

INDIA SKILLS REPORT

2016



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PeopleStrong

PeopleStrong is a leading platform-based mpHRO (Multi-process HR Outsourcing) and technology company, headquartered at Gurgaon, India. It specializes 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

Wheebox is India's leading online talent assessment Company that partners' corporations for finding and retaining best talent using validated, reliable and standardized test for pre-hiring and learning needs assessments.

Wheebox benchmarks over 1.5 million users annually across 21 countries globally. Wheebox research & development teams have created a battery of over 100 validated tests, spanning areas in Language, Cognitive Skills, Personality, Information Technology, General abilities and core domain skills in Finance, Retail, Sales, Engineering, Automobile etc. Staying aligned to the vision of Wheebox to "Measure World's Talent", It partners over 3000 higher and vocational education campuses for conducting "Wheebox Employability Skill Test" for final year graduates to benchmark competencies that matter the most for being employable in corporations. Wheebox powers "India Skills Report" skill supply side study and complements thousands of colleges to identify, benchmark and spot areas of competencies and

About the team

supplementing with Institution wide and candidate report for developing competencies for employment.

CII

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering industry, Government, and civil society, through advisory and consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, playing a proactive role in India's development process. Founded in 1895, India's premier business association has over 7900 members, from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 200,000 enterprises from around 240 national and regional sectoral industry bodies.

CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes. Partnerships with civil society organizations carry forward corporate initiatives for integrated and inclusive development across diverse domains including affirmative action, healthcare, education, livelihood, diversity management, skill development, empowerment of women, and water, to name a few.

In its 120th year of service to the nation, the CII theme of "Build India- Invest in Development, A Shared Responsibility", reiterates Industry's role and responsibility as a partner in national development. The focus is on four key enablers: Facilitating Growth and Competitiveness, Promoting Infrastructure Investments, Developing Human Capital, and Encouraging Social Development.

With 66 offices, including 9 Centres of Excellence, in India, and 8 overseas offices in Australia, Bahrain, China, Egypt, France, Singapore, UK, and USA, as well as institutional partnerships with 312 counterpart organizations in 106 countries, CII serves as a reference point for Indian industry and the international business community.

LinkedIn

LinkedIn connects the world's professionals to make them more productive and successful and transforms the ways companies hire, market and sell. Its vision is to create economic opportunity for every member of the global workforce through ongoing development of the world's first Economic Graph. LinkedIn has more than 400 million members and has offices around the world.

Association of Indian Universities

Association of Indian Universities (AIU) is one of the premier institutions of the Country working for the cause of Higher Education. Established in 1925 as Inter University Board of India and Ceylon, it was rechristened as Association of Indian Universities in 1973. As a representative body of Universities of India, it liaises with the universities and the government (central as well as state) and coordinates among the universities and other apex higher education organizations of the world. The main objective of the AIU is to protect and promote the interest of universities and facilitate their activities especially by way of sharing information and increasing cooperation in the field of culture, sports, and allied areas, and help universities in mutual recognition of degrees.

Being a communion of highest academics of the country i.e. the Vice Chancellors, it inevitably assumes the role of a Think Tank and Academic Leader in the country.

At present out of 736 universities in the country, 596 are the members of the Association. Apart from Indian Universities, there are 10 foreign universities as associate members of the AIU.



Foreword

Currently with one of the highest youth population in the world, India faces its greatest opportunity as well as challenge. It is slated to become the world's youngest nation by 2022. Whereas the population bulge provides for a huge reservoir of manpower, it also draws unprecedented focus towards making this talent pool employable- so that they can contribute towards a developed India.

Many new initiatives have been launched – Make in India, Smart Cities, Digital India, Start Up India – all focused towards reviving and scaling various aspects of economy. Skill India is the backbone of all these initiatives as it will create a conducive eco-system for skill development in India.

The India Skill Report is a joint Initiative of CII, PeopleStrong, Wheebox and LinkedIn. The report presents not only the employability factor of the youth from across the country from different educational background but also the needs & expectations of the employers. It is this scientific tool that can help address the skill gaps in labour market and facilitate better employment opportunities for the youth, thereby increasing India's industrial productivity.

I congratulate the India Skill Report Team for the third successful edition of this report and creating an interesting repository from Industry, and Academia on one platform. My best wishes to the team!

Chandrajit Banerjee
Director General, Confederation of Indian Industry



Acknowledgements

It is with great pleasure that we present to you the third edition of India Skills Report. Like the first two editions that were launched in last two years, this report is a joint effort and we would like to recognize and express our gratitude to everyone involved.

First and foremost we would like to thank all the 500000 plus students from 29 states and 7 union Territories of India who appeared for WEST that 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 also like to thank the corporates spread across 12 Industry sectors, for their participation in our corporate job survey and providing 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 and contributed in creating this Report. Their inputs brought in a reality dimension to the report and helped us in bringing 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 Corporate Job Survey . Their support helped us in making students and corporate across the nation, part of this initiative in large numbers.

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



“ Wheebox is a very good platform for students who do not have proper directions in terms of Careers and employability. I have always appreciated Wheebox endeavors towards the betterment of the students. I must appreciate the new Skill India Report that gives the insight of Industry and I am sure will help students to get the proper direction in terms of their Career. ”

Surendra Singh Grover

Director - Corporate Resource, Amity University, Jaipur



“ The assessment test conducted by Wheebox for determining the level of employability skills of our MBA students has been an eye-opener. This initiative has immensely benefitted the student community and the institution. ”

Dr. K. Ramamurthi

Principal, Coimbatore Institute of Management and Technology



“ Prime Minister Narendra Modi Vision “ The Country’s young population could do wonders if trained well in various works and trades available in the world and India with the largest manpower in the world would emerge as a major power in the times to come” will truly turn into reality with the efforts of Wheebox and Team. I congratulate Wheebox and Team for launching the 3rd Edition of The India Skill Report 2016 which will certainly help the industry, institutions, government to foster sector wise initiatives in the skill development space. ”

Gaurav Saini

Head – CRC, MVN University



“ I am happy to know that the next edition of India skill report is just about to be published. I am sure this report would be very useful in bridging the skill gap between the curriculum followed by the academia and the requirement of the industry. My best wishes for this timely initiative. ”

Commander (Er) RP Singh (Retd)

Director (Training, Media and Corporate Relations)
Centre for Career Guidance and Development (CCG&D)
Integral University, Lucknow



“ We are happy to see the launch of the third edition of the India Skill Report prepared by CII with a holistic assessment test by market leaders, Wheebox. I hope this score is taken into consideration by more and more companies in the core sector in India and abroad and will thus enable students from remote localities get a fair chance of placement. ”

Dr. Farrukh Sayeed,

Principal, ACE College of Engineering



“ 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



“ LinkedIn is focused on connecting talent with opportunity and we are delighted to be able to support the India Skill Report for the third year running. India has a massive talent pool that is increasingly strategic to driving success for key initiatives such as Make In India. As the demand and supply of skills continue to evolve across industries throughout the country, we hope that the rich insights on talent and skills on LinkedIn will help professionals, companies and governments identify opportunities, whether it's to get a job, tap a particular city for the skills available there, or to plan for the development of skills that are not yet available but are key to future success, respectively. ”

Irfan Abdulla

Director Talent Solutions India, LinkedIn



“ Simply analyzing data, studying isolated reports and dashboards, and monitoring key performance indicators is no longer enough today. It's time to align HR services with business and public data to create proactive solutions to tackle complex business problems. Companies day by day are reporting greater difficulty in filling key roles. While they may have access to plenty of people, they don't always have access to plentiful talent at the right time. As we approach the phase of reaping the "demographic dividend", an insight into the skill and demand side of talent is all the more imperative. India Skills Report has been providing details about both sides of the talent supply chain for three years now and I am sure it will help to channelize the efforts being made in the direction of skill – job matchmaking. ”

Rajeshwar Tripathi

Chief People Officer, Automotive and Farm Sector , Mahindra and Mahindra Ltd



“ I am delighted that the India Skill Report (ISR-2016) is being launched by Wheebox in partnership with AIU, CII, Peoples Strong and LinkedIn. I am happy to note that the ISR-2016 has been enriched by including a large array of institutions in its ambit. The report is timely and apt especially in a time when the country is poised to reap the benefit of its demographic dividend. The comprehensive and validated information captured and presented in ISR-2016 on the trend of employment and skill requirement will be valuable source of insight for the aspiring youths, industries, and the policy makers. I congratulate the WHEEBOX team and other associated organization for accomplishing this onerous task. ”

Prof. Furqan Qamar

Secretary General, Association of Indian Universities, New Delhi

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DID WE BREAK THE RECORDS?

EXECUTIVE SUMMARY

India today, is its own initiative- An initiative to rebuilt, reinvent and reenergize! The golden 'Growth' era in the demographic dividend context is no longer a progression of thoughts but a reality that reflects youthful India's firm strides towards overall economic development. The focus towards both job generation and skill development, is leading the nation to greener "Demographic Dividend" pastures. The vision of 2020 is taking shape. With a population of 1.3 billion, of which about 0.8 billion in the working age, youthful India is surely going to paint the world red!

Having said that, there is a lot that is yet to be done and many challenges that are yet to be tackled. In this era of knowledge based economy, skilled and employment ready manpower is utmost important. There are various initiatives which have been launched - Skill India to hone skilled power, career centers to connect the dots in the employment zone, Make in India to create entrepreneurial capabilities & generate more employment facilities, jobs etc. But the future depends on how successfully we are able to implement them.

Only time will tell if we will succeed in reaping the demographic dividend, but it is important that matchmaking initiatives continue. India Skills Report 2016 is an effort towards this direction. Currently in its third season, the report enumerates the various initiatives taken by the government, the challenges and the impact on economy growth. It captures the skill levels of the supply side as assessed on WEST, the Employability skill assessment test launched by Wheebox.com and needs of the demand side of the Talent Supply chain as captured by Corporate Job Survey.

WEST, this year as well, reached all 34 States and Union Territories and 3,000 educational campuses across India and assessed about 5.2 lakh candidates on parameters like knowledge, skill aptitude and behavioral components. Skill gaps that are scientific in nature were validated using reliable Talent assessment tools. The result was an overall picture depicting how the students rank in terms of skills that would be imperative to judge the employability in the coming times.

Corporate Job Survey covered 150 Employers, spread across 12 major sectors like Manufacturing, Core, ITES, IT, BFSI etc. to get an idea of job demand and potential hiring forecasts for the coming year.

Like the previous years, this year too, the report 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.

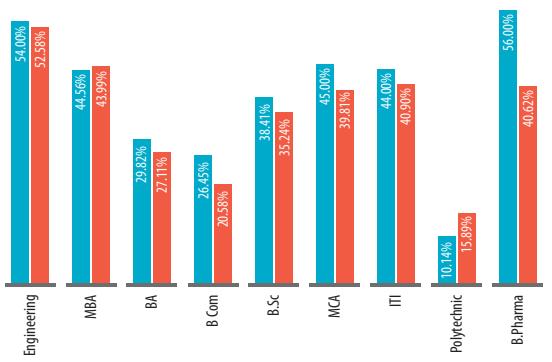
If we look at the results this year, the employability index showed a minor improvement from last year, rising to 38.12% from 37.22%. The hiring sentiment also looks positive, with employers across sectors expecting an average increase of about 14% from last year's hiring numbers. Apart from this there are various other interesting insights that are captured in the upcoming sections of the report, which makes this an interesting read for both sides and help them align their strategies as well.

INDIA SKILLS REPORT

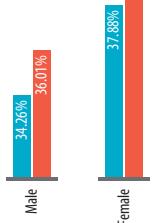
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WEST

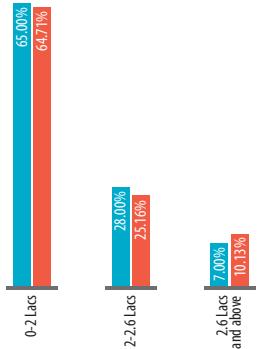
GRAPH OF EMPLOYABILITY



GENDER WISE EMPLOYABILITY

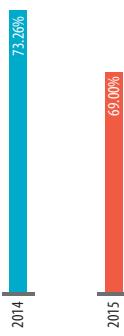


EXPECTED SALARY RANGE

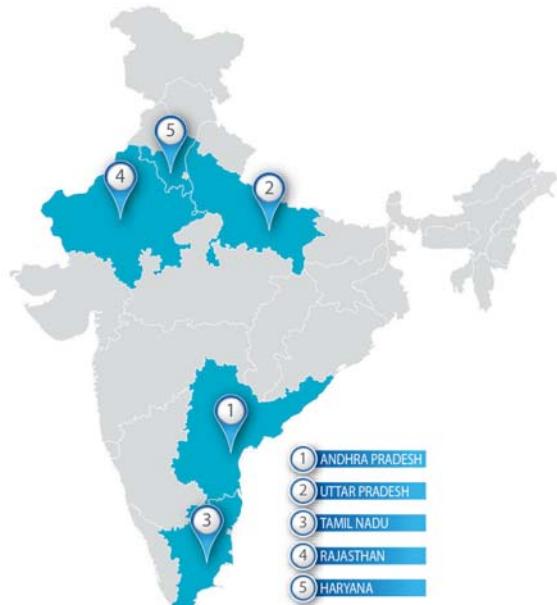


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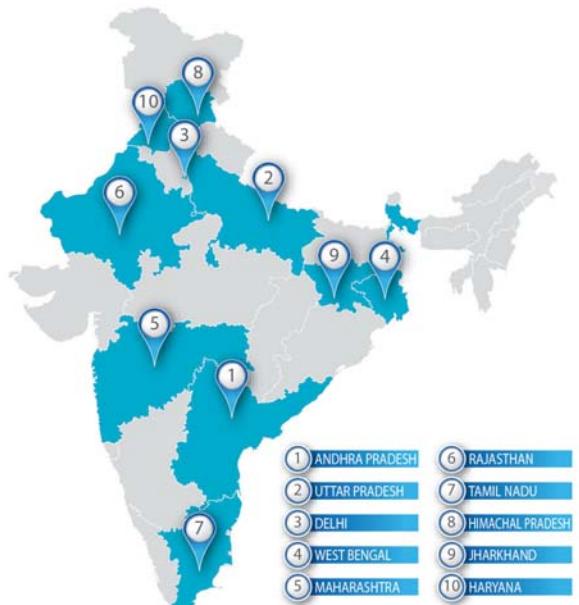
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MOST INTERESTED IN INTERNSHIPS

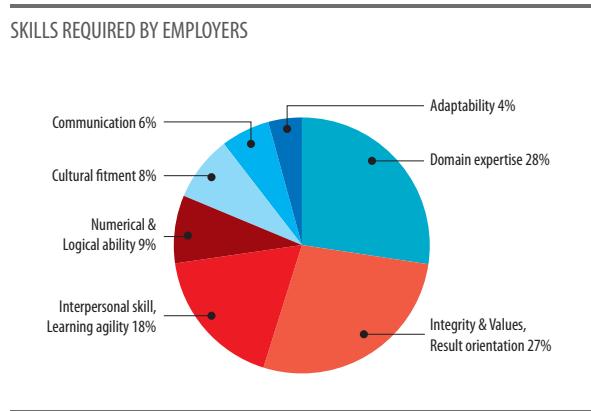
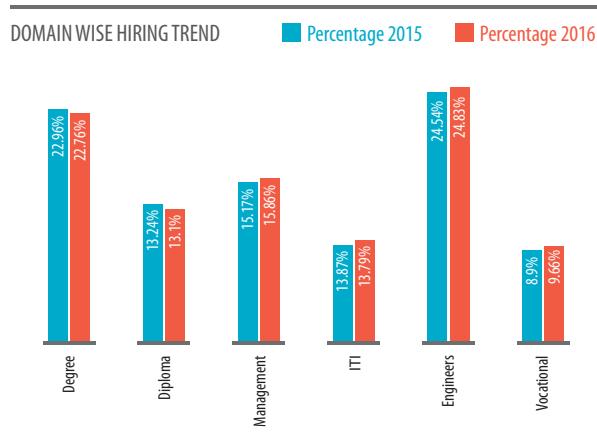
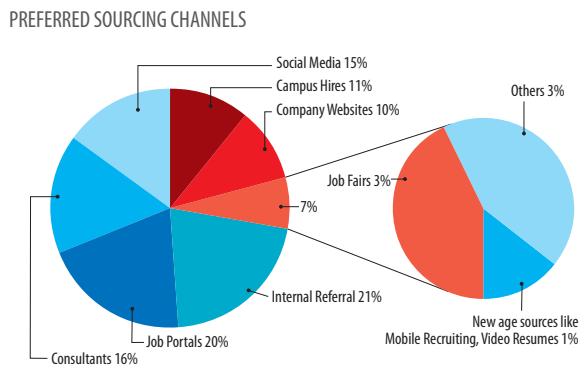
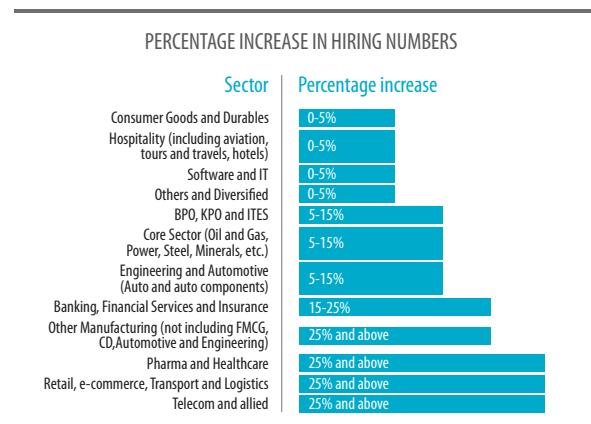


STATES WITH HIGHEST EMPLOYABLE POPULATION



INDIA HIRING INTENT

PERCENTAGE INCREASE IN HIRING NOS.



INDUSTRY WISE GENDER DIVERSITY

Industry	Gender Diversity	Percentage
BFSI	Male	68.69
	Female	31.31
BPO, KPO and ITES	Male	69.7
	Female	30.3
Consumer Goods and Durables	Male	73.74
	Female	26.26
Core Sector (Oil and Gas, Power, Steel, Minerals, etc.)	Male	80.81
	Female	19.19
Engineering and Automotive (Auto and auto components)	Male	84.85
	Female	15.15
Hospitality (including aviation, tours and travels, hotels)	Male	71.72
	Female	28.28
Other Manufacturing (not including FMCG, CD,Automotive and Engineering)	Male	83
	Female	17
Others and Diversified	Male	66
	Female	34
Pharma and Healthcare	Male	59
	Female	41
Retail, e-commerce, Transport and Logistics	Male	77.78
	Female	22.22
Software and IT	Male	64.65
	Female	35.35
Telecom and allied	Male	70.71
	Female	29.29



INDIA: SPEARHEADING TO A BETTER TOMORROW

Last year, during this time India had experienced a new dawn! There were hopes, there were few reservations too, there was a vision and there were plans of India's tryst with destiny. In his historic speech at New York's famous Madison Square, Prime Minister Narendra Modi shared the power behind India - the 3Ds(Demography, Democracy & Demand) and impressed not only the strong gathering of 20,000 Indian-American diaspora but revolutionized the thoughts of millions of Indians across the world.

Powerful speech it was! But the big question was – how will this happen? Will it happen or will it continue to be a vision, a thought? As the time passed we found answers to some of these questions, and though the actual impact is yet to be seen the past 400 something days clearly show an exciting start for a nation at the cusp of transformation. Jobs and Skills have received the much needed focus and have taken the center stage, Investor sentiments are at an all-time high and reforms have started taking shape. Here are glimpses of what all has been covered in the past 400+ days!

The story started with special focus on making India the Manufacturing Hub of the world. "Make in India" - one of the most popular initiatives and the one that started

the change in perception of the world towards India. Though it is an aspirational project and a lot needs to be done for it to make a real impact , there have been few immediate results which are really encouraging 1) The Surging FDI-Foreign direct investment between October and May was up 40% to \$23.7 billion from the same period a year earlier. Net investments by foreign institutional investors, or the money coming through financial markets, totaled \$40.92 billion in the fiscal year ended March 31, roughly seven times as much as in the prior year. 2) Industrial production is warming. The pick-up in investments is starting to show in the country's industrial production numbers. Official data show India's industrial production raised an average 2.7% year-over-years in the seven month period from October to May. Nothing spectacular one may say. But it is a significant step up from the measly 0.6% increase during the comparable period a year earlier. And the best part of it is, that all this while jobs were also in the focus area. For e.g. PM of India in his Independence Day speech mentioned that organizations who generate employment opportunities locally will get special support from the Government. Apart from this various multinational giants have shown interest to increase their presence in India. Contract-manufacturing giant Foxconn last weekend announced plans to

spend \$5 billion on factories and research and development in the western Indian state of Maharashtra. The company is one of the many looking to produce in India as the country's consumers spend more on electronics. General Motors Co. also announced that it will invest another \$1 billion. The hope to transform Asia's third-largest economy into a manufacturing powerhouse like China has yielded some results and Single-window clearances, minimal procedures & cutting out of any red-tapism have helped move this campaign forward. With this happening, more and more organisations would get attracted to establish their manufacturing bases in India, which in turn will help in job creation.

India Starts Up

While Make in India is making grounds for the foreign investors, Start-up India is helping people and startups to diversify, establish and initiate. The Indian startup ecosystem is rapidly evolving driven by an extremely young, diverse and inclusive entrepreneurial landscape. We have about 12 million graduates joining workforce every year. In order to provide job opportunities to all of them, it is important to have an engine for generating new jobs. Startup India will help in achieving this. Launching of Startup India and Mudra Fund has given a much needed impetus to young entrepreneurs. NASSCOM Report 2014-15 states that Software Startups are going to create 80000 jobs by next year. India is The Fastest Growing and 3rd Largest Start-Up Ecosystem Globally (Source: NASSCOM) and the Startups if nurtured are going to change the Indian business and jobs landscape.

Netizens unite!

In order to be at par with the global world, each and everyone in this internet era, from startups and manufacturers to students, innovators, academicians, creative talents to socio-politico scientists etc, should be aware of the various advantages digital world provides. Digital India initiative to transform the nation into digital empowered society and knowledge economy envisions intensified impetus for further momentum and progress for e-Governance and would promote inclusive growth that covers

electronic services, products, devices, manufacturing and job opportunities. Digital infrastructure will focus on providing high speed secure Internet. Governance and services on demand will stress on integrating services across departments and jurisdictions and making services available in real time for both online and mobile platform. Digital empowerment of citizens will lay emphasis on universal digital literacy and availability of digital resources/services in Indian languages. Today, we notice subtle changes. The Construction, Retail, Education, Hospitality and all other industrial sectors including Government segments have slowly and surely becoming hi-tech and paperless. Information has become more accessible and transparent. On top of it all, creation of this level of digital infrastructure would create jobs, which will contribute in overall growth of the economy.

Matchmaking skills with jobs

National Career Service, a model initiative which focuses on connecting all existing employment centers as well as in creating one of a kind of an online employment exchange board has been launched as yet another such project to help India in its progress. With a budget allocation of INR 100 Cr., NCS is expected act as a one-stop platform for both employees and employers and the registration can be done online. Govt. has already initiated talks to include 900,000 privately registered companies into the portal. Applicants would be required to link their Aadhaar Card with the account to filter out genuine applicants and companies who are registering as employers need to submit their registration papers for authentication. Currently, 2 Cr. job seekers are already on-board and as the database increases, NCS will directly benefit 4.48 crore job seekers who are already registered across 959 employment exchanges nationwide.

Skilling India

Project is yet another major tool of change towards betterment of Indian youth & working group. Skilling India aims to provide skill training to about 120 lakh youth in the country and within a small span of time.



The vision is to undertake skill development at an enhanced scale with a view to make India 'Human Resource Capital' of the world. This is perhaps India's first integrated scheme for developing Skills and challenge of meeting skilled workforce needs depends on these initiatives.

The New Skills policy

The objective of the National Policy on Skill Development and Entrepreneurship, 2015 is to meet the challenge of skilling at scale with speed and standard (quality). It aims to provide an umbrella framework to all skilling activities being carried out within the country, to align them to common standards and link the skilling with demand centers. Between now and 2025 over 250 million young people are estimated to enter the Indian workforce, while only 5% of youth aged 20-24 have obtained vocational skills through a formal training system. Many students drop out of the formal educational system unaware of the alternative educational and employment opportunities available. These students often settle in rural areas and engage in daily wage work, and are not privy to the industry growth evident in urban areas. The national policy is expected to provide clarity and coherence on how skill development efforts across the country can be aligned within the existing institutional arrangements. This policy will link skills development to improved employability and productivity. The National Skill Development Corporation provides skill development funding either as loans or equity, and supports financial incentives to select private sector initiatives to improve financial viability through tax breaks etc.

To help in the smooth functioning of these initiatives, the government has tried to increase ease of business. By removing the minimum capital requirement to start a new business and eliminating the need for a certificate to start a new business which applies both to Delhi and Mumbai, the government has given a new lease of life to businesses.

Now Companies need not go through a series of paperwork to start a new business in India, only a single application form is enough. The process of streamlining operations to start a new business in the country has been made more user-friendly and easy.

All this has led to a new set of development. India moved 12 points up to rank 130 from 142nd position which was later revised to 134 after data corrections among 189 countries in World Bank's ease of doing business sector.

In every progressive economy, there has been a steady shift of employment and investment from the essential- the agricultural stage to manufacturing stage and then to service industry or in other words, from Primary activities to secondary activities of all kinds and to a still greater extent into tertiary production. However, in case of the Indian economy it has not passed through these stages linearly instead Indian economy bypassed manufacturing stage and jumped to service stage directly.

As a result, the primary sector although constitutes 50 % of working population, but its contribution to GDP is mere 17%. Similarly manufacturing share in GDP is 24 % while it constitutes 23 % of population. While service sector although constitute much

smaller working population but its contribution to GDP is more than 50%.

Economists regard this neglect to manufacturing and agriculture as the main cause of mass poverty and unemployment present in India. Taking cognizance of the challenges faced by MSMEs w.r.t. availability of credit and skilled manpower, infrastructural deficiencies, regulatory compliances and formalities, these multiple initiatives like Make in India, Skill India Mission, MUDRA scheme, labour laws and regulatory framework moved in uniformly correlated scheme with aim of enhancing the ease of doing business etc.

Only a proper execution of these schemes characterizing the spirit of "Start up India- Stand up India" can ease this sectoral stress and bring in the equilibrium especially amongst the unemployed and jobless youth population. Thus, the initiatives to revive MSME have been a step in the right direction to strengthen the industrial base of the nation for transforming it from a net importer of goods, to a net exporter.

What's next?

"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"-APJ Abdul Kalam

India has gradually evolved as a knowledge-based economy due to the abundance of capable, flexible and qualified human capital. However, there is a need to further develop and empower the human capital to ensure the country's global competitiveness. Despite the emphatic stress laid on education and training in this country, there is still a shortage of skilled manpower to address the mounting needs and demands of the economy.

Currently it is estimated that only 2.3% of the workforce in India has undergone formal skill training as compared to 68% in the UK, 75% in Germany, 52% in USA, 80% in Japan and 96% in South Korea. Large sections of the educated workforce have little or no job skills, making them largely unemployable. Therefore, India must focus on scaling up skill training

efforts to meet the demands of employers and drive economic growth.

India has the advantage of the "demographic dividend" (younger population compared to the ageing population of developed countries), which can be cultivated to build a skilled workforce in the near future. "The country's population pyramid is expected to bulge across the 15–59 age groups over the next decade. This demographic advantage is predicted to last only until 2040. India therefore has a very narrow time frame to harness its demographic dividend and to overcome its skill shortages." The mission is clear--To take advantage of the demographic dividend, which is both — the biggest opportunity and the biggest concern — for the country & to change the public perception about Skilling. Even today, Skilling is perceived as the last resort meant for those who have not been able to progress in the formal academic system. This mental block has only increased the gap between what the industry requires and what is currently available.

An important aspect that has remained untouched till now is that of internship/apprenticeship. Data shows that countries which have a well-defined internship/apprenticeship plan have better employment percentages. If we want to derive maximum benefits of the demographic dividend, it is necessary to encourage internship/apprenticeship related initiative that students from across domain can get benefited from.

While Skilling India churns out Skilled workers, empowering them to build upon their capabilities for jobs as well as sharpening their entrepreneurial acumen, other initiatives like Make in India, Digital India, start-ups, career models etc all pave way to building a Skilled and powerful India These initiatives are co related and knotted to form the larger game plan.

The need of the hour thus is to synergize the efforts and resources to provide a feasible platform for vocational education and skill development. The ideal way forward will be to seek partnerships that will strengthen the process of quality and inclusive education. To sum it up, an impressive start has been made by introducing these initiatives, keeping skilling

and job on center stage; but the goal can only be achieved by staying on the track and making sure

that all these plans are executed successfully to the minutest detail.





Testing the skill 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 alarming. As per India Skills Report 2015, 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 in ecommerce, energy, core engineering, retail, hospitality and banking; 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) was created. The most important initiative in last 12 months was to create a stand alone "Skills Ministry" headed by energetic and forward looking minister. Though many of these initiatives are yet to show results for concrete employment for our youth, but they are certainly are in the right direction.

Also 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 corporations 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 corporations to judge their employees). With this thought in mind, the Wheebox Employability Skill Test was introduced. Launched in 2013, today the test maps 29 states and 7 union territories in India, the test is conducted to identify the skill gap that exists in the industry today by deploying a scientific approach across 320 domain areas. Compared to last year, when we were able to reach about 3 lakh students across locations and domains, this year Wheebox Employability Skill Test reached 5 lakh students. In addition to this, based on our task force study and interaction with the corporations across industry sectors few more behavioural parameters were included and content for behavioral along with the parameters of last year's assessment (namely: communication skills, logical ability, problem solving skills, numerical aptitude 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 adaptive assessment to judge the employment suitability of a large pool of students. Parallelly, feedback was also provided to students on development areas they need to work on to improve their employability.

This year the test went live on 15th July on the occasion of "World Youth Skills Day" and was open till 25th October 2015.

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, Corporations and academia, we will see more of the talent being employable. The need of the hour is to deploy multi prong approach to solve the problem, with our limited understanding in this year we propose India to have 4 Mega Universities that can identify, benchmark and train over 100 thousand candidates at one time in each campus, Create One Mega Digital University that is an authority to provide degrees in Vocational education and must partner over 100 thousand SMEs to provide On the Job training for each student of the university for a period of 90 days in a year, We also propose post offices to be part of imparting skills across India using televisions and broadband round the clock for aspirants, but the most path breaking idea to excite millions of candidates to join vocational education will be when all ITI and Polytechnic colleges will be able to provide a bachelors degree that will give candidates the much required honour to switch careers for IAS, Banks, Government jobs and millions of candidates will aspire for joining ITI and Polytechnic study so as to have great opportunities from both sides of Vocational study along with Bachelors degree.

Our dream is to create skilling for respect, honor, livelihood, self-employment and better remuneration, not restricting itself only for jobs. India must also identify future skills that will arise in next 10 years and prepare skilled teachers, syllabus, training capacity, learning material and map them to those opportunities.

Also we shall identify the needs for core skills that may arise from our smart cities by 2022 and align our geo spread of training and employment opportunities around those proposed smart cities.

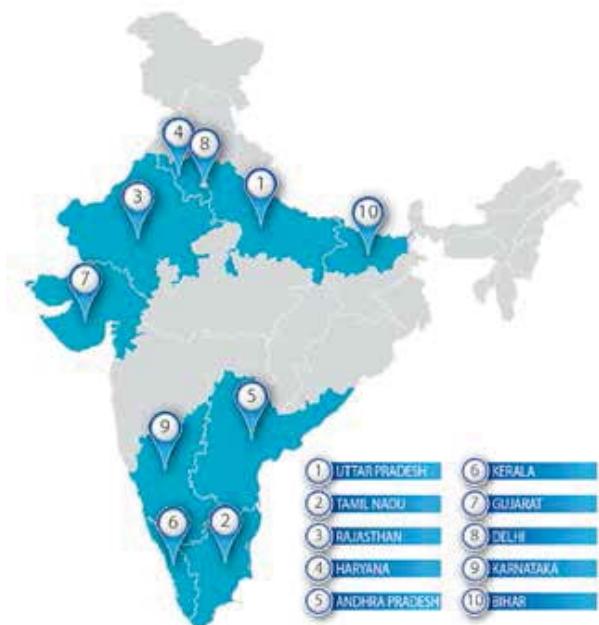
The preceding sections provide the detailed analysis of the supply side of the skill landscape of India. We hope that this information helps in providing a more effective solution of the Skilling Challenges of the country; where all the players can collaborate and contribute to create a developed nation.



WEST – An Analysis

The most important question that a candidate faces once he/she is ready to join the job market is “Is he/she job ready”? With a course curriculum which is yet to be calibrated with the needs of employers it gets difficult for the students/job candidates to understand how ready they are and also what are the improvement areas they need to cover. With over 520000 candidates who have already taken the test, Wheebbox Employability Skill Test – a cloud based online assessment platform has been the tool that is used to measure the job-readiness. Based on researches that say that knowledge, skill, aptitude and behavioral components make the recipe of success in a job, this year WEST assessed about 5.2 lakh candidates across 29 states and 7 union territories on various parameters : numerical & logical ability, communication skills and domain knowledge etc. In addition to the parameters used there were four behavioral parameters introduced: Learning Agility, Adaptability, Interpersonal Skills as now a 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. The **distribution of the test takers is captured in the map below.**

STATES WITH MAXIMUM STUDENTS PARTICIPATED



The scores of these 520000 students along with the geographic and demographic information were sliced and diced to arrive at some really interesting trends which on one hand provides the supply side a glimpse into their current skill levels; on the other

hand it provides relevant information to the employers for devising effective talent strategies.

Out of about 520000 candidates who appeared for Wheebox Employability Skill Test across domains 38.12% were found employable. Though this number is an improvement from the number of past two years – 37.22% (2015) and 33.95% (2014), but it clearly shows the need for the initiatives taken up by government towards skill development. However these initiatives need to be immediate and impactful , if the gap between the supply & the demand side is to be diminished.

Similar to last year, the spread of this “employable” population is across length and breadth of Indian Land. When the scores of 5.2 lakh assessed students was sliced and diced as per the geographic location, few states appeared to have more density of employable candidates than others. The Top 10 states where major part of the “employable pool” comes from are :

STATES WITH HIGHEST EMPLOYABLE POPULATION



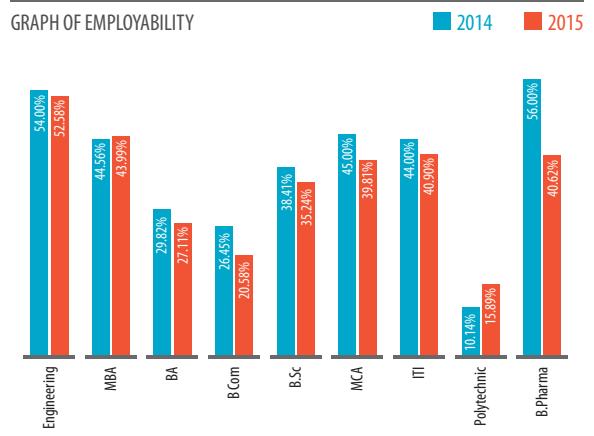
It is good to see an equal composition of states from East, West, North and South India. Compared to last year's list of Top 10 states, there were few new entrants as well – . Few states which lost their slot in the top 10 states are – Orissa, Kerala & Pondicherry.

If we look at the city level performance, we see the same mix of different regions as in the states. The list cities that topped the chart are Visakhapatnam,

Guntur, New Delhi, Pune, Jaipur, Ghaziabad, Faridabad, Ambala, Jamshedpur, and Lucknow. An interesting observation was the difference in employability levels of candidates from Tier1 and Tier 2 cities. As per this year's data candidates from Tier 2 cities were found to be more employable (over 50% candidates assessed were found employable) than Tier 1 cities (employability ~30%). As the government is pushing to establish businesses at the level of pin codes, it is important that the talent supply is available in these cities. It is good to see high employability percentage amongst the candidates in these cities.

Moving to domain specific employability ratios for this year, B. Tech grads had the highest percentage of employability. Off all the test takers from various domains the ones with the lowest percentage of employable candidates are B.A. , B. Com, ITI, & Polytechnic. It is imperative that special focus is given to these domains – may be to the course curriculum or include more internship or apprenticeship programs which can help in making the candidates job ready.

GRAPH OF 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.

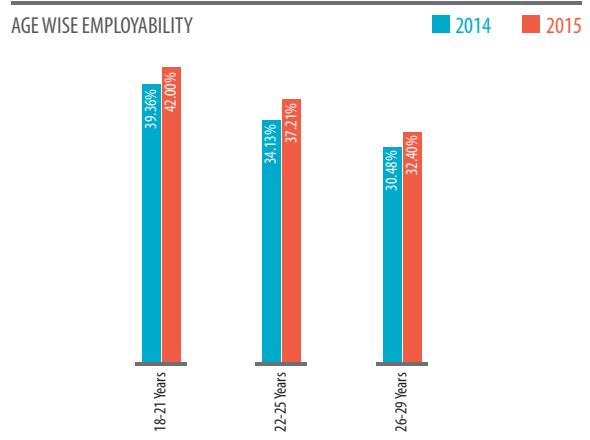
BEST PERFORMERS IN ENGLISH



The states which had highest number of best performers in English are: Uttar Pradesh, Andhra Pradesh, Rajasthan, Haryana, Delhi, Gujarat, Tamil Nadu, Kerala, Maharashtra, West Bengal. For logical and numeric ability, the states where majority of the assessed candidates performed well are: Uttar Pradesh, Tamil Nadu, Rajasthan, Haryana, Delhi, Kerala, Gujarat, Karnataka, Bihar, Andhra Pradesh. When compared on Computer Skills the states that performed well this year are : Uttar Pradesh, Andhra Pradesh, Haryana, Kerala, Delhi, Tamil Nadu, Rajasthan, Maharashtra, West Bengal, Gujarat . Moving on to the behavioral traits, the states that performed well are:

It is a combination of all these skills which makes an employable candidate. Thus having only one or two of these skills might not be enough. Perhaps, this is the reason why the unemployment numbers still remain high despite the initiatives taken. It is important that all round development of the job seekers is done in order to resolve the issue of unemployability.

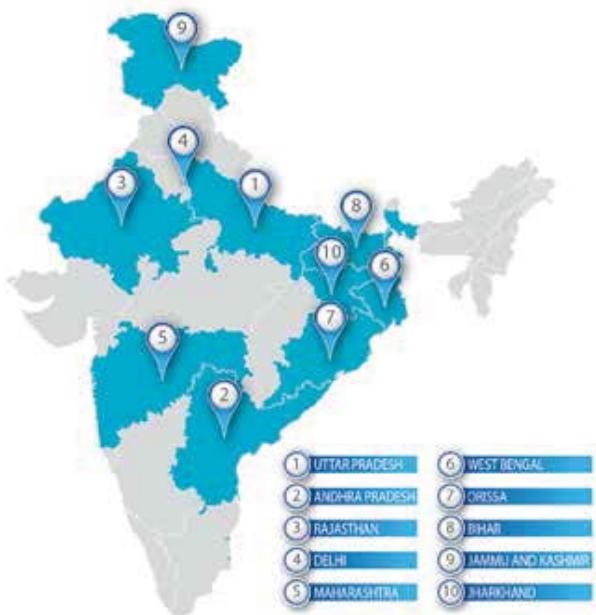
The WEST scores of candidates were also studied on the basis of their age. The idea is to understand if there is a correlation between age and employability. Talking about the employability at different age level, like last year maximum numbers of employable resources are present in the age group of 18-21 years. Out of total number of candidates in the age group of 18-21 years who appeared for the test about 37% scored more than 60% and hence were part of the employable pool. For age group 22-25 years this number was 31.59% and for age group 26-29 Years this number was 21.88%.



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 .

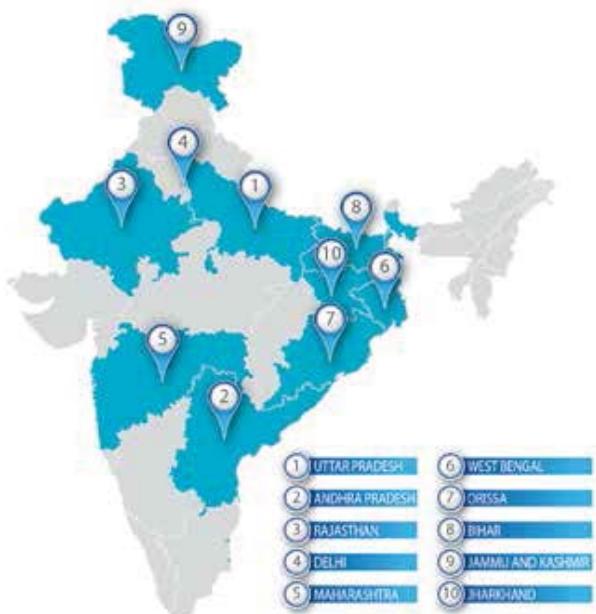
Psychometric Test Sections (State Ranking)	State 2016
Learning Agility	Jharkhand, Gujarat Rajasthan, Uttarakhand Chandigarh
Adaptability	Delhi, Uttar Pradesh Rajasthan, Gujarat Himachal Pradesh
Interpersonal Skills	Delhi, Uttar Pradesh Chhattisgarh, Rajasthan Gujarat

MOST EMPLOYABLE CANDIDATES AGED 18-21 YEARS



This data of age-wise employable candidates was also analyzed based on their geographic presence. The states where the most employable candidates for the age group 18-21 years belong are: Delhi, Tamil Nadu, Karnataka, West Bengal, Gujarat, Jammu and Kashmir, Maharashtra, Haryana, Chhattisgarh, Rajasthan.

MOST EMPLOYABLE CANDIDATES AGED 22-25 YEARS



Coming to the age group 22-25 years, the top states where most people in this age group are employable are: Uttar Pradesh, Andhra Pradesh, Rajasthan ,Delhi, Maharashtra, West Bengal, Orissa, Bihar, Jammu and Kashmir, Jharkhand.

MOST EMPLOYABLE CANDIDATES AGED 26-29 YEARS

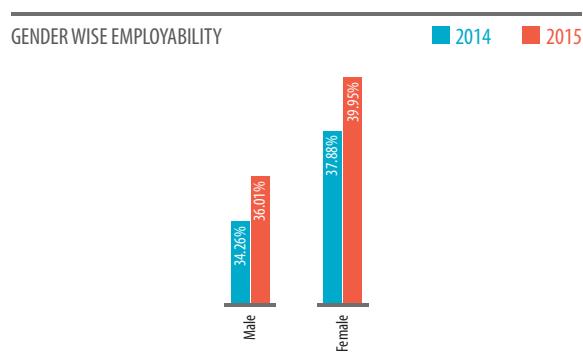


Similarly for the age group 26-29 years the states are Chandigarh,Jharkhand, Delhi, Madhya Pradesh,West Bengal,

Uttaranchal, Haryana, Rajasthan, Maharashtra, Bihar. As in the overall employability,the states here are well distributed throughout the length and breadth of the country.

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 organizations by hiring more female candidates. So it is important to understand how the supply of female candidates looks like. As per this year's data, the employability in female candidates looks higher than the male candidates. Employability in female candidates was assessed to be 39.95%, while that in male candidates was assessed to be 36.01%. Both these numbers show a slight improvement from last year, where 37.88% females and 34.26% male candidates were found employable. The numbers have shown improvement from last year, but it clearly shows that focused efforts are needed to improve employability in female candidates. There have been several new initiative introduced like "Beti Padhao, Beti Badhao"launched at the centre and various initiatives at the state level but it will take some time for the results to show up. Hopefully within next 5 years there will be significant improvement in female employability and it will help in improving the diversity of workforce.

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 found that Andhra Pradesh and Uttar Pradesh tops the chart for males whereas Andhra Pradesh & Tamil Nadu leads the race for female. The Top 10 states that have the maximum number of male and female employable candidates are:



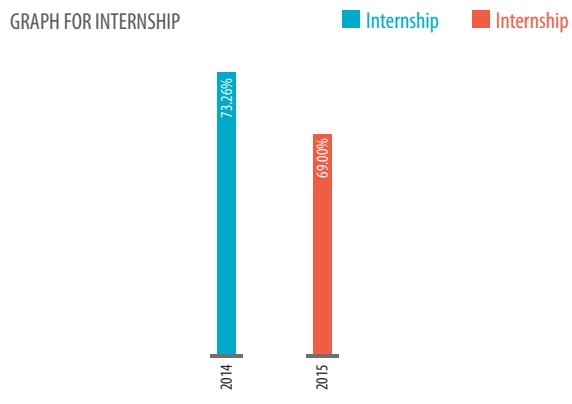
Information to represent through picture.

Males	Females
Andhra Pradesh	Andhra Pradesh
Uttar Pradesh	Tamil Nadu
Tamil Nadu	Uttar Pradesh
Delhi	West Bengal
West Bengal	Delhi
Maharashtra	Jammu and Kashmir
Rajasthan	Maharashtra
Himachal Pradesh	Chhattisgarh
Karnataka	Rajasthan
Haryana	Haryana

Moving on from the Geographic and demographic analysis of WEST taker scores, some other interesting trends were observed. Research has shown that the countries with a well-defined internship/apprenticeship framework rank higher in the employability ratios. When we are looking forward to developing a pool of skilled and job ready candidates, it is important that such a framework is created in the country too. With this in mind we asked the WEST takers about their interest in Internship, and the responses were very much encouraging. Of the

5.2 lakh students who participated in the survey, 69% were interested in apprenticeship. Though this shows a slight drop from the last year, bit still good to see majority of talent pool gearing up to work with the employers. This is a golden opportunity for employers to create a talent pool that they can use to meet their talent demands.

GRAPH FOR INTERNSHIP



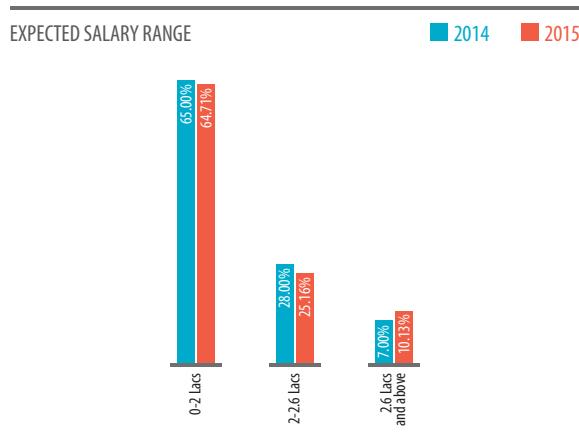
Internships/Apprenticeships also provide graduating students a platform where they can get necessary training & make themselves ready to enter the real corporate world. Thus the benefits of this initiative are for both supply and demand side and they should work to make this happen. To facilitate this initiative, the responses of the WEST takers were analyzed "geographically" to identify where the employers

“ Employment has a strong relationship with women's empowerment and in course of initiatives taken by Banasthali for women's education during the last eight decades; we believe that the Wheebox Team has taken a revolutionary step in bringing out The India Skills Report. Beyond any doubts the report would achieve its objective and the unmatched insights would bring a paradigm shift in education, and benefit the noble cause of women's employment and pave way for women becoming financially independent. We are therefore delighted to partner with Wheebox. **”**

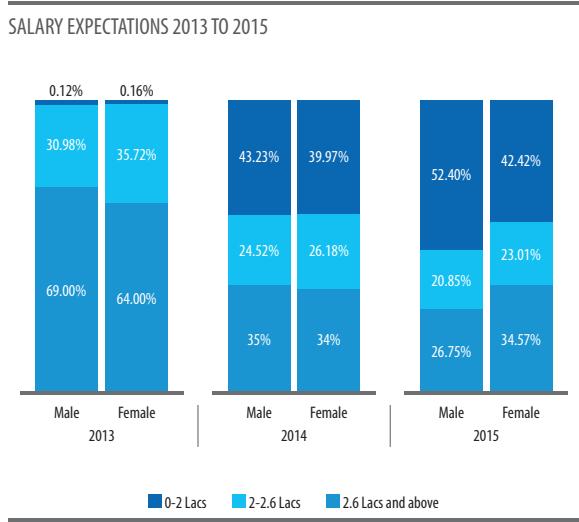
Dr. Harsh Purohit,
Dean, WISDOM and Head, CFPTRW,
Banasthali Vidyapith, Rajasthan.

can find these "apprentices". The states where most of these candidates, interested in being part of internships could be found are: Andhra Pradesh, UP, Tamil Nadu, Rajasthan, Haryana.

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



Another question that the WEST takers were asked was about their expected salary ranges. One of the problems that all the corporates are facing at 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 even this year most of the candidates prefer a salary of upto 2 lacs. However with improving economy there has been a significant increase in the number of candidates who expect a salary of more than 2.6 Lacs. This is true for both males & females. A good percentage from both the sides has started expecting their starting salary above 2.6 Lakhs.



The graph below 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 more than 2.6 Lakh
Tamil Nadu	Uttar Pradesh	Uttar Pradesh
Uttar Pradesh	Tamil Nadu	Rajasthan
Kerala	Haryana	Haryana
Rajasthan	Rajasthan	Tamil Nadu
Andhra Pradesh	Kerala	Delhi

Though we are living in a shrinking globe - job location is a factor that comes into play when a candidate is looking for a job. So while the employers are trying to understand the mindset of candidates, it is worthwhile to understand what is the preferred location to work as per the workforce? 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 three years. 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 a mix of Tier1 and Tier 2 cities. A glimpse of the candidate preferences is shared below.

India wide Top 10 Preferred area of work	India wide Top 10 Preferred area of work by male users	India wide Top 10 Preferred area of work by female users
Delhi/NCR	Delhi/NCR	Delhi/NCR
Bangalore	Bangalore	Bangalore
Chennai	Lucknow	Chennai
Lucknow	Chennai	Lucknow
Jaipur	Jaipur	Chandigarh
Chandigarh	Hyderabad	Jaipur
Pune	Mumbai	Coimbatore
Ahmedabad	Pune	Ahmedabad
Hyderabad	Ahmedabad	Pune

With this we come to the end of study of "supply" side of talent. The data and the analysis in the above pages sketch a picture of the situation of talent availability in India. Over to Employers and other stakeholders of the Talent market to make most of this information and reduce gap between the supply and demand of talent.



Creating an Ecosystem for skills by **NSDC**

India is passing through an exciting phase of growth and development. An encouraging GDP growth rate, increased FDI, Govt's ambitious initiatives 'Make in India', 'Smart Cities', 'Digital India' will help to leapfrog India on the growth trajectory. The most important resource required to fuel this growth is Human Capital, which we are blessed with, in abundance. Infact, owing to our demographic advantage of a vibrant young population, India has the potential to provide skilled workforce not only to India, but also the rest of the world. However, more than 93% of our workforce is unorganised. It is estimated that only 4.69% of the total workforce in India has undergone formal skill training as compared to more than 50% across the developed countries in the world.¹ To add to this conundrum, with the average age of India becoming 29 years by 2020, it is estimated that our labour force will increase by 32% due to this demographic shift.

The Government is well aware of this problem and Skill development is considered as a national priority with a dedicated Ministry of Skill Development and Entrepreneurship (MSDE) being created. The Ministry is responsible for co-ordination of all skill development efforts across the country, matching of demand and supply of skilled manpower, building the vocational and technical training framework, skill up-gradation, building of new skills and innovative thinking for jobs. The National Skill Development Mission recently launched by our Hon. Prime Minister will provide a strong institutional framework at the Centre and States for implementation of skilling activities in the country.

One of the key interventions to create training capacity is facilitating private sector participation in skill development. National Skill Development

Corporation (NSDC), a one of its kind Public Private Partnership, was created in 2008 with the following pillars:

- Create: Catalyze creation of large, quality vocational training institutions
- Fund: Reduce risk by providing patient capital, Including grants and equity.
- Enable: Creation and sustainability of support systems required for skill development.

National Skill Development Corporation has facilitated setting up of Sector Skill Councils (SSC) across 37 sectors and having representation from Industry Members, Industry Associations, Business Leaders, Training providers and Government bodies. SSCs have been tasked with the job of defining the entire skill map for their sectors as well as National Occupation Standards and Qualification Packs which detail out the roles, responsibilities, knowledge and skill requirements for all trades in a sector. As of Sept 2015 across 8310 unique National Occupational Standards (NOS) and 1507 Qualification Packs (QPs) have been created across 31 sectors of which 921 QPs have been registered as National Standards.

NSDC is implementing the Flagship program of the Ministry of skill development and Entrepreneurship – Pradhan Mantri Kaushal Vikas Yojana (PMKVY). The focus of this skill program is to cover around 24 lakh persons with a focus on new learning as well as on

recognition of prior learning (RPL). Total enrolments as of 30th Oct 2015 is 4.54 lakh out of which 3.79 lakh trainings have been completed and 1.77 lakh have been assessed.

During the FY 2014-15 NSDC has been able to cover twenty eight districts and five union territories through its skill development efforts which include 206 training partners and 3611 training centres across the country. In the same period NSDC skilled 3.4 million people which includes training conducted by training partners and training done under schemes like STAR and UDAAN implemented by NSDC across thirty one sectors .

In order to increase the outreach of skills and to make it aspirational NSDC has been working closely with schools, universities and state government for implementation of vocational courses aligned with general education. At the school level courses at National Skills

Qualification Framework level 4 have been operational for class IX to XII. At present NSDC is working with governments of 10 states and close to 1200 schools. For higher education at the university level NSDC has devised a unique model to mainstream skill development into the academic calendar of universities. The courses are aligned to NSQF level 5 to 7 based on National Occupational Standards set by industry through Sector Skills Council. NSDC works with 1500 colleges across 25 universities.



NSDC also launched an advocacy campaign called "Hunar Hai to Kadar Hai" which means "With Skills Comes Respect" to generate awareness about skill development programs and to break the social stigma towards blue-collar jobs among youth.

To support its various initiatives, NSDC is looking at creating an enabling environment by developing a robust research base for skilling. It conducts studies to understand the geographical and sector wise skill requirements and on various subjects that can influence and enable the skilling environment in India. In FY 2014-15, NSDC released updated reports on human resource and skill requirements across twenty four high priority sectors.

NSDC has championed the 'World Skills India' initiative under MSDE to facilitate India's participation at World Skills Competition. After a rigorous pan India competition, 27 candidates were selected in 29 skills to participate in the recent World Skills Competition in Sao Paolo, Brazil; India won eight medallions of excellence which is commendable as compared to the last world skills competition held 2 years ago, where India managed to get just 3 medallions of excellence.

NSDC is also committed towards promoting innovations in the skill value chain through an innovation fund and an innovation challenge. During FY 2014-15, NSDC launched Nationwide Innovations challenge to identify and invest in enterprises with a unique proposition for sustainable growth in India. 14 organizations were selected after a rigorous screening process.

As mentioned earlier, Skill Development is a critical factor for the success of flagship schemes like Make in India, Digital India, Swatch Bharat, Smart Cities. The efforts of NSDC to build an ecosystem around the demand and supply side of skills through interventions of advocacy, capacity creation, standards and quality assurance, and an evidence base through research has given the government a robust foundation to realize the untapped potential of youth in India.





GEOGRAPHY WISE SPLIT OF TRAINING AND PLACEMENT CONDUCTED BY NSDC TRAINING PARTNERS-FY 2014-15*

S.No.	States	Trainings Reported	Placements
1	Andaman and Nicobar Islands	34	0
2	Andhra Pradesh	33,839	12,865
3	Arunachal Pradesh	60	60
4	Assam	14,168	7743
5	Bihar	48,200	30,053
6	Chandigarh	2000	1469
7	Chhattisgarh	31,822	13,417
8	Dadra and Nagar Haveli	670	122
9	Daman and Diu	0	0
10	Delhi	33,042	21,954
11	Goa	1038	428
12	Gujarat	27,942	19,267
13	Haryana	53,517	35,989
14	Himachal Pradesh	20,059	9209
15	Jammu and Kashmir	3000	2975
16	Jharkhand	12,939	5535
17	Karnataka	11,74,41	55,099
18	Kerala	13,552	5965
19	Lakshadweep	0	0
20	Madhya Pradesh	86,671	44,428
21	Maharashtra	18,4881	12,27,54
22	Manipur	245	134
23	Meghalaya	4369	2231
24	Mizoram	397	229
25	Nagaland	1521	956
26	Odisha	29,209	16,288
27	Puducherry	1450	492
28	Punjab	7521	3268
29	Rajasthan	23,660	12,108
30	Sikkim	754	200
31	Tamil Nadu	10,12,77	72,406
32	Telangana	51,506	10,513
33	Tripura	1706	915
34	Uttar Pradesh	95,792	57,524
35	Uttrakhand	56,039	1490
36	West Bengal	17,30,25	10,71,35
	Total	12,33,346	67,52,55

SECTOR WISE SPLIT OF TRAINING AND PLACEMENT CONDUCTED BY NSDC TRAINING PARTNERS-FY 2014-15*

S.No.	States	Trainings Reported	Placements
1	Agriculture	28,457	21,754
2	Alternative Energy	0	0
3	Aluminium	0	0
4	Apparel Sector Skill Council	29	9
5	Automobile / Auto components	63,145	51,334
6	Aviation	8	0
7	Banking and Financial Services	10,41,07	65,747
8	Building, Construction and Real Estate Services	71,607	39,556
9	Capital Goods	17,457	4970
10	Chemicals and Pharmaceuticals	1447	1988
11	Education and Skill Development Services	15,768	14
12	Electrical Hardware	439	160
13	Electronics and IT Hardware	51,095	33,560
14	Engineering	1824	1816
15	Entrepreneurial skills	5402	5362
16	Food Processing/Cold Chain/Refrigeration	3831	870
17	Furniture and Furnishings	1109	871
18	Gems and Jewellery	0	0
19	General	0	0
20	Government	1179	1124
21	Handloom and Handicrafts	13,222	3647
22	Healthcare	58,591	47,945
23	Informal Sectors (Domestic help, Beauticians, Facility Management)	35,787	4114
24	Infrastructure (Transport, Energy, Water & Sanitation, Communication, Social & Commercial)	0	0
25	IT and IITES (Formal Employment)	13,70,64	10,79,69
26	IT and IITES (Informal Employment)	21,62,21	48,947
27	Leather and Leather Goods	480	352
28	Manufacturing	1414	3329
29	Media and Entertainment	2369	421
30	Mining	0	0
31	Organized Retail	13,37,89	33,848
32	Others	11,561	2257
33	Plumbing	896	631
34	Poultry and Dairy	0	0
35	Rubber	295	69
36	Rural Services	0	0
37	Security	23,566	15,260
38	Service Sector	192	726
39	Soft Skills and English Communication	5664	1422
40	Sports	0	0
41	Telecom	146454	138567
42	Textiles and Clothing	25970	7346
43	Tourism and Hospitality Services	42271	22176
44	Transportation, Logistics, Warehousing and Packaging	10636	7094
	TOTAL	12,33,346	67,5255

*This data does not include training and placement numbers reported under special projects like STAR and UDAAN

FROM FINANCE IN MUMBAI TO CLOUD IN BANGALORE

PROFESSIONALS IN THE CITY
DEFINE TOP SKILLS IN THEIR
REGION THROUGH LINKEDIN



- COMPUTER: Bengaluru, Calicut, Chennai, Cochin, Guntur, Hyderabad, Indore, Kanpur, Madurai, Nagpur, Noida, Pune, Rajkot, Salem, Tiruvananthapuram, Tirunelveli, Trichur, Vijayawada
- ENGINEERING: Coimbatore, Mangalore, Mysore, Nasik, Tiruchirappalli
- LAW: Allahabad, Lucknow, New Delhi, Patna
- MEDICAL: Ahmedabad, Chandigarh, Surat, Vishakhapatnam
- BUSINESS: Gurgaon, Quilon
- ECOLOGY & ENVIRONMENTAL SCIENCE: Bhopal, Guwahati
- EDUCATION: Jalandhar, Pondicherry
- FASHION: Jaipur, Ludhiana

- FINANCE: Kolkata, Mumbai
- LIFESTYLE: Agra, Amritsar
- MINING AND COMMODITIES: Jamshedpur, Ranchi
- SCIENCE: Dehra Dun, Varanasi
- ENERGY: Vadodara
- POLITICS: Bhubaneswar
- RETAIL: Tiruppur

Each city in India has a unique flavor to offer and it's no different, when it comes to the professional world.

In India, the proportion of working-age population is high with a large number of young professionals in the age group of 20-35 years. The potential of this 'demographic dividend' will only be harnessed if the professionals have the skills that are in demand by employers.

Higher education, integrated with job-oriented skills training can bridge the demand-supply mismatch in the professional market. Hence, it's important to understand the present scenario of the top skills trending per region to provide the necessary in demand skills training.

This analysis is an effort to capture the top skills per region in India based on the distribution of professionals with variety of skills in different cities.

LinkedIn has over 33 million members in India. By mining skills and location data in their profiles, we have built an interactive map that highlights major cities in each region defined by a specific skill.

Some interesting facts that stood out for us:

Mumbai is true to its stereotype of being the financial capital and Bollywood hub of India.

Majority of the professionals are from the finance domain with TV & video skills being amongst the top skills.

Computer/tech professionals are located all over India. However, the sub-skills change as we move from Northern India to Southern India.

Bangalore has a majority of cloud professionals and professionals with the knowledge of scripting languages. Pune and Hyderabad are the hub of database professionals.

Chennai has professionals with a range of skills including Business Intelligence, Logistics and Supply Chain Management.

Most of the law professionals are located in the north: New Delhi, Lucknow, Allahabad and Patna.

The skills valued by the energy industry are more likely to be found in Vadodara, Surat , Nagpur, Jamshedpur and Vishakhapatnam.

Industry impact is evident in the skills held by the members in the city like luxury goods skills in Jaipur , tourism skills in Cochin and mining skills in Ranchi.

These findings can be leveraged by employers to find the relevant talent pool, government to provide the necessary training in their region and to attract the skill based investment, professionals looking for a change and an ecosystem that nurtures their skills and by students to make informed decisions about career choice.

Methodology

Since there are thousands of skills that an individual can list on his/her LinkedIn profile, we grouped these skills into skill categories.

Then, we looked at these skill categories present in our cities of interest and compared their distribution to the regional average. For example, if x% of professionals in India specialize in cloud skills, we looked at the relative concentration of the professionals in each region to come up with the top skills per region.

The results of this analysis represent the world seen through the lens of LinkedIn data. As such, it is influenced by how members choose to use the site, which can vary based on professional, social, and regional culture, as well as overall site availability and accessibility. These variances were not accounted for in the analysis.



The Rules of Talent Refinery

Last year has been an exciting year for the Job Market in India. With an absolute majority government at the center, many new initiatives with focus on mobilizing the economy were launched – Make in India, Startup India, Digital India. Labour reforms were introduced with the purpose of encouraging the move from informal to formal workforce. FDI in a never before amount was received by India (According to Industry Ministry data, India received FDI of \$19.39 billion during January-June 2015, an increase of 30 per cent over the same period last year) and the hiring sentiment went to a high of over 20% with almost all sectors growing. India is the numero-uno investment destination and it has climbed up in the ease of doing business index as well. If all the initiatives taken by the government get implemented successfully, we can say for sure that this growth phase will continue for the next few years. As the economy picks up the growth rate the Job sentiment would also improve

resulting in more jobs which is the need of the hour as we have over 10 million job seekers joining the workforce every year. It is estimated that with initiatives like Startup India, Digital India , Make in India and an all-inclusive growth across the pin codes of country we would be able to provide jobs to the available working population of the country. Having said that it is equally important that this workforce is employment – ready so that matchmaking between available jobs and skills can happen.

India skills report, for the past three years has been an initiative to support 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 5.2 Lac students, the outcomes of India



Hiring Intent Survey, an online survey, conducted on about 150 employers across India shares the insights about the demand side. Compared to last year this year the number of survey participants increased by almost 20%. 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 kind of talent companies in different sectors are looking for and what is the kind of skills/education qualification required to be eligible for the same. The information about the profile mix was collected to identify the skills for which major hiring is done in each industry sector. To understand the geographic focus of the companies representing different sectors, information about their "Talent sourcing" states was collected. We tried to demystify what was the most important skill companies look for. In totality

the effort was made to provide as much insights as possible to the supply side about the thought process of Corporates, so that they can take wiser decisions in future and are ready to face the market with better preparation.

In this third 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 third year of the report, such encouraging response and participation by corporates is a positive indicator that corporates are excited 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.



The India **Hiring Intent** Survey

2015 can be looked at as one of the most exciting years in the journey of India as a nation. Country moved out from a phase of policy paralysis, growth focused initiatives were introduced, job and skills took the center stage, and various policies moved towards implementation. The impact of all this was felt in hiring across all industry segments.

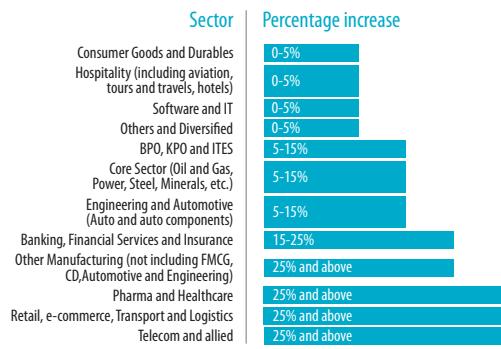
However as we enter into the year 2016, there is a very controlled excitement the is evident in the corporate hiring sentiments shared with the India Skills Report team. About 150+ corporates across 12 major industry sectors, were reached out to understand the "Job Providers", and capture the trends of Job market in detail.

About 150+ Employers across the sectors forecast an overall increase of 14.5% when it comes to the hiring outlook for the next year. Though the overall percentage wise increase is lower than what it was last year, but it is still interesting to see that the pace of hiring would still increase for the second consecutive year.

If we look at the hiring sentiment segregated as per the industry sectors , we can see sectors like Retail, e commerce, BFSI, Pharma, Telecom other manufacturing leading the way with an increase of over 20% in the hiring numbers in the coming year, it is closely followed by the sectors – BPO/KPO/ITES Core sector, whose hiring numbers are expected to

have an increase of more than 10%. However contrary to last year there are some sectors where the hiring sentiment is not going to change much from this year. These segments are FMCG, Hospitality and Software & IT. This appears to be in direct correlation with the growth that companies in these sectors are targeting. (Few Insights: Indian E-commerce industry is posting a growth of about 35% this year, crossing 100 B USD mark in next 5 years, ITES saw a revenue growth of over 13% this year. Telecom sector though has a growth of mere 5% but has attracted FDI worth US\$ 17,058.03 million during the period April 2000 to March 2015, according to the data released by Department of Industrial Policy and Promotion (DIPP).

PERCENTAGE INCREASE IN HIRING NUMBERS



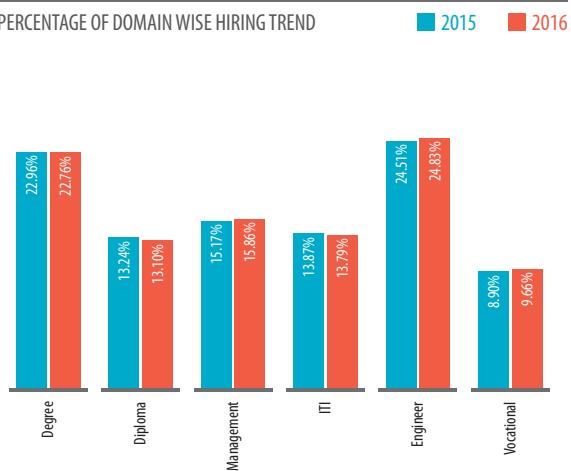
“

LinkedIn is focused on connecting talent with opportunity and we are delighted to be able to support the India Skill Report for the third year running. India has a massive talent pool that is increasingly strategic to driving success for key initiatives such as Make In India. As the demand and supply of skills continue to evolve across industries throughout the country, we hope that the rich insights on talent and skills on LinkedIn will help professionals, companies and governments identify opportunities, whether it's to get a job, tap a particular city for the skills available there, or to plan for the development of skills that are not yet available but are key to future success, respectively.

”

Irfan Abdulla
Director of LinkedIn Talent Solutions in India

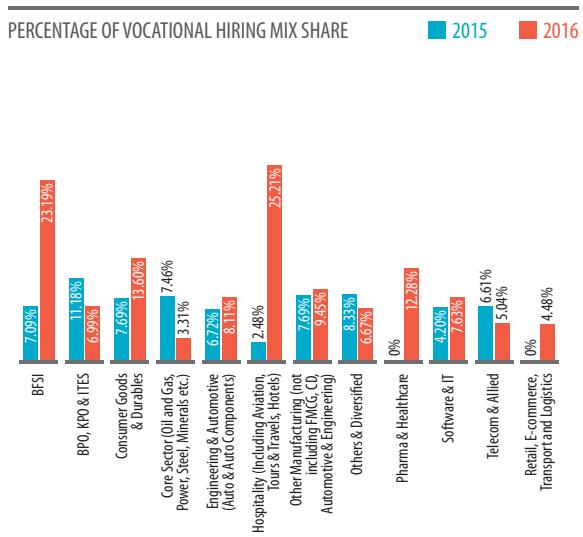
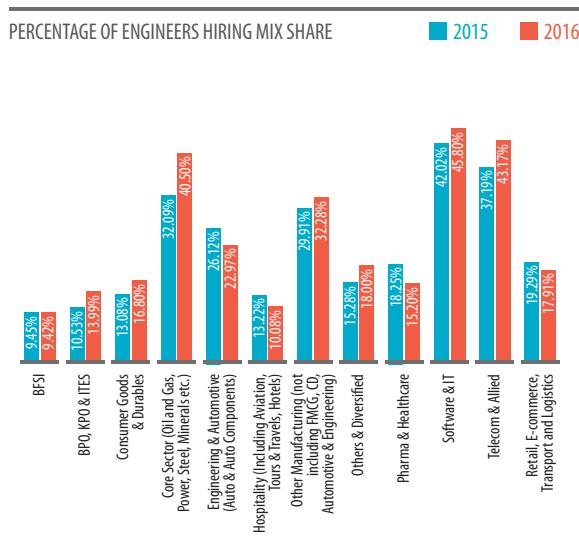
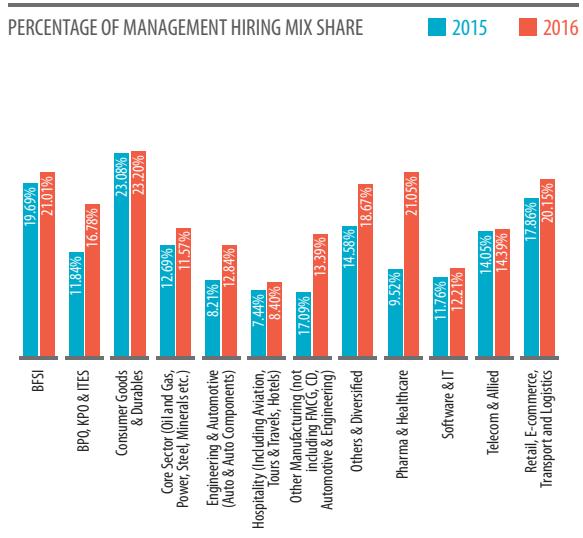
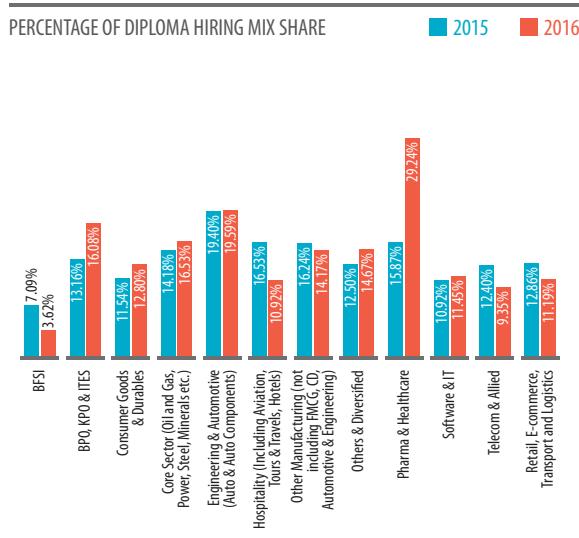
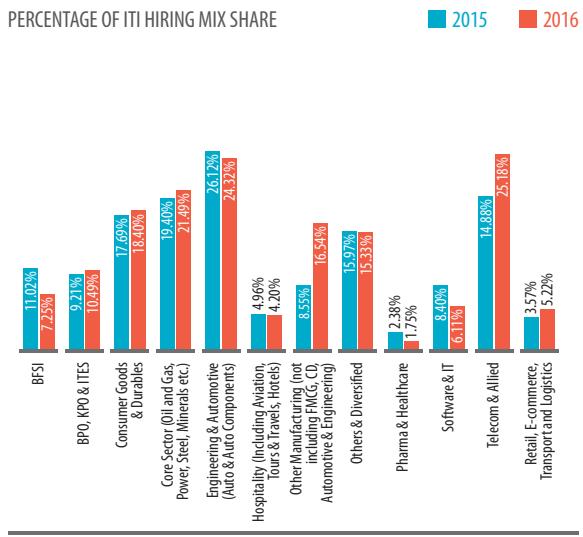
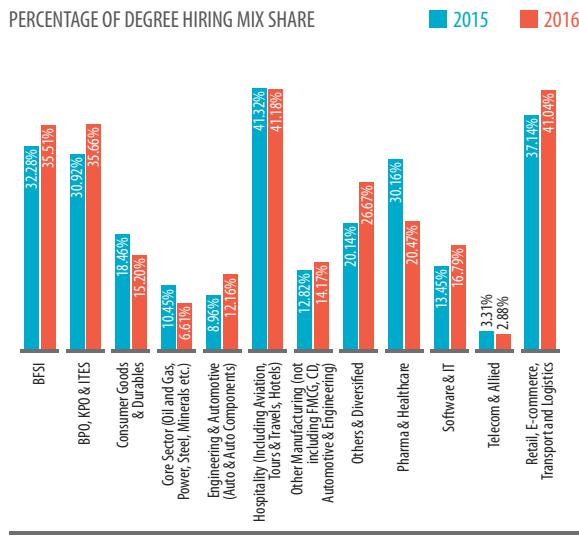
PERCENTAGE OF DOMAIN WISE HIRING TREND



Coming to the hiring mix, employers do not plan to make any major changes in the way they hire. Engineers are still getting hired the most followed by general graduates, who will see a drop in hiring as compared to last year. Contrary to this hiring of vocational education candidates will increase though the difference is not that significant.

and Bachelor degree courses. For core sectors the hiring of general graduates might decrease but hiring of engineers will go up significantly and consumer durable sectors the percentage of Vocational graduate hires in the overall hiring mix will double in comparison to last year. Another sector which will see a significant increase in hiring of vocational candidates is hospitality, while this sector will reduce the intake of diploma graduates For rest of the industries the hiring mix will remain the same as it was last year.

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 drop in hiring of ITI & Diploma candidates and plans to hire more candidates from Management



While it is important to understand what 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 to their hiring preference with respect to states. This was 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 only change was that in the place of Madhya Pradesh, Haryana 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, yes there are few states which are preferred. And in most of the cases these preferences match with those of prominent presence of that sector. For e.g BFSI chose Maharashtra , software and IT industry preferred Karnataka. This data does indicate that proximity of talent to the business location does play a role in hiring decision.

SECTOR WISE MOST PREFERRED STATES

Industry	2014	2015
BFSI	Maharashtra	Maharashtra
BPO, KPO & ITES	West Bengal, Delhi	Maharashtra
Consumer Goods & Durables	Uttar Pradesh	Tamil Nadu
Core Sector (Oil & Gas, Power, Steel, Minerals, etc.)	Maharashtra	Uttar Pradesh
Engineering & Automotive (Auto & Auto Components)	Tamil Nadu	Maharashtra
Hospitality (including aviation, tours & travels, hotels)	Maharashtra	Delhi
Other Manufacturing (not including FMCG, CD, Automotive & Engineering)	Maharashtra	Maharashtra
Others & Diversified	Delhi	Delhi
Pharma & Healthcare	Kerala, Tamil Nadu	Tamil Nadu, Karnataka
Retail, e-commerce, Transport & Logistics	N/A	Delhi
Software & IT	Karnataka	Karnataka, Andhra Pradesh
Telecom & Allied	Karnataka	Maharashtra, Karnataka

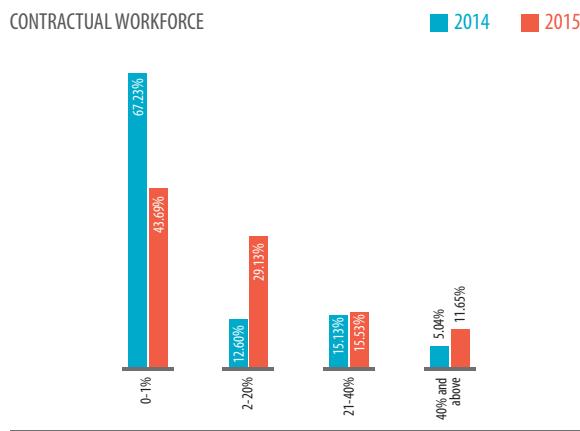
To explore this point further, the job survey also tried to capture the geographic presence of different industries. Another purpose of this activity was to understand if there were some industry wise location preferences to establish operations. When asked about their states of presence, companies across 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.

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			●		●		●						
Retail, e-commerce, Transport and Logistics	●		●				●						
Software & IT	●		●				●						
Telecom & Allied	●		●				●						

An interesting trend to note here is that both National capital and commercial capital of the country are amongst the most preferred locations to operate. Apart from these two states Karnataka and Tamil Nadu seems to rank higher in the preference of Industry sectors. It is interesting to see that though Andhra Pradesh has lot of available, employable talent the industry presence is not that high.

Another important 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 lot of interest in increasing the contractual labor, but if the current views of employers across sectors are considered more than 40% of the employers have 0-1 % of their workforce as contractual employees. Though there are still over 30% of the respondents who have more than 10% of their workforce working contractually. Compared to last year, this show a small increase in employment of contractual employees as a large percentage of their workforce.

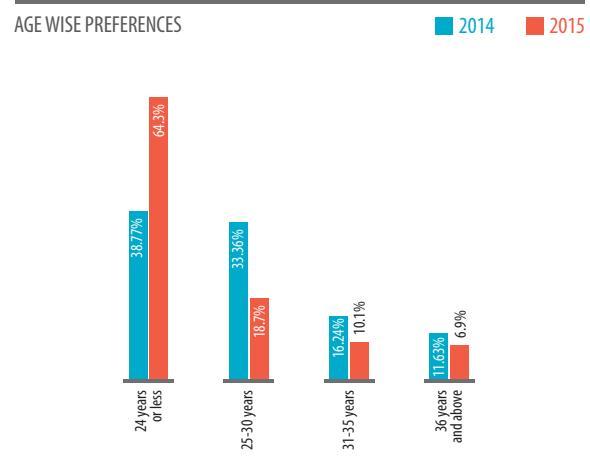


Industry wise, the share of contractual workforce shows a bit of variation, which can be attributed to their respective workforce needs . Consumer goods, Core Sectors, Engineering & Auto, Other Manufacturing, Retail , E-commerce, Logistics, Telecom came up as sectors where majority of respondents shared that they had contractual workforce more than 10% . 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 labor is increasingly picking up pace in sectors other than those which

have manufacturing facility or wider geographical reach (like BFSI). A large portion of the growth could be driven by sunrise sectors like retail e-commerce etc..

Another of the major objectives of India skill Report was to provide detailed insights of the hiring trends to the supply side. With this in mind companies across sectors were 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 80% employers preferring to hire candidates of age 30 years and below. However, when compared to last year's responses the hiring of candidate over 31 years of age has significantly decreased. The detailed insights are captured in the chart below.



Looking at the sector wise preferences, All sectors except for Core, Other Manufacturing, Pharma, Software & IT 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. The most interesting trend is inclination of software industry towards candidates more than 30 years. As the growth in this sector is gradually slowing, this trend makes sense.

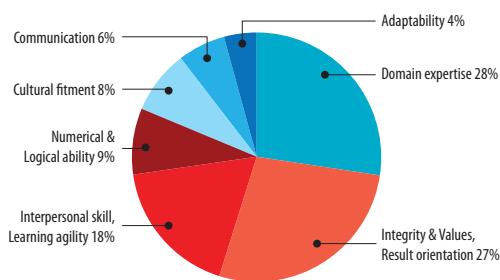
Having said that, the preference for the young workforce by most industry sectors is a good news

for the country like India. So as long as candidates are job-ready the candidates will not have a dearth of jobs.

BFSI	22-25 Years
BPO/KPO & ITES	22-25 Years
Consumer Goods and Durables	26-29 years
Core Sector	26-29 years
Engineering & Automotive 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 the employers are looking for. What is that one skill that one needs to bag a job? The India Hiring Intent Survey questioned the employers about the single most important thing they want in their prospective employees. They were given options like Numerical & Logical ability, Domain Expertise, Communication, Cultural fitment, Integrity & Values, Result orientation, Adaptability, Interpersonal skill, Learning agility. When questioned about this, most of the employers across Industries, voted for both Domain expertise and Integrity and Values. This is followed by interpersonal skills & learning agility.

SILLS REQUIRED BY EMPLOYERS



These preferences again, did differ for some industry sectors. For e.g. majority of employers from BPO/KPO/ITES sectors chose Interpersonal skills & learning orientation, Hospitality employers look for culture fitment first. For rest of the sectors Integrity

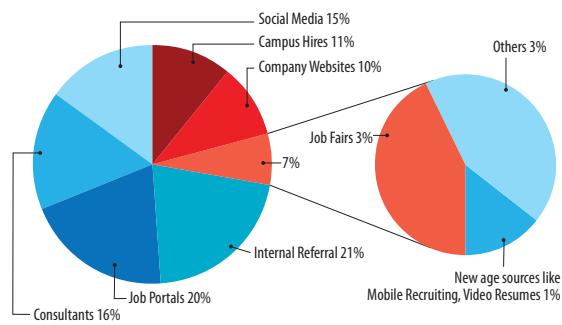
and values along with domain expertise have been chosen as the most important trait. In today's times of ethical leadership, this is no surprise as companies want employees who can understand and imbibe the company values. The sectoral preferences above are truly as per the kind of profiles and work that each of the sectors entail and does not come as a surprise. Hope the job seekers are hearing and can imbibe these skills for perfect matchmaking.

Banking, Financial Services and Insurance	Domain Expertise, Integrity & Values, Result orientation
BPO, KPO and ITES	Interpersonal skill, Learning agility and Domain Expertise
Consumer Goods and Durables	Integrity & Values, Result orientation and Domain Expertise
Core Sector (Oil and Gas, Power, Steel, Minerals, etc.)	Integrity & Values, Result orientation and Domain Expertise
Engineering and Automotive (Auto and auto components)	Integrity & Values, Result orientation and Domain Expertise
Hospitality (including aviation, tours and travels, hotels)	Integrity & Values, Result orientation and Cultural fitment
Other Manufacturing (not including FMCG, CD, Automotive and Engineering)	Interpersonal skill, Learning agility and Domain Expertise
Others and Diversified	Interpersonal skill, Learning agility and Domain Expertise
Pharma and Healthcare	Domain Expertise and Numerical & Logical ability
Retail, e-commerce, Transport and Logistics	Integrity & Values, Result orientation and Adaptability
Software and IT	Integrity & Values, Result orientation and Domain Expertise
Telecom and allied	Integrity & Values, Result orientation and 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 sometime 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. After all with the results internal referral is providing by minimal effort, other options like consultants, etc are loosing their charm. Another striking change that is evident is the use of social media as a sourcing channel is increasing year by year. There is also a small percentage which

adopting mobile and video recruiting. If we look at overall distribution the digital channel in totality form more than 1/4th of the preferred sourcing channel.

PREFERRED SOURCING CHANNELS



Having said that traditional sourcing methodology still Job Portals and consultants are still being followed by certain sectors. This information is very useful for both supply and demand side of 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 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 to the systems, it would create a direct channel of connect from the skill pool to the employer and would inevitably increase the overall efficiency of supply chain of Talent.

The last point that India Skills Report touched upon was gender diversity. Over the past few year's gender diversity has been one of the most spoken about subjects. There have been several researches conducted on impact of women as decision makers on Business results. Infact, India's stock market regulator has, in keeping with the new Companies Law, 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, its still appears to be a Men's World. While last year, the ratio was 68:32 this year it has again gone upto 72:28 .

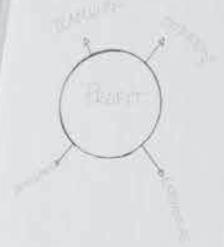
When we consider the sectoral results from last year one more sector joined the elite club of sectors with more than or equal to 1/3rd of workforce as women

while there are 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 that the corporates are putting up these days, this number will definitely get better.

Industry	Gender Diversity	Percentage
BFSI	Male Female	68.69 31.31
BPO, KPO and ITES	Male Female	69.7 30.3
Consumer Goods and Durables	Male Female	73.74 26.26
Core Sector (Oil and Gas, Power, Steel, Minerals, etc.)	Male Female	80.81 19.19
Engineering and Automotive (Auto and auto components)	Male Female	84.85 15.15
Hospitality (including aviation, tours and travels, hotels)	Male Female	71.72 28.28
Other Manufacturing (not including FMCG,CD,Automotive and Engineering)	Male Female	83 17
Others and Diversified	Male Female	66 34
Pharma and Healthcare	Male Female	59 41
Retail, e-commerce, Transport and Logistics	Male Female	77.78 22.22
Software and IT	Male Female	64.65 35.35
Telecom and allied	Male Female	70.71 29.29

With this we come to the end of study of demand side of talent. These detailed insights about the hiring outlook, and preferences of employers in hand, the skill pool is definitely much more equipped to take informed decisions about the future.

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



Conclusion





Like the previous two editions, this new version of India Skills report is reflecting the economic and business sentiments prevailing in India. With the new initiatives launched in both skilling and job as the focus, there is lot of excitement while the results might not be showcasing the results today, but there is positivity which can be seen. Employability of the skill pool has seen a slight increase this year with the corporates expecting a rise of about 14.5% in number of jobs. In a global economic environment which is turbulent; it is commendable to retain a positive hiring sentiment for the second consecutive year. The demand for matchmaking skills and jobs has also been heard by the government with initiatives like National Career Service and Model Career Centers being launched. This is one of the crucial moves made by the Government that will surely make a huge impact in resolving the Great Indian Talent Conundrum. Considering the importance of "Matchmaking" this final section of India Skills Report tries to sketch a holistic picture of the skill landscape of the country by matchmaking the data from the supply side and demand side of talent. For doing the same the analysis of WEST scores of about 5.2 Lakh test takers across states; age groups; domain areas and gender were studied parallel to the Analysis of responses of over 150+ employers to The India Hiring Intent Survey on the hiring trends .And results were quite interesting!

One of the major finding of the WEST score of test takers across states was the employability status of the available skill pool. So the Top states which had most "employable" skill pool were easily identified. The India Hiring Intent 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. These 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, Haryana is a new entrant to this list of states where the talent supply and demand both seem to be high. It is interesting to find that these are the states where various skill development and industrial development initiatives in place which are perhaps resulting in both supply and demand sides to come together. There are Investor meets, trade fairs being organised & facilities being provided for new business establishment which helps in market development and Various training and skill development initiatives to convert the "qualified" graduates to "skilled" prospects for employers. 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 Punjab, Gujarat, and Karnataka were in the preferred destination for hiring but WEST scores of the assessed candidates in these states were lower than the TOP 10 rankers. Similarly states like Jharkhand, Himachal Pradesh, and Rajasthan were part Top 10 states in terms of WEST scores but did not find place in Top 10 Employers preferred destinations for hiring. The employers as well as the skill development bodies must try to work on the supply demand mismatch that is prevalent in these states. Model Career Centers would be a great initiative to implement in these states so that these gaps can be reduced.



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 12 major industry sectors which are considered in India Skill Report are different, not only in their area of work, services and products offered, but also in the kind of people they hire the most. As their needs for a particular domain of candidates are different, their focus areas for hiring would logically be different. 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 Hiring Intent 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)



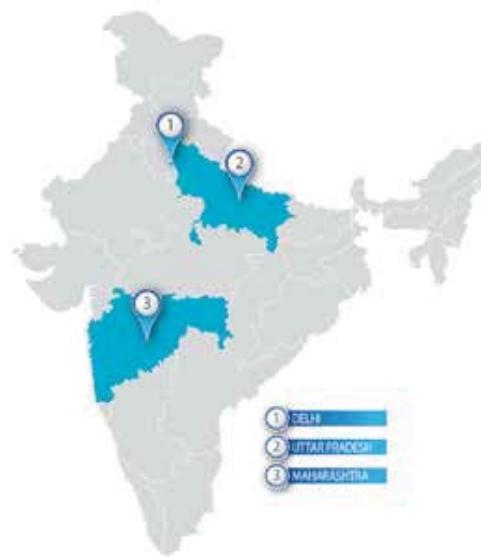
OTHER MANUFACTURING (NOT INCLUDING FMCG, CD,
AUTOMOTIVE AND ENGINEERING)



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 from these sure shot sources of their much needed talent.

As the Government is trying to push for business growth at the level of pin codes, the war for talent would have an added dimension that is the place of work. Over the last few years, talent migration has not been an issue as candidates in large cities have been ready to work in cities outside their hometown. Though we are still far off from the situation where jobs equivalent to those available in big cities are available in tier two cities as well, we felt it would be worthwhile to understand the location wise status of talent supply & demand. With this in mind the WEST test takers were also asked about their preferred destinations to work. This information when combined with the top states where companies of various sectors have a presence (as captured from The India Hiring Intent 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: Karnataka, Delhi/NCR and Tamil Nadu.

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. Parallelly the employers should also try to expand their operations in the states where candidates would prefer to work. 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 analyzed through the demographic lens.

For this purpose, when data captured through Employability Skill Test and The India Hiring Intent Survey was brought in together a striking match between the supply and demand side came up. As per the data captured from most preferred age group for hiring as per the employers across industry sectors is from below 24 years till 30 years. On an average more than 60% of the employers preferred to hire from the age group less than 30 years. When it comes to the supply side, about 37% 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 42%) significantly higher than the other age groups.

The combination of these data points brought out good news for sectors like BPO,KPO,ITES, Engineering & Auto, Hospitality, where 1 in every 5 surveyed employers had a preference for the age group of 18-21 years. 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. Parallelly, on the job training or apprenticeship can also be provided to the required candidates. Thus here again 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 are demand of including more and more women in the workforce, are they ready to be "employed". These data points captured respectively from WEST score and corporate responses when clubbed together brought up an encouraging picture for the future. As per The India Hiring Intent Survey the current gender diversity status across industry sectors is 72:28. It is disheartening to see that still women do not form even 1/3rd of the total workforce. The supply side on the other hand showed that women test takers significantly more employable than the male test takers. Thus, though the efforts of Government are showing results with such encouraging levels of employability in women, the corporate from different Industry need to do their part and provide them the opportunity to put their knowledge and skills to work. The states from where these "Employable" female candidates can be hired are "Andhra Pradesh, Tamil Nadu, Uttar Pradesh, West Bengal, Delhi,Maharashtra, Chhattisgarh, Rajasthan,

Haryana". If we compare this data with the current preferred hiring locations of employers across sectors, almost all sectors have 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. We are increasingly venturing into a world where women do not want to restrict themselves from doing any kind of work. They are ready to take up challenging roles even in sectors like defense and manufacturing. Thus nothing should stop the employers from hiring women if they are able to prove their mettle.

With this we come to the end of India Skills Report 2016 Analysis. Through the insights shared in the last 30 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 needed is to keep up this momentum and take all these initiatives to their planned culmination. We hope that as we move on to the implementation of the new initiatives declared by the Government, we will be able to keep up with the challenging demands of both supply & demand sides and take the country in the right direction for the tryst with destiny in 2020.



The Way Forward

Creating a platform for the supply and demand side of talent to come together and bridge the demand with the expectations was the reason why this initiative called India Skills Report was launched in the year 2013. With each year as the focus on skills and jobs increased, the reach of the report was increased as well. In the third edition of the report , with an increase of about 73% in the supply side, we were able to reach out to over 520000 students across domains for taking the WEST. Reach for corporate survey also increased by 20% & over 150 employers spread across 12 Industry sectors were surveyed. As Jobs and Skills arrive at the center stage of decision and policy making in the country, it is exciting to see this initiative get a wider acceptance with each coming year.

As initiatives like Skill India and National career services gain momentum, the report has a much broader role to play. These initiatives aim at

matchmaking the needs of the supply and demand side of talent supply chain and India Skills Report with each coming year will continue to provide the 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. As the new platforms like NCS and MCCs evolve it can play a larger role in overall implementation by providing the necessary insights to the decision makers.

It looks like an exciting way ahead and we are all ready to be a part of this journey and contribute in bringing the Jobs and Skills together. Hope with each edition of India Skills Report we are able to contribute towards a developed and skilled India.



Appendix







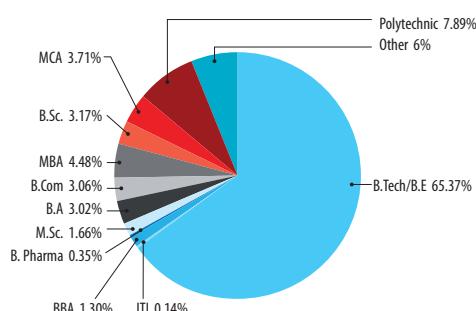
Objective of the Report

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

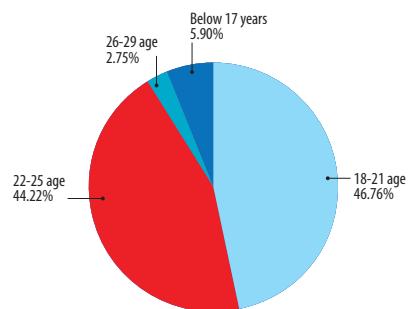
Wheebox Employability Skill Test

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 Behavioral traits. This test was taken by about 520000 students across states and domain areas. The detailed respondent profile of the test takers is shared below.

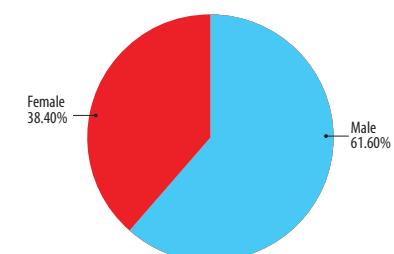
DOMAIN WISE DATA



AGE WISE DATA



GENDER WISE DATA



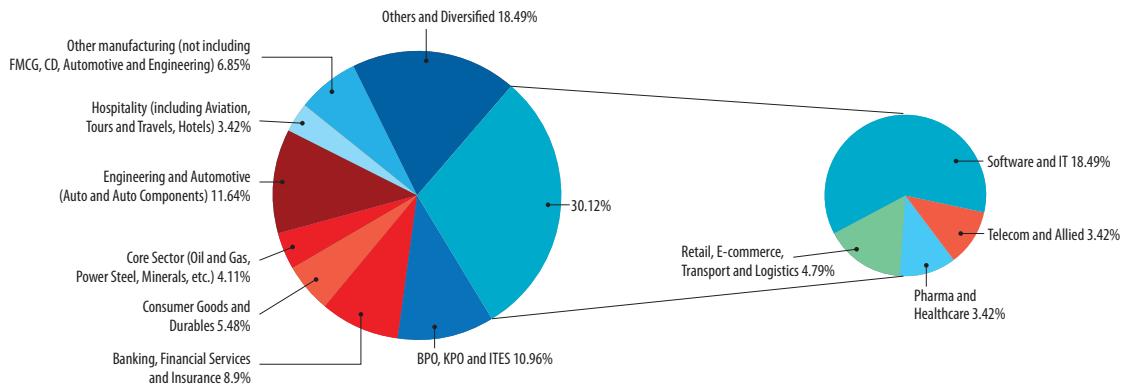
With the help of the scores of these respondents a comprehensive analysis of the skill pool was done, the details of which have already been shared in the report. The insights shared would hopefully help the academia, government and the employers to take steps for improving the quality of skill pool.

The India Hiring Intent Survey

The India Hiring Intent Survey, a close ended questionnaire was the instrument used to capture the outlook of the Employers or Job Demand side. In this 17 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 150 employers across 12 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 Report. These insights provide a glimpse of the corporate world to the skill supply side , can be used as guidelines for matchmaking the talent supply and demand sides.

Analysis – The methodology

The Analysis process for India Skill Report was a two step process. As the first step, a first cut analysis of the scores of test takers of the employability skill test, and the employers' response to the corporate survey was done separately. Normalization was done to remove any kind of skewness in the data. Inferences derived from these individual analyses were 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 analyzed primarily from three angles: Demographic, Geographic and Sectoral. Demographic angle covered the insights of the WEST scores and Corporate Job survey from the perspectives, like age group, Gender etc. The Geographic stance provided the state wise status of employability in the skill pool and available jobs. And finally Industry wise focus (primarily for the corporate

job survey) helped understand the industry wise preferences. Domain specific supply and demand status was also captured by analyzing the scores of individual domains, and also analyzing the employer responses on their domain wise preferences. All this formed part of the first cut analysis of data collected.

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



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