

Skill Formation and Employability

A Study of Youth in India

SYNOPTIC REPORT

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The introductory section provides the introduction, aims and objectives of the study. Skill development is described as a multi-dimensional idea of potential, competence, specialised knowledge, and talent, which embodies each element in the facilitation of final task completion. It includes both technical (hard) skills acquired through education, training, and experiential learning, as well as transferable (soft) skills, e.g. communication, collaboration, and leadership. Technical and Vocational Education and Training (TVET) is now a key mechanism to provide skills to individuals to ensure they develop the practical competencies, and prepare them for employment in trades, services and other emerging occupations. Vocational education is presented as transformative, helping to close the education and employment gap. Governments, especially in developing countries such as India, through the Skill India Mission, want to develop the force of labour, and human capital tied to employment demand; thus, ensure a knowledgeable worker labour force. The private sector also plays a role in developing training courses for a specific industry. However, there are challenges with quality, standardisation, and fairness across training initiatives, especially given that a significant part of India's workforce is in the informal sector, frequently lacking access to organised training options. The fast rate of technological advancement, changed work practices require continuous skill development, as many competencies could become outdated due to technological innovations in the workplace. Both the National Policy on Education (1986) and, the more recent, National Education Policy (2020) and national policies have consistently emphasised the importance of vocational education and training.

Employability, as described here, is much more than securing a job. It is viewed as a holistic notion which insists on the combination of 'knowledge' and 'skills' and attitudinal attributes to meet the changing demands of the labour market. Nevertheless, there are structural issues such as regional disparities, gender issues, and unequal access to opportunities that still hinder fair employability results. In light of this context, the study explores modes and processes of skill development in select Indian states, and perception of youth and employers.

Review of Literature

Skill formation is described as a multifaceted process involving the development of both hard skills - technical, job-specific - and soft skills - communication, teamwork, and problem-solving, which are attained through a range of sources, including formal education, vocational training, work experience, and self-directed learning. Training imparted to teachers is crucial for vocational teachers, trainers, and assessors with the necessary skills and knowledge to ensure the quality and effectiveness of vocational education and training (TVET) programmes.

Subsequently, employability can also be viewed as the capability to not only secure employment, but also to retain, embed and develop oneself in a changing employment landscape characterised by both globalisation and technology. Self-perceived employability is the concept that connects an individual's current educational and training context with their future professional engagement. It is the extent to which the individual possesses the skills and other attributes to find and stay in the kind of work they want.

A number of researchers bring to our attention the importance of skill development initiatives in India. Findings indicated that skill development is vital in supporting inclusive and sustainable growth by improving employment outcomes, ensuring security of livelihoods, and contributing to social cohesion. Findings also showed the effects of globalisation and technology changes, as well as engaging with industries on employability outcomes. Nonetheless, issues persist such as skill mismatches, unemployment, underemployment, and ongoing social economic issues. The challenges are further compounded by the quality gap in training, regional inequities, and insufficient involvement from the private sector.

Many studies point to the crucial significance of soft skills in preparing today's workforce. Today, traits such as adaptability, creativity, critical thinking, emotional intelligence, and communication skills are more important than ever, especially as automation and artificial intelligence reduce the demand for repetitive skill sets. Research results have also shown that internships, apprenticeships, and work-integrated learning promote employability by ensuring practice is linked to theory, while, at the same time, increasing professional connections. This review provides a context for the current study, highlighting the need for evidence-based approaches to skill formation and employability enhancement in the Indian context.

Methodology

The research was conducted across four states - Tamil Nadu, Gujarat, Haryana, and Madhya Pradesh - selected for regional representation across regions. Data collection focused on three primary types of skill training: formal education, non-formal education and informal education. The respondents included youth trainees, vocational coordinators, and employers. The sample was drawn by purposive sampling technique. Furthermore, a survey was conducted with employers to gain insights into their views on the skills mismatch issue.

Findings

By collaborating with institutions, Gujarat, Haryana, Madhya Pradesh, and Tamil Nadu state skill missions ensure that training programmes are aligned with industry needs and that students are equipped with the skills they need to succeed in the workforce. The institutes which receive contributions from the states benefit more in all the terms and conditions of skill formation. The perception of employability in India is mixed, and there is a growing awareness of the need for skill development and upskilling. This is due to the rapid pace of technological change and the increasing demand for skilled workers from employers. There is still considerable scepticism about the quality of education and training in India. Many employers believe that graduates from Indian universities and colleges are not adequately prepared for the demands of the workplace. The states like Gujarat, Tamil Nadu and Haryana are the states with a strong industrial base and plenty of prospects for organised work; therefore, there is a growing demand for graduates and qualified professionals. The following skills are considered by employers when recruiting new employees in the selected states of Gujarat, Haryana, Madhya Pradesh, and Tamil Nadu: Problem-solving, Critical thinking, Communication, Teamwork, Self-management, and Leadership.

In the field of educational attainment, it has been found that there is a slightly higher proportion of students from villages at the higher secondary level compared to the secondary level. The migration rate is higher at the higher secondary level, indicating that students might move to urban areas for better educational opportunities. Private institutions become more popular at this level compared to secondary education. The data reveal that the monthly income of most families is relatively low in all the respective states among students who received formal skill training. This is the reason why young people want to study employment-oriented professional courses, so they can secure employment soon and support their families financially.

According to the Vibrant Gujarat report, 2015, there are several departments that run skill formation courses in Gujarat, including the Department of Labour and Employment, Rural and Development, Gujarat Knowledge Society (GKS), Graduation & Post Graduation Industries and Mines, Urban Development, Tribal Development, and other departments. A few of schemes which provide vocational education in Gujarat are Swarna Jayanti Shahari Rozgar Yojana (SJSRY), Skill Development Initiative – Modular Employable Skills (SDI-MES) M/O Agriculture Swarnjayanthi Gram Swarozgar Yojana (SGSY). According to the data from Gujarat, it has been observed that both induction and in-service training is given to the teachers of degree courses. All the students from non-formal education in Gujarat focus on personal attributes and the best skills they have. In Gujarat, most employers believe that vocational skills are essential for an apprentice to work in an organisation.

The state of Haryana has established some departments for vocational education that are Haryana Skill Development Mission (HSDM), Haryana Kaushal Vikas Nigam (HKVN), Mukhyamantri Kaushal Samvardhan Yojana, Skill Development Initiative Scheme (SDIS), Apprenticeship Promotion Scheme, Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Haryana Swarna Jayanti Gram Swarozgar Yojana, Haryana Skill Development and Industrial Training Department (ITI), Haryana Entrepreneurship and Skill Development Programme (HESDP). These initiatives encourage entrepreneurship and provide support for skill development and self-employment. The state of Haryana offers several schemes that seek to enhance economic activity in the state. Haryana's approach to skill formation and training may differ from that of other Indian states due to variations in demographics, economic priorities, and regional needs. While Haryana emphasises aligning skill development with its diverse sectors such as agriculture, manufacturing, and IT, other states may have different focal areas based on their economic strengths and challenges. In Haryana state, almost every institute has its linkage with respective industries.

In the state, assessment and certification processes in non-formal skill formation centres such as DDU-GKY, PMKVY, DAY-NULM, and Seekho aur Kamao, involve a multifaceted approach to evaluating the skills and competencies of students/trainees. It appears that the socio-economic background of students significantly influences their self-perceived employability. However, it's important to note the relatively lower percentages of students from Scheduled Castes (SCs), Economically Weaker Sections (EWSs), and Persons with Disabilities (PWDs). These groups traditionally have lower socio-economic status and face systemic barriers in accessing education and employment opportunities.

In Madhya Pradesh, vocational education plays a key role in the educational system. Significant dropout rates are witnessed after school education resulting in low enrollments in higher education, whereas districts of Jhabua, Alirajpur, Barwani, and Sheopur have considerably high dropouts even at the school level. The state has initiated several schemes and training opportunities provided by the Ministry of Agriculture, the Ministry of Labour, the Ministry of Communication and IT, the Ministry of MSME, the Ministry of HUPA, the Ministry of Textiles, and several other ministries and departments. Additionally, Madhya Pradesh actively participates in national schemes such as the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), which provides short-term skill training to eligible candidates, and Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), which focuses on rural youth. The state also emphasises vocationalisation of education, integrating vocational training into the mainstream education system, similar to other states.

Furthermore, Madhya Pradesh plans to enhance its focus on e-Skills, Green-Skills, Soft-Skills, and sustainability, aligning with global trends towards environmental sustainability. Training programmes will include sectors such as renewable energy, sustainable agriculture, and environmental management, preparing the workforce for emerging green jobs. Madhya Pradesh has initiated several programmes and

projects, including the Madhya Pradesh Skill Development Mission (MPSDM), which serves as the nodal agency responsible for implementing skill development initiatives in the state. The state has established numerous Skill Development Centres (SDCs) and Industrial Training Institutes (ITIs) to offer skill training to the youth. Polytechnics and ITIs have an industry linkage in Madhya Pradesh. These institutes are linked with the respective industry.

Almost every institute in the state of Madhya Pradesh is linked with the respective industry. The assessment process for students and trainees in the skill formation institution of Madhya Pradesh encompasses a variety of methods; each with a designated weightage contributing to the overall evaluation. This multifaceted approach aims to comprehensively evaluate both the theoretical understanding and practical application of skills. In Madhya Pradesh, the assessment and certification processes in non-formal skill formation centres such as DDU-GKY, PMKVY, DAY-NULM, and Seekho aur Kamao involve a spiral and comprehensive approach to evaluating the skills and competencies of students/trainees. Most of the students agree that personal qualities are essential, and that professional knowledge is required for employment. With respect to employers' perspective in Madhya Pradesh, only a few perceive vocational skills as necessary, none considering them very important.

To implement its policy effectively, states like Tamil Nadu focus on technology-related skills. It has the highest literacy rate and the highest female youth work participation rate. Therefore, this state can develop more human resources to enhance skill formation in both organised and unorganised sectors. In Tamil Nadu state, the industry's contribution to the formal mode of skill formation primarily focuses on the placement of students, with four vocational coordinators supporting this approach. In the state, most of the formal institutions under study do not provide on-the-job training.

It is observed that all formal institutions use written exams as their assessment procedure for evaluating students and trainees. Universities and colleges, as well as Kaushal Kendras, follow a project and seminar/presentation for assessment. The Written Assignment is given as an assessment to the students by the University/Colleges, Kaushal Kendras, and Polytechnics. The competency testing method is followed by Kaushal Kendra only. The examination and assessment process in non-formal skill formation programmes, including initiatives like DDU-NULM, JSS, State schemes, and PMKVY, is a meticulous and comprehensive procedure. It aims to gauge the participants' understanding, proficiency, and practical application of the acquired skills.

Evaluation criteria are often established in collaboration with industry experts, ensuring that the assessments accurately reflect the skills and competencies required in the current job market. Practical assessments may involve hands-on demonstrations, simulations, or project work, enabling participants to demonstrate their ability to apply theoretical knowledge in real-world situations. The evaluation process also emphasises transparency and accountability, with clear communication of assessment criteria and outcomes. In Tamil Nadu, irrespective of the age group, all the students strongly agree that personal qualities are getting advantage in employment. Individual attributes such as calmness under pressure, and resourcefulness are also important. This suggests that employers prioritise candidates with strong personal qualities.

From an employer's perspective, the demand for skills is constantly evolving due to technological advancements, changing industry landscapes, and shifting consumer preferences. Employers consistently seek candidates who possess a combination of technical expertise, soft skills, and adaptability. These skills may include proficiency in software applications, programming languages, engineering principles, or industry-specific knowledge. Beyond technical expertise, employers value soft skills that enable individuals to thrive in the workplace. These skills include communication, teamwork, problem-solving, critical thinking, and adaptability. In a rapidly changing world, employers seek individuals who can adapt to new

technologies, learn new skills, and embrace change. Adaptability is essential for achieving long-term career success and driving organisational growth. Moreover, creative thinking is considered to be an essential skill to a majority of respondents.

Discussion and Conclusion

For the social and economic progress of the nation, skill development is an essential part. These modes of skill formation can be formal, non-formal, and informal, and can vary significantly based on factors such as educational systems, cultural norms, and economic conditions. In the formal mode of skill formation, three categories of institutions exist: those offering degree-level courses (such as IITs, universities, and colleges, as well as Kaushal Kendras), those providing diploma-level courses (including polytechnics and community colleges), and those offering certificate-level courses (such as schools and ITIs). State skill missions are government initiatives that aim to improve the quality of skill training in the state. The linkage of institutions with state skill missions is essential for creating a skilled workforce that meets the demands of the industry.

This study aims to explore the dynamic nature of workforce requirements and the importance of joint efforts of employers, trainers, educators, and policymakers in bridging the skills gap and fostering a sustainable future for mankind. By understanding and responding to these nuanced dynamics, educational institutions and policymakers can better equip students with the skills, resources, and confidence necessary to thrive in today's and tomorrow's competitive job market.

Courses such as degrees, diplomas, and certificates are available in a formal educational setting. Moreover, all degree-level, diploma-level, and certificate-level courses are compliant with the NSQF, except for the certificate-level school course. The study has found that in all the states, institutes across formal and non-formal skill training include all components such as theory exams, practical, internships, and project work, as integral components of the course. All the formal institutes have linkages with the industry in select states.

In the process of skill formation, the mechanisms adopted by the institute for mobilising students for vocational courses, both in formal and non-formal settings, include internships with stipends and linkages with various companies. At the diploma level internship, projects and mock roles are adopted by the institute. At the certificate level, the ITI courses offer scholarships, cycles and tablets, to students. In non-formal schemes, monthly stipend is given to students to enhance their mobility.

The majority of students who enrolled in formal skill training degree courses have rated themselves as very good or excellent in self-assessments of skills such as problem-solving, teamwork, self-management, critical thinking, communication, and collaboration. However, many students from certificate-level courses rated themselves as average in problem-solving, critical thinking, communication, and ICT skills. Moreover, the students of non-formal courses have also rated themselves as very good in problem-solving, working in teams, and self-management skills, whereas an average or poor rating has been given in critical thinking, communication, and ICT skills.

Students from marginalised socio-economic backgrounds are less likely to participate in the formal sector compared to the non-formal sector, and may face unique challenges such as limited access to quality education and resources, which can impact their confidence in their employability. Conversely, students from more privileged backgrounds may have access to better educational opportunities and networks, leading to more participation in formal sector training. The representation of marginalised sections of society (SC/ST) is comparatively high in non-formal and informal sectors. It shows that these sections of society are still engaged in traditional occupations.

With respect to the employers' perception regarding the demands and supply of skills, the majority of graduates who best fit the skill requirements for sustained career growth in the company are those with a bachelor's degree and certificates from non-formal vocational training centres. These findings indicate that the majority of employers are confident in the current levels of these skills within their workforce in states like Gujarat. However, in other states, small percentage of employers consider vocational training essential for job prospects.

According to employers, the three most essential skills required for future career growth are communication skills, technical skills, and management skills. However, the most significant challenges faced by employers in filling up vacancies are a shortage of applicants with the adequate skills and capabilities, and offering a lucrative salary.



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