

Skilling and Employability Solutions for the Next Half Billion

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Introduction:

India is known as the most populous country and has the world's second-largest working population. This population is projected to grow until 2049. Despite having such a huge working population (960 million), our country faces employability challenges. These challenges are two-fold: firstly, the potential workers are not active, mostly women. Only 46% of the Indian population participate in work. Secondly, the existing workforce lacks the relevant skills. This study doesn't include office workers, students, and agriculturists, it is focused on the 560 million population who are either unemployed or have grey-collar jobs. To address these challenges, this report looks at how to train and find jobs for unskilled and partly skilled workers. The findings of the report conclude that all the stakeholders, i.e., society, government, and market need to come together to create jobs and help the workers.

Key Findings:

The report suggests six key recommendations for employability solutions for the Next Half Billion (560 million) based on the contextual study. They are as follows:

1) Focus on Blue/Grey Collar Skilling

Unemployed people need more ways to become employable, but there aren't enough large-scale solutions available, and nonprofits mostly work locally.

- Concentrate on skilling and employability support for workers in informal jobs and those who are unemployed.
- Prioritize the 428 million unemployed and 154 million blue/grey collar workers, as they have significant skill gaps.
- Provide training to unlock their productivity and prepare them for future jobs.

It's possible to provide training for these workers, especially in urban areas where more people have access to the internet and technology. However, it will need financial support.

2) Customize Solutions for Different Workers

India's workforce is incredibly diverse, with workers having different skills, incomes, and needs. Even among blue/grey collar workers and the unemployed, there are significant differences in demographics, skills, willingness to learn, and the ability to pay for training.

- Entrepreneurs and policymakers should consider these variations when developing solutions to address India's skilling and employability challenges.

- Understanding each worker's unique situation and goals is essential to creating effective skilling and employability solutions.

3) Create Market-Based Solutions

Limited awareness about skilling and employability exists mainly within family circles and workplace connections. So, the findings of the study show a substantial demand for employability support across various occupational categories.

- Entrepreneurs can bridge this gap by creating initiatives that familiarize job seekers and employers, utilizing effective communication channels.
- This presents an opportunity to impact 100 million individuals, offering skilling solutions valued at \$1.5-2.0 billion.
- Employer connection models, including job aggregators, staffing agencies, gig platforms, and entrepreneur support, will play a vital role in addressing these needs.

4) Support from Government and Non-profits

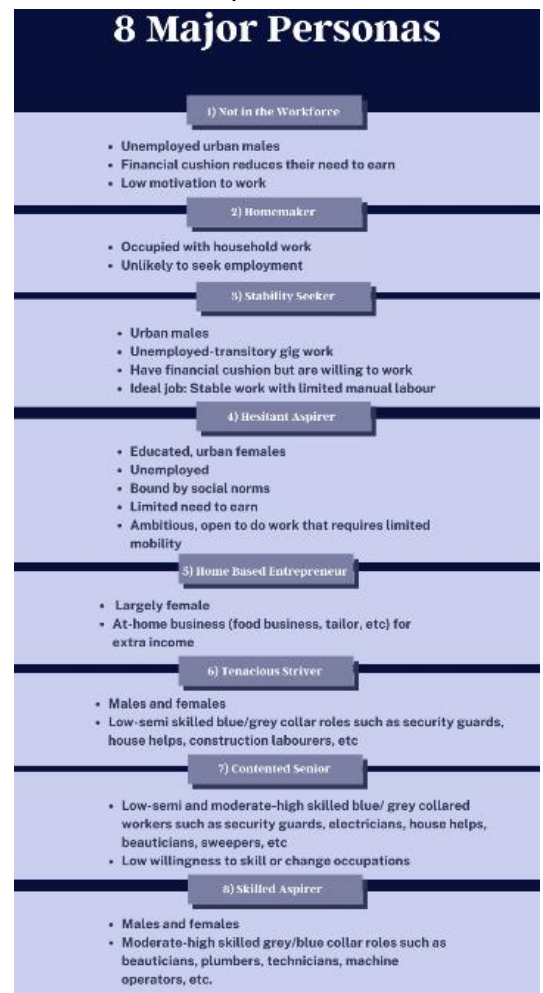
In India, there are 80 million from underprivileged backgrounds who can't afford skilling support and 50 million Stability Seekers with low willingness to pay for skilling. Government and nonprofits can play a crucial role in supporting these segments.

- The government can enhance skill training quality, provide access to capital for small businesses, and establish a digital skills infrastructure.
- Potential government initiatives include subsidized skill programs, paid internships, and capital support.
- Indirect support measures could involve policies like paid childcare and parental leave.
- Nonprofits can boost awareness, and aspirations, and develop scalable projects in collaboration with government and private sector organizations.

5) Focus on Key Skilling Areas

The study identifies critical skilling and employability needs among different worker personas in India. Since the context of everyone varies, the solutions should also be customized according to one's individual. To design custom solutions, this report has categorized the targeted segment into eight personas based on their household incomes and employment types. The skills required by these personas are organized as follows:

- Basic business management skills are the most important skilling need across personas.
- Home-Based Entrepreneurs, Skilled Aspirers, and Stability Seekers prioritize digital marketing skills.
- Hesitant Aspirers, Tenacious Strivers, and Stability Seekers require language and communication skills.
- Vocational skills are crucial for Skilled Aspirers, Tenacious Strivers, and Stability Seekers.



- Employability support is primarily needed in two areas: access to capital and access to gig platforms.
- Access to capital is essential for Hesitant Aspirers, Home-Based Entrepreneurs, Skilled Aspirers, Tenacious Strivers, and Stability Seekers.
- Gig platforms are a vital employability solution for Hesitant Aspirers, Skilled Aspirers, Tenacious Strivers, and Stability Seekers.

6) Make Skilling Programs Accessible

Standard skilling solutions can be challenging due to cost and time constraints. Affordability is a significant concern for personas like Tenacious Strivers. Stability Seekers may be reluctant to skill due to lengthy courses. So, focusing on six key skilling and employability areas will have a significant impact. Successful implementation of the program requires attention to awareness building, short program duration, content contextualization, and financial aid. Pricing and course duration can be barriers for different types of learners.

- Word-of-mouth referrals are crucial for improving awareness, especially among the unemployed and informal sector workers.
- Short course durations (5-7 weeks) are preferred, especially by blue/grey collar workers.
- Utilizing platforms like YouTube and social media can expand reach and reduce barriers.
- Customized content and innovative financial models, such as stipends and pay-after-placement, can enhance success in skilling and employability programs.

Conclusion

In a nutshell, India holds the greater advantage for economic growth given its huge young workforce. By adopting a persona-based approach and focusing on employability and upskilling, India can unleash the full potential of its workforce, leading to higher individual and national prosperity.

Read More at: <https://www.omidyarnetwork.in/insights/the-next-frontiers-skilling-and-employability-solutions-for-the-next-half-billion>

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