

HIGHER EDUCATION AND EMPLOYABILITY IN INDIA: AN OVERVIEW

Dr. Rajeshwari M. Shettar

Principal and Associate Professor, Department of Commerce,

Shri Hurakadli Ajja Shikshan Samiti's

Smt. K. S. Jigalur Arts and Dr. (Smt.) S. M. Sheshgiri

Commerce College for Women, Dharwad-8.

Abstract

India has one of the largest higher education systems in the world that stands second in terms of the higher education network. The structure of Indian higher education is three layered, consisting of universities, colleges and courses. The universities and colleges work in unison with regulatory as well as accreditation bodies to deliver standardized education. Employability is the possession, by an individual of the qualities and competencies required to meet the changing needs of employers and customers for the realization of set goals. It is the fulfillment of employer's unique requirements. The concern for employability is growing more day by day with the advancement in educational sector on the magnitude of new reforms. India has one of the fastest growing economies in the world and the highest working age population. This article covers the concept of employability, Indian higher education system, pillars of an effective placement department and to study the role of governments in skill building and employment. The present study is based on secondary data. The data has been extracted from the various sources like research articles, publications from government of India, and authenticated websites. The study found that, in the evolving landscape of higher education, the placement department plays a pivotal role in bridging the gap between academic preparation and employability opportunities. The study also found that, industry integration is crucial for creating a seamless transition from classroom to career.

Keywords: Higher Education, Employability.

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I. INTRODUCTION

India is going to have the largest working age population in the world by 2030 but gainful employment for students from the general stream is a major challenge. Improving the employability of students requires a new vision with curricular support. The NEP-2020 has advocated for the integration of vocational education programmes into mainstream education in all education institutions in a phased manner. NEP-2020 further envisions that vocational courses will be available to students enrolled in all bachelors degree programmes.

II. OBJECTIVES OF THE STUDY

1. To study the concept of employability.
2. To study the Indian higher education system.
3. To study the pillars of an effective placement department
4. To study the role of governments in skill building and employment.

III. RESEARCH METHODOLOGY

The research paper is an exploratory research technique and the data collection is done mainly from the secondary data. The required data has been extracted from past literature, research articles, newspapers, published sources like reports, magazines, journals and the authenticated websites.

IV. REVIEW OF LITERATURE

- **Dr. Deepesh Divakaran (2024)** the article entitled "Enhancing Employability in Indian Higher Education: Challenges, Opportunities and Urgent Actions". This paper aims to provide a comprehensive analysis of the challenges and opportunities within the Indian higher education placement system, with a focus on actionable strategies to enhance student employability. The study found that, as the global economic landscape evolves, the demands on educational institutions to produce not only academically proficient but also industry ready graduates have intensified. Historically, the Indian higher education system primarily concentrated on academic instruction with less emphasis on the integration of career oriented training and

industry exposure. The study also found that, this focus has shifted dramatically over the last few decades, paralleling the country's economic liberalization and technological advancements.

- **Prakash P., Vasanth A. and Prof. Balaganapathy (2023)** the article entitled "Higher Education and Employability". This research paper proposes to analyze the available data through a thorough search and desk analysis of work already done on the related subject areas. Attempt will be made to explore the areas which are critical for the employability of our students coming out of higher educational institutions. The study found that a critical review of the job market and employability skills reveals a critical GAP in the skill set particularly soft skills need on the job. The study also found that providing full employment is not only a government objective rather it is implemented through the system of education and training. But organizations need employees at the entry level to have some basic skills which need to be imparted to them at the time of higher education and before entering the job market.
- **Sanjeev Kumar (2023)** the article entitled "Employability and Higher Education in India: An Empirical Analysis of Uttar Pradesh". The key objective of the paper is to explore the common perception of higher education graduates about their education for their realistic lives and also investigate the relationship between higher education and employability in Uttar Pradesh. The paper tries to build a conceptual understanding of employability relating to definition and measurement and model of employability along with evolving higher education system in Uttar Pradesh. The study also found that the system of higher education in Uttar Pradesh has been changed gradually from government higher education institution to private higher education institutions.
- **Malcolm Tigh (2023)** the article entitled "Employability: A Core Role of Higher Education". This article aims to review and synthesize the various arguments that have been made in favor of or against the adoption of employability as a core purpose or value of higher education. The article makes use of the techniques of systematic review. It discusses the origins and meaning of the term employability, its application and practice and the issues and critiques that it has raised. The study found that research and writing on employability in higher education is a significant and fast growing activity. The study also found that the increased emphasis on employability initiatives stresses the vocational purposes of higher education, viewing it as little more than final preparation for a lifetime of productive work.
- **Dr. R. S. Gill (2022)** the article entitled "India: Employability and Higher Education". In this article an attempt has been made to study Employability and Higher Education, initiatives taken by the government like provision in National Education Policy 2020, reimagining vocational education. In NEP 2020, the provisions are made to promote the traditional skills in youths in formal way, to cater with increasing unemployment and unrest among the youths of our country. Ministry of education with various agencies has successfully designed a vision document by considering multiple challenges of future. A very much appreciable initiative is as Lok Vidya i.e. important vocational knowledge developed in India. The study found that India has failed to produce world class universities like Harvard or Oxford. The study also found that, India produces a large number of graduates in professional courses like engineering and management a very small percentage of them are employable.

V. CONCEPT OF EMPLOYABILITY

Employability is the possession, by an individual of the qualities and competencies required to meet the changing needs of employers and customers for the realization of set goals. It is the fulfillment of employer's unique requirements. The requirements are in form of skills adjudged as essential for the achievement of organizational goals. The two types of skills required are classified as hard and soft.

Levels of Employability

Employability is a concept that can be scaled down to levels as determined by hierarchy of commitments and risks.

Level 1: Self Employment (Self Reliance)

Level 2: Private Employment (Industries)

Level 3: Public Employment (Government Establishment)

an understanding about the world of work are embedded in the education system.

- ❖ The ability to maintain employment and make transitions between jobs and roles within the same organization to meet new job requirements.
- ❖ The ability to obtain new employment if required i.e. to be independent in the labour market by being willing and able to manage their own employment transactions between and within organizations.

Employability is a vital word in consideration on platform of commerce and industry and higher education especially professional education. It has witnessed skill gaps into students wish to join industry. The concern for employability is growing more day by day with the advancement in educational sector on the magnitude of new reforms. India has one of the fastest growing economies in the world and the highest working age population. The country has a particular demand for skilled laborers, especially at the semi skilled level in various sectors. However, many young people find it challenging to acquire the skills employers demand. To approach the issue of youth employability, it is essential to distinguish two sides of the question. On the one hand, the demand side of the labour market and the other the supply side of the workforce. It is significant that in quantitative terms the vocational education and training system does not yet play a decisive role here. To understand whether the vocational education system can solve the problem of high youth unemployment the concept of employability is introduced. A critical analysis of the vocational education system in terms of the concept of employability follows.

VI. KEY AREAS OF EMPLOYABILITY SKILLS

- Traditional intellectual skills e.g. critical evaluation, logical, argument.
- Key skills communication, IT etc.
- Personal attributes motivation, self reliance.
- Knowledge of organizations and how they work

VII. INDIAN HIGHER EDUCATION SYSTEM

India has one of the largest higher education systems in the world that stands second in terms of the higher education network. The term higher education with respect to India denotes the tertiary level education that is imparted after 12 years of schooling (10 years of primary education and 2 years of secondary education). The entire higher education ecosystem in India comprises around 1000+ universities and 42,000+ colleges imparting exceptional education. All these institutions fall under the purview of the Ministry of Education. The Indian Institutes of technology (IITs), the Indian Institutes of Science (IISc), the National Institutes of Technology (NITs), Indian Institute of Science Education and research (IISERs) and Indian Institute of management (IIMs) have been featured in world top ranking institutions lists. The structure of Indian Higher education is three layered, consisting of Universities, Colleges and Courses. The universities and colleges work in unison with regulatory as well as accreditation bodies to deliver standardized education.

VIII. MISMATCH BETWEEN DEMAND AND SUPPLY FOR EDUCATION AND EMPLOYABILITY

A mismatch between supply and demand for education and employability can occur when there is a gap between the skills that workers have and the skills that employers are looking for. This can lead to unemployment, low wages and job dissatisfaction for individuals and can also have negative consequences for society. Following are some aspects of the mismatch between education and employability:

- ★ **Under and over skilling:** Some graduates are highly educated but are unable to meet employer expectations and end up taking jobs that are below their qualifications. Others may be in high demand and receive high wages.
- ★ **Skill shortages:** The skills required by the job market may not match the skills of graduates. This can lead to skill shortages, skill gaps and skill obsolescence.
- ★ **Slow curriculum updates:** Higher education institutions may have slow processes for updating their curricula.
- ★ **Supply and Demand:** The supply side of the skill formation market includes teaching, training and learning resources. The demand side refers to the skills that employers are looking for.
- ★ **Consequences:** Job mismatches can have serious consequences for individuals and society, including unemployment, low wages and job dissatisfaction.

Some reasons for the mismatch between demand and supply

- ❖ Governance issues.
- ❖ Jobs in the services sector may require a high level of knowledge but other jobs like delivery boy may not be preferred by educated people.

IX. ECONOMIC SURVEY 2023-24

Only 51% graduates employable. India's youth face skill gaps, hindering employability, challenges in skilling and entrepreneurship landscape outlined. According to the economic survey 2023-24 65% of India's

fast growing population is under the age of 35 and many lack the skills needed by a modern economy. It also stated that 51.25% of the country's youth is deemed employable, according to estimates. This is say to that about one in two graduates are not yet readily employable straight out of college. However, it must be noted that the percentage has improved from around 34% to 51.3% in the last decade.

Degree v/s Skill: Why is India producing graduates with low employability? Quotient

In 2023, an online talent assessment company, Mercer/Mettl, conducted a study titled "India's Graduate Skill Index 2023" which suggested that only 45% of Indian graduates applying for jobs possess the skills needed to meet the rapidly changing demands of the industry. The study evaluated data from 2500 campuses and 4,40,000 learners. The report indicates that it is easier to find candidates with high employability in non technical skills than those who are job ready for technical roles. Data from the report suggest that about 53% of Indian graduates are employable for top non technical jobs, compared to only 44% for top technical positions. Moreover, the demand for technical skills is diverse, with a generally low demand for individual skills. The report further reveals that employability rates across different college tiers are relatively similar showing minimal variations. Tier 1 colleges have an employability rate of 46%, Tier 2 colleges have 44% and Tier 3 colleges have 43%. However, graduates employability for technical skills is consistently lower than for non technical skills across all tiers.

X. FOUR PILLARS OF AN EFFECTIVE PLACEMENT DEPARTMENT

In the evolving landscape of higher education, the placement department plays a pivotal role in bridging the gap between academic preparation and employment opportunities. Four core pillars form the backbone of successful placement strategies and are integral in enhancing student employability.

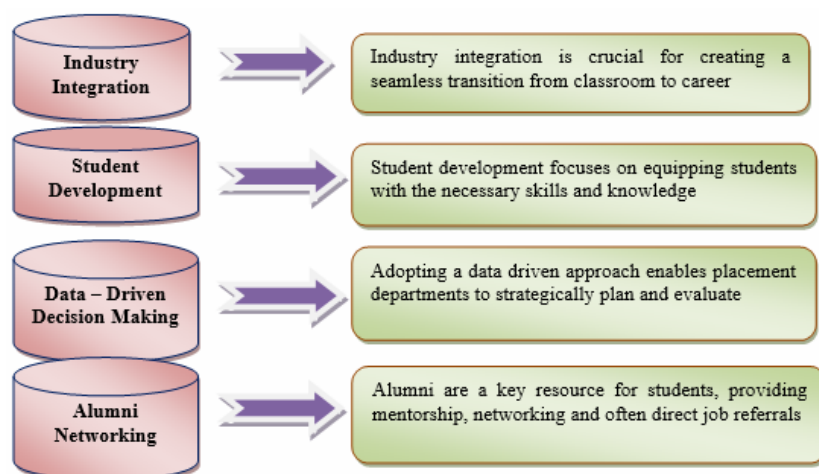


Figure 1: Pillars of an Effective Placement Department in Universities

XI. ROLE OF GOVERNMENTS IN SKILL BUILDING AND EMPLOYMENT

- ★ **Policy Formulation and Implementation:** Governments must create policies that support skill development and employment. These policies should address the needs of the labour market and ensure that educational institutions align their curricula with industry requirements. Effective policies can include tax incentives for companies that invest in employee training, subsidies for vocational training programmes and regulations that promote fair wages and working conditions. Establishing innovation hubs within universities that directly involve industry partners can also be promoted through policy initiatives, ensuring that students are exposed to cutting edge practices and technologies.
- ★ **Public - Private Partnership:** Collaboration between the public and private sectors is essential skill building initiatives. Governments can facilitate partnerships with private companies, educational institutions and nonprofit organizations to create comprehensive training programmes. These partnerships ensure that training is relevant to industry needs and that there are ample job opportunities for graduates.
- ★ **Investment in Education and Training Infrastructure:** Adequate financial support from the government is crucial for educational institutions to maintain and upgrade their facilities and resources. Governments should allocate resources to build and maintain state of the art training facilities, provide scholarships and financial aid to students and ensure access to quality education for all citizens. This includes investing in advanced technological infrastructure like computer labs, research equipment and digital learning tools which are essential for students to develop relevant skills for the digital economy. Government grants and

funding programmes can also support the development of new academic building, libraries and student facilities, enhancing the overall learning environment. This investment will pay dividends by creating a skilled workforce capable of driving economic growth.

- ★ **Labour Market Analysis and Forecasting:** Understanding labour market trends is crucial for effective skill development. Government should conduct regular labour market analyses to identify emerging industries and job roles. This data can inform the creation of targeted training programmes that equip workers with the skills needed for future jobs.
- ★ **Support for Innovation and Entrepreneurship:** Encouraging innovation and entrepreneurship can create new employment opportunities. Governments can support startups and small businesses through grants, loans and mentorship programmes. By fostering a culture of innovation, governments can stimulate job creation and economic diversification.
- ★ **Regulatory Reforms:** Regularity flexibility is essential for educational institutions to respond to fast paced industry changes. Governments can aid this by streamlining accreditation processes and reducing bureaucratic hurdles that often delay in curriculum updates. Simplify the approval process for new programmes and courses allows institutions to quickly introduce and modify academic offerings to better match the skills demanded by employers. Furthermore, enabling a higher degree of autonomy for universities could foster innovation in teaching and curriculum design, keeping pace with global educational standards and market demands. The government’s role in enhancing employability through education is multifaceted and indispensable. By providing a supportive policy framework, ample financial resources and a flexible regulatory environment, governments can empower educational institutions to produce graduates who are not only academically proficient but also equipped with the skills necessary to thrive in a dynamic job market. Such efforts are crucial for the economic vitality and technological advancement of any nation.

XII. TECHNICAL V/S NON-TECHNICAL POSITIONS; EMPLOYABILITY QUOTIENT

The employability landscape across various domains reveals distinct disparities between technical and non technical skills, finds the report highlighting areas of strength and concern:

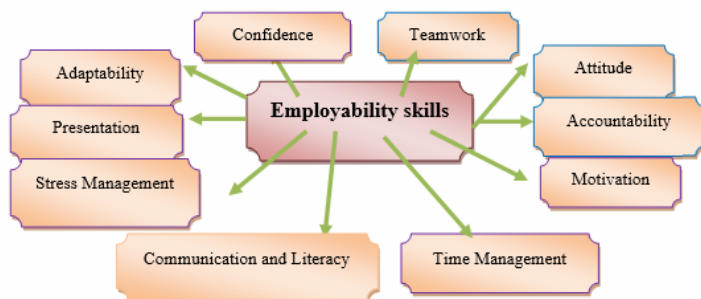
Technical Skills:

- ❖ Applied Mathematics leads the way with highest employability rate at 72% showcasing strong job readiness among graduates in this field.
- ❖ In the rapidly growing sector of Artificial Intelligence and Machine Learning (AI/ML), 48% of Indian graduates applying for roles are considered job ready, reflecting a moderate but improving skill match.
- ❖ Data centric roles such as data science and data analysis have an employability rate of 39% suggesting a need for more robust training and hands on experience.

Non-Technical Skills:

- ❖ Project Management has the lowest employability rate among top in demand non technical skills with 23% of graduates deemed employable, indicating a gap in practical management training and soft skills development.
- ❖ On the job skills demonstrate higher employability, with MS Office at 61% , accounting at 60% and numerical ability at 57% . These figures call for targeted skill development, particularly in areas where employability rates lag behind industry demands, ensuring that graduates are better equipped to meet the evolving requirements of the job market.

Employability skills are the personal attributes and transferable skills that employers value in potential hires. They are also known as soft skills



THE STUDY

Department plays a pivotal role in bridging the gap between classroom and career. It is necessary to strategically plan and evaluate their

- ❖ Alumni are a key resource for current students providing mentorship networking opportunities and often direct job referrals.
- ❖ The role of placement departments in Indian higher education institutions has undergone substantial transformation over the past few decades.

XIV. SUGGESTIONS

- ❖ Universities often host regular career fairs and industry specific workshops that enable students to engage directly with potential employers, gaining insights into the latest industry trends and expectations.
- ❖ Premier institutions implement comprehensive career development programs that encompass career counseling, leadership training and personal branding workshops. These programmes are tailored to help students to identify their career paths and develop the necessary competencies to thrive in those roles.
- ❖ Top-tier universities often utilize advanced analytics to track placement trends, employer satisfaction and student performance. By analyzing this data, institutions can tailor their programmes to better align with market needs and student preferences.
- ❖ Effective universities maintain active alumni networks through dedicated platforms and regular events that encourage alumni student interaction. They facilitate mentoring programs where alumni provide career guidance share industry insights and help students navigate their early career paths. Organize alumni meets guest lectures by distinguished alumni and exclusive job portals.

XV. CONCLUSION

The demand for labour in India is likely to remain high and robust in the coming years, both nationally and internationally. But this would demand skilled and qualified labour. The employability of Indian youth has emerged as a major concern in recent years. Ironically, it is not just the uneducated and untrained that lack skills but it is also the educated that consistently lie below the required standards. It is with this background that the study focuses on analyzing the growth and changing structure of the Indian higher education system in the light of the education profile of the Indian jobseekers, labour market demands and the employability index for India's high-growth sectors on the basis of existing skill gaps and suggests a broad pathway to plug in the gaps and missing links. A more robust demand for personnel in technical and professional services and a better employability index for the same sectors have probably led to skewed growth of the higher education sector. The greater challenge is therefore, to prepare our larger lot of the educated graduates from the general education streams for the emerging skill needs of employable youth.

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