

INDIA SKILLS REPORT 2015

POWERED BY
Wheebox



KNOWLEDGE PARTNER



INDIA PARTNER



NETWORK PARTNER



Reaching over
3,00,000 students
across **29** states,
7 union territories
and more than
125 corporate players
from the demand side of
Talent Supply Chain







ABOUT THE TEAM

PeopleStrong

PeopleStrong is a leading platform-based mpHRO (multi-process HR Outsourcing) and technology company, headquartered at Gurgaon, India. It specialises in HR shared services, recruitment process outsourcing (RPO), payroll & compliance management, and cloud-based HR technology solutions. Since its establishment in 2005, the company has built a unique combination of domain expertise, operational excellence and innovative technology to deliver optimum level of services to its customers. Through its platform-based HR solutions, PeopleStrong facilitates the customers to achieve higher gain margins, efficient business functions, increased productivity levels, better return on investment (ROI) and 'happier employees'. PeopleStrong has clients across diverse industry sectors. The company is one of the first

platform-based integrated HRO/RPO companies in India to be successfully assessed on Statement on Standards for Attestation Engagements (SSAE) No. 16 for reporting on controls by Auditing Standards Board of the American Institute of Certified Public Accountants.

Wheebox

India's Leading Online Talent Assessment Company, Wheebox designs and delivers online tests for nearly 500 thousand users annually in the pre-hiring and learning business. Wheebox provides examination process and assessment solutions for mid to large enterprise customers, educational institutions and the government. Headquartered in Gurgaon, Wheebox has presence through its partners in South Africa and Middle East and 21 cities in India, including a network of partner owned testing centers. Wheebox partners with LinkedIn and the Confederation of Indian Industries for India Skills Report. The test research & development teams have created a battery of over 100 validated tests, spanning areas like English, Cognitive Skills, Personality, Information Technology, general abilities and domain skills like Finance, BFSI, Retail, Sales, Automobile etc.

Wheebox is the only Indian Assessment Company certified by International Test Commission and IBM Labs on Scalable Platform.



CII – India Partner

CII is a nongovernment, notforprofit, industry-led and industry-managed organisation, playing a proactive role in India's development process. Founded over 113 years ago, it is India's premier business association, with a direct membership of over 7500 organisations from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 83,000 companies from around 380 national and regional sectoral associations.

CII catalyses change by working closely with government on policy issues, enhancing efficiency, competitiveness and expanding business opportunities for industry through a range of specialized services and global linkages.

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

LinkedIn – Network Partner

Founded in 2003, LinkedIn connects the world's professionals to make them more productive and successful. With more than 313 million members worldwide, including executives from every Fortune 500 company, LinkedIn is the world's largest professional network on the internet. The company has a diversified business model with revenue coming from Talent Solutions, Marketing Solutions and Premium Subscriptions products. Headquartered in Silicon Valley, LinkedIn has offices across the globe.



FOREWORD

India sits on an opportune moment in history, with a demographic dividend of 65% of her human resource pool under the age of 35 with about 12 million individuals expected to join the workforce every year. With the demographic dividend, comes the responsibility of equipping the youth with employable training and in-turn, employment.

With India metamorphosing into one of the fastest growing economies, job creation and skilling seem to be natural tools to ensure sustainable growth. The system has, however, been plagued with theories of demand supply mismatch and the absence of credible data.

Realising the urgent need to provide accurate analysis, CII partnered with Wheebox, PeopleStrong and LinkedIn to bring out the India Skills Report which is a conscious, one-of-a-kind effort to provide an insight into the hiring trends of the market while understanding the needs of the job seeker and organisations.

The second edition of the report has reached out to about 3,00,000 students across 29 states and 7 union territories from the supply side and corporate players from 10 diverse industry sectors on the demand side.

I congratulate the India Skill Report Team for the second successful edition of this report and for bringing the government, industry and academia, all on one platform.

I convey my best wishes to the team and I am confident that this initiative will give a clear understanding and enable bridging of the talent demand and supply in the country.

Chandrajit Banerjee
Director General, Confederation of Indian Industry



ACKNOWLEDGEMENTS

It is with great pleasure that we present to you the second edition of the India Skills Report. Like the first edition that was launched last year in November, this report is a joint effort of a lot of people and we would like to recognize and express our gratitude.

First and foremost we would like to thank all the 3,00,000 students from 29 states and 7 union territories of India who appeared for WEST and helped in preparing the first skill database of the country. It was inspiring to meet India's future workforce that is going to be driving force for India's move towards development.

We would like to thank the corporates spread across 10 Industry sectors, who participated in our corporate job survey and provided meaningful insights about the hiring trends. Thanks are also due to the heads of all participating educational institutes, who helped us in ensuring our reach to the talent pool of India. This initiative would not have been possible without their guidance and support.

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

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

Thanks for being part of this initiative with us. We hope that with your support, we will be able to create India's first and unique platform for skill development and deployment.

TESTIMONIALS



“ This India Skills Report is an essential element to highlight both the scale of the challenge and the opportunity it represents, and this tripartite collaboration is essential for solving the challenges of skills development. ”

Pramod Bhasin
Non-Executive Vice Chairman, Genpact



“ The India Skills Report is an extremely important benchmark to help us measure and evaluate progress against this challenge because if we can't measure it, we can't fix it! As it shows, with an employability index of only 37.2%, these problems left unsolved will only get worse and pose a great threat to India's future. ”

Nishant K. Rao
Country Manager, LinkedIn India



“ With the newly found focus and initiative on skill development we are confident that the quality of talent/skill supply will surely turn around. The plan is ready, the academia, Government and corporates just need to act on it for results. ”

Mr. Y. K. Gupta
Pro-Chancellor Sharda University and Vice Chairman, SGI



“ We are happy to see the launch of the 2nd edition of the India Skills Report prepared by CII. The first edition that was released last year, was well received by all our stakeholders as it had interesting insights and research. The report is very well researched and it is good to see that it matches the requirement of both the demand and the supply side. This will help us channelise our efforts and choose our partners accordingly. We will be able to focus even better on respective industry sectors and ensure that we impart the right skills required in those sectors. ”

Dilip Chenoy
MD & CEO, NSDC



“ The India Skills Report, with comprehensive insights into India’s Skill Reservoir parallel to the industry outlook can be used as strong base for transforming the education and recruitment cycle. ”

Arun Kumar Jha
Director General, Niesbud



“ With a population of 1.3 billion, of which about 0.8 billion in the working age - India in 2020 is surely something the world can look forward to. This report is an effort towards this goal. Initiatives like ISR (India Skills Report) will benefit the stakeholders in the information technology domain in recognizing the skill levels of the supply side and needs of the demand side of Talent Supply Chain. ”

Akash Agarwal
Country Manager, EC Council India



“ With the economy looking up, we are confident of a lot more new jobs being created; skilling is thus the need of the hour as rightly acknowledged by the Corporate Sector as well as the Government. If there was ever a time for the demographic dividend that India is banking on to start paying off, it is now. Congratulations, a fabulous report. ”

Sandeep Sinha
Co-Founder & Managing Partner, Lumis Partner



“ I congratulate Wheebox and Team for launching the Second Edition of The India Skills Report which will certainly help the Government, industry association to foster sector wise initiatives in the skill development space. ”

Dr. Rajendra Kumar Pandey
President, NIIT University Neemrana



“ Creating a skill pool that can be employed readily by the corporate is a mammoth task. The detailed insights captured in India Skills Report would help in taking steps for matchmaking the skill demand and supply. ”

A K Shrivastava
AIM Board of Directors



“ There is a fundamental shift in the work we do, the workplaces we do it in and the workers who perform it. The India Skills Report by PeopleStrong and Wheebox, in collaboration with CII can be a catalyst towards initiating dialogue on initiatives needed to buy, build, borrow or boost talent. ”

Prithvi Shergill
Chief Human Resources Officer, HCL Technologies



CONTENTS

Executive Summary	12
Making of the New India-2014 & Beyond	13
Testing the Reservoir	16
WEST - An Analysis	17
Institute Industry Interface Programme (I3P) - Dream to Reality	24
Building India through Management Education and Vocational Employable Skills	26
The Rules of Talent Refinery	28
India's Job Prediction	30
Conclusion	38
Matchmaking, Supply and Demand of Talent	42
The Way Forward	46
Appendix	48
NSDC - An Overview	52
Contributors & References	55



EXECUTIVE SUMMARY

Year 2014 has been a landmark year for India. While in the political arena, we celebrated the biggest festival of democracy as the first full majority government came into power in many years, the Indian economy also started its journey on the road of development. With this newly found (Government-led) focus towards both job generation and skill development, the country's move to reap the "Demographic Dividend" by 2020 has begun with confident steps.

Whether it is the Skill India initiative, the transformation of employment exchanges to career centers, or the extra focus that is being placed on job generation by "Make in India" and encouraging entrepreneurial ventures, the ground work for being a developed nation is being done. In parallel, there is the need of a joint effort from various stakeholders in the skill landscape to implement these plans.

India Skills Report 2015, the second edition of the initiative is an effort towards this direction. It captures the skill levels of the supply side and needs of the demand side of the Talent Supply chain. With separate studies conducted to understand each side, this report tries to bring in a more realistic, holistic view of the skill and talent landscape in India. In its second year, the reach of the report has increased manifold with more participation from both the skill supply and demand side.

WEST, the Employability skill assessment test launched on Wheebox.com reached all 34 States and Union Territories and 1,800 educational campuses across India. This year, the test assessed the talent pool entering the job market on various parameters like –Cognitive Ability, Numerical & Logical Ability, Communication Skills and Behavioural traits. About 3,00,000 students spread across these campuses were assessed on 244 domain areas and skill gaps that are scientific in nature and were validated using reliable Talent assessment tools. The result was an overall picture depicting how the students

rank in terms of skills that would be imperative to judge the employability in the coming times. Compared to last year, when 33% of the candidates assessed were found employable, this year the number increased to 37.22 %. Though the increase is not much, it is encouraging to see even this much improvement. As we also have to consider that for something that requires more efforts at the ground zero level, the results will take some more time.

Through India's Job Prediction Survey about 125 Employers, spread across 10 major sectors like Manufacturing, Core, ITES, IT, BFSI etc. were approached to get an idea of job demand and potential hiring forecasts for the coming year. The result was an industry wise hiring estimate for the coming year for different profiles, and they look very encouraging. Compared to last year, when the employers expected hardly any change in their hiring numbers, this year across industry sectors there is an increase of 20%. This is very good news and confirms the positivity that is spread in the market.

Combining this data collected from the supply and demand side, the report aims to form the basis of effective collaboration between the two ends of the Talent Supply chain. On one hand, it aims to equip the talent pool with information to access the jobs in the market, on the other, to provide the employers an access to the skill reservoir of the country.

This year's report, like last year, consists of four major sections. While section 1 sets up the context of the report focusing on what changes have undergone in the past one year, Section 2 and 3 are dedicated to the detailed analysis of the Supply and Demand side of talent. Section 4 matches the information from both the ends to provide a consolidated view of the skill landscape and make suggestions that can help in improving the current situation to meet the challenging demands of the bright future. In totality, there is a holistic view of the talent market.

Considering the enormity of the impact the skill-job gap is going to have in the socio-economic environment of the country, platforms such as India Skills Report have a vital role to play. With the kind of response and interest that greeted the first edition of the report, we are sure that with each coming year, the contribution would increase.

MAKING OF THE NEW INDIA-2014 & BEYOND



"A developed India by 2020, or even earlier, is not a dream. It need not be a mere vision in the minds of many Indians. It is a mission we can all take up - and succeed." **Dr. APJ Abdul Kalam, a visionary and former President of India** said in his book *India 2020: A Vision for the New Millennium* (published 1998). In the 300 pages of this book, he examined the weakness and the strength of India in-depth and offered a vision of how India can emerge amongst the world's first four economic powers by 2020. This book, inspired by the dream of a young school girl to live in a "Developed India," started many discussions that instigated a hope for India being a superpower by 2020. However, with the massive economic slowdown in the recent past that engulfed the global economy, there were clouds of doubt in everyone's mind. But it seems that these dark times are over and it's time for a "New Dawn" in India. Thanks to the changing political and economical scenario, there is a high tide of hope for change and development that makes this dream of "Developed India" more achievable than ever.

But what has brought this change? Is it just the new Government in power that has resulted in this positivity? Yes and No. Yes - because with the change in Government, the much needed direction and initiatives have started from the Top and has raised new hopes and aspirations. "No" because you need more than "direction" to bring out such a change. The secret ingredient of this transformation is – We, the People of India. It's the potential that this young nation with 800 million people in the working age holds, that is resulting in an India - brimming with optimism and confidence. If we think of it - it is this optimistic and confident "young" workforce, under the strong guidance and direction of the new government that has resulted in this transformed image.

Lots of changes have taken place in India in the last year, be it economy, politics or even administration. For the first time in 30 years, there is an absolute majority government at the centre. The stock market is scaling

fresh heights with regularity and the rupee has shown signs of stability. The investor mood seems to be lifting and business growth has picked up. While a change in business sentiment and investor mood was only expected after the new Government was sworn in, the initial measures taken by the government seem to have indeed created the perception that doing business in India is now easier and the country has caught the attention of investors. There has been newly found flexibility in the administration that ensures removal of bottlenecks which have been responsible for stalling the much needed growth for the past many years. From tax policy, land acquisition issues, environment approvals and manufacturing to labour laws, the government is slowly putting in place building blocks to ensure India regains the confidence of investors and corporates, while removing some of the hurdles. There seems to be a sincere start of the shift from "Government" to "Governance".

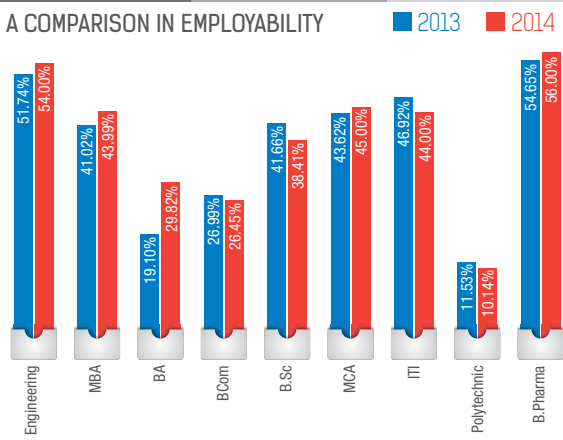
While these steps have helped the Government to woo businesses and invigorate economic growth, similar steps have been taken to develop and leverage the untapped "Human Potential" of the country. There has been a lot of focus on "Skill Development". While the existing "skilling" bodies are being reengineered for better performance, initiatives like Skill India are being used to increase the count of skilled workforce which has skills necessary to get employed. Furthermore, there has been an increased belief in the power of 3Ds that is expected to form the building block of India's growth story - Democracy, Demographic dividend and Demand. India is the world's largest democracy and despite the geographic diversity, the people of India have shown their faith in the democratic system. The second D refers to the demographic dividend, with nearly 65 per cent of the country's population in the working age group, there is huge powerhouse of human potential that needs to be tapped. The third D is Demand - being home to 1.25 billion people, there is a huge demand for all sorts of

INDIA SKILLS REPORT

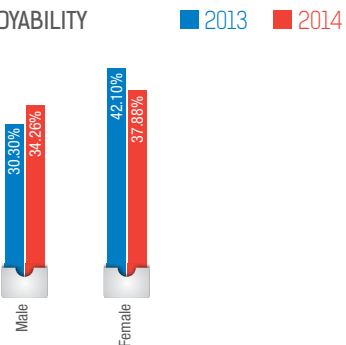
A SNAPSHOT

WEST

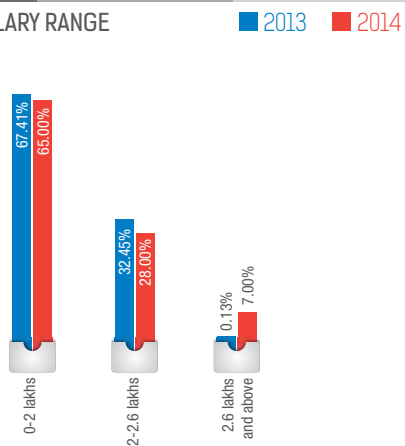
A COMPARISON IN EMPLOYABILITY



GENDER WISE EMPLOYABILITY

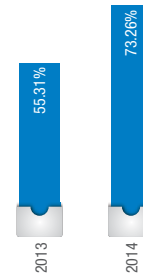


EXPECTED SALARY RANGE

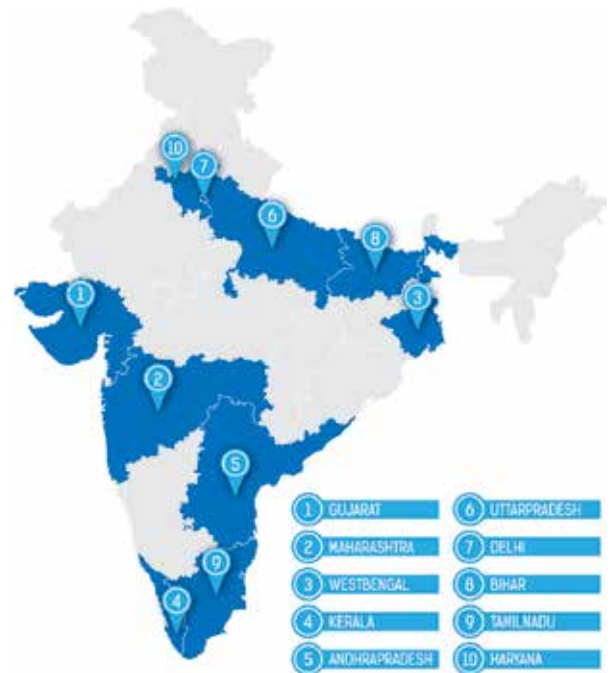


INTERESTED IN APPRENTICESHIP

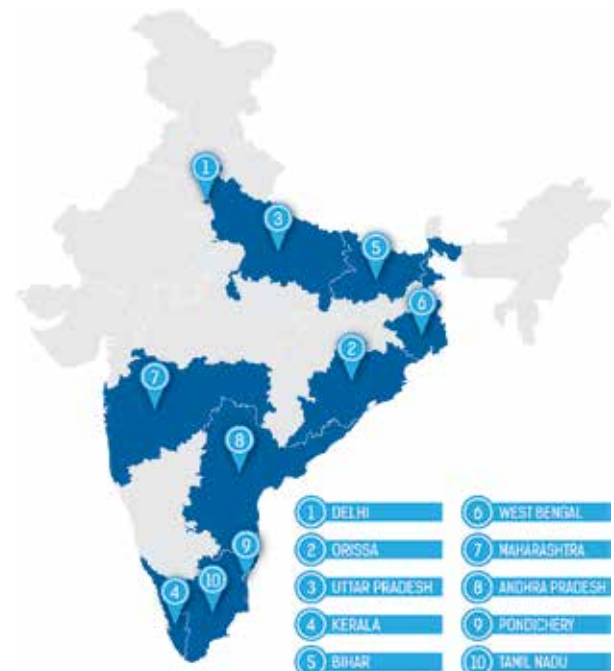
YES



MOST INTERESTED IN INTERNSHIPS



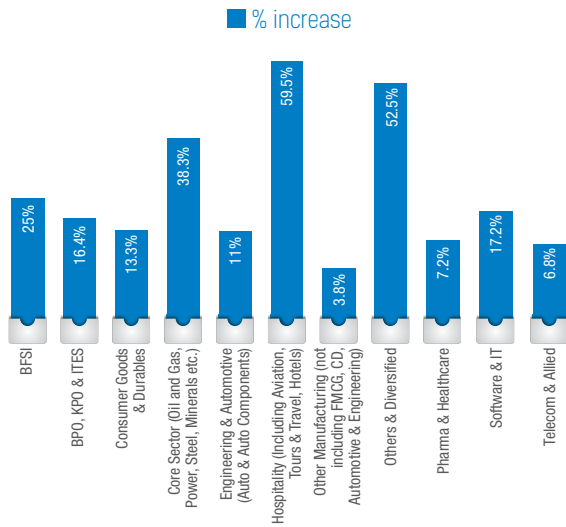
STATES WITH A HIGHEST 'EMPLOYABLE' POPULATION



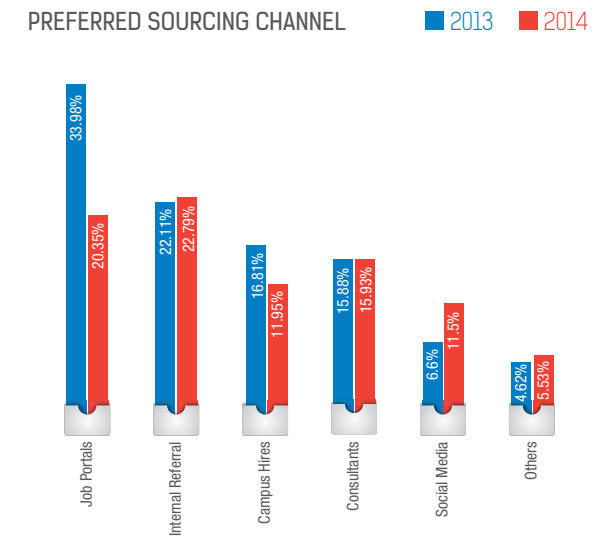
INDIA'S JOB PREDICTION

PERCENTAGE INCREASE IN HIRING NO.S

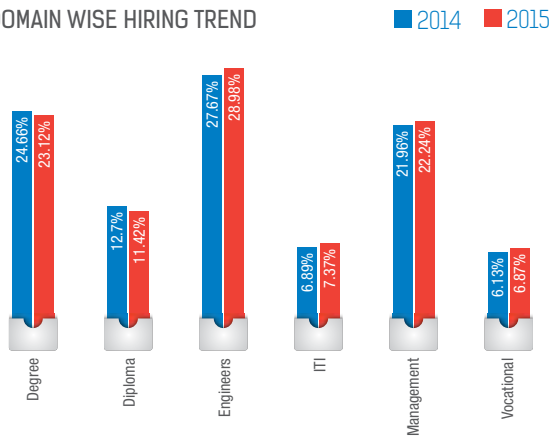
PERCENTAGE INCREASE IN HIRING NUMBERS



PREFERRED SOURCING CHANNEL

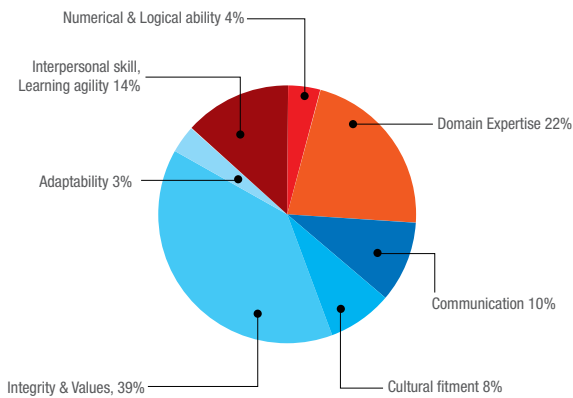


DOMAIN WISE HIRING TREND



Industry	Gender Diversity	Percentage-2014
BFSI	Female	34.6
	Male	65.4
BPO/ITES	Female	34
	Male	66
Engineering & Auto	Female	19
	Male	81
Engineering/Core	Female	25
	Male	75
Hospitality & Travel	Female	26
	Male	74
Manufacturing	Female	15
	Male	85
Others	Female	37
	Male	37
Pharma and Healthcare	Female	47
	Male	53
Software & IT	Female	32
	Male	68
Telecom	Female	33
	Male	67

SKILLS DESIRED BY EMPLOYERS



goods and services that makes the Indian market an attractive prospect to everyone. The 3Ds in short, capture the immense potential and opportunities that we have. When there is such a golden opportunity knocking at the door, why should we not take adequate initiatives to make the most of it?

Campaigns like “Make in India” that aim at turning the country into a global manufacturing hub and increase the per capita income by creating jobs for over 10 million people are such initiatives. These kinds of steps are what will encourage the move of Indian economy from a services-driven growth model to a labour-intensive manufacturing-driven growth, which is much more sustainable. By focusing on export-oriented manufacturing, heavy infrastructure building and urbanization in parallel, the Government aims to emulate China and the East Asian economic model, paving the way for sustained rapid economic expansion.

India will soon be entering the stage of **reaping the demographic dividend**. During this phase, most of the population contributes to the country’s Gross Domestic Product. It’s a phase of lower dependency ratio – that refers to the number of children or elderly dependent on each earning person. The lower the dependency ratio - the higher economic growth will be, all else being equal. This extra boost to growth is the demographic dividend, and it is one of the best phases in the life cycle of a nation. Focused steps need to be taken to reap maximum benefits in this phase. While replicating the remarkable economic development model in both savings and GDP growth (known as the ‘East Asian economic miracle’) is a good approach, it is equally important to understand and find a solution to the unique problems of the country to make the most of this opportunity. For a country to collect its full demographic dividend, it has to put enough money into education to turn a large number of those new workers into moderately productive ones. The country’s economy has to be organized so that the available profits from a growing workforce get reinvested in the economy. For a nation like India, where the literacy rate has huge variation from one end of the country to another; and more than 90% of the workforce is part of the un-organised sector, this is the most daunting task ever, and the sub optimal quality of the workforce is something that increases the challenge associated with it by multiple levels.



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

Year 2020 is just round the corner, so there is hardly any time to waste. It is essential to move on war footing and take necessary action. We need to work both on improving the supply of talent and at the same time, increasing the demand of talent. Then only can the holistic growth engine be developed. Some steps have already been taken in this direction. The National Skill Development Policy of 2009 has been revised, so that schemes of different ministries and portions of the Rs. 10,000 crore earmarked to encourage entrepreneurship are routed through the newly formed skills ministry. Consolidation of about 18 different government departments, who are part of the skills mission are being worked upon to bring more focus. Some already running campaigns like "Rural Livelihood Mission" are being revamped to align with the overall skills strategy of the Government. The formulation of the National Skills Development Policy, delivery of Modular Employable Schemes, upgradation of existing institutions through World Bank and Government of India funding, upgradation of training institutes under Public Private Partnership mode, setting up of the National Skill Development Corporation and the plan to establish 50,000 Skill Development Centres are all under progress. On the demand side, the Government is placing special focus to encourage entrepreneurship. In this year's budget, a separate fund was allocated to encourage entrepreneurs and hence, job creation. The recently launched "Make in India" campaign and relaxation of few more FDI norms are being implemented to encourage more corporates to operate out of India.

However, this might not be enough to make the move towards a "Developed India". Extensive steps to increase the use of technology in the skill landscape are important. We are talking about a 800 million strong workforce and nothing but technology can help in handling such wide scale. While on one hand training and skilling of candidates should be digitized, so that

even a student sitting in the remotest village of the country can access the sea of knowledge available online; the government should also revamp the existing matchmaking machinery. The best way would be to utilize the existing network of Employment Exchanges by transforming them to much needed career centres. These institutes should work as the meeting point of candidates and jobs. A solid combination of People, Process and Technology is what is needed to make this transformation.

In parallel, the government should try to work more aggressively for attracting job creation by big companies. Few steps that are needed without delay include - getting rid of the age old regulations which discourage people from establishing their businesses in India, development of infrastructure, revamping of the labour laws etc. Once these things are taken care of, an ecosystem that encourages both the supply and demand side of talent would have been created.

Having said that, the true success of the above mentioned initiative is possible only if a partnership between the source or reservoir of talent and the destination or refinery of talent is ensured. The Government should try to implement the model of PPP that has been doing wonders in other sectors of the skill landscape as well. It would require joint efforts from Government, Talent Suppliers (Institutes/Academia), and Talent Absorbers (Corporates/Employers) to make this possible.

It is a combination of all these actions that will help in setting the strong foundations for a Developed India by the year 2020. Though the way ahead looks difficult, when we have a huge human potential of 0.8 billion Indians with us, along with the support of Government, Academia and Corporates, nothing can stop us from reaching our goal and achieving the Vision 2020.

TESTING THE RESERVOIR

Skilling in India and the kind of strength that it can bring in to the Nation's economy has been one of most deliberated topics of the recent times. Why shouldn't it be, as per the reports by World Bank, India is one of the few countries in the world where the working age population will be far in excess of those dependent on them and this will continue for at least three decades till 2040. This huge potential is the propellant for India's move from being a developing nation to a "Developed nation" if we are able to equip and continuously upgrade the skills of the population in the working age group.

If we look at the current stock of the Skill landscape in India, the situation is not very good. As per India Skills Report 2014, we found out that of all the students entering the job market across the country, hardly 1/3rd meet the criteria of the employment set by the employers. The severity of the situation is accentuated by many levels when the economy is looking up, new jobs are getting generated; but there are not enough "skilled" people available. It is this gravity of the situation that has started various initiatives to combat this problem. In fact, the Government of India has adopted skill development as a national priority over the next 10 years. The Eleventh Five-Year Plan has a detailed road-map for skill development in India and favours the formation of Skill Development Missions, both at the State and National levels, to create such an institutional base for skill development in India at the national level, a "Coordinated Action on Skill Development" with three-tier institutional structure consisting of the PM's National Council on Skill Development, the National Skill Development Coordination Board (NSDCB) and the National Skill Development Corporation (NSDC) has been created. Though these initiatives are yet to show results, they certainly are in the right direction.

Though it is one thing to start any initiative, its equally important to measure how effective is it? Especially when it has something as crucial as "talent" or "skills" at stake, that holds the future of the country. It is important to have framework to measure if our efforts are resulting in a "skilled" workforce. Online assessment is one such tool that has been adapted by corporates to gauge talent or skills in their prospective employees. As the aim of India Skills Report is to bring supply and demand

side of the skill landscape together, it made sense to deploy the same tool to evaluate the talent pool (that is used by corporates to judge their employees). With this thought in mind, the Wheebox Employability Skill Test was introduced. Launched in 29 states and 7 union territories across India, the test was conducted to identify the skill gap that exists in the industry today by deploying a scientific approach across 260 domain areas. Compared to last year, when we were able to reach about 1 lakh students across locations and domains, this year we reached 3 lakh students. In addition to this, based on our interaction with the corporates across industry sectors few more behavioural parameters were included (namely: learning agility, interpersonal skills and adaptability) along with the parameters of last year's assessment (namely: communication skills, logical ability, problem solving skills and domain knowledge). The basic objective of WEST was to bring reliable and authentic assessment to various aspects of education, training and employment. Every effort was made to provide a statistically valid multi-dimensional skill assessment to judge the employment suitability of a large pool of students. Parallely, feedback was also provided to students on development areas they need to work on to improve their employability.

The test went live on 4th August and was open till 22nd October 2014. The kind of reception we received from students and the campuses was phenomenal. Across domains students took this test to know their skill level vis-à-vis the available skill pool and at the same time connect with the employers for their dream jobs.

Like last year, this year's report showcases the demographic and geographic coverage of skill levels in India. Though the results do not appear to be promising, we are confident that with such efforts being put by stakeholders like Government, Corporates and academia, we will see more of the talent being employable. The preceding sections provide the detailed analysis of the supply side of the skill landscape of India. We hope that this information helps in providing a more effective solution of the Skilling Challenges of the country; where all the players can collaborate and contribute to create a developed nation.



WEST – AN ANALYSIS

Online assessments are one of the most popular instruments used by corporates to select the best suited candidates for their organisation. Considering that they are able to deliver better results in much less cost and time, this has resulted in their wide acceptance across industry sectors. Another important benefit of online assessments is reach; since they can be accessed from anywhere they are the best instruments to cover a larger area in a limited amount of time. It was all of the above reasons that, when 29 states and 7 union territories of the country were to be covered and 3 lakh students to be assessed, Wheebox Employability Skill Test – a cloud based online assessment platform was used. Based on researches that say knowledge, skill, aptitude and behavioural components make the recipe of success in a job, the test assessed students across states and courses on various parameters- numerical & logical ability, communication skills and domain knowledge etc. In addition to the parameters used last year, there were four behavioural parameters introduced: Learning Agility, Adaptability, Interpersonal Skills as now days they form an important assessing parameter for corporates. All the candidates were evaluated on all these sections and a combined score of the three sections was used to come up with the final score. All those who scored more than 60% in the overall score were considered employable. About 3,00,000 students from across states took this test to know their “Employability Status”. The states with maximum participation are: **Tamil Nadu,**

Uttar Pradesh, Andhra Pradesh, Maharashtra, Gujarat, Kerala, West Bengal, Haryana and Delhi.

The scores of these 3,00,000 students were then dissected, based on the demographic and geographic data captured along with the scores. Some really interesting trends came up through this analysis which will be covered in the coming pages. These insights would, on one hand provide the students and colleges a glimpse into their current skill levels; on the other hand it would provide relevant information to the employers for making effective Talent Acquisition strategies.

“ India has to achieve the target of skilling/upskilling 150 million people by 2022. The phrase skill gap refers to redefining the relationship between education, industry and business. ”

Dr. Rajendra Kumar Pandey
President, NIIT University Neemrana

Out of about 3,00,000 candidates who appeared for the Wheebox Employability Skill Test across domains, 37.22% were found employable. It shows an increase of 3.27 % in comparison to last year when the employability percentage was just 33.95%. This improvement, though minimal, is good news and does show that the initiatives taken up by government towards skill development are moving in the right direction. However, these initiatives

have a long way to go, if the gap between the supply & the demand side is to be diminished. So the speed and frequency of these efforts should be intensified.

Similar to last year, the spread of this “employable” population is across the length and breadth of India. When the scores of 3 lakh assessed students were analysed geographically, few states appeared to have more density of employable candidates than others. Delhi retains its position amongst the top 10 states along with Orissa, U.P, West Bengal, Andhra Pradesh, Pondicherry & Tamil Nadu where major part of the “employable pool” comes from. This kind of consistency is vital if we want to increase “employability” of the skill pool. Compared to last year’s list of Top 10 states, there were few new entrants as well- Kerala, Bihar & Maharashtra and few states which lost their presence in the top 10 states- Punjab, Haryana & Karnataka.

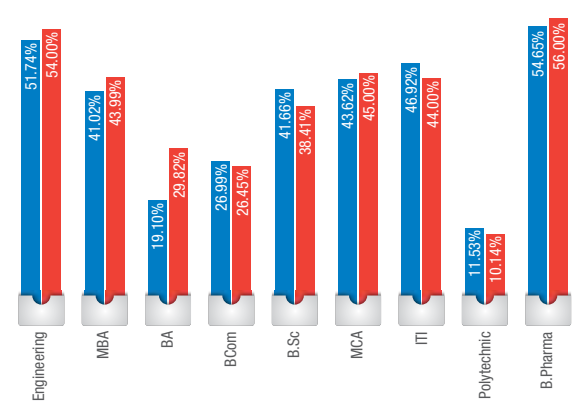
STATES WITH A HIGHEST ‘EMPLOYABLE’ POPULATION



If we look at the city level performance, Chennai tops the chart with approx. 70% of its student scoring above 60% in the employability skills test. Other cities that topped the chart are Palakkad, Kolkata, Delhi, Pondicherry, Lucknow, Hyderabad, Mumbai, Faridabad and Pune. Unlike last year, where most of the cities were from a single state, this year’s trend shows widespread presence across states. It is good news, because having the concentration of talent in single region would be detrimental to business growth.

Moving to domain specific employability ratios, the situation is somewhat similar to last year. The analysis shows that like last year, maximum percentage of employable skill was still available in Pharma domain followed by engineering and has grown from last year. The percentage of B. Pharma test takers who scored 60% in WEST was 56% (an improvement of about 2%) and that of B. Tech test takers was 54%, again an improvement by 2%. The ITI, MCA, MBA & B. Sc remain next in the sequence with a percentage of 44%, 45%, 43% and 38% respectively. While MCA & MBA has shown an increase in percentage in comparison to last year, ITI & B.Sc. has shown a nominal decline in the percentage. However, the situation of the test takers from Arts, Commerce, and Polytechnics is still grave, as not even 1/3rd of test takers could cross the benchmark levels. Though Arts graduates have shown considerable increase from 19% employability (last year) to approx. 30%, but it is still very low. Academia and the government would need to have a specially focused plan to increase employability in these domains and that too as soon as possible, so that the situation is not out of control. “Unemployability” of educated candidates is a situation that has social, political and economical implications and hence should be dealt with at high priority.

A COMPARISON IN EMPLOYABILITY



Apart from the domain knowledge, there are other skills which are of high importance to employers for hiring a candidate. They included Communication skills, Computer Skills, Numerical and logical ability and few behavioural traits like learning agility, adaptability and interpersonal skills. With these skills added to the technical skills candidates will reach the potential where employer will be more than happy to absorb them in his organization. Considering this the scores of the candidates were analysed around these cuts too. It was observed that though there were many states which

featured well in individual traits, there were very few states that were doing good all around. Let's study the top states that are featuring well in all these skills one by one.

“ The report is very well researched and it is good to see that it matches the requirement of both the demand and the supply side. There are figures on industry wise hiring estimate for the coming year for different profiles. This will help us channelize our efforts.”

Dilip Chenoy
MD & CEO, NSDC

BEST PERFORMERS IN ENGLISH

From Last Year	New Entrants	Cities
Rajasthan	U.P	New Delhi
Andhra Pradesh	Tamil Nadu	Chennai
Haryana	West Bengal	Hyderabad
Kerala	Orissa	Pondicherry
Karnataka (new entrants)		Coimbatore
U.P		Thane
Tamil Nadu		Kolkata
West Bengal		Mumbai
Orissa		Ghaziabad
		Palakkad

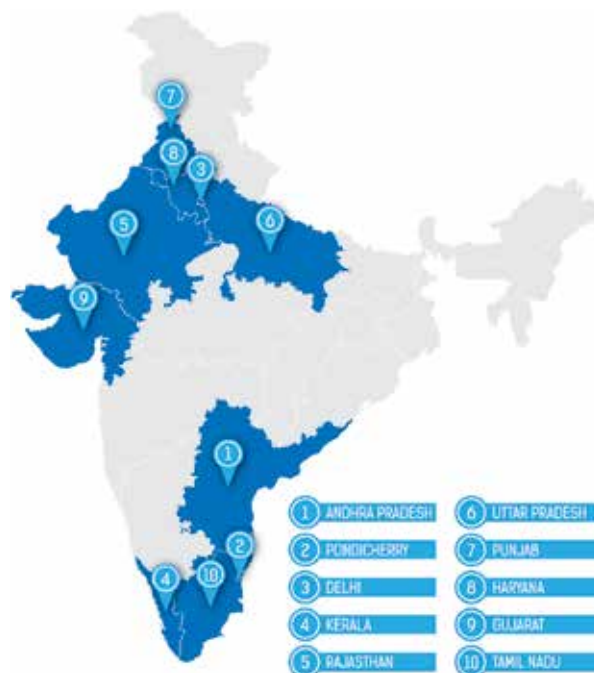
BEST PERFORMERS IN LOGICAL AND NUMERIC ABILITY

From Last Year	New Entrants	Cities
Tamil Nadu	Rajasthan	New Delhi
Uttar Pradesh	Andhra Pradesh	Faridabad
Haryana	Gujarat	Chennai
Delhi		Pondicherry
Punjab		Coimbatore
Kerala		erode
Pondicherry		Pollachi
		Agra
		Hissar

BEST PERFORMERS IN COMPUTER SKILLS

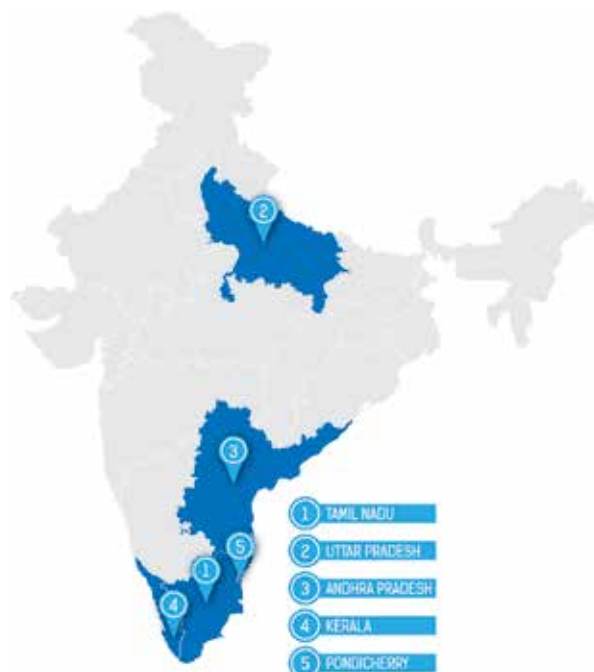
From Last Year	New Entrants	Cities
Pondicherry	Maharashtra	New Delhi
Tamil Nadu	Gujarat	Chennai
Andhra Pradesh	Bihar	Hyderabad
Uttar Pradesh	Orissa	Coimbatore
Kerala		Kolkata
Delhi		Mumbai
		Palakkad
		Lucknow
		Kanchipuram
		Gorakhpur

BEST PERFORMERS IN BEHAVIOURAL TRAITS



As per the employers, the perfect candidate is the one which has a combination of all those skills, so it would be interesting to also know which states provide the perfect mix of candidates.

THE STATES THAT FARED WELL IN ALL THE THREE SECTIONS ARE

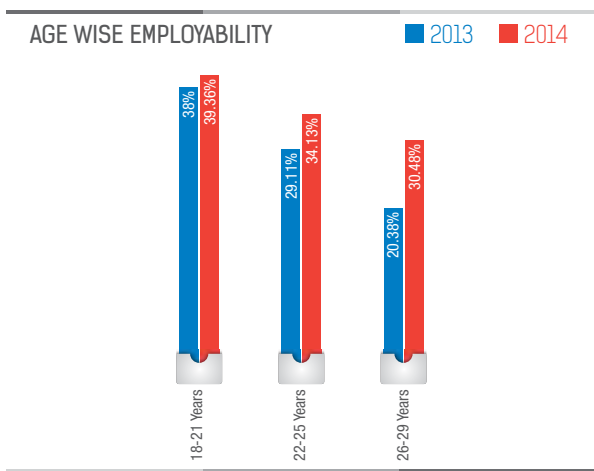


Rest of the states might be performing well in one section but might lack the abilities in another. This might be the reason why the skill pool in this state is not getting employed in large numbers.

The idea is to understand if there is a correlation between age and employability. Talking about the employability at different age level, like last year maximum numbers of employable resources are present in the age group of 18-21 years.

Age group of 18-21 years	39%
Age group 22-25 years	Moving from 29% last year to 34% this year
Age group 26-29	20% last year to 30% this year

(Those who scored more than 60%)



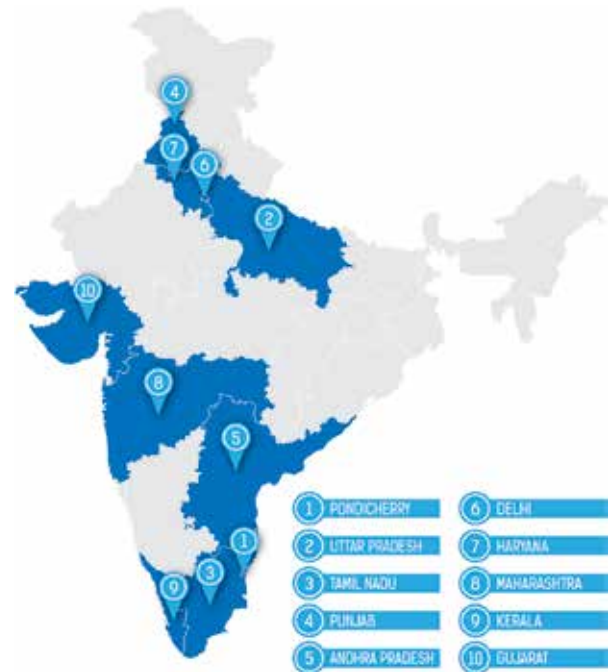
The same has been captured in the graph above and it seems that the employability in younger age is a bit higher than the age group 26-29 Years. A deeper dive in the candidates belonging to this age group revealed that most of the candidates belonging to this age group are those studying part time (open schools, weekend classes etc.). So it becomes pretty clear that merely working on the mainstream candidates (who are attending regular classes) might not be enough. The stakeholders should try to increase the employability of the open school, and part time candidates too. This might be one of the steps that can help in bringing more “employable” candidates to organised job sector (as most of the part time students are working in unorganized sector. Getting a proper job will encourage them to make this move.)

“Creating a skill pool that can be employed readily by the corporate is a mammoth task. The detailed insights captured in India Skills Report would help in taking steps for matchmaking the skill demand and supply.”

A K Shrivastava
AIM Board of Directors

This data of age-wise employable candidates was also analysed based on their geographic presence. The states where the most employable candidates for the age group 18-21 years belong are:

MOST EMPLOYABLE CANDIDATES AGED 18-21



Compared to the last year's report the states which have lost their presence in the Top 10 states are: Karnataka, Orissa & West Bengal.

Coming to the age group 22-25 years, the top states where most people in this age group are employable are:

MOST EMPLOYABLE CANDIDATES AGED 22-25



Similarly for the age group 26-29 years the states and cities are:

MOST EMPLOYABLE CANDIDATES AGED 25-29

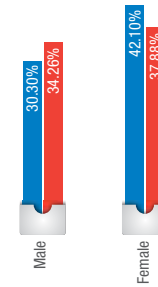




A look at the states across age groups shows; that states like Maharashtra, Kerala & Bihar have shown marked improvement since last year and their contribution in the skill pool across different age groups has increased. This is encouraging and we hope more states join the league soon.

The scores of the WEST takers were also studied on the basis of gender. The corporates are increasingly trying to maintain the gender diversity in their organisations by hiring more female candidates. So it is important to understand how the supply of female candidates looks like. Though the quality of female candidates still remains better than the males this year as well but their employability percentage has decreased from 42% last year to 37.88% this year. This shift in the employability of women is not good news, the stakeholders should work on increasing employability amongst women as the coming years would see special focus on female hiring and it would not work if enough “employable” females are not available. When we consider the gender wise employability geographically, as in, we try to understand which are the states where “employable” males and females are found in large numbers, we find that Delhi tops the chart for males whereas Kerala leads the race for females. The Top 10 states that have the maximum number of male and female employable candidates are:

GENDER WISE EMPLOYABILITY

■ 2013 ■ 2014



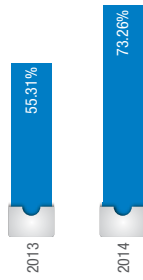
 Males	 Females
Delhi	Kerala
Kerala	Gujarat
Pondicherry	West Bengal
Maharashtra	Maharashtra
Uttar Pradesh	Uttar Pradesh
Bihar	Bihar
Andhra Pradesh	Andhra Pradesh
Haryana	Haryana
Gujarat	Rajasthan
Tamil Nadu	Tamil Nadu

It is interesting to find that the states like Haryana and Rajasthan have featured in the list of “high sex ratio” in the list of states where more employable female candidates are available. The Government should use this kind of information to encourage female child welfare in their states. This is another step that is needed to ensure high and consistent participation of women in corporates (though this is not the only benefit that encouraging female child welfare would provide these states).

Moving out of the geographic and demographic analysis of WEST taker scores, let’s focus on few miscellaneous aspects that were covered by WEST. Considering that on the job training is one of the major solutions to reduce the talent supply and demand gap, the WEST takers were asked if they would be interested in Internship. The responses were very encouraging. Of the 3 lakh students who participated in the survey, 73% were interested in apprenticeship. This is a huge increase from last year’s data and a golden opportunity for employers to create a talent pool that they can use to meet their talent demands.

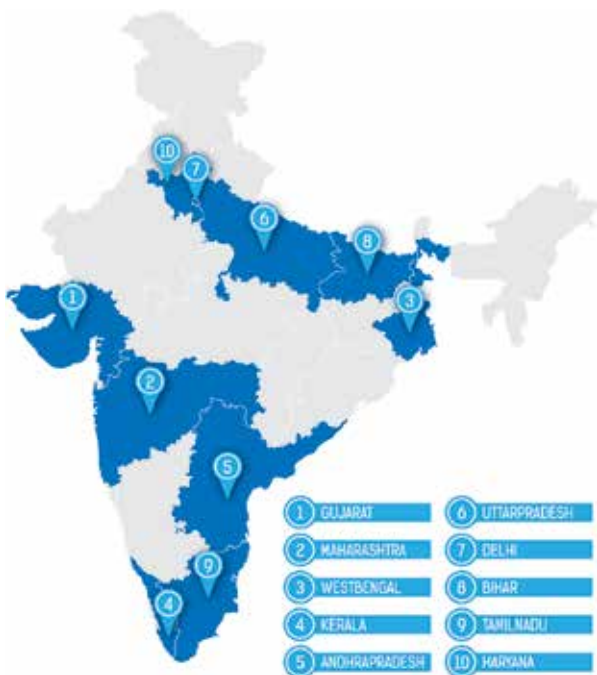
INTERESTED IN APPRENTICESHIP

■ YES



This also provides graduating students with a platform where they can get necessary training & ready themselves to enter the real corporate world. Thus, the benefits of this initiative are for both the supply and demand side and they should work to make this happen. To facilitate this initiative, the responses of the WEST takers were analysed “geographically” to identify where the employers can find these “apprentices”. The states where most of these candidates, interested in being part of internships could be found are:

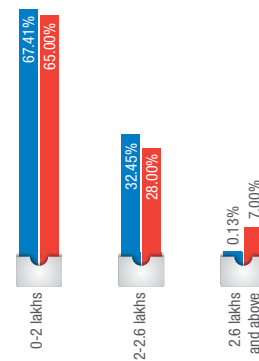
MOST INTERESTED IN INTERNSHIPS



These states provide a very important pool that can be used to encourage fruitful interactions between the supply and demand sides and hence stakeholders from both sides should work on implementing it.

EXPECTED SALARY RANGE

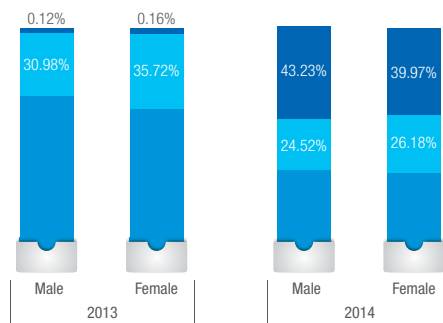
■ 2013 ■ 2014



Another question that the WEST takers were asked was about their expected salary ranges. One of the problems that all the corporates are facing in today’s time is getting the best possible resource at the lowest cost. And an understanding of the employee expectations can help in charting out the necessary plan. When asked about their salary preferences, most of the candidates prefer a salary of upto 2 lakhs. However, with the improving economy, there has been a significant increase in the number of candidates who expect a salary of more than 2.6 lakhs. This is true for both males & females. A good percentage from both the sides has started expecting their starting salary above 2.6 lakhs.

SALARY EXPECTATIONS 2013 VS 2014

■ 0-2 lakhs ■ 2-2.6 lakhs ■ 2.6 lakhs and above



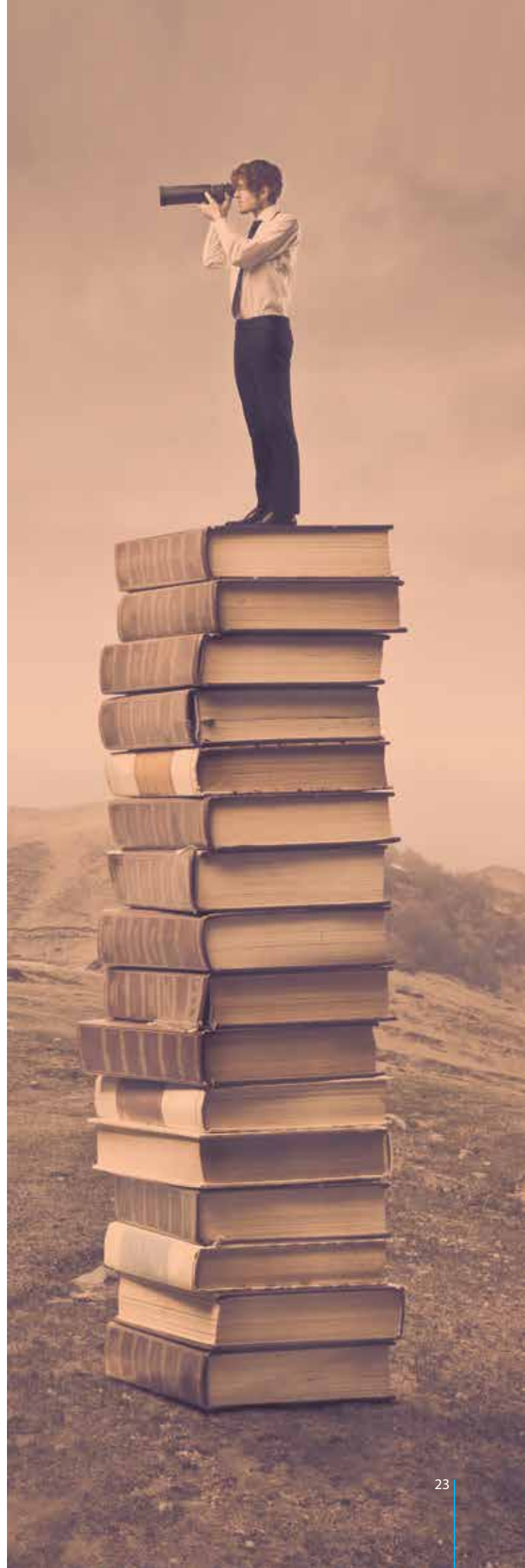
The graph above also shows the states where the candidates expecting various salary ranges can be found. Employers can make use of this data to reach out to them.

Top 5 states where employees prefer salary of 0-2 lakh	Top 5 states where employees prefer salary of 2-2.6 lakh	Top 5 states where employees prefer salary of < 2.6 Lakh
Tamil Nadu Gujarat Haryana Uttar Pradesh Punjab	Tamil Nadu Gujarat Haryana Uttar Pradesh Delhi	Tamil Nadu Uttar Pradesh Gujarat Delhi Haryana

Like salary, job location is another factor that comes into play when a candidate is looking for a job. So while the employers are trying to understand the mind-set of candidates, it is worthwhile to understand what the preferred location to work as per the workforce is. When asked about the preferred location for work - be it male or female candidates; job seekers are ready to go anywhere the job takes them. This is one trend that has not changed since last year. Amongst the male and female candidates, there is not much difference in the preference of cities as well. But unlike last year, this year there is more inclination towards bigger cities. A glimpse of the candidate preferences is shared below.

India wide Top 10 preferred areas of work	India wide Top 10 preferred areas of work by male users	India wide Top 10 preferred areas of work by female users
Any Chennai NCR Bangalore Ahmedabad Coimbatore Chandigarh Hyderabad	Any NCR Chennai Bangalore Ahmedabad Coimbatore Chandigarh Mumbai	Any Chennai NCR Bangalore Ahmedabad Coimbatore Chandigarh Hyderabad Jaipur

With this, we come to the end of the study on the “supply” side of talent. The data and the analysis in the above pages capture a comprehensive picture of the Skill Landscape of India. In the last few pages, India Skills Report has tried to showcase the state of skill pool, the geographic presence of talent and the preferences of talent. We now leave it to the Employers and other stakeholders to make most of this information and reduce the gap between the supply and demand of talent.



INSTITUTE INDUSTRY INTERFACE PROGRAMME (I3P) DREAM TO REALITY

A 7 POINT PROPOSED ROAD MAP FOR GETTING SKILLED ENGINEERING & MANAGEMENT WORKFORCE READY.

Industry & Academics - have both realized that the gap in the supply of employable manpower can not be bridged without their close co operation & continued engagement. However, the effective interface has not emerged inspite of all well meant discussions. It is only partially effective at the implementation level & the output of mid segment colleges continues to be woefully out of sync with industry expectations. This leaves industries with no option but to keep chasing a few good institutes in IIT & NIT category, seriously limiting the supply options of quality manpower at sustainable costs.

The Sharda Group of Institutions have been in continuous dialogue with various industries to work out a plan which enhances mutual interaction between academic institutions (like us) and reputed industries across various sectors and verticals (like your esteemed organizations) with a view to bridging this much debated gap between industry expectations (from the entry level engineers and executives) and their preparedness as an outcome of academic processes they have undergone in colleges or academic institutions. The CII-Wheelbox India Skills Report also clearly points out the fact.

Therefore, this interface between the Institute and the industry should act as a platform for sharing projects, conducting research (including market research and action research), MOPs, FOPs, R&D and generation of new knowledge. A white paper was worked out with the participation of and in association with 70 (+) of top industry executives across sectors, through the good offices of The Times of India and similar efforts through CII (a copy of this report can be forwarded upon request.) The action plan that emerges after due deliberations is briefly stated below:

1. Signing of MOU's between institutes and Industries & Trade Organization, having the will of infrastructure, Technology, resources & the desire to walk this extra mile.

SHARDA GROUP will approach industries across sectors and sign MOUs with the willing industrial organizations ready to be associated for developing vibrant institute industry interface so that the under mentioned plan could be implemented for mutually gainful outcomes. Such industry partners will be designated as •valued Industry Partner• (VIPs of Sharda). Such partnership will be valued at two levels:

A) Platinum level B) Gold Level

The Levels depend on the terms of association and value contribution. The MOU will express the intent of both, the academic partners viz. SHARDA GROUP and the industrial organization to come together for the purpose of the terms laid down in the MOU.

2. For each industry segment SHARDA GROUP will depute two young faculty members designated as Training & Industry Mentors (TIM)- who will be the Point of Contact and Process Owner (POC/PO). Similarly, from the side of VIP a single Point of Contact USPOC will have to be designated. Faculty (TIM) will be provided extensive training and industry exposure & access to facilities just as new entry level fresher's are trained by the Industry for its own requirements and given all support to study all the technologies, processes, equipment, designs etc. to be able to fully grasp the same. There is no financial contribution envisaged from the industry partner other than providing good training opportunities.

The faculty members (TIM) will in turn monitor the training of the students on the campus in their particular industry segment. They will also develop relevant course content ranging from 100 to 400 hours depending upon the needs of the industry segment they have received training in and the same will be delivered by them as Industry Mentor to interested students who want to make a career in that industry sector. This can be offered as part of a regular curriculum to the Pre final and Final year students in Sharda University and as Value Added Courses to students of SHARDA GROUP at Agra-Mathura Campuses or for that matter such other institutes which are interested but not yet autonomous.

3. The Industry partner will provide training slots of 4-6 weeks to SHARDA students as Initial Learning Exposure (ILE). There is no financial obligation on the part of the industry partners other than providing training opportunity. If, however, accommodation for trainees is available at concessional rates, it would help the students. If using CSR funds support can be provided, it will be extremely useful and welcome as it reduces the students obligation to afford such costs.

The whole training will be monitored and evaluated by the Faculty (TIM) already trained in the industry segment as stated above in point no.2 above.

4. The faculty (TIM) will then deliver, the designed Industry Learning Program (ILP) of 100 to 400 hour duration which shall have been developed as stated in point no.2 above.

5. Post the ILP training the students will take up relevant projects related to that industry segment with the help of faculty (TIM) and the representatives of industry partners (through SPOC), complete the Projects.

6. Upon completion a project copy will be submitted to Industry Partner also. The evaluation may be conducted jointly by faculty TIM and the industry partner representatives at the end of the programme.

7. The Valued Industry Partner (VIP) shall have the first right to make the first selections from the students trained at their facility, the remaining students shall be free to opt for other placement opportunities;

The aim of the Program is primarily to produce industry ready professionals at the base level (B.TechJMBA). However in time it can be upgraded as faculty (TIM) become more experienced and they can gradually progress to the level of joint projects. joint research, MOPs, FOPs, setting centres of excellence etc. to take up the interactions to higher level of engagements. Support in advance learning and research including M.Tech., Ph.D. can be worked out for professionals of both sides for meaningful outcomes.

Industry Professionals of VIP desirous of enhancing their qualifications can be offered specially designed executive courses tailored for industry professionals involving more of on site experience & only supporting

theory through video conferencing, Skype or use of other technology. New faculty (TIM) every year will also be continuously trained to replenish the base level needs, as previous TIMs progress to upper levels.



BUILDING INDIA THROUGH MANAGEMENT EDUCATION AND VOCATIONAL EMPLOYABLE SKILLS

ALL INDIA ASIAN EDUCATIONAL FOUNDATION (AIAEF) was established in 1995 as a "Not for Profit" Organisation under the Indian Societies Registration Act of 1860. The idea of establishing a non profitable educational body was the result of the vision of a highly motivated educationist Mr. A.K. Shrivastava, who conceived the said Institution with a view to provide quality 'Management Education and Vocational Employable Skills' to a vast number of youth of the country.

All India Asian Educational Foundation (AIAEF) then established an Institute at New Delhi named as Asia-Pacific Institute of Management in the year 1996 under its aegis. The growth of this Institute has been spectacular in a short span of time. Asia-Pacific Institute of Management is an accredited and approved Management School by the All India Council of Technical Education, Ministry of HRD, Govt. of India approved since 1996 for imparting management education for PGDM courses. The Institute is ranked amongst the top Business Schools of the country. The Institute has achieved the status of distinction by following the path envisioned by its founders. The secret of its spectacular growth lies in its commitment to providing world-class education, with the curriculum designed with the help of industry experts. With a team of highly qualified faculty of academic excellence and industry exposure and the state-of-the-art infrastructure of the Institute provides the environment for nurturing talent and for empowering the students with knowledge, skills and mindset which together shapes the future business leaders. A symbiotic relationship is encouraged between the industry and the academia through a mutual exchange of practical and theoretical aspects of management knowledge.

Over the years, the Institute has been continuously evolving by pursuing and inculcating several

innovative ways of learning and experience sharing by demonstrating time-bound mission-oriented goals.

The education at Asia-Pacific Institute of Management also emphasises on holistic development and interactive practical learning through strong linkages with leading companies to groom students as future corporate leaders for sustainable global development. In this context, a monumental effort of the management, faculty and staff provides a conducive environment for enabling the students to become decision makers in global corporate affairs. A closely networked Industry – Institute – Interface is ensured through guest lectures, industrial visits, workshops, seminars and a variety of specific corporate trainings. A symbolic relationship is encouraged between industry and academia, through a mutual exchange of practical and theoretical aspects of management knowledge and supplementation of professional expertise.

As per a recent best Business Schools Survey-2014, Asia-Pacific Institute of Management, New Delhi has been ranked at number 7 amongst all Business Schools of north India and at number 36 in the all India ranking. The ranking is based on an "objective survey" that ranks B-Schools based on the data that they submit, combined with a "perception survey" which ranks B-Schools based on opinions of key stakeholders such as teachers, students, recruiters and others. This year's survey has introduced the 'experimental survey' that brings in the views and experiences of alumni also – showing that the ranking of B-Schools have been carried out in the most comprehensive and complete manner.

The AIAEF is also operating a full fledged Skill Development Dept. This Dept. Provides services for Skilling and livelihood for the under privileged youth of the country. The Institute has been awarded various projects by Central and State govt. like Employment Linked Skill Training Program (ELSTP) program by Rajasthan Govt. (Rajasthan Skill and Livelihoods Development Corporation – RSLDC), Seekho aur Kamao (Learn & Earn Scheme) by Ministry of Minority Affairs, Swarna Jayanti Shahari Rozgar Yojana (SJSRY) by Samajik Suidha Sangam Govt. of Delhi.

Education has always been the strongest way to counter poverty and its tremendous impact towards Nation building. Our Prime Minister Shri Narendra Modi, a

visionary, whose great success stories have transformed lives and made them independent. Skill Development is the need of the hour and will be the defining element in India's growth story.

Yuva Shakti, a term used by many educationists as a vision for the nation by skilling and up-skilling the youth who form half the country's population of 1.25 billion people are under 25 years of age. The gap between the organised and unorganised sector where the latter forms a greater percentage can only be done by pushing hard by enhancing skills of labour in various sectors to suit the changing needs of the economy. Hence, Skill Development forms a core agenda for the next level of transition of the economy. There is a need to re-

define the relationship of education, employment and skills development. AIAEF has turned the limelight on skills development across the country to align industry manpower needs with the skilling initiatives underway and improve employability of the working population including school drop-outs, semi-skilled and un-skilled workers.

AIAEF's vision is to be a world class organisation for providing Management education and employable vocational skills in the demand oriented manufacturing and services sectors so as to transform the lives of millions of youth of the country.





THE RULES OF TALENT REFINERY

2014 can very correctly be termed as the year of Transformation. Until last year, there were lots of speculations on what the future of India would be like, both politically and economically. There were both positive and negative predictions, and fortunately it's the former that got realised than the latter. For the first time in three decades, there is a clear majority government at the centre and the economy is growing at over 5% (which is the fastest in the past two and a half years). There have been a series of new initiatives introduced to encourage exports and investment in India. With initiatives like "Make in India", there has been special focus on increasing the Manufacturing activity in India whose contribution to GDP had remained stagnant at 15% for several years. Exclusive funds to support entrepreneurial initiatives have been declared. All these are the much needed steps for taking us out of the "Job-less growth" that our country had been going through for the past many years, and would result in true growth. A beginning on this path of reforms and initiatives has instilled a new wave of confidence in the Indian economy that was absent some time ago and is even reflected in the change of assessment of the Indian economy by various international rating agencies.

If the new predictions are to be believed, this growth phase will continue for the next few years and as the

Job demand outlook is the reflection of the economy outlook, the coming few years should see an increase in the number of jobs across sectors. Considering that we have about 12 million job seekers, if our talent supply can match up the skills needed to perform these newly created jobs the overall result would be phenomenal. To perform this match making, it is essential to understand what kind of jobs would be created, what kind of skills would they require and where would these jobs be available. Parallely, it is also essential to have a dedicated system that can understand the need of both ends and perform the task of matchmaking. There are various ways this can be achieved. One of models that can solve the problem of talent match making in India is pincode level hiring. This would mean that the power of People, Process and Technology are used to reach out to the last pincode of the country for meeting the talent needs. This would work like magic particularly for the companies in sectors like Insurance and FMCG which need people for a wider geographic spread. Though few of the employers are already using this model and deriving benefits out of it, the use of Government machinery is a must if this model is to be implemented in the entire country. This should be complemented with the Revamp of "Employment Exchanges" to Talent Stock exchanges or "career centres" which become a meeting point for the talent and employers. With the kind of



scale and timelines for implementation we are looking at, it is important undergo the fastest possible process reengineering and use technology to ensure rapid implementation. **Only when we dedicate ourselves to extraordinary measures, can the extraordinary result of a powerful and strong nation be achieved.**

India Skills Report is an initiative to support in this journey. The main aim of India Skills Report is to support match making between the skill supply and job demand side by equipping both ends of the talent supply chain with necessary details about each other. While the snapshot of Supply side was captured through in-depth analysis of WEST scores of about 3 lakh students, the outcomes of the Corporate Job Survey, an online survey conducted on about 125 employers across India, shares the insights about the demand side. Compared to last year, this year the number of participants increased by almost 25%. Employers surveyed were questioned on the following major points: The Hiring potential and outlook for the coming year, profile wise hiring mix, sourcing channels, and experience level wise hiring mix etc. This information was collected to understand what are the kinds of profiles and people that companies in different sectors hire for and what is the kind of education required to be eligible for the same. The information about the profile mix was collected to

identify the skills for which major hiring is done in each industry sector. To understand the geographic focus of the companies representing different sectors, information about their "Talent sourcing" states was collected. We tried to demystify what was the most important skill companies look for. In totality, effort was made to provide as much insights as possible to the supply side about the thought process of Corporates, so that they can take wiser decisions in future and are ready to face the market with better preparation.

In this second season of India Skills Report initiative, it was heartening to receive the support of corporates across major sectors. A unanimous support was provided by them in conducting the survey. Though this is just the second year of the report, such an encouraging response and participation by corporates is a positive indicator that the corporates are ready to play their part in solving the talent woes of the country. We hope that the insights provided in the coming pages, based on the data provided by surveyed employers, would help in taking better decisions and creating a balanced skill-job landscape in the country.



INDIA'S JOB PREDICTION

“Even the darkest night will end and the sun will rise”, said French poet Victor Hugo, in one of his creations **Les Misérables**. With a “night” that extended for almost three years, the sun has definitely started rising for India Inc. The recovery of the economy from a turbulent phase that started last year, is in full swing now. As a country, we have moved out of the policy paralysis that was haunting our Government for quite some time, there is a positive sentiment about the nation all around. Infact it is not an exaggeration when we say that it is one of the best phases that we are experiencing as a nation. We have the wisdom from our past mistakes and have great aspirations of the future!

This hope and positivity is clearly reflected in the corporate hiring sentiments shared with the India Skills Report team. About 125+ corporates across 11 major industry sectors, were consultant to understand the “Job Providers” and capture the trends of the Job market in detail. The results obtained were very positive.

Indian Employers across the Major sectors forecast an overall increase of 23% when it comes to the hiring outlook for the next year. This forecast comes as a great relief for the country that is on the verge of a major demographic event, i.e. by 2020, more than 60% of India’s population will be of working age. Compared to last year’s report where the change in hiring numbers was very nominal (less than 2%), it seems that the political and economical stability seems to have had a positive impact.

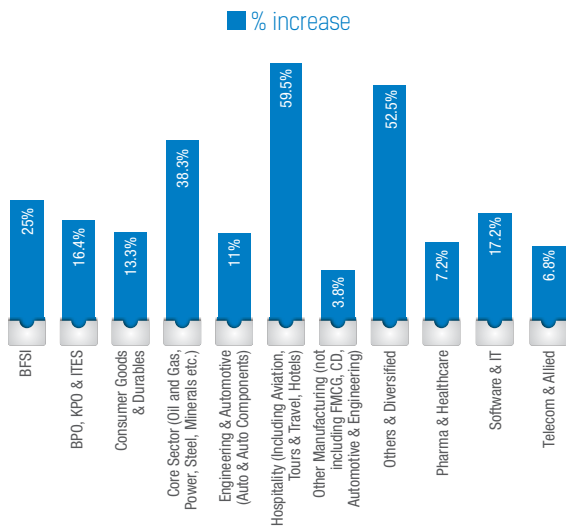
This increase in hiring numbers is prevalent across industry sectors, where the Hospitality and Travel sector leads the way with an increase of over 50% in the hiring

numbers in the coming year. It is closely followed by the sectors – Banking, Financial services and Insurance; Core Sectors, whose hiring numbers are expected to have an increase of more than 25%. The lowest growth is expected in other sectors like Manufacturing, Telecom and Pharma. This appears to be in direct correlation with the growth that companies in these sectors are targeting. (Few Insights: India is projected to be number one for growth globally in the wellness tourism sector in the next five years, clocking over 20 per cent gains annually through 2017, according to a study conducted by SRI International. The hospitality sector in India expects 52,000 new hotel rooms to be added in five years (2013-17), according to a survey by Cushman & Wakefield. This will lead to a rise of over 65 per cent in total hotel inventory in India. The banking sector credit is anticipated to grow at a CAGR of 18.1 per cent (in terms of INR) to reach US\$ 2.4 trillion by 2017. With investors gaining more confidence in India’s economy, the country’s manufacturing sector could grow by up to 14 per cent, according to the government).

“ With close to 5.5 million graduates passing out every year, and only about 0.7 million being considered employable by in the IT/BPM industry, over-supply and low employability is significantly diluting the demographic dividend. It is critical to understand the talent demand and supply landscape and engage, enable and empower a tripartite network of the government, academia and industry to grow the skill sets required for India to be future ready.”

Prithvi Shergill
Chief Human Resources Officer, HCL Technologies

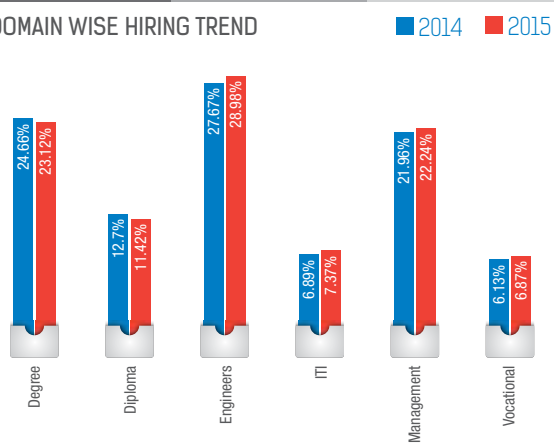
PERCENTAGE INCREASE IN HIRING NUMBERS



CHANGE IN AVERAGE HIRING PER MONTH

Though, there is a significant increase in hiring numbers across industry sectors, but if we consider the hiring mix then the employers do not foresee any major changes. There is an increase or decrease of less than 1% across domain. So if we consider the graph below of the total hiring being done in the year 2015-16, 23% will be graduates, 11.4% will be diploma, 29% engineers, 7.37% ITI, 22% Management graduates and 6.87% vocational candidates. Thus engineering hires will continue to dominate the hiring space. With the kind of growth expected in sectors like automobile, core and IT industry, this is hardly surprising.

DOMAIN WISE HIRING TREND



DOMAIN WISE HIRING MIX -TRENDS

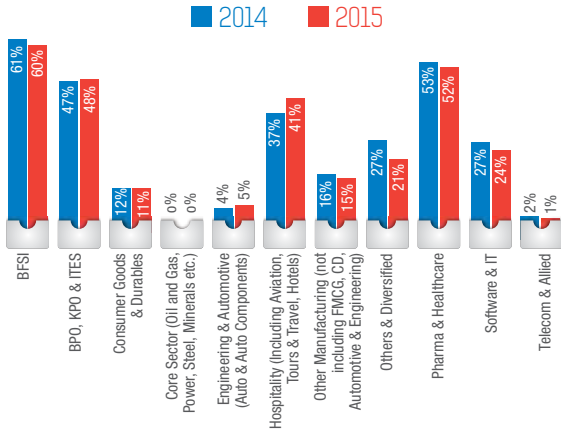
However, there are some interesting trends that came out when the domain wise hiring mix of individual industry sectors were considered. The BFSI sector forecasts a minor decrease in hiring of degree, vocational, management graduates and a nominal increase in the

“ Building a skilled workforce is essential for India’s development and growth. This is a huge challenge that needs to be solved jointly by the Government and Industry, to help create jobs and build a vibrant economy. ”

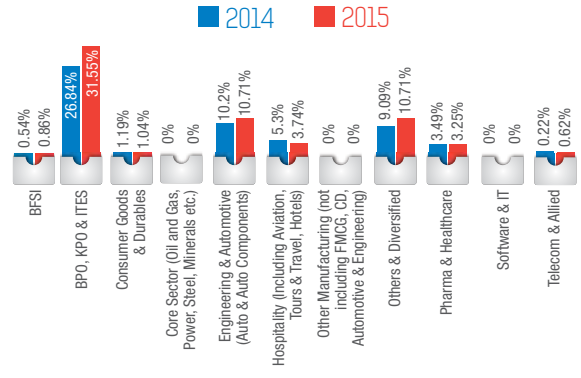
Pramod Bhasin

hiring of diploma graduates. Parallely, there will be a small increase in the hiring of engineers and ITI candidates but having said that, the sector also expects to hire a maximum of general graduates which will form about 60% of overall hiring numbers. BPO sector continues in its strategy of reducing the number of engineering hires further by 50% (forecasting that only 6% of overall hires will be engineering grads). There seems to be a clear focus on hiring candidates from General degree and undergraduate courses, who can be trained to meet the business needs. For sectors like core and consumer durable sectors, there does not seem to be any major change in the overall hiring mix, except that the core sector is planning to hire more management graduates. Considering that the sector is expecting a significant growth in the coming year, it makes absolute sense to have management graduates onboard who can help in managing this change. However the major hiring for this sector will continue to be that of engineers. Another sector that will have engineering graduates as majority of hires is engineering & automotives. This sector also plans to hire diploma candidates which will form a dominating one-fourth of hiring mix. Telecom and Software, and IT are the other two such sectors which have a major pie of their hiring mix as engineering graduates and they are going to continue with this composition for the next year as well. All this shows the readiness of the businesses to grow, which is the reason why companies like Telecom, Software & IT and Core that require lot of expertise to innovate and grow are looking for specialists in large numbers unlike last year where the focus was on making maximum utilization of existing specialists. Considering that 1.5 million engineers are trained every year, this looks like good news. However, the “employability” of these engineers still remains a challenge and this increase in the need of engineers means that the time for making the engineers job ready is less, and rapid steps need to be taken.

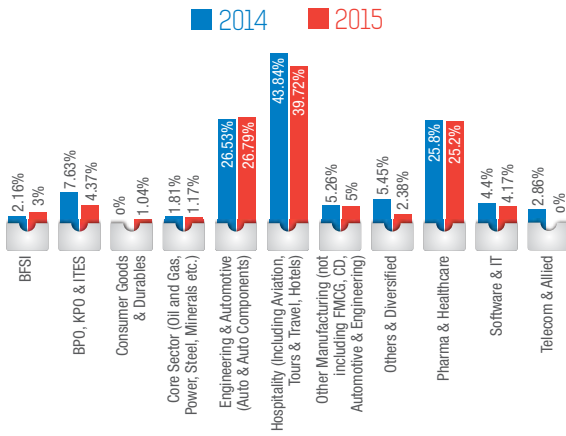
PERCENTAGE OF DEGREE GRADUATES IN OVERALL HIRING



PERCENTAGE OF ITI CANDIDATES IN OVERALL HIRING



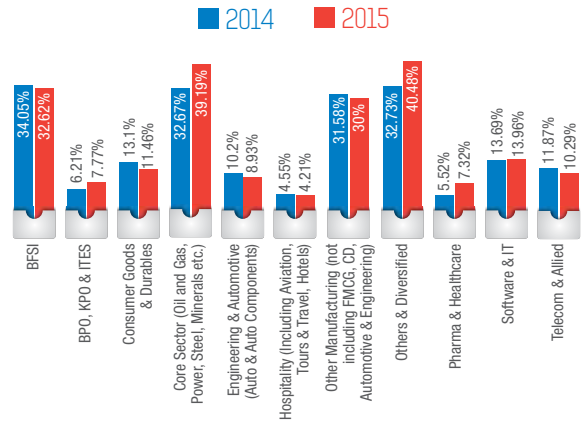
PERCENTAGE OF DIPLOMA CANDIDATES IN OVERALL HIRING



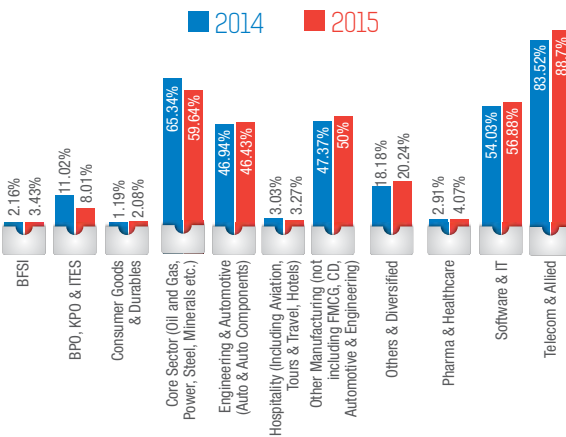
“Talent is one of the most critical resources deployed by us. I feel we need to understand challenges of skill reservoirs & take focused steps to get constant skill supply.”

Rajeshwar Tripathi

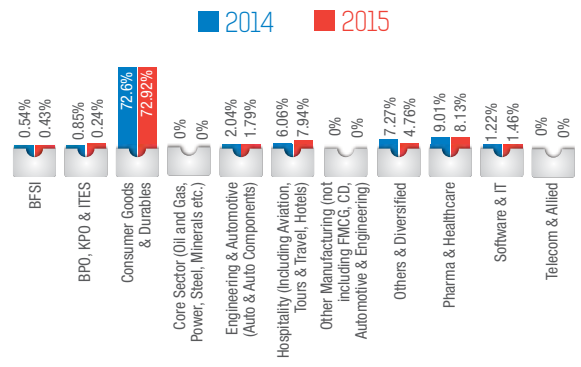
PERCENTAGE OF MANAGEMENT GRADUATES IN OVERALL HIRING



PERCENTAGE OF ENGINEERS IN OVERALL HIRING



PERCENTAGE OF VOCATIONAL GRADUATES IN OVERALL HIRING

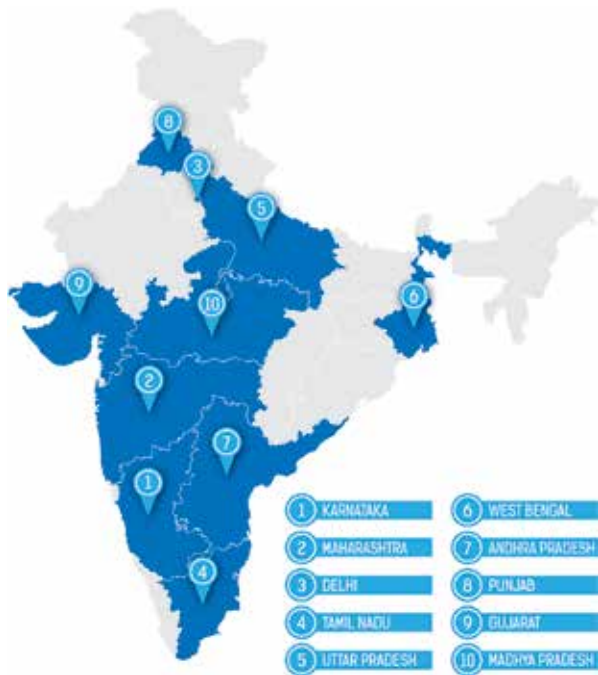


“There is a gap between the productivity needs of employers and the skills available in the market today, which is causing a mismatch between talent and opportunity. A joint LinkedIn study with PwC on talent adaptability suggests that such poor talent alignment is costing Indian companies as much as INR 508bn in lost productivity.”

Nishant K Rao

While it is important to understand the domain wise hiring trends, it is equally interesting to analyse how the hiring activity is distributed across the country. With this in mind, the employers across 11 industry sectors were asked about their hiring preference with respect to states. This was done to identify the top states where the hiring activity was maximum. When asked about the preferred states where companies across the 10 sectors hired from, the Top 10 States in the employers list were:

PREFERRED STATES FOR HIRING



When compared to last year, the top 10 states more or less remained the same. The only change being that in the place of Jharkhand, Punjab entered in the Top 10 list. When we look at the geographic spread of industries in India few states have more prominent presence of certain industries compared to others. Do the same preferences exist when these companies look out for talent? If the corporate responses are any indication,

TOP STATES OF PRESENCE FOR EACH INDUSTRY SECTOR

Industry	Delhi	Haryana	Maharashtra	U.P.	Tamil Nadu	Karnataka	Kerala	Bihar	M.P.	West Bengal	Gujarat	Andhra Pradesh	Andaman Nicobar
BFSI	•	•	•										
BPO, KPO & ITES	•			•	•								
Consumer Goods & Durables						•	•	•					
Core Sector (Oil and Gas, Power, Steel, Minerals etc.)			•						•	•			
Engineering & Automotive (Auto & Auto Components)			•		•						•		
Hospitality (Including Aviation, Tours & Travel, Hotels)	•		•								•		
Other Manufacturing (not including FMCG, CD, Automotive, & Engineering)				•		•					•		
Others & Diversified	•	•	•										
Pharma & Healthcare			•									•	•
Software & IT	•		•			•							
Telecom & Allied			•						•	•			

then yes there are few states which are preferred and in most of these cases the preferences matches with those of prominent presence of that sector. For e.g., BFSI chose Maharashtra while software and IT industry preferred Karnataka. However, this data does indicate that proximity of talent to the business location does play a role in hiring decisions.

SECTOR WISE MOST PREFERRED STATES

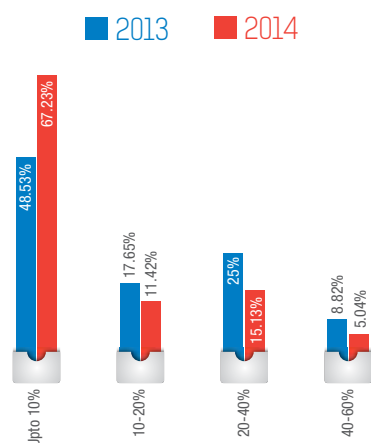
Industry	2013	2014
BFSI	Maharashtra	Maharashtra
BPO, KPO & ITES	Andhra Pradesh	West Bengal, Delhi
Consumer Goods & Durables	Tamil Nadu	Uttar Pradesh
Core Sector (Oil & Gas, Power, Steel, Minerals, etc.)	Gujarat	Maharashtra
Engineering & Automotive (Auto & Auto Components)	Maharashtra	Tamil Nadu
Hospitality (Including Aviation, Tours & Travels, Hotels)	Delhi	Maharashtra
Other Manufacturing (not including FMCG, CD, Automotive & Engineering)	Tamil Nadu	Maharashtra
Others & Diversified	Karnataka	Delhi
Pharma & Healthcare	Karnataka	Kerala, Tamil Nadu
Software & IT	Maharashtra	Karnataka
Telecom & Allied	Madhya Pradesh	Karnataka

To explore this point further, the job survey also tried to capture the geographic presence of different industries. Another purpose of this activity was to understand if there were some industry wise location preferences to establish operations. When asked about their states of presence, companies across sectors chose varied options, some had presence in 2 states, and others from sectors like BFSI were present in as high as 25 states. Maharashtra seemed to be a state where companies of most industry sectors had a presence. It was closely followed by Delhi and Tamil Nadu, which were preferred by 6 and 5 out of 10 industry sectors respectively. The table below shows the top 3 state preferences of various industries.

An interesting trend to note here is that both the National capital and commercial capital of the country are amongst the most preferred locations to operate. Apart from these two states Karnataka and Gujarat seem to rank higher in the preference of Industry sectors. These two states are amongst the few states that have been bringing in lots of reforms and policies to make it easier for corporates to set up operations in their states. (viz The new industrial policy and Land reform bill, Karnataka.) It seems that these reforms are helping in building positive sentiments of corporates and in the long run this will contribute towards job creation in these states. Other states should try introducing these reforms to attract corporates.

Another important piece of hiring related information that is of great interest, is the composition of permanent and contractual employees. With increasing focus on cost and time efficiency there has been a lot of interest in increasing the contractual labour, but if the current views of employers across sectors are considered, more than 2/3rd of the employers have 0-10% of their workforce as contractual employees. Though there are still over 25% of the respondents who have 10-40% of their workforce working contractually. This is a change of scenario compared to last year when this number was more than 40% and can also be attributed to the confidence of taking up permanent employees that has come up with a stable economy.

CONTRACTUAL WORKFORCE COMPOSITION



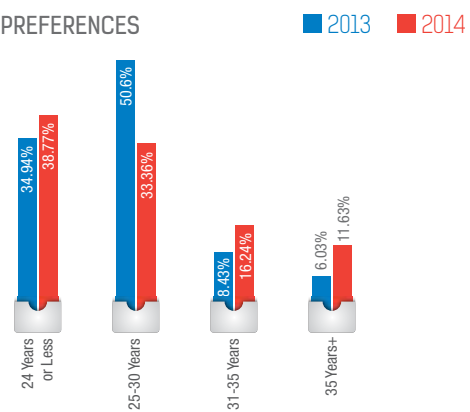
Industry wise, the share of contractual workforce shows a bit of variation, which can be attributed to their respective workforce needs. Telecom came up as the only sector where all respondents shared that they had contractual workforce in the range 11-40%. The sectors

where 33% or more of the respondents shared that they had more than 10% of the workforce as contractual are: Pharma & Healthcare, other Manufacturing, Hospitality, Engineering and Auto, and BFSI. For all other sectors more than 2/3rd of the respondents belonging to the sectors responded that they had 0-10% of their total workforce. This trend shows that the acceptability of contractual labour is yet to pick up pace in sectors other than those which have manufacturing facility or wider geographical reach (like BFSI). Part of it could be because of the labour laws of our country which make the employers sceptical about going the contractual way.

Another of the major objectives of India Skills Report was to provide detailed insights of the hiring trends to the supply side. With this in mind companies across sectors were questioned on the preferred age group, preferred campuses, most important skill required and the sourcing channels etc. so that some concrete steps could be taken to meet those requirements.

When questioned about the preferred age group; the overall trend shows a clear inclination towards young candidates; with about 72% employers preferring to hire candidates of age 30 years and below. However, when compared to last year's responses this number is much lower; there has been an increase in preference for the age group 31 years and above. The detailed insights are captured in the chart below:

AGE WISE PREFERENCES



Looking at the sector wise preferences, all sectors except for Core, Manufacturing, others & Diversified and Telecom, show clear preference to the age group 24 years or less with more than 1/3rd of the respondents in the sector choosing this option. Few sectors like Consumer Goods and Durables, Engineering and Auto, and Hospitality prefer younger candidates (more than

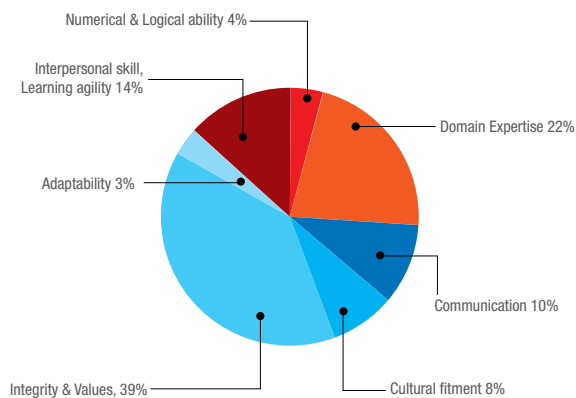
70% respondents voting 24 years or less as the most preferred age group). This can be attributed to the kind of work culture in these sectors that requires younger candidates who can adapt easily.

The preference for a young workforce is a good news for a country like India where 60% of the population is going to belong to the working age by 2020. All that is needed is to have this available working population "Job –Ready" so that they can be utilized by corporates.

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

An important question that often crosses the mind of the candidate is, what are the employers looking for? What is that one skill that one needs to bag a job? The corporate job survey questioned the employers about the single most important thing they want in their prospective employees. They were given options like Numerical and Logical ability, Domain expertise, Communication, Cultural fitment, Integrity and Values, Result orientation, Adaptability, Interpersonal skills, and Learning agility. When questioned regarding this, most of the employers across industries voted for Integrity and Values, followed by Domain Knowledge.

SKILLS DESIRED BY EMPLOYERS

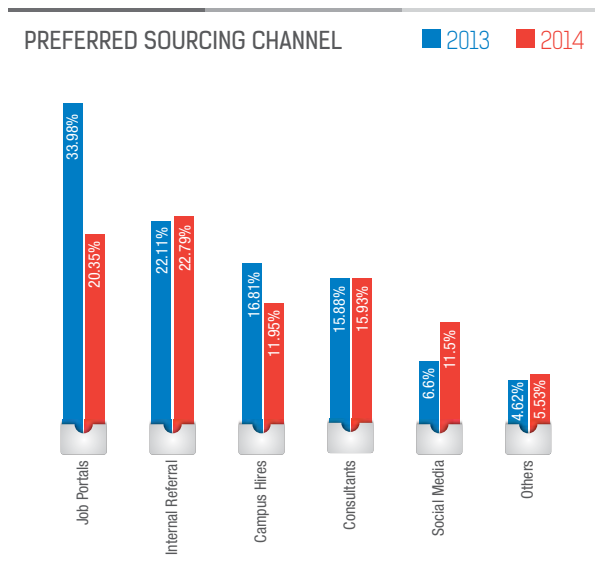


These preferences again, did differ for some industry sectors. Out of the 11 sectors for 8 sectors, more than 33% of the respondents chose integrity and values as the most important trait. In today's times of ethical leadership, this is no surprise as companies want employees who can understand and imbibe the company values. However, for sectors Core, Engineering & Auto and Telecom, domain knowledge was picked as the most preferred skill. Hospitality was the only sector for which communication was chosen as the most preferred skill by almost 45% of respondents. The sector preferences above are truly as per the kind of profiles and work that each of the sectors entail and does not come as a surprise. Hope the job seekers are listening and can imbibe the following skills for perfect matchmaking.

Banking, Financial Services and Insurance	Integrity & Values, Result orientation
BPO, KPO and ITES	Integrity & Values, Result orientation
Consumer Goods and Durables	Integrity & Values, Result orientation
Core Sector (Oil and Gas, Power, Steel, Minerals, etc.)	Domain Expertise
Engineering and Automotive (Auto and auto components)	Domain Expertise
Hospitality (including aviation, tours and travels, hotels)	Communication
Other Manufacturing (not including FMCG,CD,Automotive and Engineering)	Integrity & Values, Result orientation
Others and Diversified	Integrity & Values, Result orientation
Pharma and Healthcare	Interpersonal skill, Learning agility
Software and IT	Integrity & Values, Result orientation
Telecom and allied	Domain Expertise

Another important question that job seeker has is where do the Employers look for the candidates. What is their preferred sourcing channel? For most employers across Industries, Internal referrals came across the most preferred sourcing channels: they were closely followed by job portals. Internal referrals have been the favourites of the recruiters for quite some time now, with the kind of benefits that they bring out (viz: reduction in early attrition, lesser sourcing time, lower cost etc.) it is not at all surprising that it comes out to be the most preferred channel across industry sector. Sectors like BFSI, BPO, Engineering & Auto etc. (in fact all sectors barring Consumer Goods and Durables, Core Sectors and Pharma) have chosen it as the most preferred sourcing.

After all the results which internal referral provides with minimal effort, other options like consultants, etc. are losing their charm. Another striking change that is evident is the use of social media as a sourcing channel. The penetration of social media has almost doubled. There is a clear indication to the skill pool to smarten up their social media profiles as the recruiters are looking out for them.



Having said that, traditional sourcing methodology still exists and Job Portals and consultants are still being followed by certain sectors. This information is very useful for both the supply and demand side of the talent supply chain. While on one hand this makes it easy for the Talent Supply and demand side to reach each other, it opens up a new opportunity to integrate and create efficient channels for talent supply. With Job portals and internal referrals being used in large number, if assessment systems like WEST are integrated into the systems, it would create a direct channel of connect from the skill pool to the employer and would inevitably increase the overall efficiency of the supply chain of Talent.

The last point that India Skills Report touched upon was gender diversity. Over the past few years gender diversity has been one of the most spoken about subjects. There have been several researches conducted on the impact of women as decision makers on business results. In fact, India's stock market regulator has been keeping up with the new Companies Law which mandated that every publicly listed company have at least one woman director on its board. Though since last year there has been a significant increase in the number of women employees in the organisation, it still appears to be a man's world. While last year, the ratio was 76:24; this year it has been reduced to 68:32, a welcome change.

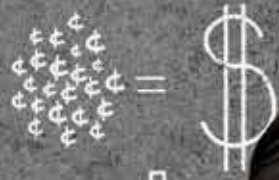
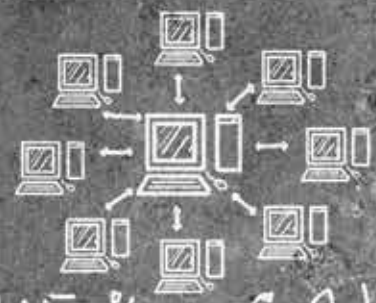
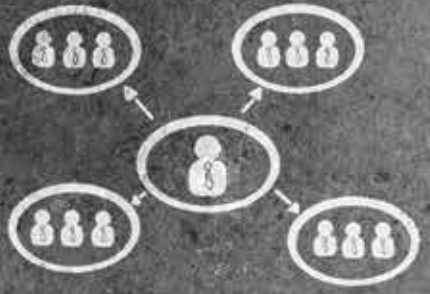
When we consider the sector results from last year one more sector joined the elite club of sectors with more than or equal to 1/3rd of workforce as women. While certain sectors like BFSI, BPO and Hospitality did see a slight drop in the percentage of women, there is a clear hope that with special efforts the corporates are putting up these days, this number will definitely get better.

Industry	Gender Diversity	Percentage-2014
BFSI	Female	34.6
	Male	65.4
BPO/ITES	Female	34
	Male	66
Engineering & Auto	Female	19
	Male	81
Engineering/Core	Female	25
	Male	75
Hospitality & Travel	Female	26
	Male	74
Manufacturing	Female	15
	Male	85
Others	Female	37
	Male	37
Pharma and Healthcare	Female	47
	Male	53
Software & IT	Female	32
	Male	68
Telecom	Female	33
	Male	67

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

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





WWW

45% is SAL

25% time

SUCCESS



SALES NOT EVERYONE

A. LUCK

CONCLUSION



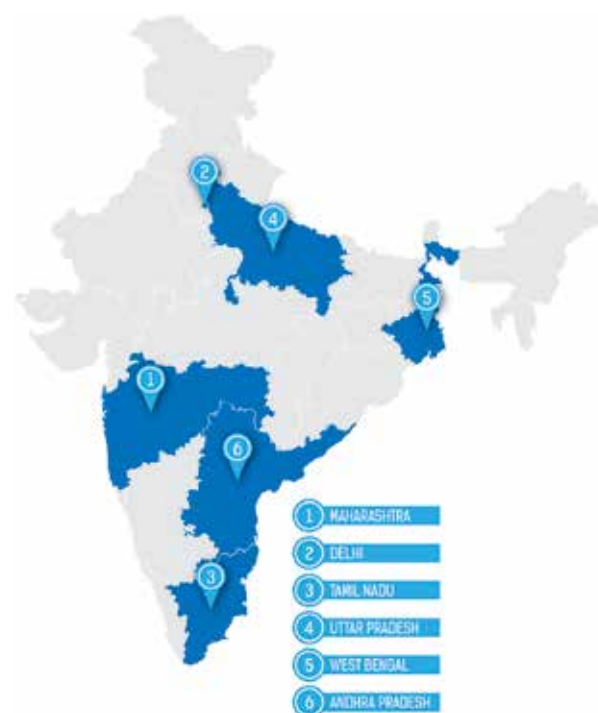
Growth is the future - India Skills Report 2015 conveys. In short, this second edition of the India Skills Report has been the true reflection of the economic and business sentiments prevailing in India. There is an increase in the employability of the skill pool and parallelly, the corporates are expecting a rise of about 23% in number of jobs. Reflecting growth in both supply and demand sides the report projects a very positive picture of the future. However, having said that it also highlights the fact that if we truly want to reap the benefits of demographic dividend, both the supply and demand side would need to make sincere efforts and matchmaking between both the ends would be vital to get the best results.

Considering the importance of "Matchmaking" to resolve the Great Indian Talent Conundrum; this final section of India Skills Report tries to match the data from the supply side and demand side to come up with a holistic picture of the skill landscape of the country. For doing the same the analysis of WEST scores of about 3 lakh test takers across states; age groups; domain areas and gender were studied parallel to the Analysis of responses of over 125+ employers to the Corporate Job Survey on the hiring trends and results were quite interesting!

One of the major findings of the WEST score of test takers across states was the employability status of the available skill pool. So the Top states which had the most "employable" skill pool were easily identified. The

Corporate Job Survey on the other hand shared the state wise hiring preferences of employers across industry sectors. So parallel to the knowledge of where the best skill pool resides, we had the states where employers chose to hire. This data when combined carved out a clear picture of states where the talent and job have the best opportunity to meet each other. The states which have the most employable talent and at the same time are the "preferred" hiring destinations of employers were:

MOST PREFERRED HIRING DESTINATIONS

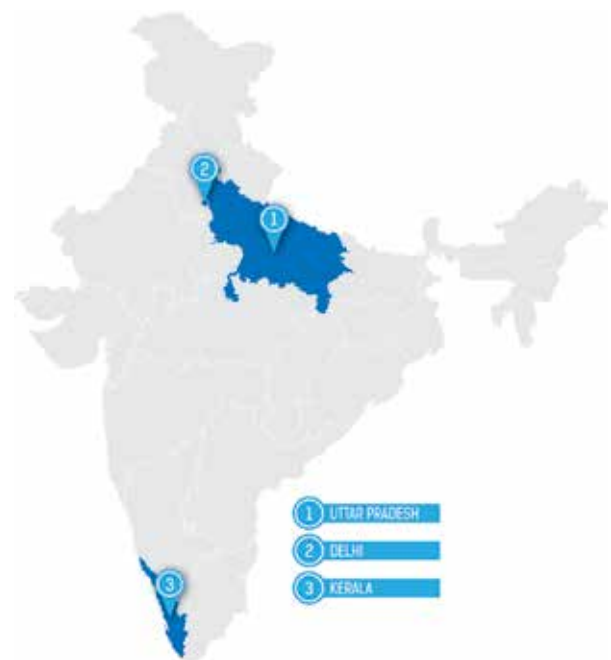


When compared to the last year's data, Maharashtra is a new entrant to this list of states where the talent supply and demand both seems to be high. The data supports that these are the states that are doing an exemplary job at one end of creating an encouraging environment for employers to establish their centres and create employment opportunities in state and on the other end, they are training the skill pool to be the best in class and ready to be employed by these employers. A cursory look at the practices shows the various skill development and industrial development initiatives that the Government is taking in these states. There are Investor meets, Fares, & Business parks being created which help in market development and various training and skill development initiatives to convert the "qualified" graduates to "skilled" prospects for employers. However, the overall number of candidates who are "employable" is not even 40% so the steps might be a good start but still there is a long way to go. In direct contrast of the above states, there were few states which did feature amongst the Top states in one of lists but failed to feature in other. For e.g. states like Orissa, Kerala and Bihar had quite a high number of employable candidates, but were not in the priority list of Employers. Similarly states like Karnataka, Punjab, Gujarat and Madhya Pradesh were part of the Employer's priority list (Top 10) but the WEST scores of the assessed candidates in these states were lower than the Top 10 rankers. The employers as well as the skill development bodies must try to work on the supply demand mismatch that is prevalent in these states. Such steps would definitely help in solving the talent issues of our nation.

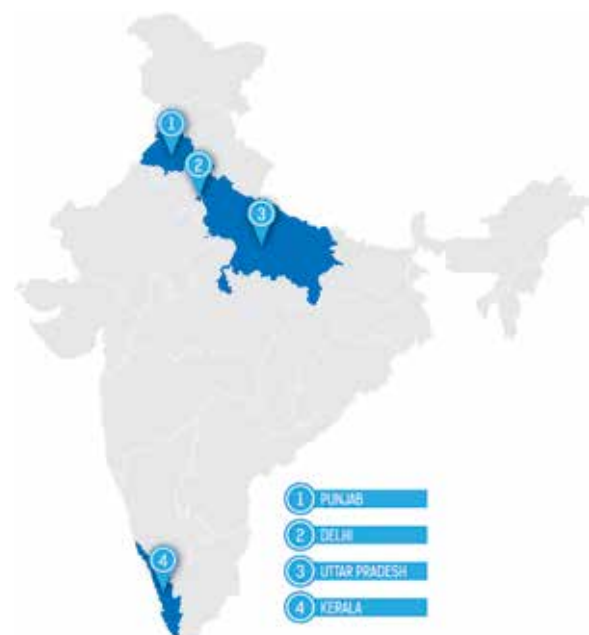
India is a country full of geographic diversities, which quite often creates sub-groups amongst the states based on common needs and makes it important that any data is studied with reference to the geographic distribution for meaningful insights. However this is not enough to solve the problems. Merely knowing where the employable talent resides is not enough. The 11 major industry sectors which are considered in the India Skills Report are different, not only in their area of work, services and products offered, but also in the kind of people they hire the most. As their needs for a particular domain of candidates are different, their focus areas for hiring would logically be different. Hence, it makes much more sense for the employers across states to understand where the employable candidates are, for the domain that they require is available. A combined study of data from the supply and demand

side brought out the following insights. The Analysis of WEST data provided the various states where most of the "employable" candidates of different domains could be found. And parallelly, India's Job Prediction Survey analysis shared industry wise domain preferences of each Industry sectors. Taking into account the top two domains that dominate the hiring pie for each sector from the demand side, and the **Top states where the best talent for each domain areas is available, following states were identified as lucrative hiring regions for each of industry sectors:**

BANKING, FINANCIAL SERVICES AND INSURANCE

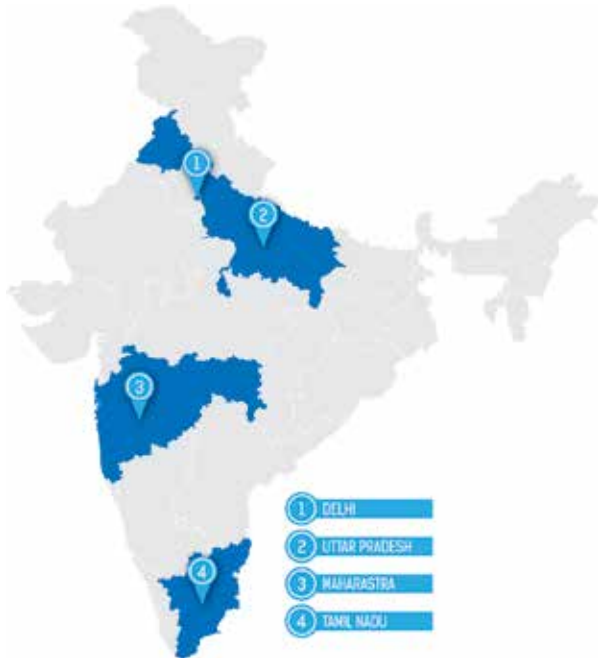


BPO, KPO AND ITES

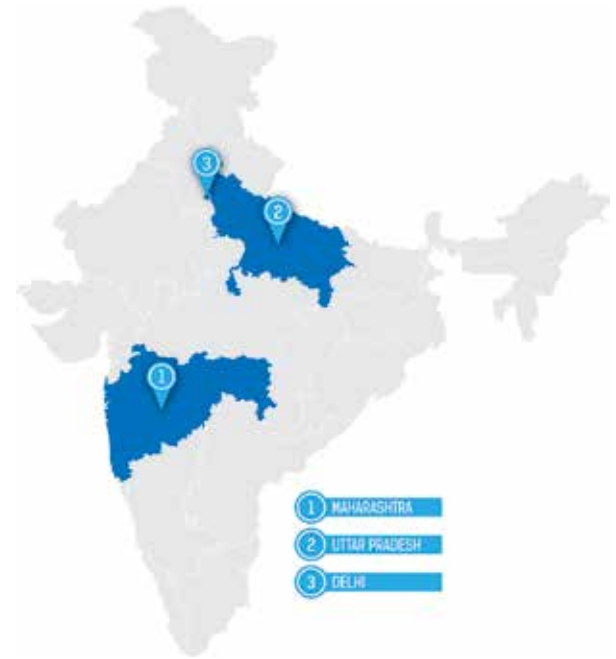


MATCHMAKING, SUPPLY AND DEMAND OF TALENT

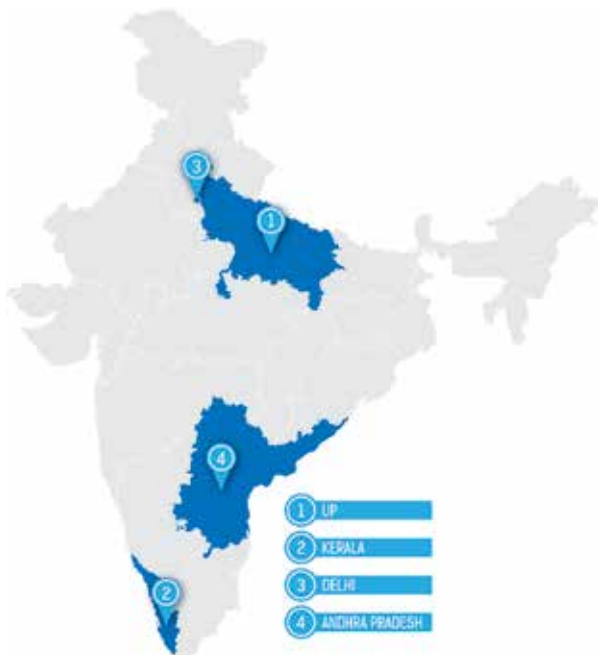
CONSUMER GOODS AND DURABLES



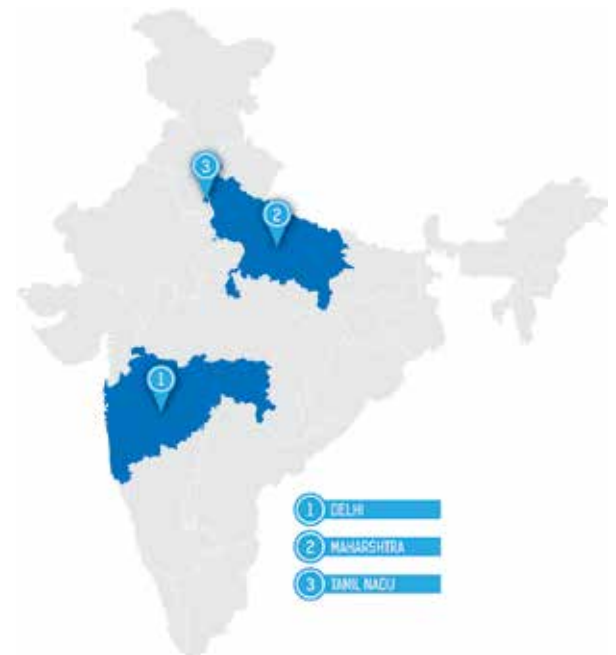
ENGINEERING AND AUTOMOTIVE (AUTO AND AUTO COMPONENTS)



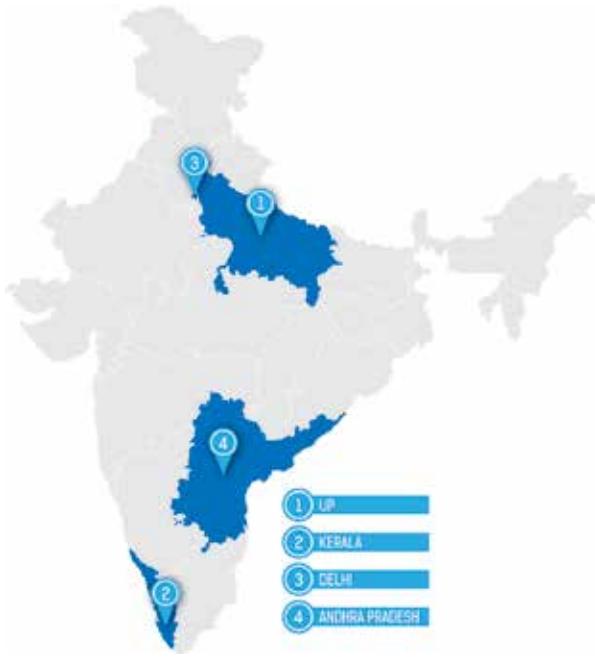
CORE SECTOR (OIL AND GAS, POWER, STEEL, MINERALS, ETC.)



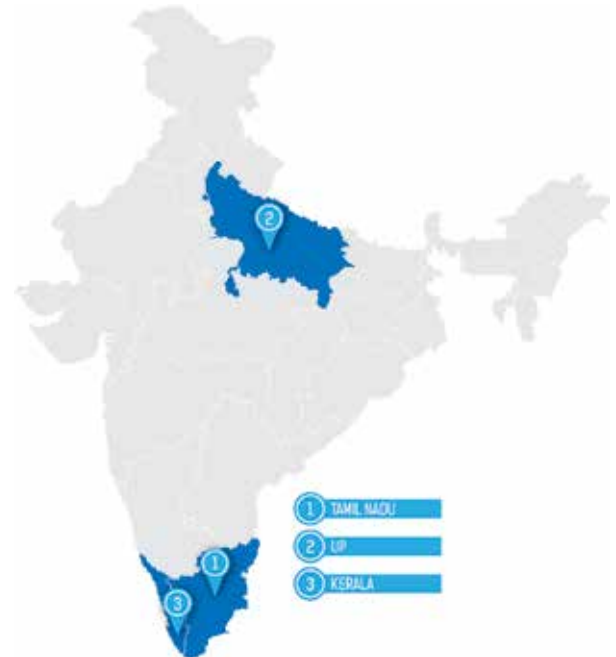
HOSPITALITY (INCLUDING AVIATION, TOURS AND TRAVELS, HOTELS)



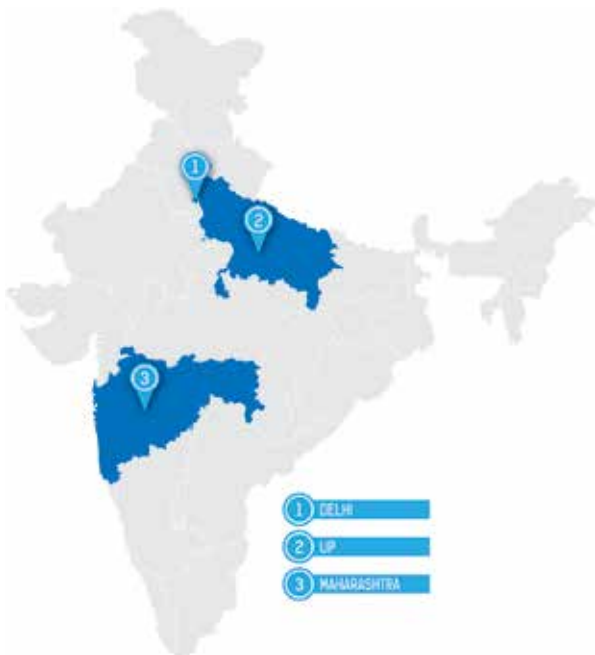
OTHER MANUFACTURING (NOT INCLUDING FMCG, CD, AUTOMOTIVE AND ENGINEERING)



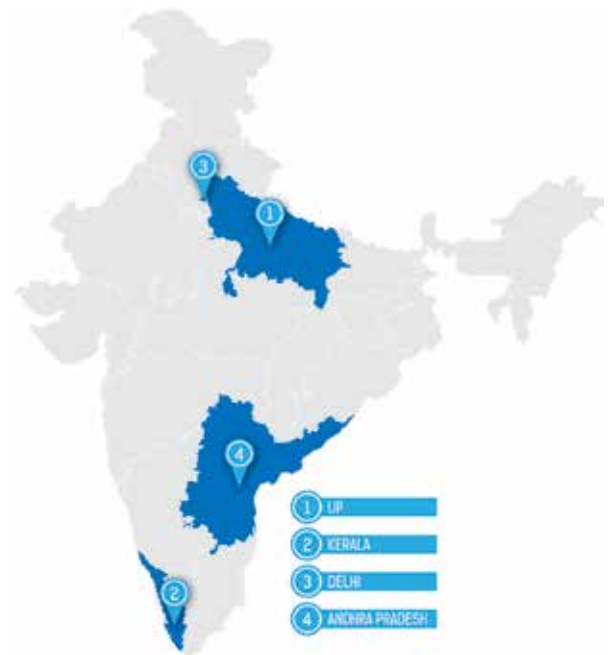
SOFTWARE AND IT



PHARMA AND HEALTHCARE



TELECOM AND ALLIED



These states contain the best of talent in particular domain areas, hence it would make business sense for employers to hire from these sure shot sources of their much needed talent.

The coming year is the one of immense growth for companies across industry sectors, and getting the best talent becomes much more of challenge. To win this “War of Talent” companies try to understand the preferences of their candidate pools and try to meet those needs and create an effective employer value proposition that makes sense and has immense value for the future employees. Job location is one such area, which often results in loss of a good talent. Hence it is important to understand the candidate preferences in this regard as well. The India Skills Report also provides meaningful insights in this regards as well. With this in mind the WEST test takers were also asked about their preferred destinations of work. This information when combined with the top states where companies of various sectors have a presence (as captured from India’s Job Prediction Survey) provided the list of states where the thought process of the talent supply and demand sides meet. The states that made to this list are:

STATES PREFERRED BY SUPPLY AND DEMAND SIDE



It could be attributed to the support provided to the employers by the government in these states, or to the infrastructure and facilities that attract the job seekers towards the cities in these states; but other states surely need to take steps so that the population of job

seekers is not concentrated towards particular cities and states. Accordingly, the employers should also try to expand their operations in the states where candidates would prefer to work. Few examples of such states are: Chandigarh, Andhra Pradesh and Tamil Nadu. It is only when a joint effort is made by both ends that a mutually beneficial solution can be reached.

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

For this purpose, when data captured through Employability Skill Test and India’s Job Prediction Survey was brought in together a striking match between the supply and demand side came up. As per the data captured for most preferred age group for hiring as per the employers across industry sectors is below 24 years till 30 years. More than 70% of the employers preferred to hire from the age group less than 30 years. When it comes to the supply side, about 35% of the test takers in the age group less than 30 years were found employable and most of this lot belonged to the age group of 18-21 years (about 40%) significantly higher than the other age groups.

The combination of these data points brought out good news for sectors like BPO/ITES, Consumer Durables Engineering & Auto, Hospitality, Pharma and Healthcare, Software and IT etc. where most employers (more than 1/3rd) prefer to hire from the age group 18-21 years as the maximum number of quality talent belong to this age group. The situation looks a bit difficult for sectors like BFSI, Core Sector, other Manufacturing and Telecom sectors where the preferred age for hiring is higher and there seems to be a dearth of employable talent. This gives a clear indication to all the parties, that special steps to develop required skills in these sectors are required. Things like hiring candidates from lower age group and then training them to do the work might be beneficial, on the job training or apprenticeship can also be provided to the required candidates. Joint efforts from all stakeholders are needed to match these demands.



One of the major areas of interest in the corporates for the past few years has been “Gender Diversity” and with mandates like compulsory inclusion of Women on company boards etc. coming from the Government, this focus has increased further. When both the Government and Corporates are trying to encourage the participation of women in Job market and economy as a whole, it made sense to understand how the females fared in terms of skill levels, also in terms of presence in the corporate well. It was also to understand that while there is demand of including more and more women in the workforce, are they ready to be “employed”? These data points captured respectively from their WEST score and corporate responses when clubbed together brought up an encouraging picture for the future. As per the India’s Job Prediction Survey the current gender diversity status across industry sectors is 68:32. Though this is an improvement from last year’s numbers it’s still disappointing to note that even today, the number of females has not even reached one-third of the total workforce. In fact, out of the 11 Industry sectors that were studied, only 5 could report a gender ratio of 2:1. The supply side on the other hand showed that women test takers were significantly more employable than the male test takers. Thus, though the efforts of Government are showing results with such encouraging levels of employability in women, the corporates from different Industries need to do their part and provide them the opportunity to put their knowledge and skills to work.

The states from where these “employable” female candidates can be hired are Kerala, Gujarat, West Bengal, Maharashtra, Uttar Pradesh, Bihar, Andhra Pradesh, Haryana, Rajasthan and Tamil Nadu. If we compare this data with the current preferred hiring locations of employers across sectors, almost all sectors have an equal opportunity of improving the gender ratio of the organisations, as they already hire from the states where the “employable” females are found in large numbers. A little bit more conscious effort might be needed to make sure that the right kind of talent is found at the right time.

With this we come to the end of the India Skills Report 2015 Analysis. Through the insights shared in the last 40 pages the complete skill landscape of India has been captured. This comprehensive understanding of the supply and the demand side shows various areas where the employers, academia, as well as the Government need to work. The steps needed have already started both from the employer as well as the skills side (Academia, Government). All that is needed is to keep up this momentum and take all these initiatives to their planned culmination. The focus that is seen in the past one year, prevalent both in the political and economic scenarios, creates a hope in the minds of over 1.2 billion Indians, that the demographic dividend will be earned to the fullest. Hope this hope stays!



THE WAY FORWARD

The India Skills Report is an initiative that was started last year with a vision to bring the Talent supply and demand side on the same table and facilitate matchmaking between these two ends. In the second year of this journey, the reach of the report was increased by manifold. On the supply side the participation in the WEST survey increased by 200%, with almost 3,00,000 students across domains taking the test. Reach for corporate survey also increased by 25% & over 125 employers spread across 11 industry sectors were surveyed. This helped in drawing insightful inferences that can help the stakeholders of the skill landscape to come up with new ways to fill in the talent supply demand gap. The first steps for which have already started.

The government has started initiatives to improve the skill levels and encourage industrial growth for generating jobs. Both the employers and academia are also making efforts to reach out to each other, apart from participating in the Government-led initiatives. We just hope that these initiatives will be completed without any challenges and deliver the much needed results to the supply and demand side of the supply chain.

India Skills Report will continue to provide much needed insights that can help in making it possible. In the first two editions of the India Skills Report, the focus was to increase the reach of both supply and demand side data, so that a sharper picture of the talent landscape can be drawn. Its subsequent editions would continue to do so and try ways of implementing the recommendations for improving the Talent Supply Demand scenario.

We hope that with each coming year, this Report will provide much deeper insights from the supply and demand side and will help in finding a solution to the talent conundrum of India.



Success



\$

key



Target



Production



Plan



APPENDIX



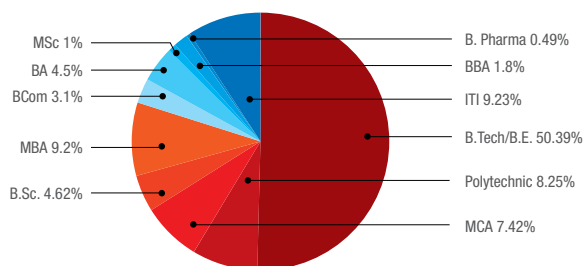
OBJECTIVE OF THE REPORT

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

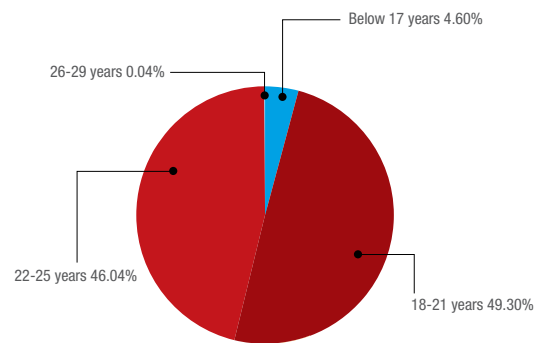
WHEEBOX EMPLOYABILITY SKILL TEST

WEST was conducted, to check the “employability” of the skill pool using reliable talent assessment tool across domain areas. WEST assessed the test takers on five areas, Domain Knowledge, Communication Skills, Computer Skills, Numerical and Logical Ability and Behavioural traits. This test was taken by about 3,00,000 students across states and domain areas. The detailed respondent profile of the test takers is shared below.

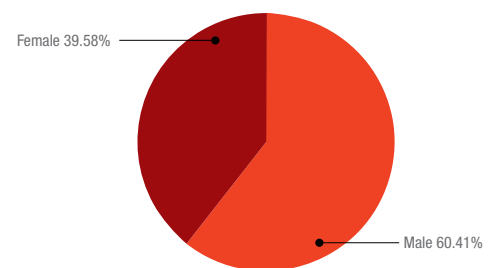
DOMAIN WISE



AGE WISE DATA



GENDER WISE DATA



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

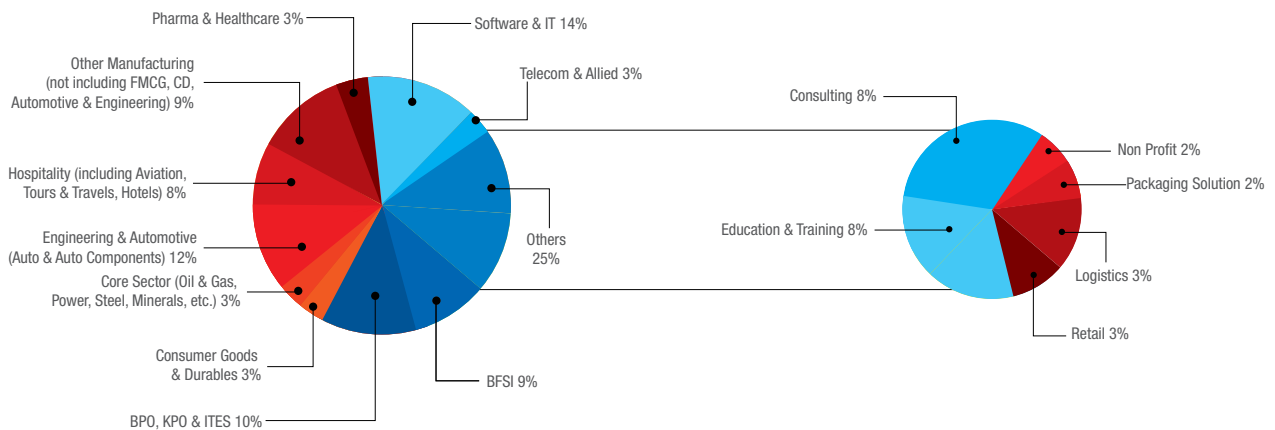


INDIA'S JOB PREDICTION SURVEY

India's Job Prediction Survey, a close ended questionnaire was the instrument used to capture the outlook of the Employers or the Job Demand side. In this 15 question survey, employers were asked about their hiring mix, their preferences for hires based on domain, age group etc. Information about their preferred states for hiring

preferred skills in a candidate etc. were also captured to provide meaningful insights to the talent supply side. About 125 employers across 11 Industry sectors participated in the survey and shared their thought process. The sector wise respondent profile is shared below.

RESPONDENT PROFILE



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

ANALYSIS – THE METHODOLOGY

The Analysis process for India Skill Report was a two step process. As the first step, a first cut analysis of the scores of test takers of the employability skill test, and the employers' response to the corporate survey was done separately. Normalisation was done to remove any kind of skewness in the data. Inferences derived from these Individual analyses were used to provide detailed insights of the "Supply" and "Demand" world which are covered in the section II and section III of India Skills Report. As would be evident from the analysis in these two sections, the data collected from the two sides was analysed primarily from three angles: Demographic, Geographic and Sectoral. Demographic angle covered the insights of the WEST scores and India's Job Prediction Survey from the perspectives, like age group, Gender etc. The Geographic stance provided the state wise status of employability in the skill pool and available jobs. And finally Industry wise focus (primarily for the India's Job Prediction Survey) helped understand the industry wise

preferences. Domain specific supply and demand status was also captured by analysing the scores of Individual domains, and also analysing the employer responses on their domain wise preferences. All this formed a part of the first cut analysis of data collected.

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

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

NSDC

AN OVERVIEW

The India Skills Landscape was nascent and small with very few players of scale and credibility 5 years ago. The National Skill Development Corporation India (NSDC) was setup as a one of its kind, Public Private Partnership with the primary mandate of catalysing the skills landscape in India. It aims to skill 150 million people through active engagement of the private sector.

NSDC is a unique model created with a well thought through underlying philosophy based on the following pillars:

Create: Proactively catalyse creation of large, quality vocational training institutions

Fund: Reduce risk by providing patient capital

Enable: Create an enabling ecosystem for entities to operate efficiently

CREATE AND FUND

The NSDC Board has approved 156 skilling proposals and 31 Sector Skill Councils with total financial commitment of INR 2,362 crore. As of September 2014, the NSDC Training Partners, SSCs and affiliated training agencies have trained 33,74,817 students and placed 12,25,428 students (excluding Star placements). 89 training partners were operating 1408 training centers across 356 Indian districts of India and running about 875 courses.

ENABLE

In addition, NSDC is working to develop an enabling ecosystem to foster the growth of sustainable skill development entities. To that end NSDC is setting up Sector Skill Councils that are industry bodies responsible for defining the requirements of the industry on manpower - both quality and quantity will play a critical role in creating an enabling environment for vocational training in India. Till date, 2014, 22 SSCs are operational. As of September 2014, 22 SSCs have designed 2,247

unique NOS and 455 QP's (Qualification Packs) out of the total 879 QP's designed by the SSCs have been registered as National Standards.

In an attempt to develop the research base for skills in India NSDC has and is committed to conduct extensive research across the country. These studies are useful first-round reference documents for policy makers at the national and state levels, Chambers of Commerce, SSCs, and industry associations. NSDC has commissioned reports across a wide gamut of subjects in skills including assessment of manpower requirements for sectors, all districts of India, training of trainers, etc.

In an endeavor to make skills aspirational, NSDC launched an advocacy campaign, "Hunar Hai to Kadar Hai" to motivate youth to enroll for skilling programs across the country. A pan-India based Call Centre has been set up to address the concerns and questions of the youth. NSDC also spearheads the World Skills Competition which is like a mini Olympics for skills.

NSDC, through its Innovation Practice looks at supporting innovative ventures that create a disruption in the skills landscape across different parts of the skills value chain such as sourcing, financing, placement, assessments, etc.

NSDC works with multiple multi-lateral agencies with a purpose of capacity building and promoting large scale sustainable training projects. NSDC has tie ups with several bilateral and multi-lateral organisations such as European Union, Asian Development bank, and Department for International Development.

NSDC is working on special projects like Udaan for Jammu and Kashmir which is targeted at helping the ambitious and progressive youth of J&K, seeking global and local opportunities. It aims to make employable 40,000 youth of J&K over a 5 year period, in high growth sectors.

NSDC was also mandated to implement the STAR scheme approved by the Cabinet Committee on Skills Development. It promotes voluntary skill acquisition among the youth by incentivising it through monetary reward at an average of INR. 10,000/- to cover 10 lakh youth over 1 year. Since the launch of the STAR Scheme in August 2013, there have been over 14 lakh enrolments and 8.55 lakh candidates have passed their assessments out of 12.75 lakh assessed, achieving an overall pass percentage of 67%.



STATEWISE SPLIT OF PEOPLE TRAINED BY NSDC

Sectors Covered	Non-Star						Star	Total Trainings
	2010-11	2011-12	2012-13	2013-14	2014-15	Total		
Andaman and Nicobar Islands		0	0	29	3	32	10	42
Andhra Pradesh		13,100	45,648	1,15,594	10,992	1,85,334	1,41,966	3,27,300
Arunachal Pradesh		5	62	0	0	67	96	163
Assam		3,789	3,081	8,812	1,911	17,593	7,449	25,042
Bihar		8,514	10,852	1,01,703	11,948	1,33,017	20,759	1,53,776
Chandhigarh		0	7	1,156	502	1,665	2,616	4,281
Chhattisgarh		8,690	23,969	32,586	24,915	90,160	17,344	1,07,504
Dadra and Nagar Haveli		3	15	251	36	305	45	350
Daman and Diu		0	7	0	0	7	458	465
Delhi		8,472	20,505	79,090	4,058	1,12,125	64,295	1,76,420
Goa		7	101	127	204	439	649	1,088
Gujarat		11,728	12,739	14,461	11,041	49,969	63,163	1,13,132
Haryana		2,738	10,024	23,984	23,965	60,711	91,656	1,52,367
Himachal Pradesh		2,187	1,647	2,880	7,441	14,155	29,616	43,771
J&K		533	1,822	2,203	328	4,886	3,451	8,337
Jharkhand		2,286	4,281	11,596	1,959	20,122	22,073	42,195
Karnataka		12,858	66,868	67,324	28,326	1,75,376	87,002	2,62,378
Kerala		1,186	4,367	11,822	1,086	18,461	40,915	59,376
Lakshadweep		10	0	0	0	10	353	363
Madhya Pradesh		9,138	36,956	62,574	15,962	1,24,630	1,16,301	2,40,931
Maharashtra		24,082	31,379	93,413	56,394	2,05,268	1,09,269	3,14,537
Manipur		118	90	167	64	439	176	615
Meghalaya		1,263	1,919	3,458	939	7,579	140	7,719
Mizoram		6	77	89	92	264	0	264
Nagaland		265	274	969	115	1,623	70	1,693
Odisha		7,356	11,328	31,925	6,320	56,929	30,140	87,069
Others		4,674	12,338	0	0	17,012	0	22,562
Pondicherry		63	59	183	46	351	5,550	6,252
Punjab		7,720	14,872	11,535	1,237	35,364	54,801	90,165
Rajasthan		10,533	13,654	19,508	3,135	46,830	1,41,385	1,88,215
Sikkim		376	1,909	1,200	186	3,671	209	3,880
Tamil Nadu		11,820	22,816	98,770	27,978	1,61,384	1,20,255	2,81,639
Telangana		0	0	0	3,468	3,468	11,072	14,540
Tripura		123	770	2,143	48	3,084	8,089	11,173
Uttar Pradesh		14,349	19,811	39,279	10,628	84,067	94,717	1,78,784
Uttarakhand		4,030	4,130	6,233	929	15,322	9,016	24,338
West Bengal	NA	9,669	24,129	85,128	21,641	1,40,567	95,277	2,35,844
Total	NA	1,81,691	4,02,506	9,30,192	2,77,897	17,92,286	13,90,383	31,88,570

SECTOR WISE SPLIT OF PEOPLE TRAINED BY NSDC

Sectors Covered	Non-Star						Star	Total Trainings
	2010-11	2011-12	2012-13	2013-14	2014-15	Total		
Agriculture/Rural Farm	0	448	14,137	22,861	9,527	46,973	99,992	1,46,965
Automobile / autocomponents	190	1,776	16,747	47,497	15,983	82,193	1,21,257	2,03,450
Aviation	0	0	0	1,422	0	1,422	0	1,422
Banking/Insurance and finance	206	8,512	25,097	48,621	23,898	1,06,334	1,22,089	2,28,423
Building & Construction	119	5,703	19,465	53,921	16,460	95,668	9,856	1,05,524
Capital Goods	0	0	0	0	3,547	3,547	1,186	4,733
Chemicals and Pharmaceuticals	0	0	1,181	2,228	106	3,515	0	3,515
Education/ skill development	14,316	51,507	15,048	16,609	0	97,480	0	97,480
Electrical Hardware	5	0	588	3,420	0	4,013	0	4,013
Electronics & IT Hardware	0	1,034	6,369	21,213	17,493	46,109	15,827	61,936
Engineering	0	733	1,342	9,246	0	11,321	0	11,321
Entrepreneurial Skills	0	0	333	5,877	0	6,210	0	6,210
FMCG	0	0	0	407	0	407	0	407
Food Processing/Cold Chain/ Refrigeration	0	404	35	694	1,675	2,808	0	2,808
Gems & Jewellery	0	366	407	128	0	901	53,320	54,221
General	16	0	0	788	0	804	0	804
Government	0	0	0	0	919	919	0	919
Handloom and Handicrafts	0	0	0	2,584	1,363	3,947	0	3,947
Health Care	0	1,542	7,363	51,438	11,286	71,629	29,620	1,01,249
Infra	0	0	1,512	0	0	1,512	0	1,512
IT or software	359	9,829	84,487	87,524	0	1,82,199	0	1,82,199
ITES-BPO	958	16,751	9,234	77,519	0	1,04,462	0	1,04,462
IT-ITES	0	0	0	67,466	57,777	1,25,243	3,19,368	4,44,611
Leather and leather goods	0	0	9	146	0	155	19,996	20,151
Manufacturing	34	1,044	1,574	8,900	0	11,552	0	11,552
Media, entertainment, broadcasting, content creation, animation	0	33	172	11,685	0	11,890	1,751	13,641
Organised Retail	95	10,665	49,849	1,10,902	10,556	1,82,067	2,64,004	4,46,071
Others	264	0	5,160	52,496	25,663	83,583	0	83,583
Plumbing	0	0	0	0	257	257	10,002	10,259
Rural non farm	0	2,765	5,903	0	0	8,668	0	8,668
Security	0	53	8,400	14,150	3,470	26,073	1,09,757	1,35,830
Select Informal Sectors (domestic help, beauticians, facility management)	0	3,940	5,245	12,718	1,017	22,920	5,006	27,926
Service Sector	0	0	13,444	61,848	0	75,292	0	75,292
Soft-skills and English Communication	16	0	651	13,837	0	14,504	0	14,504
Telecom	3,518	60,018	96,335	1,43,255	58,506	3,61,632	2,12,248	5,73,880
Textiles and Garments	346	3,512	5,512	17,177	3,375	29,922	0	29,922
Tourism, hospitality and travel	42	1,056	5,623	26,773	8,597	42,091	0	42,091
Rubber	0	0	0	0	0	0	4,325	4,325
Mining	0	0	0	0	0	0	0	0
Transport and logistics	0	0	1,284	0	6,155	7,439	0	7,439
Total	20,484	1,81,691	4,02,506	9,95,350	2,77,630	18,77,661	13,99,604	32,77,265

TOTAL NUMBER OF PEOPLE TRAINED BY NSDC

Total Trained	Non-Star	Star
FY 2010-11	20,484	
FY 2011-12	1,81,691	
FY 2012-13	4,02,506	14,00,416
FY 2013-14	10,05,074	
FY 2014-15	3,57,986	
Sub-total	19,67,741	14,00,416
Total Trainings Provided	33,68,157	

Notes:

1. Star trainings commenced from FY2013-14, hence the yearwise split is unavailable
2. Data for FY2014-15 is till September 30, 2014

CONTRIBUTORS



REFERENCES

NDTV Profit. PM Modi's 'Make in India' Push Gets Thumbs Up from Moody's Analytics Retrieved September 2014 from, <http://profit.ndtv.com/news/economy/article-pm-modis-make-in-india-push-gets-thumbs-up-from-moodys-analytics-662044>

The Wall Street Journal. An Invitation to 'Make in India' Retrieved September 2014 from, <http://online.wsj.com/articles/narendra-modi-an-invitation-to-make-in-india-1411687511>

Economic Times. Make-in-India: Manufacturing can no longer accommodate unskilled ex-farmhands . Retrieved October 2014 from, http://economictimes.indiatimes.com/articleshow/44658249.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Economic Times. PM Modi's US Visit: Rock show in New York over, it's time to roll action in India Retrieved September 2014 from, http://articles.economictimes.indiatimes.com/2014-09-30/news/54475123_1_pm-modi-mars-mission-space-missions

Financial Express. India to launch new skill development programme, Retrieved October 2014 from, <http://www.financialexpress.com/news/india-to-launch-new-skill-development-programme/1296651>

NDTV Profit. PM Modi's 'Make in India' Push to Drive Investments, Create Jobs. Retrieved September 2014 from, <http://profit.ndtv.com/news/economy/article-pm-modis-make-in-india-push-to-drive-investments-create-jobs-669641>

Economic Times. Make-in-India: Manufacturing can no longer accommodate unskilled ex-farmhands. Retrieved October 2014 from, http://economictimes.indiatimes.com/opinion/comments-analysis/make-in-india-manufacturing-can-no-longer-accommodate-unskilled-ex-farmhands/articleshow/44658249.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Economic Times. Make in India' will remain just a mantra unless India gets cracking with vocational training Retrieved October 2014 from, http://articles.economictimes.indiatimes.com/2014-10-07/news/54735514_1_training-china-senior-secondary-level

DNA India. Narendra Modi gives 3-D formula for India to become a global leader Retrieved September 2014 from <http://www.dnaindia.com/world/report-narendra-modi-gives-3-d-formula-for-india-to-become-a-global-leader-2022237>



A-10, Infocity, 1st Floor, Sector 34
Gurgaon, Haryana 122001



Confederation of Indian Industry

249-F, Sector 18, Udyog Vihar, Phase IV
Gurgaon, Haryana 122015



A-10, Infocity, 2nd Floor, Sector 34
Gurgaon, Haryana 122001



17th Floor, Tower-C, DLF Cyber City
Building #5 (Cyber Terraces)
Gurgaon, Haryana 122002