



Media Release  
Bangalore  
23 August, 2016

## **VOCATIONAL EDUCATION IN INDIA CONTINUES TO RANK LOWER THAN ANY OTHER PROGRAM AND IS MIRED WITH LOW ESTEEM: TEAMLEASE REPORT**

Only 2% of the labour force have pursued formal skill training~

Despite the government spending more than Rs. 30,000 crores towards skill training, vocational skilling & education in India is still plagued by low esteem and demand supply mismatch states TeamLease Signalling Value of Skill Education and Hands on-job Report. According to the report, only 2% of the workforce has opted for formal skill training making it one of the least preferred streams of education. The report attributes the low penetration of vocational learning to the lack of appreciation for hands on training, limited upward mobility, weak labour market linkages and strong perception of labour as inferior which commands mere subsistent wages.

Further as per the report, apart from social standing, the current vocational education system has not been able to impress the employers either. Employers viewed vocational educated candidates to be marginally better than the untrained. In fact, most corporates were skeptical about the quality of training and hence provided the recruits with in-house training. They were also wary of trained candidates attiring within a short period.

### **KEY FINDINGS**

- A cultural bias and demand-supply mismatch characterize the Education-Employment paradox in the Skills Education and Hands-on Jobs market. There is an acute need to recognize that Hands-on jobs are an imperative and short-term skills education is a pragmatic route to creating and fulfilling on jobs at scale.
- With changing times, the caste system is all but defunct, especially as far as passing on traditional vocations to the younger generations is concerned. Therefore upward mobility is a distinct possibility for hitherto oppressed castes. However, the upper caste candidates are still holding on to brahminical biases and do not seem to wish to take to hands-on jobs.



- Candidate aspirations are disconnected from reality and academic education and white-collar jobs are what the young still dream about. However, hands-on jobs are seeing a big spurt in income levels and Ecommerce is single-handedly proving to be a transformational tool in this regard.
- The Indian society has a deep-rooted bias against hands-on jobs and believes that such jobs are meant for the underprivileged. A general disregard for labour and a cultural bias that also negatively influences work ethic contribute to adversely colouring the perceptions about hands-on jobs and skills education.
- Rising income levels have defied societal convention, thanks to the skewed demand supply dynamic. With hands-on jobs fetching better salaries than conventional engineering jobs, societal inequity may be ending and the negative perception may alter substantially over the next few years.
- With regard to the choice of hands-on jobs parental influence is found to be the major factor influencing candidate choice followed by mentors, siblings, friends and role models – in that order. Candidates perceive societal attitudes to change for the better, once they start earning.
- Out of the Of the six dimensions that make up the framework of signalling value of vocational education, Specialization, Certification, Reputation of the Institute and Course Term (short) have the greatest impact on Signaling of Skills Education.

Elaborating about the report, **Ms. Neeti Sharma, Senior Vice President, TeamLease Services** said, *“The skill education system in India is in shambles. It is perceived as a low value qualification by both the society and the employer. It course correction calls for a two pronged strategy. It necessitates building of institutions of better repute with better employer linkages and also adopting a strong advocacy initiative which can communicate the improved value as well as credence to all the stakeholders.”*

*“In countries like Austria and Germany more than 40% of the workforce comes through the vocational skilling route. But in India it is perceived as something that is for other’s children calling for a change in mindset both at the student as well as the industry level. In fact, to take advantage of the opportunities the country presents all stake holders would need to be fully aligned to the vocational skilling route.”* **added Mr. Vikrant Pande, Vice Chancellor, TeamLease Skills University**



A detailed analysis of the various factors governing vocational education, according to the report career decisions are still guided by non-professionals. As per the study an overwhelming 76% of respondents depended on parents to help them choose their careers, whereas only 53% of the candidates relied on teachers and career advisors.

Another startling revelation of the report was the growing expectation mismatch between the candidates and the employer. While corporates are struggling to fill their blue collar/skilled profiles, talent regardless of gender aspires to secure an administrative job. Desk jobs are ranked right at the top by talent.

TeamLease Signalling Value of skill education and hands on-job Report is a comprehensive study that delves into the 'Signaling Value' of skills education, mapping candidate aspirations and occupational options and modeling their decisions related to choice of jobs, career advancements and migrations. The current edition deals with the perceptions candidates and their influence networks hold about skills education and hands-on jobs. The survey was administered on 200 respondents across the key cities.

### **About TeamLease Services Limited**

Operating since 2002, today TeamLease is one of India's leading human resource service companies. Currently, the company has 8 offices and 1400 clients across the country. The company has is a one-stop provider of human resources services, offering staffing, payroll processing, recruitment, compliance and training services. TeamLease set in motion the larger company mission of 'Putting India to Work' by focusing on its vision of 3 Es – Employment, Employability and Education. The company in partnership with the Government of Gujarat, set up TeamLease Skills University (TLSU), India's first vocational university, at Vadodara. In FY2015, TeamLease rolled out NETAP (National Employability through Apprenticeship Program) to provide on-the-job training to apprentices. The company at present has about 125,000 associates/ trainees spread across the country and has till date given employment to 1.2 million people with an aim to hire millions more. For more details, visit [www.teamlease.com](http://www.teamlease.com).

### **About TeamLease Skill University**

TeamLease Skill University is India's first vocational university. TLSU seeks to address the gaps in Indian higher education system in relation to curricular irrelevance, graduate unemployability, low esteem for skill based programs and apathy to the informal workforce. Set in Vadodara, the curriculum is developed keeping employers at the heart of its programme. The university uses a multi-modal delivery model that will include classroom instruction, e-learning and on-the-job training and offers student the opportunity to full-time on-campus, part-time on-campus or online concurrent with their jobs. The university is also the brain



child behind NETAP (National Employability through Apprenticeship program) which is a PPP with CII and NSDC and operates under the NEEM guidelines of AICTE. NETAP offers students apprentices with over 100 employers across the country with concurrent enrolment into diploma or certificate courses on the cloud making it the only university that offers gives the dual advantage of a degree and experience.

**Media Contacts:**

Renu Praveen; [renu.praveen@adfactorspr.com](mailto:renu.praveen@adfactorspr.com); +91 9742279654| Sonakshi Murze; [sonakshi.murze@adfactorspr.com](mailto:sonakshi.murze@adfactorspr.com) ; +91 9742124240