stakeholder group were well-represented. This enhanced the validity and relevance of the findings.

Survey Instruments and Data Collection

- Survey structure: Surveys were tailored for each stakeholder group, addressing specific themes relevant to their experiences and insights into employability.
- Data collection process: Surveys and semi-structured interviews were conducted. Data collection followed a structured protocol to ensure consistency and reliability.

Research Ethics

Ethical considerations were paramount throughout the study. Participant consent was obtained prior to any survey or interview, with assurances of anonymity and confidentiality. Data collection, storage and processing adhered to ethical guidelines to safeguard participants' rights and maintain data integrity.

Ensuring Reliability and Trustworthiness of Data Analysis

To ensure the reliability and trustworthiness of data, several measures were taken:

- Triangulation: Data from secondary and primary sources were cross-validated to identify consistent themes, discrepancies and actionable insights.
- Data verification: Frequent checks and reviews were conducted to verify the accuracy and consistency of responses.
- Use of established metrics: The use of a thematic analysis framework ensured a systematic approach to qualitative data analysis, while established statistical methods were used for quantitative data analysis to avoid biases and ensure validity.

Data Analysis and Integration

Data gathered in both phases (secondary and primary research) were analysed to identify recurring themes, insights and discrepancies between stakeholder perspectives. The integration process involved:

- aligning findings from literature reviews and survey data to highlight skill gaps and areas for improvement
- identifying actionable opportunities for closer alignment between academia and industry.

Section 1: Employability: Strategic Directions and Emerging Skills

As India navigates rapid technological and economic changes, enhancing employability is a national priority. This section examines the strategic role of the government in shaping employability through supportive policies and actionable recommendations and how higher education, including open and distance learning (ODL), contributes to equipping students with relevant skills. Furthermore, it investigates the broader challenges of balancing costs with effective institutional strategies to improve graduate employability and explores emerging skills that will reshape the future workforce, ensuring India's continued competitiveness in the global marketplace.

Strategic Position of the Government for Employability: Enabling Policies and Recommendations

Ministry of Skill Development and Entrepreneurship: The Ministry of Skill Development and Entrepreneurship (MSDE) was established in 2014 and plays a pivotal role in driving India's skilling ecosystem. One of its key arms is the Directorate General of Training (DGT), which oversees Industrial Training Institutes (ITIs), offering vocational education and skills training.

Industrial Training Institutes: Industrial Training Institutes (ITIs) are a cornerstone of India's vocational training system (under the Ministry of Labour prior to 2014) and focuses on equipping youth with hands-on skills that meet the specific needs of industries. These institutes, spread across the country, offer a wide range of courses, from traditional trades like welding and electrical work to modern disciplines, such as computer hardware and software engineering.

- India has close to 15,000 ITIs, including both government and private institutions. These ITIs offer training in over 150 trades, ensuring a diverse range of vocational options for students. Courses range from short-term certifications to long-term diplomas, allowing flexibility for students to choose according to their interests and market demands. Each year, ITIs enrol over 2 million students and aim to provide them with skills training that is directly aligned with the requirements of local and national industries.
- The Ministry of Skill Development and Entrepreneurship, Government of India, has taken a few steps to involve industry more actively, one of these steps being the Dual System of Training (DST). The DST model combines classroom instruction with on-the-job training (OJT), providing students with practical exposure and direct industry experience. This approach not only enhances skill acquisition but also increases students' chances of securing employment post-certification.
- The government has initiated several public-private partnership (PPP) models to modernise ITIs, focusing on upgrading infrastructure, introducing new courses and enhancing the quality of training.
- The government allocates substantial resources for the modernisation of ITIs, including approximately ₹3,000 crores in recent budgets for infrastructure development, curriculum updates and quality improvement initiatives.

- National Skill Development Corporation (NSDC): NSDC is a PPP organisation aimed at driving India's skills development agenda by promoting large-scale, industry-relevant vocational training courses. Established in 2008 (later brought under MSDE when the new ministry was established in 2014), NSDC focuses on fostering a sustainable skills development ecosystem through training partnerships, sector skill councils (SSCs), and innovative funding mechanisms.
 - NSDC works with over 700 training partners and manages more than 11,000 training centres across India. These centres offer a broad range of courses catering to various sectors, from traditional trades to cutting-edge technologies.
 - NSDC aims to play a pivotal role in implementing the Skill India Mission, focusing on quality training, assessment and certification to ensure that the skills imparted are aligned with market needs.
 - NSDC established 37 SSCs that represent different sectors of the economy. These industry-led bodies develop National Occupational Standards, design curricula and ensure that training programmes meet the requirements of their respective industries.

- NSDC International (NSDCI): NSDCI was established to promote India as a global hub for a skilled workforce, facilitating international placements and ensuring that Indian workers' skills meet global standards.
 - International collaborations: NSDCI works with international partners to establish mutual recognition of skills, promoting workforce mobility across borders.
 - Migration Support Centres (MSCs): These centres provide pre-departure orientation, cultural training and language skills to Indian workers preparing to work abroad, enhancing their integration and success in foreign job markets.

- State Skill Missions (SSMs): SSMs play an essential role in implementing and customising national skills development initiatives to meet local needs. These missions are responsible for designing and executing skills programmes tailored to the economic activities and industry demands of their respective states. Key functions of SSMs:
 - Regional skill programmes: SSMs identify local skill gaps and create training programmes that cater specifically to the economic strengths of their regions, such as agriculture in Punjab, tourism in Kerala, or manufacturing in Gujarat.
 - Implementation of national schemes: State missions adapt and execute national programmes like PMKVY and DDU-GKY to align with state-specific needs, enhancing their effectiveness and reach.
 - Public-private partnerships: SSMs collaborate with local industries, educational institutions and NGOs to improve the quality and relevance of training programmes, providing hands-on learning opportunities through internships and apprenticeships.

Ministry of Skill Development and Entrepreneurship - Key Policies and Initiatives

- National Policy for Skill Development and Entrepreneurship, 2015: This policy outlines a comprehensive framework for skilling the workforce by focusing on

demand-driven training, quality assurance and entrepreneurial support. It emphasises industry alignment, scalability and inclusivity, targeting underrepresented groups such as women, rural youth and the economically disadvantaged.

- **Skill India Mission:** Launched in 2015, the Skill India Mission aims to integrate various skilling initiatives under a common vision to upskill 400 million people by 2025. This mission includes multiple programmes such as Pradhan Mantri Kaushal Vikas Yojana (PMKVY), National Skill Development Mission, State Skill Missions and the establishment of SSCs.
- **National Apprenticeship Promotion Scheme (NAPS):** NAPS was introduced to enhance the apprenticeship ecosystem by incentivising industries to offer hands-on training to apprentices. By promoting on-the-job learning, NAPS bridges the gap between academic education and practical skills, making graduates more job ready.
- **Integration with NEP 2020:** The NEP 2020 prioritises the integration of vocational training with mainstream education, creating multiple pathways for students to acquire skills alongside traditional academic learning. This approach aims to produce graduates who are not only educated but also employable.

Skilling Initiatives by Other Ministries: Enhancing Sector-Specific Skills

While the Ministry of Skill Development and Entrepreneurship (MSDE) leads India's skills development efforts, several other ministries are actively involved in skilling initiatives tailored to their sectors, contributing to a holistic skills development ecosystem.

1. Ministry of Rural Development (MoRD)

- **Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY):** Focuses on providing market-linked skills to rural youth, particularly from marginalised communities, with a goal of transforming them into economically independent individuals.
- **Rural Self Employment Training Institutes (RSETIs):** These institutes offer skills training in various trades, including agriculture, small business management, and crafts, to promote self-employment among rural populations.

2. Ministry of Housing and Urban Affairs (MoHUA)

- **National Urban Livelihoods Mission (NULM):** The EST&P component provides skills training to the urban poor, focusing on market-driven skills and facilitating employment in urban sectors.

3. Ministry of Agriculture and Farmers Welfare

- **Skill Training for Rural Youth (STRY):** Offers training in agriculture and allied sectors, enhancing productivity and profitability through modern techniques.
- **Krishi Vigyan Kendras (KVKs):** KVKs provide training and capacity building for farmers, focusing on sustainable agriculture and farm mechanisation.

4. Ministry of Textiles

- Integrated Skill Development Scheme (ISDS): Provides training in spinning, weaving, garment making and related fields to support employment in the textile sector.
 - Samarth Scheme: Focuses on providing demand-driven training in traditional and modern textile trades, targeting unemployed youth, women and marginalised groups.
5. Ministry of Electronics and Information Technology (MeitY)
 - Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA): Promotes digital literacy among rural citizens, equipping them with skills to participate in the digital economy.
 6. Ministry of Health and Family Welfare
 - Skills for Health Professionals: Provides training for healthcare workers, including nurses and paramedics, to improve the quality of healthcare services, particularly in rural areas.
 7. Ministry of Tribal Affairs
 - Van Dhan Vikas Karyakram: Focuses on skilling tribal communities in sustainable harvesting, value addition and marketing of forest products, promoting entrepreneurship and enhancing livelihoods.
 8. Ministry of Women and Child Development
 - Support to Training and Employment Programme for Women (STEP): Offers skills training to women in traditional and non-traditional trades to enhance employability and promote self-employment.

Recent initiatives

1. Prime Minister's Internship Scheme 2024
 - Targets 10 million internships in top 500 companies over five years.
 - The pilot project launched on 3 October 2024 aims for 125,000 internships in FY 2024-25.
 - Eligibility: Indian nationals aged 21–24 who are not in full-time education or employment.
 - Benefits:
 - ₹5,000 monthly stipend (₹500 from companies via CSR funds and ₹4,500 from the government)
 - ₹6,000 one-time grant for incidental expenses
 - Government-provided insurance coverage
 - Companies bear the training costs through CSR funds.
2. Indian Institute of Skills (IIS)
 - Established in Mumbai to provide industry-focused skills training.

- Focuses on Industry 4.0 technologies like automation, AI, robotics, and electric vehicles.

Skill Universities: An Experiment to Bridge the Gap Between Education and Employment

Key features of Skill Universities

- **Industry-integrated curriculum:** Skill universities design their courses in collaboration with industry partners to ensure that the skills taught are relevant to current and future job roles. The curriculum is frequently updated to incorporate the latest technologies, such as AI, robotics and advanced manufacturing techniques.
- **Flexible learning pathways:** In line with the NEP 2020, skill universities offer flexible learning options, including multiple entry and exit points, with certifications, diplomas and degrees at each stage. This approach allows students to gain practical skills and qualifications that can be used to enter the workforce at various points in their education journey.
- **Emphasis on practical training and apprenticeships:** Practical training is at the core of the skill university model – students spend a significant portion of their time in labs, workshops and industry settings. Many skill universities incorporate apprenticeship models, providing students with hands-on experiences that enhance their job readiness.
- **Focus on entrepreneurship and innovation:** Skill universities often have dedicated centres for entrepreneurship that provide mentorship, funding and resources for students looking to start their own businesses. This focus on fostering an entrepreneurial mindset not only helps students create their own employment opportunities but also contributes to job creation in the wider economy.

Challenges faced by Skill Universities

- **Limited awareness and societal perception:** Skill universities still face perception challenges, as vocational education is often seen as inferior to conventional academic degrees. There is a societal bias that prioritises traditional degrees over skills-based qualifications. While a few skill universities have done good work in promoting the vocationalisation of higher education by offering programmes like B.Voc. (Bachelor of Vocation) and M.Voc. (Master of Vocation), their reach and impact remain limited. The number of students enrolled in these courses is minuscule compared to the vast scale of India's higher education system.
- **Lack of standardisation in programmes:** Despite efforts to align with NSQF, there are variations in the quality and delivery of programmes across different skill universities. This lack of standardisation can limit the mobility of students across institutions and sectors.
- **Limited funding and infrastructure:** Many skill universities struggle with limited financial resources and lack the infrastructure needed to scale their programmes. Industry collaborations are essential, but reliance on external funding often limits their operations.

- Insufficient faculty with industry exposure: One of the key challenges is finding qualified trainers and faculty with adequate industry experience. This affects the delivery of skills-based courses and impacts the quality of education imparted.

Employability and the Role of Higher Education in India

Higher education in India is at a crossroads, grappling with a significant disconnect between academic learning and workforce requirements. Traditionally focused on imparting theoretical knowledge, the system has not sufficiently evolved to meet the practical demands of modern industries. This misalignment has led to high levels of graduate unemployment and underemployment, particularly among those in non-technical fields such as humanities, commerce and pure sciences, which often lack clear pathways to relevant job roles.

Key Challenges in the Higher Education System

1. Outdated curriculum design and teaching methods: Many institutions continue to emphasise lecture-based instruction and rote learning, limiting the development of critical thinking, problem-solving and practical skills. As a result, graduates often lack the competencies needed for dynamic fields like technology, finance, and management.
 - Humanities and Commerce curricula: Courses in these fields are often detached from market realities, focusing on theoretical knowledge without practical application. For instance, humanities programmes rarely offer internships or fieldwork, and commerce students often study outdated accounting practices without exposure to digital tools or modern business practices.
2. Lack of industry–academia collaboration: Limited interaction between academia and industry is a major contributor to the employability crisis. Industry participation in curriculum design, faculty development, internships and placements are minimal, leaving graduates ill-equipped for real-world roles.
 - Sparse practical exposure: Opportunities like internships and live projects are not meaningfully integrated into academic programmes. This limits students’ ability to acquire hands-on experience, build networks and develop work-ready skills, all of which are crucial for securing employment.
3. Insufficient focus on soft skills and professional development: Beyond technical knowledge, employers increasingly value soft skills such as communication, teamwork and adaptability. However, traditional curricula often overlook these competencies.
 - Professional development deficit: Structured initiatives, like career guidance, mentoring and interaction with industry professionals, are generally lacking, leaving students underprepared for job interviews and career transitions.

Impact on Graduate Employment and the Economy

The absence of employability-focused education has contributed to a high unemployment rate among graduates. This reflects systemic issues within the education system that hinder the transition from education to employment.

1. **Mismatch between education and industry needs:** Many graduates possess degrees that do not align with the skills demanded by employers. While there is an oversupply of graduates in humanities and commerce, fields like technology, healthcare, and digital marketing face a shortage of qualified professionals. This disconnect reduces job opportunities, affects starting salaries and slows career progression, placing a burden on employers to train new hires in basic professional skills.
2. **Limited pathways for practical learning:** Practical learning opportunities – such as internships, apprenticeships and live projects – are essential for employability but remain scarce, particularly in non-STEM fields. Without exposure to real-world work environments, students struggle to meet workplace expectations and do not develop essential professional networks, which are crucial for career advancement.
3. **Economic implications of graduate underemployment:** The skills gap not only affects individual career prospects but also hampers economic productivity and national competitiveness. Employers bear additional costs to train underprepared graduates, while the underutilisation of talent reduces workforce efficiency, slowing overall economic growth.

An Initiative by the University Grant Commission

To ensure every student in India has access to vocational education and skills, a strategic shift is essential. While India boasts over 1,100 universities and 50,000 colleges, the existing reliance on specialised skill universities alone is insufficient to prepare a workforce ready for modern industry needs. The key to bridging the employability gap lies in embedding vocational and skills-based programmes across mainstream educational institutions, enabling students from diverse backgrounds – engineering, humanities, commerce, and sciences – to acquire practical, industry-relevant competencies alongside academic learning.

The University Grants Commission (UGC) has initiated steps to promote vocational education by encouraging universities to offer short-term skills-based certificates and long-term vocational programmes. However, for these initiatives to have a meaningful impact, several structural challenges must be addressed. A strategic focus on policy reforms, enhanced faculty capacity and resource mobilisation is needed to overcome rigid curricula and limited industry linkages. Universities must adopt flexible curricula that accommodate vocational elements without compromising academic depth, fostering an ecosystem where knowledge meets practical skills.

The Role of Open and Distance Learning (ODL) in Enhancing Employability

Open and distance learning (ODL) has become a crucial part of India's higher education landscape, offering accessible and flexible education to millions of learners who face barriers to traditional classroom-based education. Through its inclusive structure, ODL supports the nation's goal of equitable education while playing a pivotal role in improving employability by equipping learners with relevant, market-aligned skills. In India, the ODL system functions through:

1. Open universities: India has 13 state open universities and one central – Indira Gandhi National Open University (IGNOU) – serving over 3 million students. These universities offer programmes across disciplines, including technology, management, humanities, and vocational training, using blended methods like printed materials, online content and regional study centres.
2. Distance education departments at regular universities: Many traditional universities, such as the University of Mumbai and the University of Delhi, have distance education wings. These departments provide academic content, conduct assessments and offer remote learning opportunities to cater to students beyond campus boundaries.

The Distance Education Bureau (DEB) regulates ODL programmes under the UGC. The DEB aims to ensure quality control, adherence to academic standards and alignment with the NEP 2020, which should promote flexibility, multiple entry-exit points and lifelong learning. ODL contributes to employability through:

- Increased access and flexibility for skills development: ODL provides learners with the flexibility to study at their convenience, enabling individuals – especially working professionals, rural youth, and women – to pursue education without disrupting their personal or professional commitments. This flexibility ensures that students can develop job-ready skills at their own pace.
- Lifelong learning for continuous career growth: ODL promotes lifelong learning, making it possible for professionals to upskill or reskill without leaving their jobs. This is particularly valuable in a rapidly changing job market, where workers need to stay updated with emerging technologies and industry trends.
- Offering industry-relevant courses: ODL institutions are evolving to align more closely with industry needs. Programmes in fields such as digital marketing, data science, management and vocational training are designed to meet current job market demands. For instance, IGNOU offers practical, skill-oriented courses with industry collaborations, directly improving the employability of its graduates.
- Empowering women and marginalised communities: ODL provides a platform for women and marginalised groups to access education in a non-restrictive environment. This helps overcome cultural and social barriers that often prevent them from participating in formal education, enabling them to acquire skills for self-employment or formal job roles.
- Facilitating workforce upskilling and reskilling: As industries evolve with technological advancements, the need for continuous upskilling has become critical. ODL institutions offer targeted courses to help workers acquire new skills or transition into emerging fields, ensuring they remain employable in a competitive market.

Recent Developments in Online Learning in the Indian Education System

The Indian government has implemented several initiatives and policy changes to promote online education, starting with permission for only top-ranked institutions – those accredited by NAAC with a score of 3.26 or above or listed in the top 100 of the NIRF – to offer online

degree programmes. This initial phase focused on maintaining quality by restricting online courses to fields like management, commerce, humanities, and computer applications, allowing regulatory bodies such as the UGC to monitor standards and address challenges.

Building on the success of the first phase, the second phase expanded online education to a broader range of institutions and introduced courses in science and technology, aiming to make higher education more accessible. The phased rollout reflects the government's strategy to democratise education, particularly benefiting students in remote areas or those facing financial or logistical challenges. Additionally, the UGC has relaxed earlier restrictions, such as enrolment limits and course offerings, signalling a shift towards making online education a mainstream, flexible learning model supported by improved digital infrastructure and resources.

Students enrolled in degree programmes can now pursue an additional course through regular or online modes, allowing them to acquire employability skills alongside their primary studies and tailor their learning to their career interests.

The Wider Question of Cost and Institutional Strategies for Graduate Employability in India

The low employability of graduates in India poses significant challenges to companies, educational institutions and the economy. Although India boasts one of the largest youth populations globally, the gap between education and industry requirements continues to create bottlenecks in the job market. Studies show less than half of Indian graduates are employable, indicating a severe skills gap, especially in technical roles.

The broader economic implications are equally concerning. Underemployed or unemployed graduates contribute to wasted human capital, weakening India's efforts to harness its demographic dividend. Studies highlight that graduates are often underutilised, working in roles far below their qualifications, or remain unemployed due to a mismatch between academic knowledge and industry requirements. Addressing these gaps requires both structural reforms in education and active participation by industries.

Cost to Graduates

The cost of low employability for graduates extends beyond just the inability to secure a job. It has significant personal, social and economic consequences for graduates, affecting their future prospects and well-being. Here are the key dimensions of this cost:

Financial Burden

- **Student loans and debt:** Graduates often take out loans to fund their education, expecting to repay them through future employment. With low employability, they may struggle to service these debts, leading to financial distress and credit issues.
- **Opportunity cost:** Graduates who remain unemployed or underemployed for extended periods miss out on valuable earnings they could have accumulated had they secured better jobs sooner.

Mental Health Impact

- **Stress and anxiety:** Prolonged unemployment or working in roles below one's qualifications can lead to stress, anxiety and feelings of inadequacy, impacting mental health.
- **Social stigma:** In many cases, unemployed or underemployed graduates face societal pressure, further contributing to mental health challenges.

Career Growth Stagnation

- **Loss of skills relevance:** Graduates who remain unemployed for long periods risk losing touch with industry trends and technologies, making it even harder to find suitable jobs in the future.
- **Delayed professional development:** Low employability delays career progression, leading to a gap in experience and skills compared to peers who secure employment quickly.

Limited Access to Job Markets

- **Shift to gig economy jobs:** Many graduates resort to gig work or freelance jobs to survive, which often lack job security, benefits and career progression pathways.
- **Underemployment:** Many accept jobs far below their educational qualifications, diminishing their potential for future growth and income.

Impact on Social Mobility

- **Stagnation in economic status:** For many, higher education represents a pathway to upward social mobility. Low employability undermines this, trapping graduates in the same socio-economic conditions they sought to escape through education.
- **Reduced ability to invest in lifelong learning:** Financial constraints caused by underemployment reduce the ability of graduates to invest in further education or skills development, perpetuating the cycle of low employability.

Wasted Educational Investment

- **Mismatch of expectations:** Graduates, especially those from private or high-cost educational institutions, often have high expectations for job prospects. When these expectations are unmet, the return on educational investment diminishes significantly for both individuals and their families.

Cost to the Society/Nation

The cost of low employability to the nation is significant and multifaceted, affecting not only the economy but also social welfare and long-term national growth prospects. Here are the keyways it impacts the country:

Lost Economic Output

- Underutilisation of the workforce: India's demographic dividend – one of the youngest populations globally – is not being fully harnessed due to the mismatch between education and skills. With nearly 50% of graduates unemployable, a significant portion of the potential workforce remains underutilised, resulting in lower productivity.
- Reduced contribution to GDP: A less employable workforce limits innovation, entrepreneurship and industrial growth, directly curtailing the nation's ability to achieve high economic growth targets.

Increased Public Expenditure on Social Welfare Programmes

- Higher unemployment benefits and welfare costs: The government must allocate more resources to unemployment benefits, subsidies and other welfare schemes to support unemployed and underemployed youth, adding pressure to public finances.
- Skilling programmes and public investment: The government must invest heavily in upskilling initiatives.

Social Unrest and Youth Disengagement

- Higher youth unemployment: The youth unemployment rate among graduates in India is significantly high. This can lead to frustration, social unrest and increased crime rates as large numbers of educated but unemployed youth become disengaged from the economy and society.
- Brain drain: Graduates may seek better employment opportunities abroad, worsening India's brain drain problem and depriving the country of talent necessary for innovation and economic growth.

Impact on Social Mobility and Inequality

- Stagnation in social mobility: Low employability limits individuals' ability to improve their economic status, reinforcing income inequality. Those from underprivileged backgrounds, who view education as a ladder to upward mobility, are especially affected when they cannot find suitable employment.
- Growing urban–rural divide: Graduates from Tier 2 and Tier 3 cities face more significant employability challenges than their urban counterparts, leading to regional disparities in income and development.

Institutional Strategies to Cope with the Current Situation

The cost of low employability among graduates affects companies in several ways, leading to financial, operational and strategic challenges. Here is how companies cope with the situation:

Higher Recruitment Costs

- Longer hiring cycles: Companies must invest more time and resources to find suitable candidates from a limited talent pool. The need to screen more applicants leads to increased administrative costs in recruitment.
- Use of third-party services: Organisations often turn to external recruitment agencies, adding further costs to the hiring process.

Training and Onboarding Expenses

- Additional training programmes: Since many graduates lack job-ready skills, businesses invest heavily in in-house training programmes to bridge skill gaps. This delays productivity and increases onboarding costs.
- Delayed productivity: New hires take longer to become fully operational, causing project delays and reduced efficiency during the onboarding phase.

Employee Turnover and Attrition Costs

- High attrition rates: Hiring candidates with inadequate skills can lead to dissatisfaction, resulting in high turnover. This forces companies to reinvest in hiring and training, which is both time-consuming and expensive.
- Loss of knowledge and experience: Frequent employee turnover disrupts workflow continuity and erodes institutional knowledge.

Operational Inefficiency

- Reduced performance levels: Low employability among staff affects operational efficiency, particularly in technical or customer-facing roles where proficiency is critical.
- Impact on customer satisfaction: Poor employee performance can result in subpar customer service, damaging a company's brand and customer loyalty over time.

Impact on Innovation and Competitive Edge

- Stifled innovation: Companies depend on well-trained employees to innovate and stay competitive. A workforce with insufficient skills limits an organisation's ability to respond to market trends or develop new products and services.
- Higher outsourcing costs: To compensate for a lack of in-house talent, businesses may outsource more functions, increasing dependency on external providers and raising operational expenses.

Impact on Employer Branding

- Negative reputation as an employer: Struggling with high turnover or operational inefficiencies due to poor hiring decisions can damage an organisation's reputation, making it harder to attract top talent in the future.

Low employability among graduates forces companies to extend recruitment processes and invest in additional training programmes. As noted by the Economic Survey 2023-24 conducted by Mercer | Mettl, companies frequently face difficulties finding candidates with the right skill sets. This creates inefficiencies, increases recruitment costs and delays business operations. Additionally, hiring underprepared graduates can lead to higher attrition rates, further raising the financial burden of talent acquisition and retention.

Emerging Employability Skills in India

The employment landscape in India is rapidly evolving due to technological advancements, globalisation and market changes. It requires a well-rounded set of skills that combines technical expertise, behavioural competencies and practical experience. Future-ready professionals must adopt lifelong learning habits and a positive mindset to remain relevant in a fast-evolving job market. Collaborative efforts by educational institutions, businesses and policymakers are essential to ensure that India's workforce is equipped for the digital economy and beyond. To survive and grow in this dynamic environment, individuals need to develop a balanced combination of technical, cognitive and behavioural skills. Following are the emerging skills that youth in India need to learn and imbibe.

Digital Literacy and Technology Skills

Digital literacy forms the foundation of modern employability. Proficiency in digital devices, online tools and essential software is now a minimum requirement. Familiarity with emerging technologies – including AI, data analytics, cloud computing and cybersecurity – is crucial. For example, companies often expect candidates to be proficient in Microsoft Excel, Python, and cloud platforms, while basic cybersecurity hygiene is essential to safeguard digital workspaces (NASSCOM, Future Skills Talent Report, 2023).

Global Citizenship and Cultural Sensitivity

Globalisation has expanded the scope of employment, making it critical for employees to collaborate effectively across borders. Global citizenship includes cultural sensitivity, environmental consciousness and an understanding of international markets. For instance, businesses value employees who align with sustainable practices and foster diverse and inclusive work environments. Professionals who can work seamlessly with global teams gain a competitive edge in international markets (World Economic Forum [WEF], Global Competency Framework, 2022).

Future Skills

The WEF emphasises the need for advanced cognitive abilities such as critical thinking, creativity and problem-solving. Companies increasingly look for individuals who can innovate and adapt to uncertainties. For example, emotional intelligence, empathy, creativity and learning agility are now sought-after traits, as they enable employees to manage challenges in evolving work environments (WEF, Future of Jobs Report, 2023).

Right Mindset and Behavioural Skills

A positive mindset is crucial for long-term career success. Organisations prefer candidates who show integrity, punctuality, empathy and a strong sense of responsibility. Teamwork and interpersonal communication skills are also highly valued. For example, during interviews, companies often assess behavioural skills such as resilience, teamwork and collaboration, recognising these traits as essential for building a productive and harmonious workplace (LinkedIn, Global Talent Trends, 2023).

Industry-Specific and Job-Specific Skills

Industry-specific expertise ensures that employees meet the technical demands of their roles. For example, IT professionals need to be proficient in programming languages such as Python, Java, or C++, while finance professionals must have hands-on experience with tools like SAP and Tally. Employers emphasise these skills to ensure that candidates can contribute effectively to their specific fields from day one (NASSCOM, Skill Report on IT/ITES, 2023).

Practical Skills and Hands-on Experience

Practical experience gained through internships, apprenticeships, and project-based learning bridges the gap between theoretical knowledge and real-world application. For instance, companies prefer candidates with hands-on experience in solving real business problems, as this makes them job-ready and more adaptable to the workplace environment (McKinsey & Company, Bridging the Skills Gap, 2023).

Lifelong Learning

Continuous learning through on-the-job experiences and upskilling programmes is essential for career development. Some of the organisations have started offering access to online platforms such as Coursera, Udemy, and Skillsoft, enabling employees to stay updated with industry trends. For example, businesses encourage employees to engage in lifelong learning and reskilling to remain competitive in an ever-changing job market (Deloitte, Global Human Capital Trends, 2023).

Leadership and People Management Skills

With workplaces becoming more collaborative, leadership skills are vital not only for managers but also for employees across all levels. Skills such as active listening, decision-making, conflict resolution and people management help individuals inspire teams and manage projects effectively. As hybrid work models become more common, the ability to lead virtual teams is also gaining significance. Companies value employees with leadership potential, even in non-managerial roles, as it fosters innovation and accountability across teams (Harvard Business Review, Developing Leadership Skills for Future Workplaces, 2023).

Adaptability and Agility

Adaptability has emerged as a critical skill, especially in industries impacted by rapid changes, such as IT and e-commerce. Agile professionals can quickly learn new tools, switch

tasks and pivot to new roles based on market demands. This skill also complements lifelong learning by enabling employees to navigate change effectively. Start-ups and tech companies, in particular, prefer candidates who can adapt to dynamic roles and evolving job descriptions (McKinsey & Company, Resilience and Adaptability in the Workforce, 2023).

Entrepreneurial Mindset and Innovation

Companies now value an entrepreneurial mindset, even among their employees, to foster innovation. Skills such as initiative-taking, risk management and business acumen allow employees to contribute beyond their job descriptions. This mindset is crucial in industries seeking intrapreneurs who drive internal innovation. Organisations like Google and 3M encourage employees to pursue innovative projects through dedicated time for personal initiatives (WEF, Future of Jobs Report, 2023).

Perspective from NCVET – UNEVOC

The National Centre for Vocational Education Research (NCVER) emphasises a multifaceted approach to graduate employability by focusing on the interplay between education and the labour market. Its research highlights the importance of aligning educational outcomes with the evolving needs of industries, especially in light of technological changes. Its perspective stresses that employability goes beyond mere employment outcomes and involves fostering lifelong learning, digital competencies, business fundamentals and behavioural skills, ensuring graduates remain adaptable to dynamic work environments.

UNESCO-UNEVOC (the International Centre for Technical and Vocational Education and Training) complements this by promoting employability through skills for sustainable development and lifelong learning. UNEVOC focuses on integrating vocational education with the broader goals of sustainable development, encouraging collaboration between education providers, industries and governments. It emphasises building comprehensive frameworks that prepare graduates not only for jobs but also for active participation in society, promoting inclusive growth and well-being.

Together, NCVET and UNEVOC underscore the need for educational systems to foster resilience among graduates, equipping them not only with technical skills but also with the capacity to adapt, innovate and thrive in an ever-changing global economy.

Section 2: Employability – Stakeholder Experiences

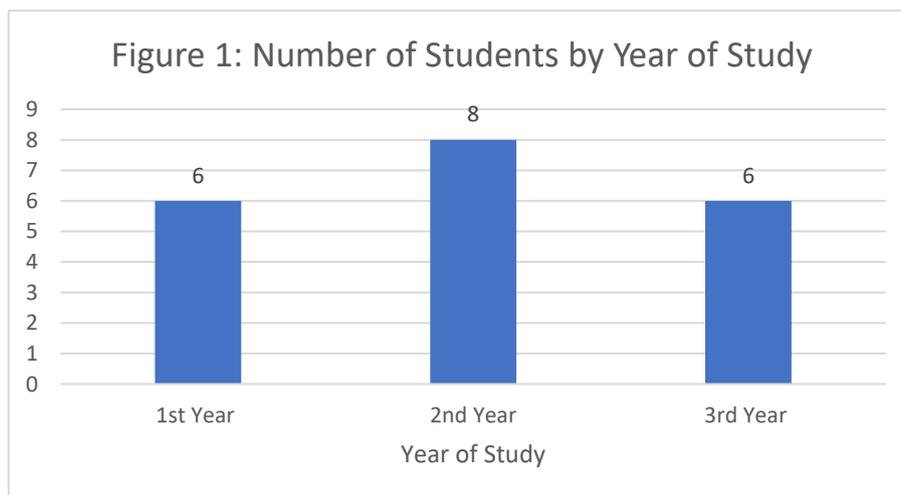
Insights from Learners (Currently studying in an undergraduate programme)

The survey was conducted among 20 students from various undergraduate programmes across different institutions. Participants were selected randomly, ensuring a diverse representation of streams such as arts, science, and commerce. Both male and female students were included to capture gender-specific insights. The survey consisted of seven questions addressing their academic progress, employability preparedness, challenges, and institutional support.

Findings and Insights

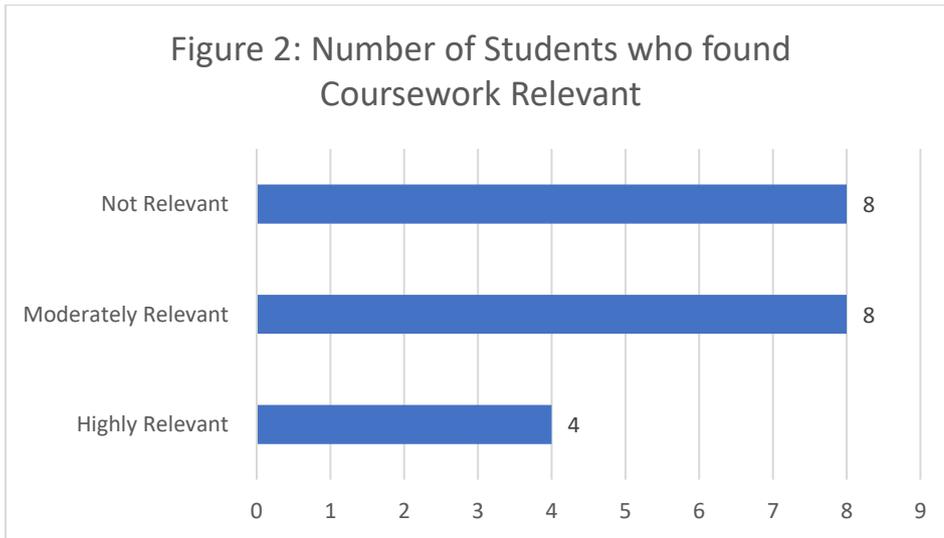
1. Number of students by year of study in undergraduate programmes

The study drew from a diverse sample of students at different stages of their academic journey to explore the factors that influence graduate employability. Six students in their first year, eight in their second year, and six in their final year participated. This distribution enabled the study to capture perspectives across various stages of educational development.



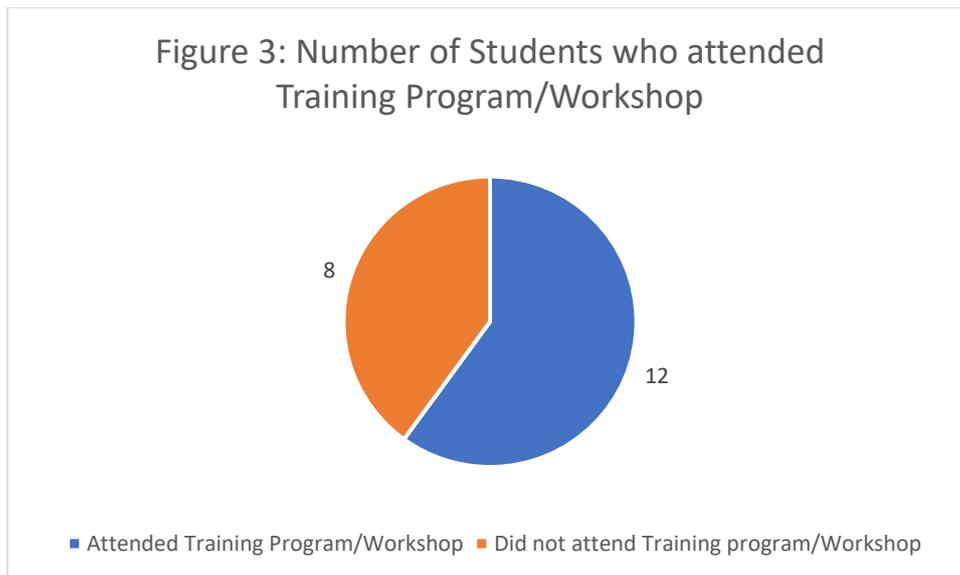
2. Relevance of coursework to employability

When asked about the relevance of their coursework to employability, students expressed a range of opinions. Only four students felt that their coursework was highly relevant, while eight perceived it moderately relevant, and another eight regarded it as not relevant at all. This dissatisfaction among many students suggests a potential disconnect between academic content and the needs of the job market, pointing towards the necessity of curriculum reform to better align educational programmes with industry expectations.



3. Participation in skills-based training or workshops

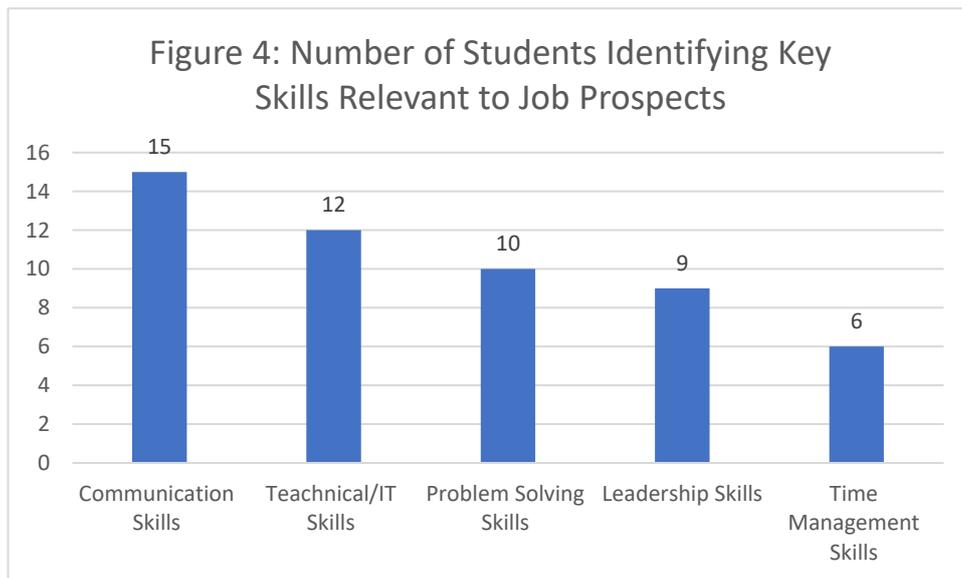
In terms of participation in skills-based training or workshops, the responses were also varied. While 12 students reported having attended such programmes, eight had not. This shows that, although institutions offered skills-based training, nearly 40% of respondents did not engage, signalling a potential need to improve either the outreach efforts of these programmes or their structure to make them more appealing and accessible to students.



4. Key skills identified for job prospects

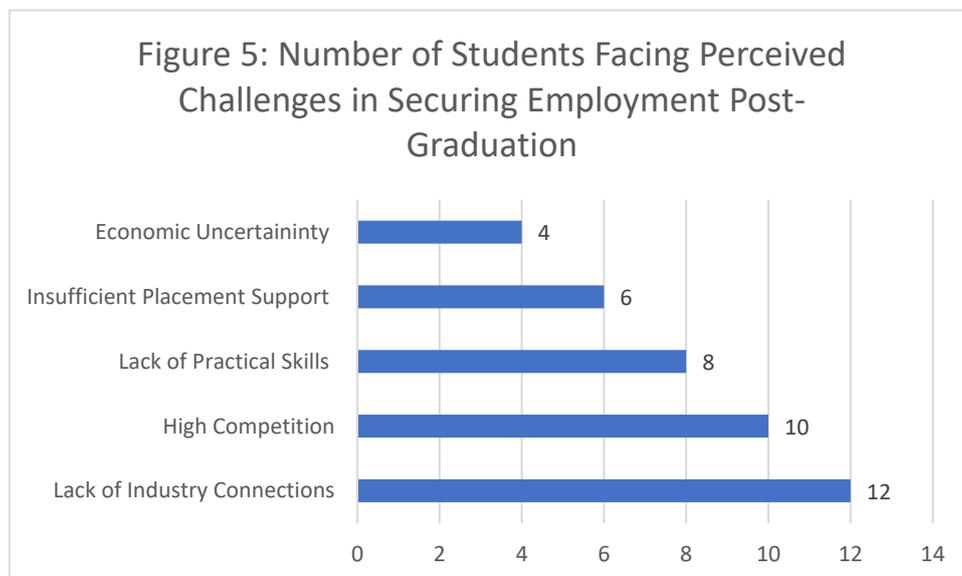
The survey also revealed insights into the key skills students believed were essential for job prospects. Communication skills emerged as the most valued, cited by 15 students, closely followed by technical or IT skills, which were identified by 12 students. Problem-solving skills were important for 10 students, while leadership and time-management skills were identified by nine and six students, respectively. This underscores students' understanding of

the importance of both soft and technical skills, with a particular emphasis on effective communication as a cornerstone for workplace success.



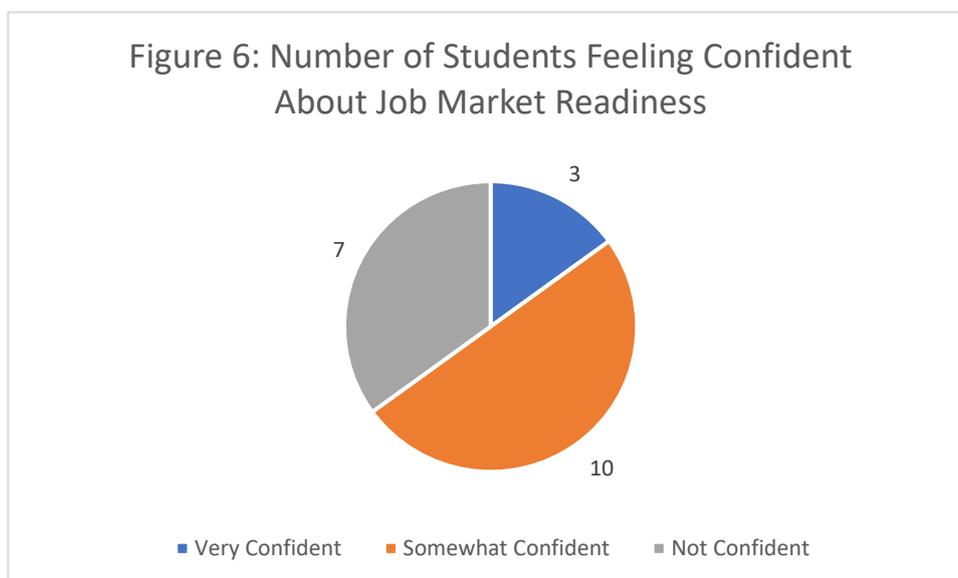
5. Perceived challenges in securing employment post-graduation

Students also shared their perceived challenges in securing employment after graduation. The lack of industry connections was the most cited obstacle, noted by 12 students. High competition followed closely, with 10 students identifying it as a significant challenge. Additionally, eight students expressed concerns about their lack of practical skills, six were worried about insufficient placement support from their institutions, and four pointed to economic uncertainty as a hurdle.



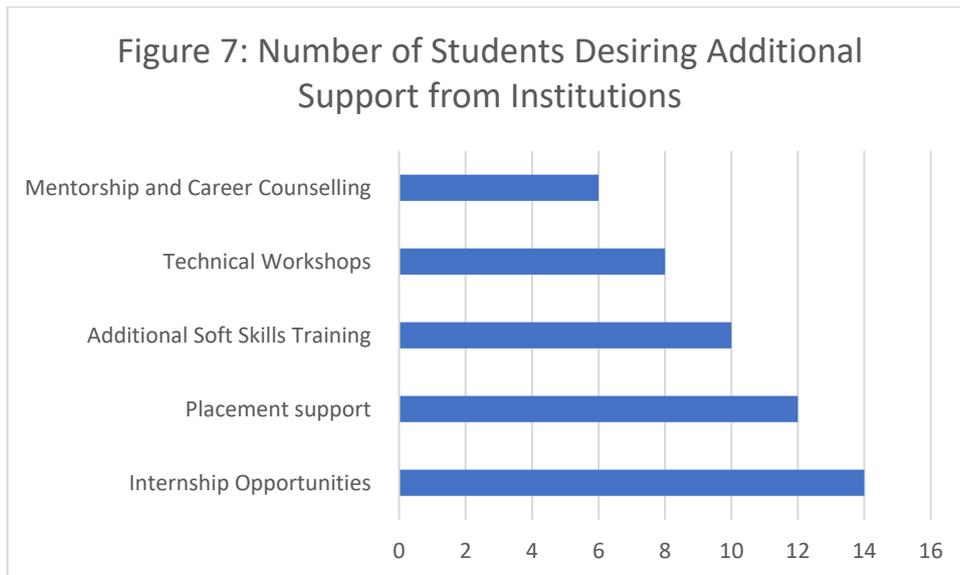
6. Confidence in job market readiness

When it came to assessing their readiness for the job market, students showed varying levels of confidence. Only three students felt very confident about their job readiness, while 10 were somewhat confident, and seven admitted to not feeling confident at all. This sense of limited preparedness highlights a need for more comprehensive employability training within academic programmes to better equip students for professional demands.



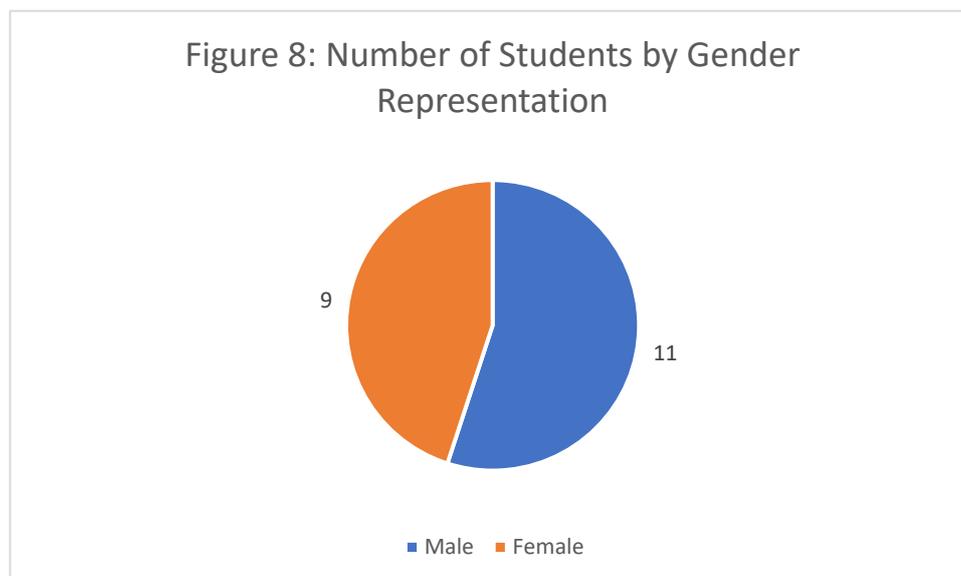
7. Additional support desired from institutions

Students were asked what additional support they would like from their institutions. Internship opportunities were the most requested form of support, with 14 students emphasising its importance. Placement support followed closely, with 12 students expressing a need for better assistance in finding job placements. Furthermore, 10 students desired additional soft-skills training, eight advocated for more technical workshops, and six requested mentorship and career counselling.



Gender Representation

In terms of gender representation, the survey sample was relatively balanced, with 55% male (11 students) and 45% female (nine students), allowing for a broad perspective across genders.



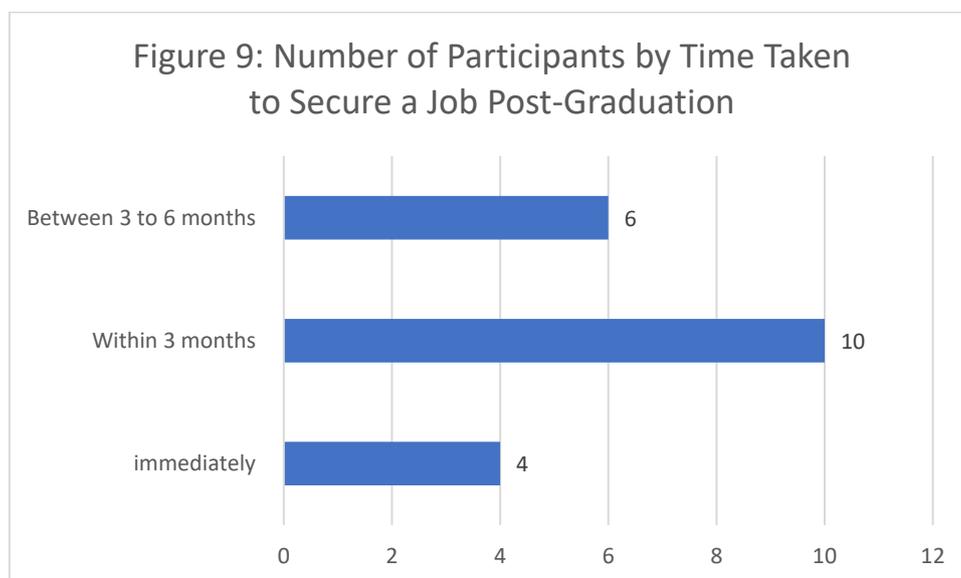
Insights from Recent Graduates (Who are employed)

The survey was conducted among 20 graduates who had completed their undergraduate programmes within 12 months prior to the survey and were employed at the time. Participants were from diverse fields, including science, arts, commerce, and technical streams. Both genders were represented to capture varied perspectives. The survey consisted of six questions.

Findings and Insights

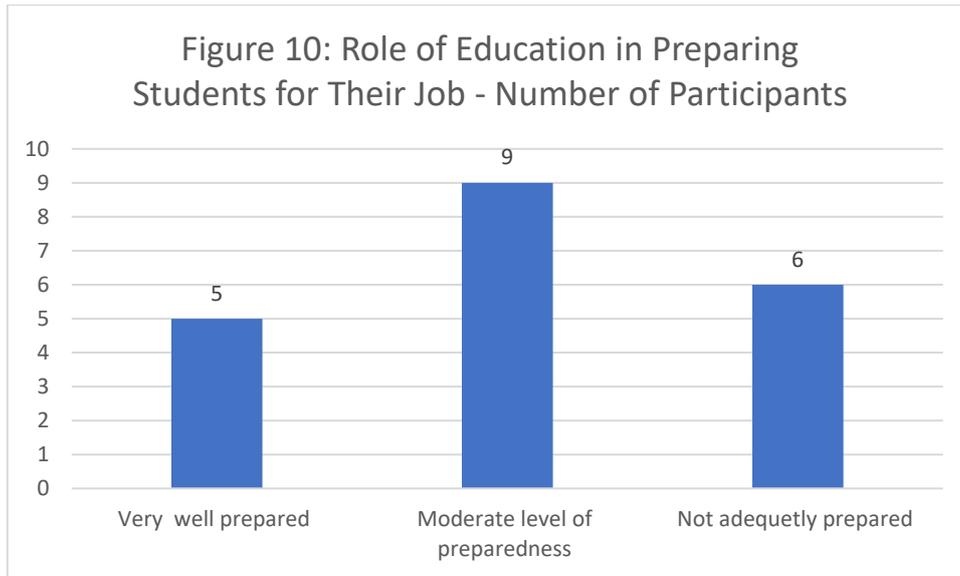
1. How long did it take to secure your first job after graduation?

When asked how long it took to secure their first job post-graduation, most students reported finding a job relatively quickly. Four students secured a position immediately, and 10 found work within three months. This suggests that timely job applications and effective campus placements positively contributed to their early employment outcomes.



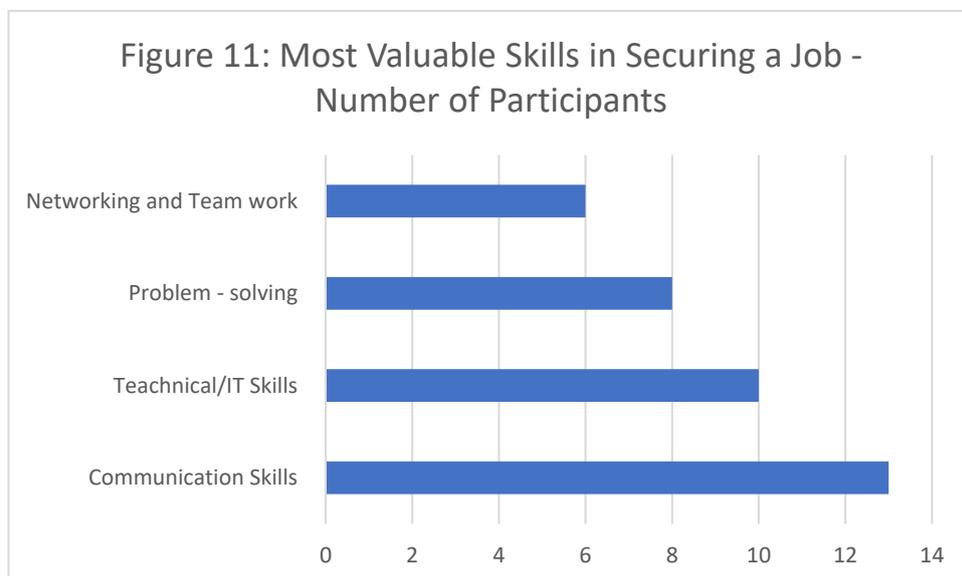
2. How well did your education prepare you for your current job?

Graduates were also asked about how well their education prepared them for their current roles. Responses varied – only five students felt very well-prepared, nine reported a moderate level of preparedness, and six did not feel adequately equipped. This gap shows that, while educational programmes provide a general foundation, they often lack the practical components that specific roles require. Graduates' feedback emphasises the need for academic programmes to better integrate practical skills and industry-aligned experiences.



3. What skills were most valuable to securing your job?

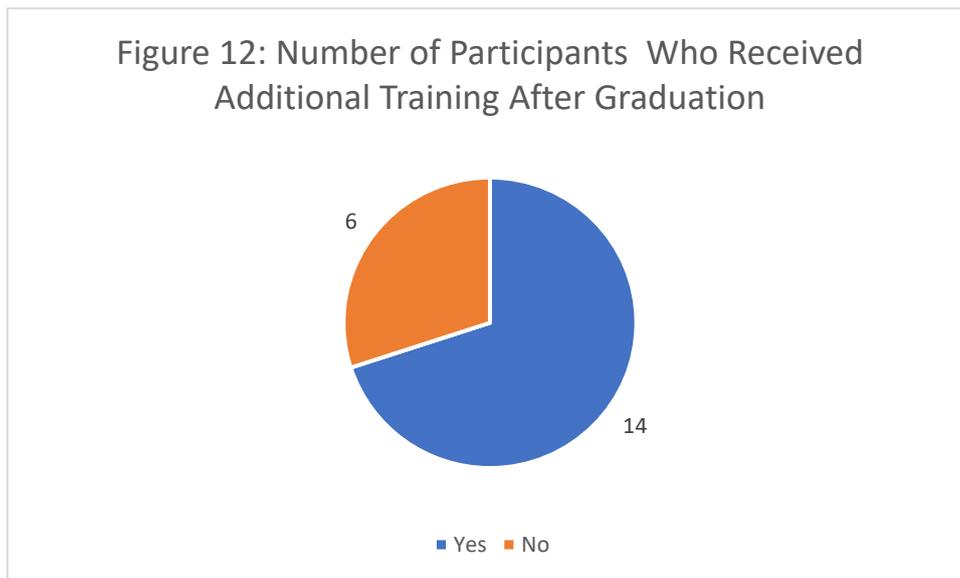
In terms of skills importance, communication skills stood out as the asset most valuable to securing jobs. Thirteen students identified it as critical. This was followed by technical or IT skills, cited by 10 students, and problem-solving, considered essential by eight students. Additionally, six students mentioned networking and teamwork, underscoring the role of collaborative and interpersonal skills in the workplace. These findings reflect graduates' appreciation for both technical expertise and soft skills, particularly in fields requiring teamwork and adaptability.



4. Did you receive any additional training after graduation?

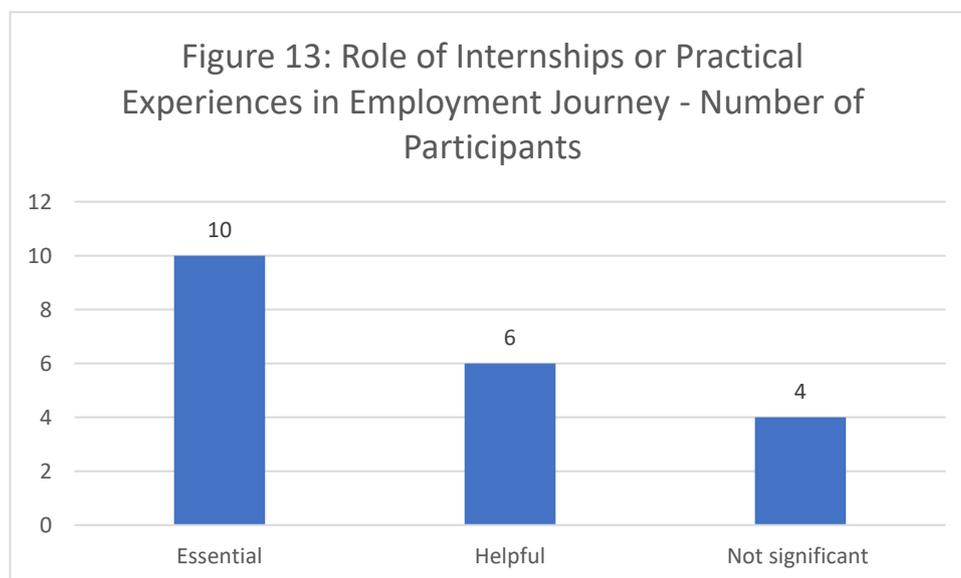
The survey revealed that continuous learning plays a significant role in professional success. Fourteen students reported that they engaged in additional training post-graduation compared to six who did not, illustrating the demand for skills advancement beyond formal education.

Many graduates highlighted the importance of continuous learning to stay current in their field and meet evolving industry standards.



5. What role did internships or practical experiences play in your employment journey?

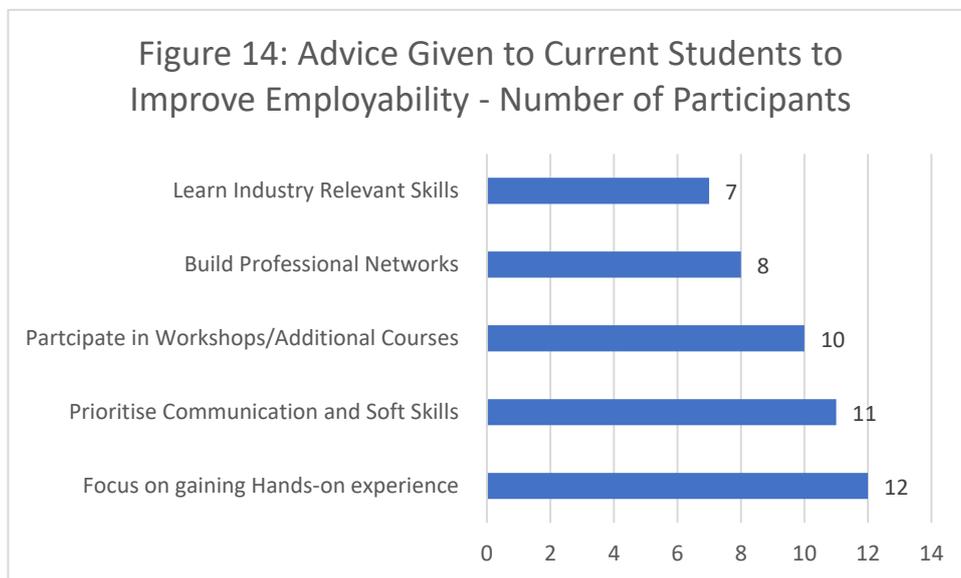
When examining the role of internships and practical experiences, the survey responses were largely positive. Ten students described internships as essential, six found them helpful, and only four felt they were not significant. Graduates with internship experiences reported smoother transitions into the workforce. They attributed this to the hands-on skills and industry exposure they gained, which made them feel more prepared and confident.



6. What advice would you give to current students to improve their employability?

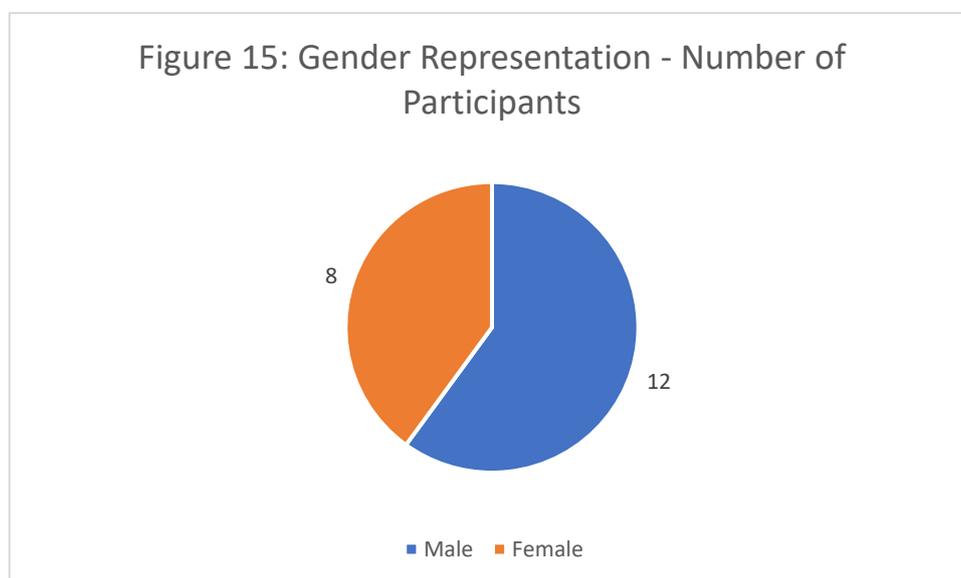
In reflecting on what advice, they would offer to current students, graduates emphasised the importance of internships and practical experiences. Twelve students recommended focusing

on gaining hands-on experience, while 11 advised prioritising communication and other soft skills. Additionally, 10 graduates encouraged participation in workshops and additional courses, eight stressed building professional networks early, and seven recommended continuously learning industry-relevant skills.



Gender Representation

The gender distribution in the survey sample was 60% male (12 students) and 40% female (eight students).



Insights from Recent Graduates (Who are still searching for jobs)

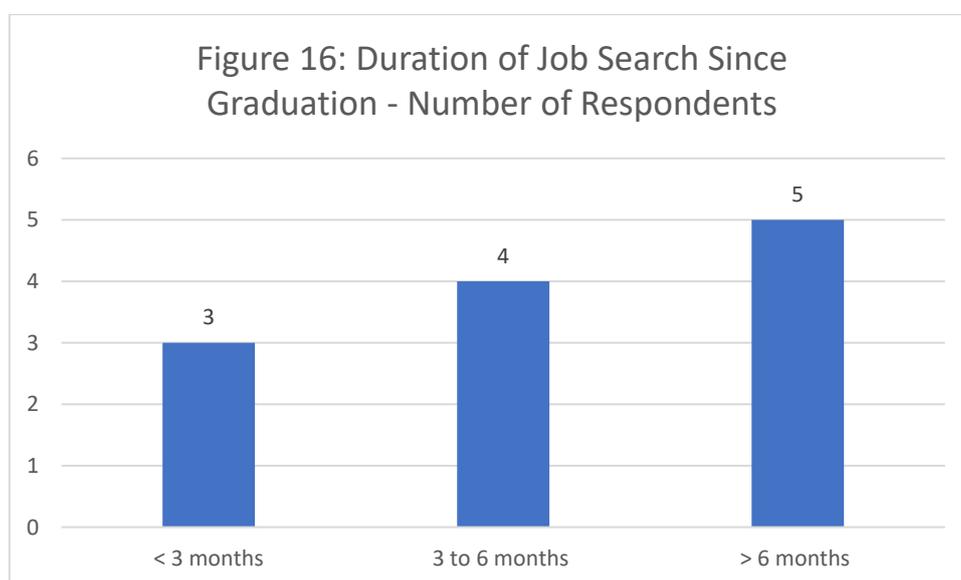
The survey was conducted with 12 graduates who were searching for jobs at the time. The participants, comprising both male and female respondents, were asked six key questions.

These questions addressed their job search experience, skill gaps, education relevance, and areas of improvement.

Findings and Insights

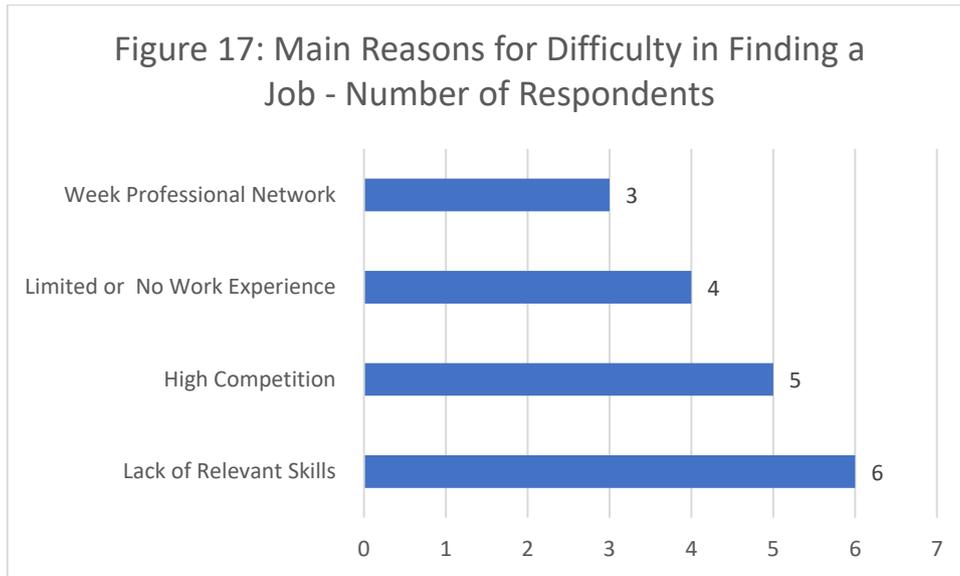
1. How long have you been searching for a job since graduation?

The survey findings reveal insights into the challenges faced by recent graduates as they navigate the job market. A notable portion of respondents reported having been in search of employment for over three months, with three graduates actively searching for less than three months, four graduates for three to six months, and five graduates for more than six months. This duration indicates the competitive landscape and potential obstacles that graduates face in finding suitable roles. The extended job search suggests that graduates may have skill gaps or face challenges in leveraging professional connections to access job opportunities.



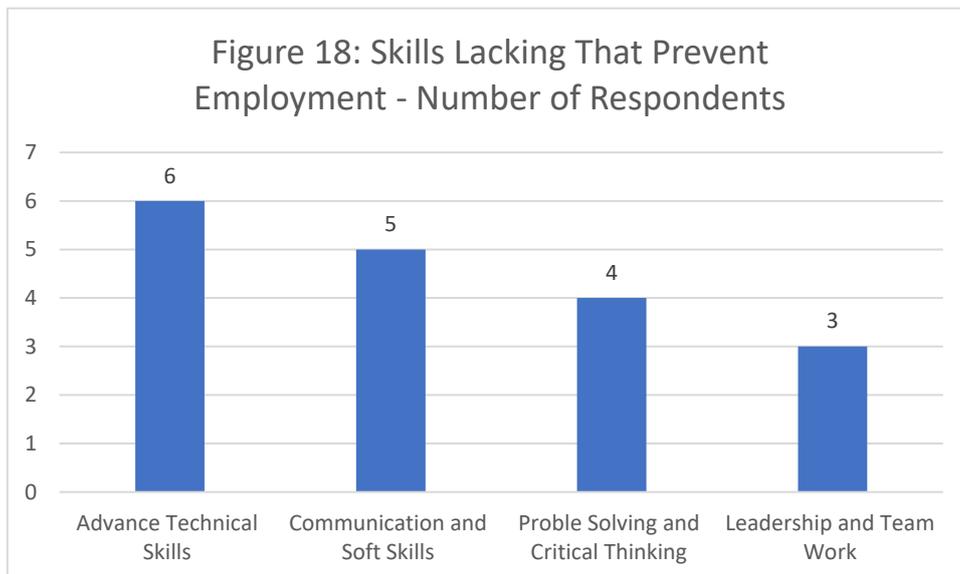
2. What do you think is the main reason for your difficulty in finding a job?

When asked about the primary reasons behind their difficulties in securing a job, graduates pointed to a combination of factors. Six respondents identified a lack of relevant skills as a significant barrier, and five mentioned the high competition within their fields. Additionally, four graduates felt that their limited work experience was an impediment, and three cited weak professional networks as a factor making their job search more challenging. These responses highlight how gaps in practical experience and professional connections compound the already competitive nature of the job market.



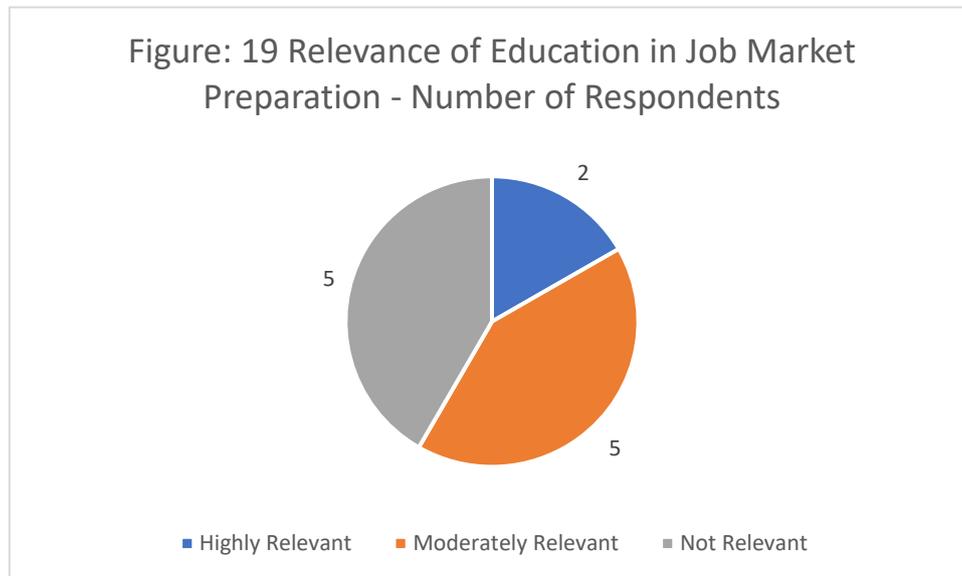
3. What skills do you feel you are lacking that are preventing you from securing employment?

The specific skills that graduates felt they were lacking underscore the importance of both technical and soft skills in employability. Six graduates noted advanced technical skills, including competencies in areas like coding and data analytics, as essential yet underdeveloped. Five graduates emphasised communication and other soft skills as crucial for success, and four expressed a need for improved problem-solving and critical thinking abilities. Three graduates also mentioned leadership and teamwork skills, reflecting a desire for a well-rounded skill set that integrates both technical proficiency and interpersonal strengths.



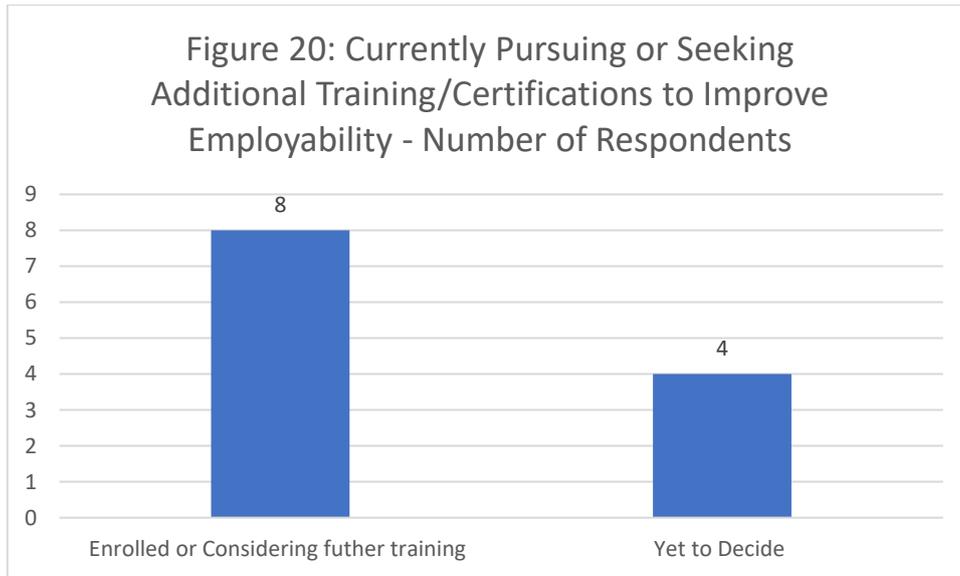
4. How relevant was your education to preparing you for the job market?

The relevance of graduates' educational background to preparing them for employment was also a point of reflection. Only two respondents felt their education was highly relevant to their career readiness, while five rated it as moderately relevant and another five as not relevant at all. This feedback suggests that many graduates perceive a gap between the theoretical content of their education and the practical skills that employers value, indicating a need for more industry-aligned curricula.



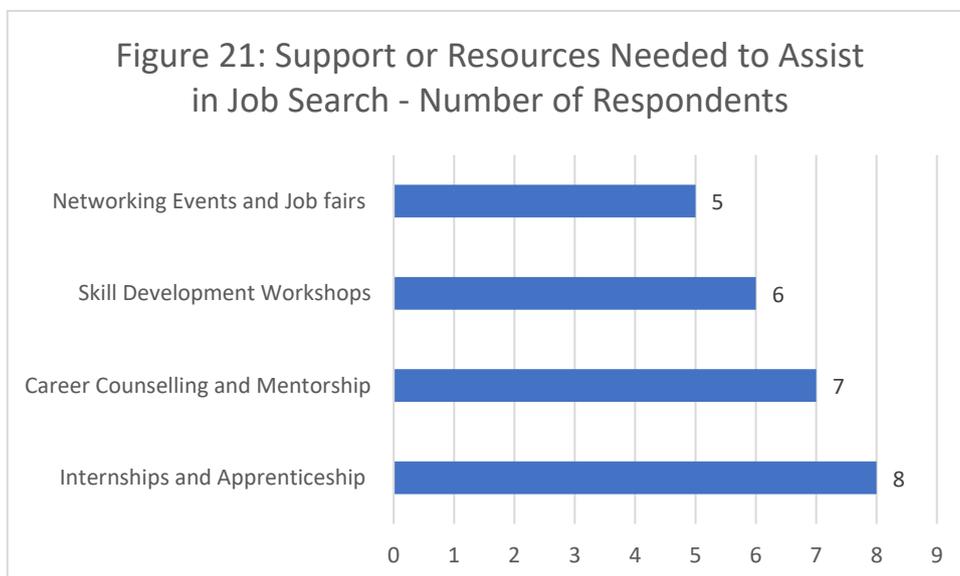
5. Are you currently pursuing or looking for any additional training or certifications to improve your employability?

Recognising these skill gaps, many graduates are actively pursuing further training. Eight respondents reported that they were either enrolled in or considering additional certifications or training programmes to enhance their employability, while four had yet to pursue further training. This inclination towards continuous learning reflects a recognition among graduates that upskilling is essential for maintaining competitiveness in an evolving job market.



6. What kind of support or resources do you think would help you in finding a job?

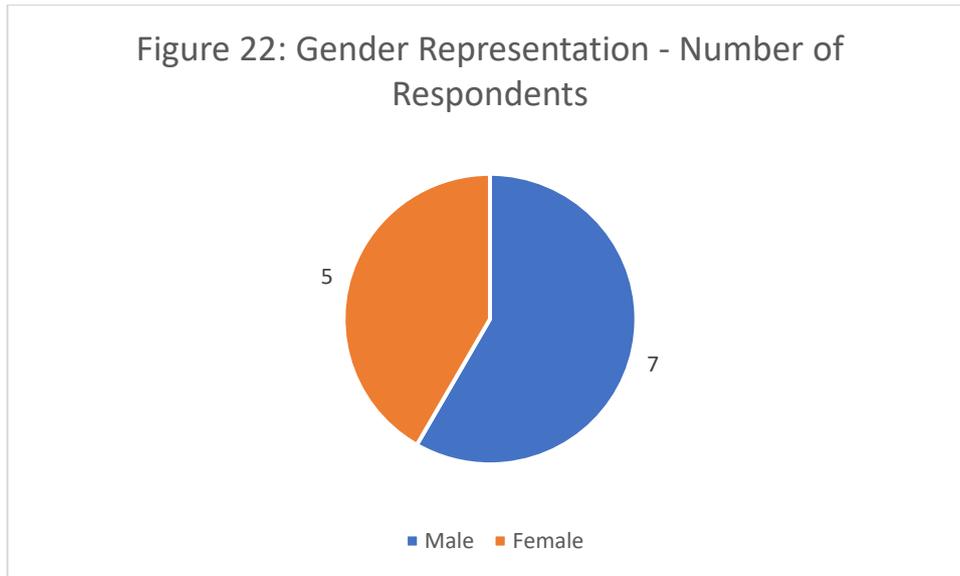
Graduates also shared their perspectives on the types of support and resources that could assist them in securing employment. Practical experience through internships and apprenticeships was the most requested resource. Eight graduates viewed it as critical. Seven graduates underscored the value of career counselling and mentorship, and six advocated for skills development workshops. Five graduates also highlighted networking events and job fairs, illustrating a desire for more opportunities to connect with industry professionals and potential employers.



Gender Representation

The survey sample comprised 58% male (seven students) and 42% female (five students) respondents.

Figure 22: Gender Representation - Number of Respondents



Insights from the Faculty Members/Academic Leaders

Five faculty members and academic leaders from HEIs across various disciplines participated in the survey. The respondents were asked four open-ended questions about employability skills integration, challenges in preparing students for the job market, the role of industry collaborations, and suggestions for curriculum reforms. Both male and female academic leaders were represented to capture diverse perspectives.

Findings and Insights

1. How does your institution integrate employability skills into the curriculum?

The survey findings give a comprehensive view of faculty perspectives on the integration of employability skills within academic programmes. Faculty members widely acknowledged that their institutions had taken initial steps to incorporate employability-focused elements into the curriculum, yet these efforts varied significantly across departments and programmes. One respondent shared, “Our institution offers employability-focused workshops and certification programmes,” indicating an institutional-level commitment to workforce readiness.

Another respondent highlighted, “Internships and industry projects are mandatory for certain courses.” This shows that some programmes integrate practical experiences as essential components of their academic offerings. Soft skills, such as communication and teamwork, are embedded in many programmes, as one faculty member noted: “We embed soft skills, such as communication and teamwork, into the academic programmes.” Others explained that specific departments collaborate with industry partners to co-develop courses and certifications relevant to current market demands.

2. What challenges do you face in preparing students for the job market?

Despite these efforts, faculty members identified several challenges that hindered the full alignment of academic training with industry expectations. As one faculty member observed,

“The mismatch between academic content and industry needs is a persistent issue.” This suggests a disconnect between what is taught and what employers seek. This gap is compounded by the need for continuous faculty training, especially in emerging areas such as data analytics and AI, which one respondent underscored: “Faculty members need more training in emerging fields like data analytics and artificial intelligence.”

Many students lacked exposure to real-world problems and practical learning, as echoed by another participant, who shared: “Many students lack exposure to real-world problems and practical learning opportunities.” Limited funding further worsens these issues, restricting institutions’ ability to offer robust career services and placement support. One respondent reflected: “Limited funding hampers our ability to build strong placement support systems.”

3. What role do industry collaborations play in enhancing employability skills?

Industry collaborations were universally recognised as a key factor in bridging this gap and enhancing students’ employability skills. Faculty members highlighted these partnerships as essential for providing internships and practical learning experiences, with one participant noting, “Industry collaborations are crucial for internships and hands-on learning.” The involvement of industry professionals through guest lectures and career workshops was another common practice, as one respondent shared: “We invite industry professionals for guest lectures and career workshops.”

These collaborations not only provide students with direct exposure to industry practices but also allow institutions to align curricula with market trends, as described by a faculty member: “Our partnerships help us align curricula with current market trends and industry demands.” Furthermore, mentorship programmes and company-provided internships were valued for their role in equipping students with real-world skills and networks that enhanced job readiness. One respondent emphasised, “Mentorship programmes and internships provided by companies play a key role in improving employability.”

4. What changes are needed in curriculum design to better prepare students for employment?

When discussing changes needed in curriculum design, faculty members advocated for a stronger emphasis on practical learning, real-world projects, and industry-aligned certifications. One participant expressed, “There should be greater emphasis on hands-on learning and real-world projects,” indicating a desire to shift from purely theoretical to application-based education. Faculty also stressed the importance of integrating emerging technologies into the curriculum, as another respondent stated: “Emerging technologies and industry-relevant certifications need to be integrated into the curriculum.”

Strengthening soft skills training to complement technical knowledge was perceived as essential. In this instance, one faculty member recommended, “Soft skills training must be strengthened to complement technical knowledge.” Additionally, there was a shared sentiment that curriculum updates should be frequent and responsive to changing job market dynamics, as one participant noted, “The curriculum needs to be more dynamic and responsive to changes in the job market.”

Gender Representation

- Male: 60% (three respondents)
- Female: 40% (two respondents)

Insights from the Employers

The survey was conducted among four employers from diverse industries, namely IT, finance, manufacturing, and consulting. The questions focused on the skills sought in graduates, the performance of recent graduates, the differences between fresh graduates and those with work experience, and actionable recommendations for educational institutions. Both male and female employers participated to capture varied perspectives.

Findings and Insights

1. What key skills do you look for in recent graduates?

The findings from the employer feedback highlight a nuanced view of the skills and readiness of recent graduates as they enter the workforce. Employers emphasised the importance of a well-rounded skill set in new hires, particularly a balance between technical skills and soft skills. When asked about the most important skills they sought in recent graduates, employers commonly cited communication, teamwork and adaptability as essential, underscoring the role of interpersonal and adaptive skills in today's workplace. One respondent noted that "Soft skills like communication and teamwork are crucial because they determine how well graduates will fit into a team."

In addition, employers value role-specific technical expertise – such as coding for tech roles, or financial analysis for finance positions – indicating that practical knowledge within a graduate's field is equally important. Critical thinking and decision-making skills were also prioritised, with one employer mentioning that "The ability to solve problems and make informed decisions is vital in dynamic work environments." Emotional intelligence – the capacity to manage relationships and work collaboratively – was identified as a valuable asset, further highlighting the complex skill set expected of new graduates.

2. How well do recent graduates meet your expectations?

When discussing how well graduates met these expectations, employers shared mixed experiences. Many felt that, while some graduates demonstrated the skills needed for entry-level roles, others required additional training. One employer explained: "Some graduates meet our expectations, but many need additional training." This suggests that there is often a gap between academic training and workplace demands.

Another respondent observed that "Graduates tend to excel in theoretical knowledge but struggle with practical application," highlighting a frequent gap between classroom learning and real-world job requirements. Additionally, employers noted significant variability in graduate readiness often based on the institution attended and the exposure students received during their education.

3. What are the major gaps in the skills of graduates?

Employers were also asked to identify specific skill gaps in recent graduates. Practical experience emerged as the most significant gap, with one employer stating, “Graduates have limited exposure to real-world applications, which makes it harder for them to adapt to our work processes.” Communication skills were another concern, as many graduates reportedly struggled to present ideas effectively, which is essential in collaborative work settings.

Problem-solving and critical-thinking skills were also identified as areas of improvement, with an employer mentioning, “Lack of innovative thinking and initiative is a common challenge among new hires.” Moreover, some graduates exhibit deficiencies in professional etiquette, including time management, punctuality and workplace behaviour. In this regard, one respondent noted, “Professionalism is crucial, but many graduates lack the basics of workplace etiquette.”

4. How do you perceive the difference in readiness between new graduates and those with some work experience?

The findings further illustrate a clear distinction between the readiness of fresh graduates and those with some work experience. Employers overwhelmingly preferred candidates with prior work experience, as they tend to be more adaptable and require less onboarding. One employer explained, “Graduates with prior work experience are more adaptable and job-ready.” Another commented that “Experienced candidates perform better in problem-solving and workplace dynamics.” On the other hand, fresh graduates often need additional guidance to meet professional expectations. In this regard, one employer noted that “Fresh graduates need more hand-holding and take longer to adapt to professional environments.”

5. What actions can educational institutions take to better prepare students for the workforce?

To address these issues, employers suggested several actions educational institutions could take to better prepare students for the workforce. Internships and real-world project opportunities were emphasised as critical steps to provide students with practical experience. One employer recommended, “Increase internships and real-world project opportunities to give students first-hand exposure to industry requirements.”

A closer collaboration between academia and industry was proposed to align curricula with market demands, as highlighted by a respondent: “Collaborate with industry to make sure the curriculum aligns with what the job market needs.” Employers also emphasised the importance of focusing on soft skills development, particularly communication and teamwork, which are often undervalued in academic settings. Lastly, offering certifications and industry-relevant courses was recommended to help students build relevant skills. One employer noted that “Offering certifications and industry-relevant courses can make students more job-ready.”

Gender Representation

The gender representation in this feedback sample was 75% male and 25% female, adding varied perspectives to the responses.

Insights from the Government Policymakers

Two senior officials/policymakers from the Government of India participated in the survey. The questions focused on the key policies and initiatives to enhance employability, major challenges in aligning education with industry needs, the role of PPPs in skills development, ensuring equal access for rural and marginalised communities and future reforms for global competitiveness.

Findings and Insights

- Key policies and initiatives to enhance employability

Policymakers emphasised that the recently launched Prime Minister Internship Scheme combined with the NEP 2020 and Digital India are central to enhancing employability. These initiatives integrate vocational training, apprenticeships and digital literacy with formal education, while NAPS focuses on providing hands-on experience to graduates.

- Major challenges in aligning education with industry needs

A mismatch between curriculum and industry expectations remains a significant barrier. Many graduates lack the practical experience and critical skills required by employers. Policymakers also highlighted the need for faculty development and closer industry collaboration to align academic programmes with market demands.

- Role of public–private partnerships (PPPs) in skills development

Policymakers stressed that PPPs could offer internships, apprenticeships and co-developed curricula to bridge the skill gap. Industry participation is critical in real-world training and ensuring students are job-ready. Incentives for companies and the creation of sector-specific skills councils help drive industry-academia collaboration.

- Ensuring equal access for rural and marginalised communities

To promote inclusivity, the government is setting up skills centres in rural areas and leveraging online platforms for remote learning. Scholarships, loans and stipends support students from underprivileged backgrounds. Initiatives like Common Service Centres (CSCs) further extend employability programmes to remote areas.

- Future reforms for global competitiveness

Policymakers pointed to the UGC's focus on multidisciplinary learning as key to future success. Continuous learning through global certifications, lifelong learning models and technology integration (AI, data science, blockchain) will ensure that graduates stay competitive in the global job market.

Consolidation of the Employability Skills from the Surveys

Soft Skills Development

Soft skills are essential across all industries, ensuring graduates can effectively collaborate, communicate and adapt to dynamic work environments.

Key soft skills to impart:

- **Communication skills:**
 - Clear and concise verbal and written communication.
 - Ability to present ideas effectively and engage in discussions.
- **Teamwork and collaboration:**
 - Ability to work cohesively within diverse teams.
 - Leadership skills, and the ability to delegate tasks.
- **Emotional intelligence:**
 - Managing emotions effectively and demonstrating empathy in team settings.
 - Adaptability to changing work environments.
- **Time management and professionalism:**
 - Ability to meet deadlines and handle multiple tasks efficiently.
 - Cultivating punctuality, responsibility and workplace etiquette.

Technical and Industry-Specific Skills

In addition to theoretical knowledge, graduates must be equipped with industry-relevant technical skills.

Recommended technical skills:

- **Role-specific skills:**
 - Programming and coding (for IT and data-related roles).
 - Financial analysis, accounting, or marketing skills (for business roles).
- **Data analytics and digital literacy:**
 - Knowledge of data analytics tools and basic coding languages (e.g., Python, Excel).
 - Understanding of digital tools used in modern workplaces.
- **Certifications and specialisations:**
 - Industry-recognised certifications (e.g., AI, project management, financial modelling).
 - Knowledge of emerging technologies like AI, blockchain, and Internet of Things.

Problem-solving and Critical Thinking Skills

Employers emphasised the need for graduates to take initiative and solve real-world problems efficiently.

Key problem-solving skills:

- **Critical thinking:**

- Analytical skills to assess situations and make data-driven decisions.
- Innovative thinking to develop new solutions for challenges.
- Decision-making:
 - Ability to evaluate different perspectives and make informed choices.
- Resilience:
 - Capacity to learn from failures and adapt to new challenges.

Practical Exposure and Hands-On Learning

Graduates need hands-on experience to bridge the gap between theory and practice.

Recommendations for practical learning:

- Internships and apprenticeships:
 - Structured internship programmes with companies to provide exposure to real-world work environments.
 - Apprenticeship opportunities embedded into academic courses.
- Project-based learning:
 - Encouraging students to undertake live projects and simulations.
 - Case studies, hackathons and competitions to develop practical problem-solving abilities.

Professional Networking and Career Readiness

Building professional networks and understanding workplace dynamics are essential for career growth.

Networking and career readiness skills:

- Professional networking:
 - Teaching students how to build and leverage professional networks through platforms like LinkedIn.
 - Organising job fairs and networking events to connect students with industry representatives.
- Career counselling and mentorship programmes:
 - Providing personalised career guidance and interview preparation workshops.
 - Offering alumni mentorship programmes to enhance career readiness.

Continuous Learning and Flexibility

In a fast-changing job market, the ability to learn continuously is critical for long-term employability.

Key learning skills:

- Lifelong learning mindset:
 - Encouraging students to pursue online courses, certifications and workshops beyond their formal education.

- **Adaptability and curiosity:**
 - Promoting a mindset of openness to new ideas and flexibility in career paths.

Industry–Academia Collaboration

Close collaboration between industry and academia can help ensure that students acquire the skills required in the job market.

Recommendations for strengthening industry–academia link:

- **Curriculum co-development:**
 - Partnering with industry to update curricula based on market trends and future skill demands.
- **Guest lectures and workshops:**
 - Inviting industry experts to deliver guest lectures and conduct skills-based workshops.
- **Job placements and mentorship:**
 - Establishing placement cells with industry partnerships to offer internships and job opportunities.

Section 3: Recommendations

The emerging skills identified through secondary data and validated by primary research insights show that India's workforce landscape is shifting towards a blend of technical, cognitive and behavioural competencies. Digital literacy, adaptability, problem-solving and effective communication emerged as pivotal for employability. Employers increasingly seek candidates with practical experience, underscoring the importance of internships, apprenticeships and hands-on learning.

The need for a lifelong learning mindset was emphasised, with industry collaboration playing a key role in aligning academic curricula with evolving market demands. Both faculty and students highlighted a gap between theoretical knowledge and industry-ready skills, advocating for curriculum reforms that integrate soft skills and technical expertise. To thrive in the evolving economy, professionals need to develop not only technical competencies but also leadership skills, entrepreneurial thinking and global citizenship, ensuring that the workforce remains resilient and future ready.

Guidelines for Employability Framework

Integrate Vocational Skills with Higher Education

To bridge the gap between academic knowledge and industry expectations, HEIs must incorporate vocational training into their curricula. This integration can be achieved by offering employability-focused programmes that equip students with both theoretical and practical skills. Institutions should establish on-campus skill centres that align with local and national market demands, providing students with hands-on experience in areas such as IT, manufacturing, and hospitality. These centres will serve as hubs for students to gain certifications in industry-relevant fields, enhancing their job readiness and promoting self-employment opportunities.

Career Counselling for All Students

Personalised career counselling plays a pivotal role in helping students navigate their career journeys. Universities should provide every student with access to expert career guidance from the time of enrolment through graduation. Dedicated career advisors can assist students in identifying their strengths, interests and emerging job roles, aligning them with suitable career paths. Career counselling sessions should also focus on familiarising students with new-age professions and entrepreneurial opportunities. Incorporating psychometric assessments can further enhance the effectiveness of career guidance by identifying students' aptitudes and preferences.

Incorporate Digital Literacy Across Programmes

In today's knowledge economy, digital literacy is essential for both personal and professional success. Educational institutions must make digital literacy a mandatory component across all disciplines to ensure students are prepared for a technology-driven workforce. This initiative should cover foundational IT skills, cybersecurity awareness, data literacy, and the responsible use of digital tools. Furthermore, to address the digital divide, institutions must

ensure affordable Internet access and device support for underserved students, empowering them to effectively participate in online learning and digital platforms.

Embed Life Skills in the Curriculum

Life skills – such as critical thinking, emotional intelligence, communication, problem-solving, and entrepreneurial abilities – are crucial for preparing students for the complexities of modern life and work. Embedding these skills in academic programmes fosters well-rounded graduates equipped to adapt to changing job landscapes. Institutions can integrate these competencies into coursework through group projects, simulations and extracurricular activities. Offering short modules on topics such as leadership, teamwork, financial literacy and mental well-being will further enrich students' personal development, promoting resilience and social responsibility.

Strengthen Industry–Academia Collaboration

Collaboration between industry and academia is key to building a workforce aligned with real-world needs. Institutions should co-develop curricula with industry partners, ensuring that programmes remain relevant and future-proof. Faculty training programmes led by industry experts will further enhance teaching standards. Universities should also introduce dual certification programmes, allowing students to earn academic degrees along with industry-recognised qualifications. On-the-job training (OJT), internships and apprenticeships should be made integral to every academic programme to foster practical learning and facilitate smoother school-to-work transitions.

Adopt Micro-Credentials

Adopting micro-credentials offers a flexible pathway for learners to develop skills in a structured, incremental manner. These stackable credentials allow individuals to earn qualifications in smaller, manageable segments, which they can build on over time. This approach not only provides learners with the ability to customise their learning journeys but also enables them to demonstrate proficiency in specific skills to potential employers. Ultimately, micro-credentials support lifelong learning by allowing individuals to continuously update and expand their expertise in response to industry needs.

Flexible Learning

Flexible learning through the National Credit Framework creates opportunities for individuals to engage in lifelong learning tailored to their unique career aspirations. By offering adaptable education pathways, learners can progress at their own pace, accumulating credits that align with their professional goals. This framework supports diverse learning styles and schedules, accommodating traditional academic tracks, vocational training and skills-based certifications. Flexible learning pathways empower individuals to develop relevant skills over time, staying competitive in a rapidly changing job market.

Strategies for Integrating Employability Skills into the Curriculum

Making Employability Skills Courses Mandatory

The UGC should mandate that all undergraduate and postgraduate students complete at least one employability skills course as part of their curriculum. These courses should be credit-linked, ensuring that students across disciplines gain practical exposure to job-relevant skills. By embedding these courses in the academic framework, HEIs will align with the NEP 2020, which emphasises vocational education alongside academic learning.

According to the India Skills Report 2023 – produced by Wheebox in collaboration with PeopleStrong, the Confederation of Indian Industry (CII), the AICTE, and NSDC – nearly half of employers in India report difficulties in finding job-ready talent due to a lack of specific skills. Making employability courses mandatory will address the skill gaps identified by industries. Structured programmes should include interdisciplinary learning, industry collaboration and OJT to equip students with competencies essential for real-world employment.

Capacity Building of Faculty Members

A critical component of integrating employability skills into the curriculum is the continuous capacity building of faculty members. Faculty development programmes (FDPs) must focus on equipping educators with the latest industry knowledge and practices to ensure that teaching remains relevant and practical. Faculty members should collaborate with industry professionals through joint projects, enabling them to bridge the gap between academic theory and industry requirements.

Exclusive faculty appointments for life skills courses will enhance students' personal and professional growth. These courses, focusing on emotional intelligence, leadership and interpersonal skills, require instructors trained specifically to deliver such content effectively. Furthermore, periodic refresher training programmes will keep faculty updated on evolving industry trends and teaching methodologies, ensuring continuous improvement.

Greater importance must be placed on these practical teaching interventions than on research publications, which often remain theoretical and disconnected from real-world applications. By prioritising faculty capacity building, HEIs will foster a learning environment where students benefit from both domain expertise and practical skills development.

Modules for Employability Skill Courses

a) Core employability skills and on-the-job training (OJT)

Core modules should align with specific job roles in industries relevant to students' fields. For instance, engineering students can focus on automation and the Internet of Things, while commerce students may study financial analysis and digital payments. These courses must include OJT or internships, ensuring students gain hands-on experience and industry exposure. Partnerships with industry and SSCs will maintain course relevance and enable dual certifications, adding credibility to students' profiles.

b) Digital literacy and global citizenship

Digital literacy is essential in the modern economy. Modules should teach students ICT skills such as information management, cybersecurity awareness and collaboration tools. These programmes should also foster global citizenship by emphasising cross-cultural communication, online ethics and awareness of global issues. Such training will help students contribute meaningfully to the global digital economy, enhancing both local and international employability.

c) Future skills

With the rise of emerging technologies, courses must focus on future skills like AI, robotics, data science, and blockchain. Additionally, the WEF highlights critical skills like creativity, emotional intelligence and critical thinking, which should also be part of the curriculum. Training in AI ethics and data literacy will further prepare students to thrive in dynamic industries and new-age careers.

d) Social leadership skills

Employability courses should cultivate leadership abilities and entrepreneurship. Modules on leadership development, project planning and grassroots innovation will encourage students to think creatively and solve societal challenges. Rural immersion programmes, as also recommended by UGC, where students engage with communities and work on social enterprises, will provide practical insights into social issues and develop problem-solving skills. Higher education institutions (HEIs) can further support entrepreneurship by establishing incubation centres to nurture student start-ups.

e) Developing the right mindset

Employability depends not only on technical skills but also on personal attributes. Courses should develop essential behaviours such as ethics, teamwork, responsibility, punctuality and adaptability. Emotional intelligence training and conflict resolution modules will prepare students to manage workplace dynamics effectively. Employers value these soft skills as critical factors in hiring decisions and developing a positive mindset will enhance graduates' career growth and adaptability.

Credit System for Employability Skill Courses

A progressive credit-based approach will allow students to gradually build skills over the course of their academic journey. This model aligns with NEP 2020's focus on experiential learning and holistic education, ensuring that students acquire future-ready skills by the time they graduate. The credit structure can follow a phased increase over three years:

Year of Study	1st Year Students	2nd Year Students	3rd Year Students
Year 1 (Credits)	4	8	12
Year 2 (Credits)	16	24	30
Year 3 (Credits)	30	30	30

This structure ensures a smooth transition for students as they balance academic and skills development demands, progressively acquiring competencies needed for the job market.

Offering Certificate/Diploma Programmes Until Full Integration

In cases where HEIs cannot immediately embed skills-based courses in the curriculum, they should offer these programmes as stand-alone certificates or diplomas. Additionally, students can be given the option to enrol in skills-based courses from other accredited institutions specialising in industry-relevant training. This approach will ensure students acquire practical knowledge and technical competencies, even if their core academic programme does not yet integrate these elements. By providing multiple avenues for skills development, HEIs can enhance students' employability and prepare them for evolving industry needs.

Incentivising Fast Movers

Higher education institutions (HEIs) that successfully integrate skills-based education into their curricula or offer certificates and diploma programmes should be incentivised. Institutions demonstrating leadership in skills development should receive additional points under national frameworks such as the National Assessment and Accreditation Council (NAAC) and the National Institutional Ranking Framework (NIRF). These incentives will encourage more institutions to prioritise employability-focused education, fostering healthy competition and promoting continuous innovation in learning. Recognising fast movers will ensure that education remains relevant to industry demands, enhancing both institutional reputation and student outcomes.

Conclusion

India's demographic advantage, with over 65% of its population under the age of 35, presents both a tremendous opportunity and a challenge. However, the existing disconnect between educational outcomes and industry expectations threatens to turn this demographic dividend into a burden. The findings from the report on Graduate Employability and Emerging Skills in India underline systemic challenges, such as outdated curricula, limited practical exposure, and a lack of alignment between academia and industry, which hinder graduate employability.

Government initiatives like the NEP 2020, Skill India and various apprenticeship schemes have laid a solid foundation for reform. Yet, their impact has been limited by uneven implementation and insufficient industry collaboration. Higher education institutions (HEIs)

must integrate vocational training, life skills and digital literacy into their curricula to create graduates who are both educated and employable.

Key insights from surveys highlight the pressing need for practical learning, career counselling and industry–academia partnerships to bridge the gap between theoretical knowledge and workforce requirements. Graduates who engage in internships, apprenticeships and continuous learning are better equipped to succeed in the evolving job market.

Employers emphasise the importance of a balanced skill set, including both technical and behavioural competencies, with communication, adaptability and problem-solving emerging as critical for career success. The success of India’s workforce in international competitions, like WorldSkills, further underscores the need for sustained investments in skilling and technical training.

The study concludes with several strategic recommendations for stakeholders:

- Embed vocational skills in education through micro-credentials and skills centres.
- Strengthen industry–academia collaboration to ensure curricula reflect real-world needs.
- Foster lifelong learning and adaptability to prepare youth for evolving careers.
- Enhance soft skills development alongside technical education to meet employer expectations.

In essence, addressing the employability challenge requires a coordinated approach involving educational institutions, industries, policymakers and civil society. With proactive reforms, India can harness the full potential of its youth, drive sustainable economic growth and emerge as a global leader in the digital economy.

Acknowledgements

We extend our heartfelt gratitude to the numerous individuals, institutions and organisations who generously contributed their time, insights and expertise to make this report, *Graduate Employability and Emerging Skills in India*, a comprehensive exploration of the challenges and opportunities in India’s employability landscape.

First, we sincerely thank the employers, faculty members, academic leaders and policymakers who participated in our surveys and interviews. Their candid perspectives on industry expectations, curriculum relevance and the evolving skills needs of graduates were invaluable to our research. Their contributions provided a deeper understanding of the current state of graduate employability and the critical areas for development.

We are also grateful to the students and recent graduates who shared their personal experiences, aspirations and challenges regarding skills acquisition and employment readiness. Their voices were at the heart of this study, shedding light on the essential skills and support systems necessary for a smoother transition from education to meaningful employment.

A special acknowledgement goes to industry experts, education professionals and government representatives who offered guidance and shared valuable insights into the evolving trends in education and employment. Their expertise helped us craft recommendations that reflect both practical needs and strategic priorities for the future of employability in India.

Lastly, we express our appreciation to all organisations and institutions that provided access to data, case studies and reports. This collaborative effort would not have been possible without the collective input from such a diverse and dedicated group of stakeholders.

Thank you to each contributor for making this report a valuable resource in understanding and enhancing graduate employability in India.

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Appendices

Appendix 1: Survey Methodology

Primary Research

Surveys and interviews were conducted with the following respondent groups:

- Students currently enrolled in undergraduate programmes: 20 respondents
- Recent graduates:
 - Employed: 20 respondents
 - Unemployed: 12 respondents
 - Total for recent graduates: 32 respondents
- Faculty members and academic leaders: 5 respondents
- Employers from diverse industries: 4 respondents

Key Stakeholders Surveyed

- Students: Assessed their perceptions of employability readiness, challenges and institutional support
- Recent graduates: Focused on their transition into employment, skills acquired and challenges faced
- Academic leaders/faculty members: Evaluated the institution's employability efforts and industry collaborations
- Employers: Explored skill expectations, gaps and hiring experiences

Appendix 2: Detailed Timeline of Key Initiatives

- 2014: Ministry of Skill Development and Entrepreneurship (MSDE) established
- 2015: Launch of Skill India Mission
- 2020: Introduction of NEP 2020 with a focus on vocational education
- 2024: Launch of Prime Minister's Internship Scheme, targeting 10 million internships



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