

Market Research

SKILL REQUIREMENTS AMONG YOUNG PROFESSIONALS IN INDIA



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FOREWORD



India is considered the most attractive market by international investors, says a report released by Ernst and Young (2015) which also ranks India as the premier choice for investors worldwide. Clearly, Prime Minister Modi's Make in India, Digital India and Skill India campaigns have added great optimism amongst the global community who are looking to enter the Indian markets.

Skill development has attained great importance in India, and so has the interest of the international investment community working in this sector. The Prime Minister envisions an India that becomes the human resource capital of the world, where a skilled Indian workforce can cater to the labour force requirements in other countries. Trends are already in this favour,

with a survey conducted by the UN Department of Economic and Social Affairs (DESA) showing that India's population living abroad is the largest in the world with 16 million people living outside the country in 2015.

India adds 12 million people to its workforce every year and there are as many as 711 million people falling under the working age group of 15-59 years. Numerous reports from the Government of India identify that a significant proportion of this population requires additional or new skills.

Statistics also show that 47 per cent graduates in India are not employable due to lack of English language knowledge and cognitive skills. Additionally, unemployment is highest amongst graduates and those who have achieved higher level skills. While this is a relatively small percentage of the population, roughly 8 per cent, there are estimated to be 68 million graduates and more in India (Census of India 2011). Among these, most (over 60 per cent) are those who have a non-technical graduate degree. This implies that most graduates are in want of additional skills that can make them more employable as per the industry requirements.

Thus, the statistics mentioned above show that there is a need amongst the young workforce in India to

supplement their educational attainment with additional qualifications that can enhance their employability (be it in India or abroad). While English language certifications are popular, several non-English language certifications, such as professional qualifications, have also seen unprecedented growth and demand in recent years.

With the aim of better serving the Indian market generally, and Indian young professionals specifically, the British Council has undertaken this market research into the demand and supply of professional, technical and vocational qualifications to identify there is an unmet demand that exist to provide such courses in India. The research has focused on Young Professionals living in Tier I and selected Tier II cities, and the findings have been validated through interactions, focus group discussions, interviews and surveys with employers. The 7 sectors chosen for this study are not exhaustive, but they are sectors which we feel are key strengths of the UK, and where we feel the UK stakeholders can strongly contribute.

I hope you find the outcomes of this report useful and informative.

Alan Gemmell OBE
Director
British Council India

ACKNOWLEDGEMENTS

Conceptualising the skill requirements among young professionals in India has been a rewarding and challenging exercise. This was made easier for Ipsos Business Consulting because of the support that was received from various stakeholders. The team acknowledges, with grateful thanks, the useful information, references and support provided by the British Council. In addition, there are many people and

organisations who have contributed greatly towards the successful completion of this study. The team conveys sincere thanks to all of them for their generous support and contribution. We acknowledge that this report does not fully reflect the views of any of the stakeholders interviewed and we understand that certain views expressed in the report may not be shared by all stakeholders.

EXECUTIVE SUMMARY

India's workforce is ~711 million people strong in the working age group of 15-59 years and 12 million people are added to this workforce every year. There has been a pertinent need felt by young professionals and graduates in India to acquire additional skills and experience to help them stand out in an increasingly crowded marketplace. The need for additional language and employability skills has been highlighted in a number of recent reports. A report by Aspiring Minds highlighted that close to 47 per cent graduates in India are not employable in any industry due to their lack of English language knowledge and cognitive skills. Another report brought out in 2016 by the Associated Chambers of Commerce & Industry of India (ASSOCHAM) mentioned that only 20% of engineering graduates and 7% of management graduates are employable.

Against this backdrop, the British Council has conducted this market research to establish a baseline in terms of the demand for Professional Training and Assessment, English Language Training and Assessment and Other Training and Skill Assessments. The research has been carried out across 7 key sectors, namely: Auto and Auto Components, Banking, Financial Services and Insurance (BFSI), Construction & Infrastructure, Engineering, Healthcare, Tourism, Hospitality & Travel and Leadership & Management. In compiling this report, we accept that not all readers are interested in reading about all the sectors. As such, we have structured the report in a way that the reader is expected to read the sections on methodology and country overview to understand the context, sections on specific sectors that they are interested in, and the concluding section that summarises what similarities and differences there are across sectors.

The research methodology involved a mix of primary and secondary research. A total of 5520 qualitative and quantitative interviews was conducted with young professionals and employers across 12 cities in India. The findings from the qualitative and quantitative research were analysed to draw out insights & recommendations on skill requirements among young professionals, market opportunities for UK qualifications and training, effective methods of approach for businesses into this particular market etc.

The research highlights that the drivers for certifications and training vary across sectors. While work permit/ visa requirements are driving demand for health & safety certifications in the Construction & Infrastructure sector, recognition by employers in India is driving demand for certifications in the BFSI and Healthcare sectors. Most diploma holders and non-graduates at the junior level in the Auto & Auto Components sector prefer to undertake relevant training without any need for certifying their skills. However, young professionals feel the need for certifications in Healthcare, BFSI and Engineering sectors. International certifications are popular among young professionals in the Engineering, BFSI,

Construction & Infrastructure and Auto & Auto Components sectors. However, most of the demand for certifications in the Healthcare and Tourism, Hospitality & Travel sectors is met by domestic players. Middle level and senior level employees feel the need for international certifications for cross-functional requirements like Project Management, Leadership & Management, Finance & Accounting in most of the selected sectors due to global recognition by employers.

The report shows that intensity of competition for certifications and training is high in BFSI and Healthcare sectors, whereas intensity of competition is medium in the remaining sectors. Business potential for certifications and training is medium to high in the selected sectors. UK qualifications may consider targeting Construction & Infrastructure, Auto & Auto Components, Engineering and Tourism, Hospitality & Travel sectors as priority sectors whereas BFSI and Healthcare sectors can be targeted in their medium term- long term strategy.

UK qualifications should target middle level and senior level employees in the priority sectors. Though market potential is relatively low for these customer segments compared to ITI graduates, graduate pass and junior level employees, their price sensitivity is low to medium and they have a higher affinity towards international qualifications. There are various initiatives already in place by the Government of India to skill and train ITI graduates, graduate pass and junior level employees across sectors at affordable prices.

To become a preferred choice of qualifications provider for young professionals, UK qualifications should develop course content based on key skill sets and competency requirements across sectors. A blended approach of online and face-to-face mode like classroom training, case studies, action learning projects, live interactions with industry experts and professionals should be followed for delivery of training. There are 29 states and 22 official languages of India; hence a region-specific approach should be adopted. A mix of English and vernacular language should be used for delivery of training and courses. Pilot cities have also been identified for market testing of certifications and training. UK qualifications may consider matching the acceptable prices of certifications for young professionals.

Lack of awareness of internationally recognised qualifications among young professionals has been identified as one of the key limitations of the qualifications market in India. UK qualifications need to adopt a mix of above-the-line (ATL) and below-the-line (BTL) marketing campaigns along with partnerships with key stakeholders for awareness creation. UK qualifications should sensitise employers on the benefits of skill based certifications and also tap business opportunities for "Train-the-Trainer" programmes.

RESEARCH BACKGROUND & METHODOLOGY

The Indian economy is the seventh-largest economy in the world measured by nominal gross domestic product (GDP) and the third-largest in terms of purchasing power parity (PPP). India is a developing economy with an average growth rate of ~7% over the last two decades. The long-term growth prospects of the Indian economy are positive because of its demographic dividend advantage. More than half of India's population are below the age of 25 years. Also, more than 65% of India's population are below the age of 35 years. By the year 2020, India is expected to be the youngest country in the world, with a median age of 29 years. By the same year, China and Japan are forecasted to have a median age of 37 years and 48 years respectively. There are 68 million people who are graduates¹. India has emerged as a knowledge centre with English being the main language for 150 million people.

Against this backdrop, the British Council has conducted this market research to identify skill requirements among young professionals in India across 7 key sectors namely:

1. Auto and Auto Components,
2. Banking, Financial Services and Insurance (BFSI),
3. Construction & Infrastructure,
4. Engineering,
5. Healthcare,
6. Tourism, Hospitality & Travel and
7. Leadership & Management

The purpose of the study is to establish a baseline in terms of the demand for:

- Professional Training and Assessment,
- English Language Training and Assessment and
- Other Training and Skill Assessments

The research methodology involved a mix of primary and secondary research. The primary research phase utilised both qualitative and quantitative techniques.

The main objective of the qualitative research was to understand the interest and awareness of young professionals for professional qualifications (including how they identify need-gaps and where they get their information on the current job environment from). The secondary objective was to gauge their preferences for obtaining those qualifications in terms of mode of conducting examinations and delivery of training (online v/s face-to-face), price sensitivity and language preferences. In-depth qualitative interviews were conducted with 660 stakeholders across 12 cities in India to understand the skill requirements of young professionals. The stakeholders included both young professionals and employers. The majority of the stakeholders were young professionals in order to understand their motivations, awareness, approaches to information gathering and attitudes to prices.

The qualitative research provided insights on need-gaps, selection criteria, triggers and skills requirements. Key hypotheses developed from the secondary research and qualitative research, were tested with the help of quantitative research on a much larger sample size.

The quantitative research methodology involved a mix of face-to-face interviews, telephonic interviews and online surveys with stakeholders to understand the skill requirements for young professionals. In-depth quantitative interviews were conducted with 4860 stakeholders across 12 cities in India to validate the hypotheses of the qualitative research. The stakeholders involved a mix of young professionals and employers.

¹Census 2011 data

Table 1: Sample distribution of stakeholders interviewed during the study

STAKEHOLDERS	SAMPLES IN EACH CITY	CUMULATIVE SAMPLES FOR 12 CITIES	QUALITATIVE RESEARCH SAMPLES	QUANTITATIVE RESEARCH SAMPLES
Young professionals	400	4800	480	4320
Competitor’s customers ²	15	180	60	120
Government bodies & employers	15	180	60	120
Private employers	30	360	60	300
Total	460	5520	660	4860

The findings from the qualitative and quantitative research were analysed to draw out insights & recommendations on skill requirements among young professionals, market opportunities for UK qualifications and training, effective methods of approach for businesses into this particular market etc.

While care has been taken to ensure the accuracy of information, the report outcomes were affected by the following circumstances:

- The study does not cover all the job roles/profiles within a particular sector. Approximations and averages were made in order to account for all the profiles
- Employment numbers: For some sectors, the number of people employed currently is not available in the public domain. In such cases, data collected through industry expert interactions have been duly considered for baseline assessment.

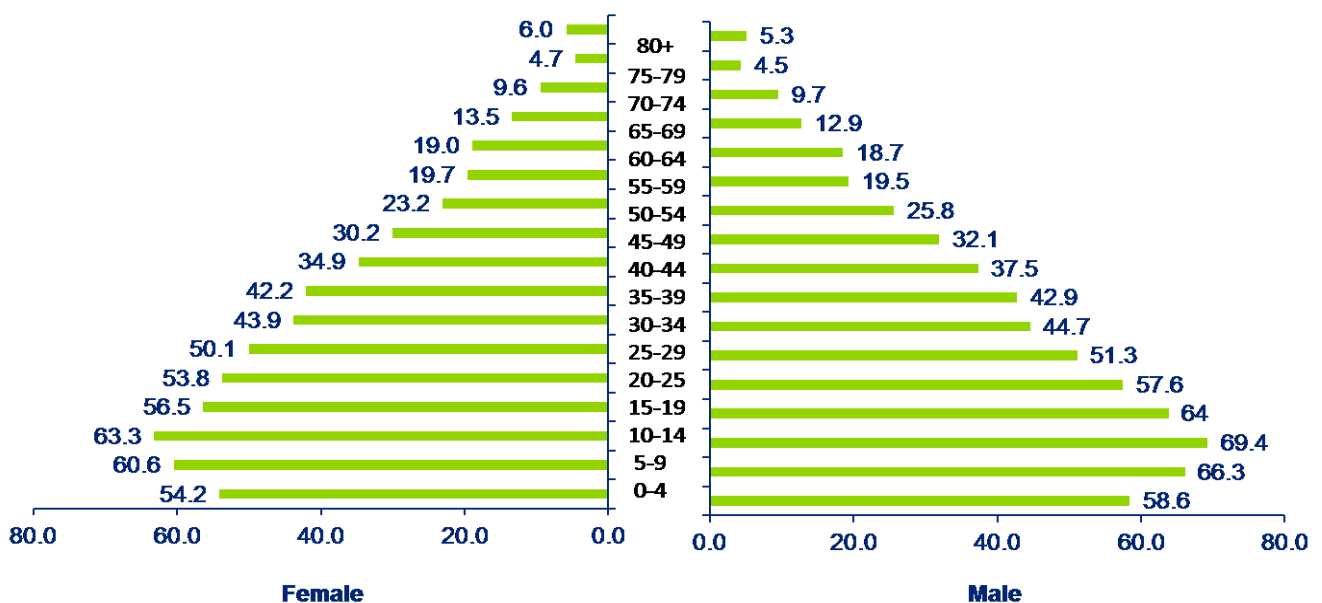
² Competitor's customers refer to young professionals undertaking certifications other than UK qualifications

COUNTRY OVERVIEW

India's workforce is ~711 million people strong in the working age group of 15-59 years till 2016 and 12 million people are added to this workforce every year³. It is estimated that one-third of the world's working age population will come from India by 2030. However, a majority of people are employed in the unorganised

sectors in India. The agriculture sector⁴ accounts for more than 50% of total employment followed by Construction & Infrastructure and Retail. However, there is a growing demand for highly skilled employees in the Auto & Auto Components, Healthcare, Engineering sectors etc.

Figure 1: India's demographic profile (population in millions)



Source: Economic Census, 2011

There is an opportunity for young professionals to get their skills certified, upgrade their knowledge and skill sets for better employment and career advancement.

Young professionals feel the need for effective training methods and updated course curricula. They feel that the current course curricula are skewed towards theory and less on the application of concepts. Course curricula are also not aligned with industry requirements. In the last few years, there has been a reduction in the share of new trainees in core engineering streams (civil, electrical and

mechanical engineering) due to lack of placement opportunities⁵.

Employers also feel that there is a disconnect between the current educational curriculum and industry requirements. They have to invest considerably in the training of employees to make them industry-ready. Core domain knowledge, result orientation, integrity and values and better aptitude feature among the key skills required by employers in young professionals⁶.

³ Overview of India's Evolving Skill Development Landscape, British Council, 2016

⁴ Ministry of Skill Development & Entrepreneurship data, 2013

⁵ Planning Commission Report (2007-2012)

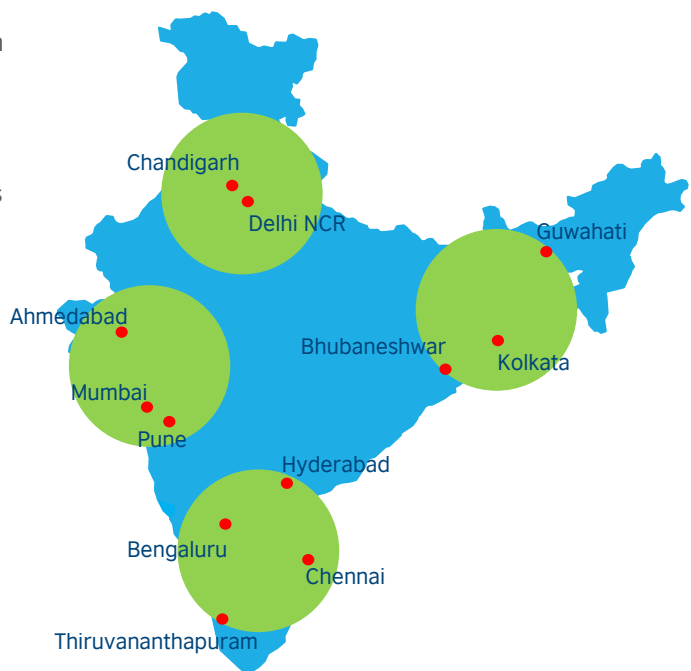
⁶ India Skills Report 2016

Table 2: Key sectors and sub-sectors covered during the study

SECTOR	DESCRIPTION
Auto & Auto Components	This sector includes automotive original equipment manufacturers (OEMs), automotive component manufacturers, service centres and dealerships
Banking, Financial Services and Insurance (BFSI)	This sector includes banking companies & NBFCs, broking houses, insurance, mutual funds and stock exchanges
Construction & Infrastructure	This sector includes building, construction and real estate, infrastructure, oil & gas etc.
Engineering	This sector includes heavy engineering and light engineering. Heavy engineering segments consist of heavy electrical, heavy engineering & machine tools and automotive. Light engineering segment comprises low technology products and high technology products.
Healthcare	This sector includes doctors, specialists, dentists, nurses, pharmacists, allied & other healthcare professionals etc.
Tourism, Hospitality & Travel	This sector includes restaurants, hotels, resorts and travel agent/ tour operators
Leadership & Management	This is a cross-functional sector

Figure 1: List of cities covered during the study

Some of the other important parameters for selection of these sectors were: the presence of UK qualification providers in the sector, the desirability of qualification in the sector and relevance to graduates at different education levels. The market research has been carried out in 12 cities across India. The cities have been selected based on the total number of graduates in the city, the presence of key sectors, zonal level coverage and uptake of existing UK qualifications.



*The outline map of India shows the administrative boundaries of the states and union territories of India only for reference, and these are not to scale.

Table 3: Presence of key sectors across surveyed cities in India

CITIES	AUTO AND AUTO COMPONENTS	BANKING, FINANCIAL SERVICES AND INSURANCE	CONSTRUCTION AND INFRASTRUCTURE	ENGINEERING	HEALTHCARE	TOURISM, HOSPITALITY AND TRAVEL	CROSS FUNCTIONAL
Ahmedabad				●			●
Bengaluru				●			●
Bhubaneswar				●			●
Chandigarh							●
Chennai	●		●				●
Delhi NCR	●	●				●	●
Guwahati						●	●
Hyderabad					●		●
Kolkata		●	●				●
Mumbai		●	●		●	●	●
Pune	●						●
Thiruvananthapuram					●		●

Source: Ipsos Business Consulting Analysis

The next few sections of the report will take a more in-depth look at the skills requirement among young professionals, market size for certifications and training, competition landscape and other key outcomes of the

qualitative and quantitative research for the selected sectors.

AUTO AND AUTO COMPONENTS

Middle level and senior level employees in the auto & auto components sector have the highest potential interest for internationally recognised qualifications due to the presence of a sizeable number of engineering graduates at these levels and the international focus of many companies in the sector. Internationally recognised certifications in Project Management, Quality Management and Leadership & Management are popular among middle level and senior level employees. Junior level employees are mostly Industrial Training Institute (ITI) graduates⁷ and diploma holders⁸ who prefer to undertake training without any need for certification. Most junior level employees rely on the employers and the government for their training requirements.

This chapter will review the opportunities for international qualifications and training in the auto & auto components sector in India.

The total employment in the sector in 2013 was estimated at ~10.98 million; this is expected to reach ~14.88 million by 2022. The information on the employment statistics, geographical presence and talent sourcing across levels within the sub-sectors are provided below.

Table 4: Detailed information on sub-sectors

SUB-SECTOR	EMPLOYMENT STATISTICS IN 2013 (in million) ⁹	GEOGRAPHICAL PRESENCE	TALENT SOURCING AT JUNIOR LEVEL	TALENT SOURCING AT MIDDLE LEVEL	TALENT SOURCING AT SENIOR LEVEL
Original equipment manufacturers (OEM)	1.87	Delhi/NCR, Tamil Nadu, Maharashtra, Karnataka	~70% ITI graduates, 25% diploma holders	~50% engineering graduates, 20% diploma holders, 10% ITI graduates	Mostly engineering graduates and post-graduates
Auto component manufacturers	4.81	Delhi/NCR, Tamil Nadu, Maharashtra, Karnataka, Gujarat, Jharkhand	~50% 12 th standard pass ¹⁰ or below, 30% ITI graduates, 15% diploma holders	~45% diploma holders, 30% ITI graduates, 15% engineering graduates	Mostly engineering graduates and post-graduates
Service centers	2.80	Pan India	~60% 12 th standard pass or below, 25% ITI graduates, 10% diploma holders	~40% diploma holders, 30% ITI graduates, 10% engineering graduates	Mostly engineering graduates and diploma holders
Dealerships	1.50	Pan India	~50% graduates, 25% diploma holders, 15% 12 th standard pass or below	~60% graduates, 30% diploma holders	Mostly graduates and post-graduates

⁷ Equivalent to National Vocational Qualifications at level 2 or 3 depending on the course

⁸ Equivalent to a Higher National Certificate/ Diploma or Foundation Degree

⁹ Equivalent to National Vocational Qualifications at level 2 or 3 depending on the course

¹⁰ Equivalent to A-Levels

Most of the junior level employees in the OEMs, auto component manufacturers and service centers are ITI graduates, diploma holders and 12th standard pass or below. However, university graduates account for ~50% of the total junior level employees in dealerships and are primarily involved in sales roles. Science graduates (for example Bachelor of Science) are generally preferred for sales roles in the sector. Dealerships and service centres are often co-located. ITI graduates are provided role-specific training in their curriculum. Most of the

engineering graduates possess a degree in Mechanical Engineering/ Automobile Engineering. The research for the auto & auto components sector was primarily carried out in Chennai, Pune, Delhi/ NCR and Mumbai cities based on the number of companies operating in the sector, employment potential and a number of colleges offering courses in this sector. Key skill requirements identified among young professionals in the sector include.

Table 5: Skills requirement in auto & auto components sector in India

	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL
AUTO AND AUTO COMPONENTS	Welding techniques, machine handling skills, safety procedures, standard operating procedures, production processes and quality concepts, soft skills ¹¹	Market and product knowledge, technical and commercial knowledge, inventory management, project management, quality management, budgeting, audits	Sales & marketing, customer management, leadership & management, project management

There are many national and international companies offering certifications and training to meet most of these skill requirements in the auto & auto components sector. However, awareness levels about internationally recognised certifications and training is low to medium among young professionals.

MARKET SIZE

The table below shows the total market size¹² for all domestic and international certifications and training in India. We believe that the target audience for most international qualifications are middle and senior level employees.

Table 6: Market size for domestic and international certifications and training

	ITI GRADUATES	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL	TOTAL
Total requirement of certifications (million)	0.99	2.55	0.91	0.18	4.63
Market size for certifications (INR billion)	9.40	24.24	8.66	1.73	44.03
Total requirement of training (million)	0.40	1.02	0.36	0.07	1.85

COMPETITION LANDSCAPE

Certifications provided by national and international companies are equally popular among young

professionals. The list of key certifications along with the details of domestic and international certification providers is provided below.

¹¹ Soft skills include listening skills, communication skills, confidence, team work, positive attitude etc.

¹² Methodology for market size is provided in the technical annexures

Table 7: Key certifications being offered by domestic and international competition

SECTOR	CERTIFICATION	DOMESTIC PLAYERS	INTERNATIONAL COMPETITION
AUTO & AUTO COMPONENTS	CAE – Certificate in Automobile Engineering	<ul style="list-style-type: none"> Auto Institute, India Institute of Integrated Management & Engineering 	
	Quality Management System Certification	Bureau of Indian Standards	<ul style="list-style-type: none"> SGS (Switzerland) TUV SUD (Germany) Bureau Veritas (France)
	Energy Management	Bureau of Energy Efficiency	SGS (Switzerland)

The table below shows examples of some certifications along with their price points and duration.

Table 8: Price points¹³ and duration of the select certifications

SECTOR	CERTIFICATION	PRICE	DURATION
AUTO & AUTO COMPONENTS	CAE - Certificate in Automobile Engineering	INR 27,000	5 months
	DATES - Diploma in Automobile Engineering Services	INR 30,000	12 months
	DAT - Diploma in Automobile Technology	INR 25,000	12 months

The following sections provide insights on the certifications and training market in India based on the qualitative and quantitative interviews with young

professionals and employers. The sample personas of young professionals interviewed during the study for the auto & auto components sector are provided below.

Table 9: Sample personas of the young professionals

CUSTOMER SEGMENTS	AGE GROUP (21-35 YEARS)	EDUCATIONAL CLASSIFICATION	EXPERIENCE LEVELS	PERSONAL INCOME LEVEL	CAREER ASPIRATIONS
ITI graduates	21-24 years	ITI graduates	No experience	No personal income	Looking for employment opportunities
Junior level employees	21-24 years	Non-graduates, graduates and above	0-3 years	< INR 3,00,000 per annum	Career growth and better employment opportunities
Middle level employees	24-29 years	Non-graduates, graduates and above	3-8 years	INR 3,00,000 – INR 5,00,000 per annum	Career growth and better employment opportunities
Senior level employees	29-35 years	Non-graduates, graduates and above	8 years and above	> INR 5,00,000 per annum	Career growth and better employment opportunities

ITI GRADUATE PERSPECTIVE

Key findings from the research include:

Sources of awareness: Peers are the main sources of information for certifications and training.

Influencers/ decision makers: Family members, colleges and peers primarily contribute in influencing ITI graduates to take up certifications for a specific skill.

Training mode: The majority of the ITI graduates in this study prefer face-to-face mode for training.

¹³ The prices are excluding service tax

AUTO AND AUTO COMPONENTS

Price range: The majority of ITI graduates are price sensitive and certifications up to INR 5,000 have higher acceptance.

Duration: The preferred duration of a course for ITI graduates is ~2-6 months.

Soft skill requirement: Majority of ITI graduates feel the need for soft skills requirements.

Language preference: Most ITI graduates prefer a mix of English and vernacular language¹⁴ for communication in training and courses.

EMPLOYEE PERSPECTIVE

Key findings from the research include

Motivating factors: Promotions and better employment opportunities within/outside the industry are the key motivating factors for undertaking certification and training amongst all three categories of junior, middle and senior level employees.

Sources of awareness: Peers and the internet are the main sources of information about certifications and training for junior level and middle level employees.

Senior level employees rely on peers and industry events for information on relevant skill based certifications.

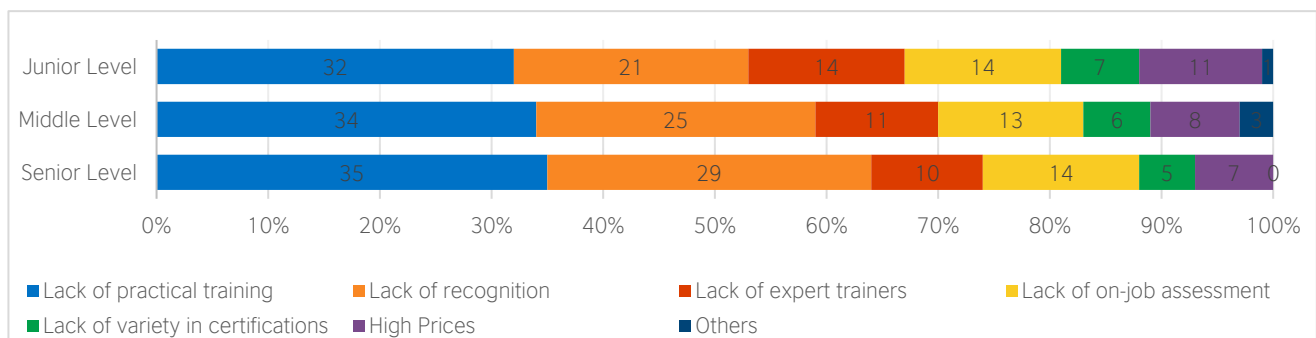
Influencers/ decision makers: Peers contribute primarily to decision making of junior level employees to take up certifications in a specific skill in this sector. Recruitment agencies and the alumni network are key influencers for middle level and senior level employees.

Selection criteria: Recognition by employers and prices are the key selection criteria for junior level and middle level employees in choosing certification and training. Senior level employees give more weight to the reputation of trainers, course content and recognition by employers in their decision making.

Preferred training institutes: Close to 35% of young professionals prefer private training institutes for undertaking training in the sector.

Need gaps: Lack of recognition of certification by employers is a major need gap with the certifications available in the sector. Key need gaps in the training requirements include lack of practical training and lack of quality trainers in the sector.

Figure 3: Major need gaps of certification and training providers



Source: Ipsos Business Consulting Primary / Analysis

Training mode & criteria: Young professionals prefer a blended approach of online and face-to-face modes of training. Most young professionals prefer computer-based examination for certifications except non-graduates at the junior level.

Cross-functional requirements: ~40% of junior level employees believe that Marketing & Communications is

an important skill set worth pursuing recognition through some form of certification. However, most of the demand can be met from domestic certifications. More than 30% of middle level and senior level employees believe that internationally recognised certifications for Leadership & Management and Project Management can provide them with a distinct advantage in their career.

¹⁴ Refer to Table 11 for details on vernacular languages

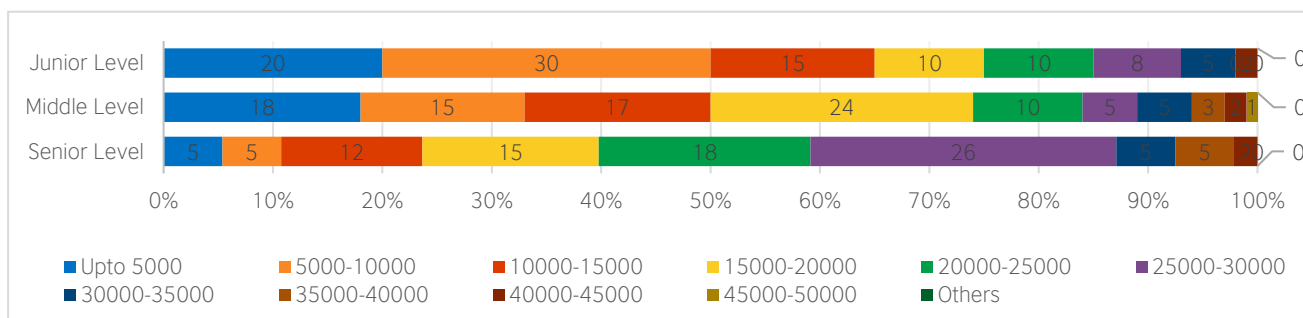
Table 10: Requirement of industry-specific, sector-specific and cross-functional skills

INDUSTRY SPECIFIC	SECTOR SPECIFIC	LEADERSHIP & MANAGEMENT	SALES & MARKETING	FINANCE & ACCOUNTING	HEALTH & SAFETY	PROJECT MANAGEMENT
10%	35%	10%	20%	5%	10%	15%

Price range: Certifications ranging from INR 25,000-30,000 have higher acceptability amongst senior level employees. While certifications in the range of INR 15,000-20,000 are preferred by middle level employees,

junior level employees prefer INR 5,000-10,000 price bracket. Amongst junior level employees, non-graduates prefer certifications of the amount less than INR 5,000.

Figure 4: Preferred price range



Source: Ipsos Business Consulting Primary / Analysis

EMPLOYER PERSPECTIVE

Recruitment arrangement: A mix of small, medium and large companies in the organised and unorganised sub-sectors were approached for the study. Majority of the unorganised players outsourced recruitment to third parties. Even in the organised sub-sectors, 40% of employers outsource recruitment to third parties for junior, middle and senior level employees. ~30% of employers in the organised sub-sectors assess candidates based on CV shortlisting and assessment tests.

While selecting junior level employees, employers prefer candidates with basic level certification and training in the sector. Relevant work experience assumes significant importance in the selection of middle level and senior level employees.

Certification requirements: Majority of employers are of the opinion that ~35% of its junior level employees would benefit from certifications and training. The benefits for middle level and senior level employees from certifications and training is expected to the tune of ~25% and ~15% respectively. Most employers believe that the certification needs for junior level employees can be met through domestic certifications, however

international certifications would be beneficial for middle level and senior level employees.

Training arrangement: ~40% of employers conduct in-house training for their employees while industry trainers and third-party training contribute to 50% of training. Most of the training is job-related training and does not certify employees.

Need gaps: Lack of practical training to employees is the major need gap in the current training provided to employees.

Key decision maker: Types of training to be provided to employees is primarily decided by the relevant Company’s Human Resource Manager. Private training providers are the most preferred to meet the company’s training needs.

Selection criteria: ~65% of employers give preference to key parameters such as the relevant experience of the training institute, training duration and provision for on-the-job training while selecting a training institute.

Fund allocation: The average annual training budget per employee¹⁵ is in the range of INR 10,000-12,500 in the sector. Employers are willing to spend maximum

¹⁵ Ipsos Business Consulting Analysis

funds on the training of junior level employees followed by middle level and senior level employees.

Based on the ITI graduate, employee and employer’s perspectives, the following information can be deduced:

- Colleges, peers, recruitment agencies and alumni networks are key influencers/decision makers as young professionals seek their opinion for career growth opportunities.
- The prime motivation for undertaking certification & training is better employment opportunities. The top 3 selection criteria therefore are recognition by employers, prices and course content. Additionally, young professionals seek to obtain maximum benefits from the investment in certification & training so look for opportunities where such benefits are clearly set out.
- ITI graduates and junior level employees are highly price sensitive, whereas the price sensitivity is medium to low for middle level and senior level employees. Price sensitivity is dependent upon the income of an employee.
- Ideal course duration is 2-6 months for ITI graduates and junior level employees whereas preferred

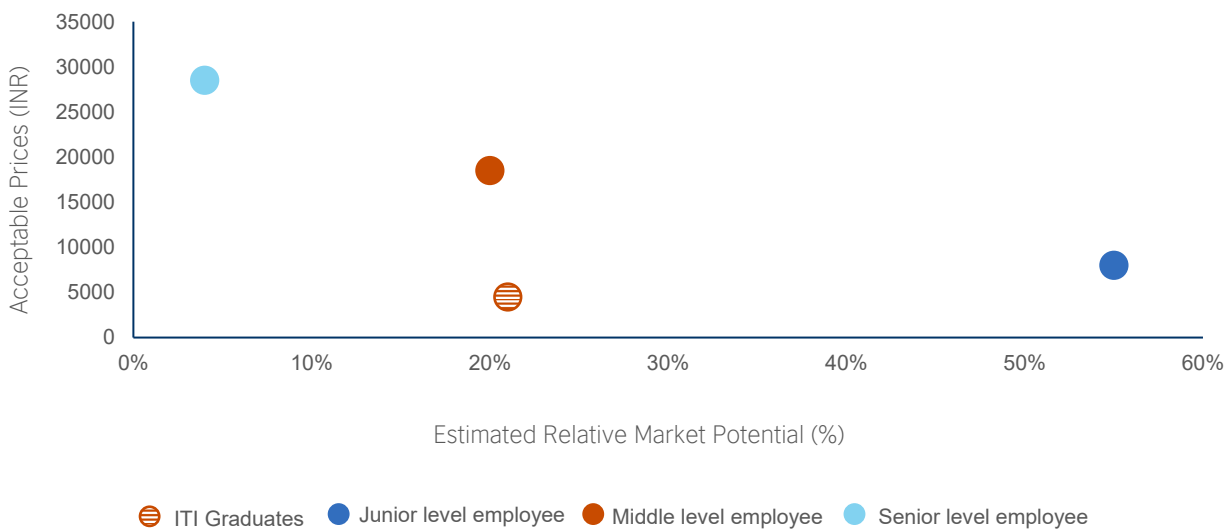
course duration is 2-4 months for middle level and senior level employees due to high work pressure.

- A blend of online and face-to-face modes is preferred for delivery of training. Most young professionals except ITI graduates and non-graduates at the junior level prefer computer-based examination for certifications.
- Soft skills requirements are maximum for ITI graduates and junior level employees due to no/lower work experience and limited industry exposure.
- A mix of English and vernacular language (see Table 11 for list of vernacular languages) is preferred for delivery of training and courses as most young professionals are comfortable in their vernacular languages.

ATTRACTIVENESS OF CUSTOMER SEGMENTS

A plot of acceptable price¹⁶ v/s estimated relative market potential¹⁷ for young professionals at different levels in the auto & auto components sector is provided below.

Figure 5: Acceptable price v/s estimated relative market potential



Source: Ipsos Business Consulting Analysis

The market size is relatively less for middle level and senior level employees as compared to ITI graduates

and junior level employees but their price sensitivity is medium- low.

¹⁶ Acceptable prices have been derived from primary research and competitor’s pricing from secondary research

¹⁷ Estimated relative market potential for number of certifications

GO-TO-MARKET STRATEGY

The business potential¹⁸ for certifications and training in the auto & auto components sector is medium and the competition intensity¹⁹ is also medium.

Table 11: Go-to-market strategy in the auto & auto components sector

TARGET CUSTOMER SEGMENTS	TARGET CITIES	PREFERRED LANGUAGE	POTENTIAL COLLABORATORS
Middle level and senior level employees	Chennai, Pune and Ahmedabad	Chennai- English and Tamil Pune- English, Hindi and Marathi Ahmedabad- English, Hindi and Gujarati	Automotive Skills Development Council, Society of Indian Automobile manufacturers, leading sector companies, recruitment agencies, regional training providers



¹⁸ The business potential refers to the market size. Rating has been done in terms of high, medium and low based on the relative market size

¹⁹ Rating for competition intensity has been derived from primary interactions with stakeholders

BANKING, FINANCIAL SERVICES AND INSURANCE (BFSI)

The intensity of competition is high in the certifications and training market in the BFSI sector. The certification requirements for junior level employees is primarily being met by domestic players whereas certifications provided by USA players are popular among middle level and senior level employees. The internationally recognised cross-functional certifications in Leadership & Management can provide a distinct career advantage to middle level and senior level employees. The majority of young professionals in the sector are university graduates.

This chapter will review the opportunities for international qualifications and training in the BFSI sector in India.

The total employment in the sector in 2013 was estimated at ~2.55 million; this is expected to reach 4.25

million by 2022. The information on the employment statistics, geographical presence and talent sourcing across levels within the sub-sectors are provided below.

Table 12: Detailed information on sub-sectors

SUB-SECTOR	EMPLOYMENT STATISTICS IN 2013 (in million) ²⁰	GEOGRAPHICAL PRESENCE	TALENT SOURCING AT JUNIOR LEVEL	TALENT SOURCING AT MIDDLE LEVEL	TALENT SOURCING AT SENIOR LEVEL
Banking & Non-banking financial company (NBFC)	1.89	Pan India	~55% graduates, 35% diploma holders ²¹	~60% graduates, 25% post-graduates	Mostly graduates and post-graduates
Insurance	0.34	Pan India	~60% graduates, 25% diploma holders, 10% 12 th standard pass ²² or below	~50% graduates, 20% diploma holders, 15% post-graduates	Mostly graduates and post-graduates
Mutual funds	0.16	Tier-1 cities ²³	Mostly graduates and post-graduates	Mostly graduates and post-graduates	Mostly graduates and post-graduates
Broking houses	0.08	Tier-1 and tier-2 cities	~45% graduates, 40% diploma holders	~50% graduates, 30% diploma holders, 10% post-graduates	Mostly graduates and post-graduates
Stock exchanges	0.08	Tier-1 cities	Mostly graduates and post-graduates	Mostly graduates and post-graduates	Mostly graduates and post-graduates

Most university graduates in this sector have a Bachelor's degree in Commerce/ Economics/ Management/ Statistics. MBA (Finance) is the most preferred post-graduation degree.

The research for the BFSI sector was primarily carried out in Mumbai, Delhi/NCR, Kolkata and Chennai cities based on the number of companies operating in the sector, employment potential and a number of colleges

²⁰ Ministry of Skill Development & Entrepreneurship data, 2013

²¹ Equivalent to a Higher National Certificate/ Diploma or Foundation Degree

²² Equivalent to A-Levels

²³ Based on Reserve Bank of India (RBI) classification, tier-1 cities include cities with population 1,00,000 and above. Tier-2 cities have population between 50,000-99,999 whereas the population for tier-3 cities lies between 20,000-49,999.

offering courses in this sector. Key skill requirements identified among young professionals in the sector include:

Table 13: Skills requirement in the banking, financial services and insurance sector in India

	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL
BANKING, FINANCIAL SERVICES AND INSURANCE	Knowledge of legal and regulatory norms, product knowledge, understanding of customer requirements, data analytics, soft skills ²⁴	Domain knowledge, technology orientation, financial modelling, sales & customer service, knowledge of banking operations, credit appraisal, risk management, asset-liability mismatch	Leadership & Management, project management, products design, sales and business strategy development

There are many national and international companies offering certifications and training to meet most of these skill requirements in the BFSI sector. The awareness level of internationally recognised certifications and training is medium among young professionals.

MARKET SIZE

The table below shows the total market size²⁵ for all domestic and international certifications and training in India. We believe that the target audience for most international qualifications are the middle and senior level employees.

Table 14: Market size for domestic and international certifications and training

	GRADUATE PASS	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL	TOTAL
Total requirement of certifications (million)	0.35	0.63	0.14	0.15	1.27
Market size for certifications (INR billion)	5.08	9.21	1.97	2.19	18.45
Total requirement of training (million)	0.18	0.32	0.07	0.08	0.65

COMPETITION LANDSCAPE

Certifications offered by international companies are more popular among middle level and senior level employees. The list of key certifications along with the

details of domestic and international certification providers is provided below.

Table 15: Key certifications being offered by domestic and international competition

SECTOR	CERTIFICATION	DOMESTIC PLAYERS	INTERNATIONAL COMPETITION
BANKING, FINANCIAL SERVICES & INSURANCE	Certificate Programme in Finance and Accounting	<ul style="list-style-type: none"> Institute for Finance, Banking and Insurance National Institute of Business Management 	<ul style="list-style-type: none"> CFA Institute (USA) Institute of Management Accountants (USA)
	Credit Management	<ul style="list-style-type: none"> Association of International Wealth Management of India National Institute of Securities Markets 	National Association of Credit Management (USA)
	Risk Management	<ul style="list-style-type: none"> FLIP Risk Pro IIRM 	Global Association of Risk Professionals (USA)

²⁴ Soft skills include listening skills, communication skills, confidence, team work, positive attitude etc.

²⁵ Methodology for market size is provided in the technical annexures

The table below shows examples of some certifications along with their price points and duration.

Table 16: Price points²⁶ and duration of the select certifications

SECTOR	CERTIFICATION	PRICE	DURATION
BANKING, FINANCIAL SERVICES & INSURANCE	Certificate Programme in Finance & Accounting	INR 35,000	3 months (approx.)
	Certified Credit Research Analyst (CCRATM)	INR 40,000	Exam based (no specified duration)
	Chartered Financial Analyst (CFA) – Level 1	INR 50,000 (approx.)	Exam based (no specified duration)
	Financial Risk Management (FRM) – Level 1	INR 45,000 (approx.)	Exam based (no specified duration)
	Certified Private Banking Manager (CPBM)	INR 25,000	Exam based (no specified duration)

The following sections provide insights on the certifications and training market in India based on qualitative and quantitative interviews with young

professionals and employers. The sample personas of young professionals interviewed during the study for the BFSI sector are provided below.

Table 17: Sample personas of the young professionals

CUSTOMER SEGMENTS	AGE GROUP (21-35 YEARS)	EDUCATIONAL CLASSIFICATION	EXPERIENCE LEVELS	PERSONAL INCOME LEVEL
Graduate pass	21-24 years	Graduates	No experience	No personal income
Junior level employees	21-24 years	Non-graduates, graduates and above	0-3 years	< INR 3,00,000 per annum
Middle level employees	24-29 years	Non-graduates, graduates and above	3-8 years	INR 3,00,000 – INR 5,00,000 per annum
Senior level employees	29-35 years	Non-graduates, graduates and above	8 years and above	> INR 5,00,000 per annum

GRADUATE PASS PERSPECTIVE

Key findings from the research include:

Sources of awareness: The internet and peers are the main sources of information for certifications and training.

Influencers/ decision makers: Peers, family members and colleges contribute ~65% in influencing graduates to take up certifications for a specific skill in the BFSI sector.

Training mode: The majority of graduates in the sector prefer face-to-face mode for training as they can get their queries resolved immediately.

Price range: The graduates are price sensitive and certifications ranging between INR 5,000-10,000 have higher acceptance.

Duration: The ideal duration of a course for graduates is ~2-6 months.

Soft skill requirement: The graduates prefer including soft skill training as part of their domain training.

Language preference: Most graduates prefer the English language for communication in training and courses.

²⁶The prices are excluding service tax

EMPLOYEE PERSPECTIVE

Key findings from the research include:

Motivating factors: Promotions and better employment opportunities within/ outside the industry are the key motivating factors for undertaking certification and training amongst all three categories of junior, middle and senior level employees.

Sources of awareness: Peers and the internet are the main sources of information about certifications and training for junior level and middle level employees. Senior level employees rely on peers and industry events for information on relevant skill based certifications.

Influencers/ decision makers: Peers contribute primarily in decision making for junior level employees to take up certifications in a specific skill in this sector.

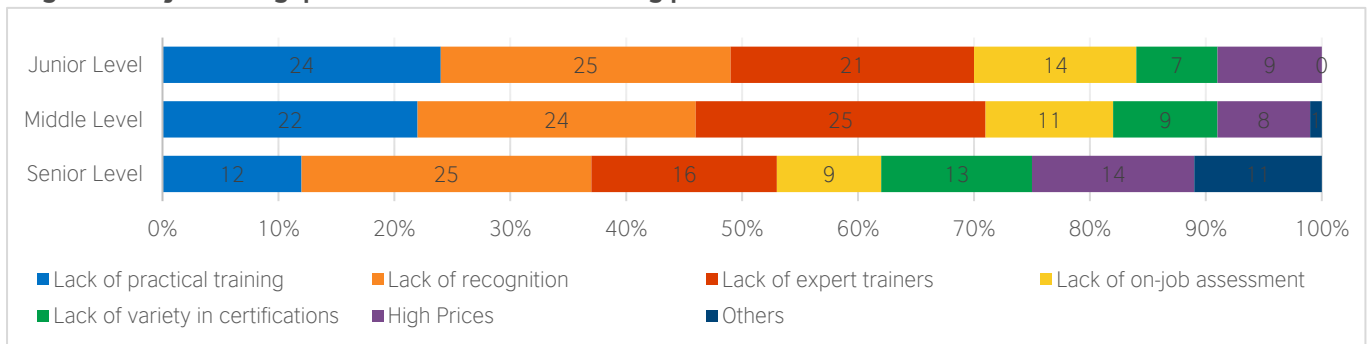
Peers and recruitment agencies are the key influencers for middle level and senior level employees.

Selection criteria: Recognition by employers and prices are the key selection criteria for junior level employees in choosing certification and training. Senior level employees give more weight to the course content and recognition of certification by employers in their decision making.

Preferred training institutes: Close to 40% of young professionals prefer private training institutes for undertaking training in the BFSI sector.

Need gaps: Lack of recognition of certification by employers is a major need gap with the certifications available in the sector. Key need gaps in the training requirements include lack of practical training and lack of quality trainers.

Figure 6: Major need gaps of certification and training providers



Source: Ipsos Business Consulting Primary / Analysis

Training mode & criteria: Young professionals prefer a blended approach of online and face-to-face modes for training. They prefer to study the course material online, supplemented with practical training.

Most young professionals prefer computer-based examination for certifications except non-graduates at the junior level.

Marketing & Communications are important skill sets worth pursuing recognition through some form of certification. The demand can be met through domestic as well as international certifications. ~30% of middle level and senior level employees believe that internationally recognised certifications for Leadership & Management can provide them with a distinct advantage in their career.

Cross-functional requirements: ~65% of junior level employees believe that Finance & Accounting and

Table 18: Requirement of industry-specific, sector-specific and cross-functional skills

INDUSTRY SPECIFIC	SECTOR SPECIFIC	LEADERSHIP & MANAGEMENT	SALES & MARKETING	FINANCE & ACCOUNTING	HEALTH & SAFETY	PROJECT MANAGEMENT
15%	30%	10%	20%	25%	0%	5%

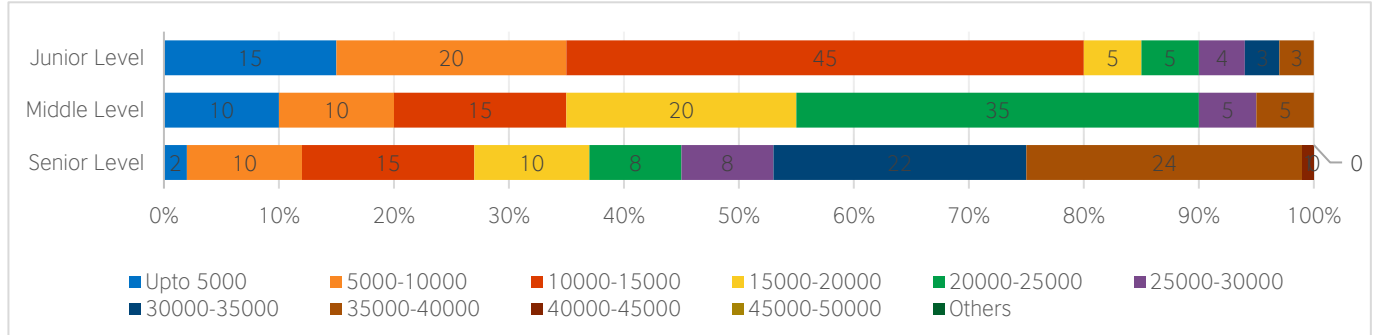
Price range: Certifications ranging from INR 35,000-40,000 have higher acceptability amongst senior level

employees. While certifications in the range of INR 20,000-25,000 are preferred by middle level employees,

junior level employees prefer the INR 10,000-15,000 price bracket. Amongst junior level employees, non-

graduates prefer certifications of the amount less than INR 10,000.

Figure 7: Preferred price range



Source: Ipsos Business Consulting Primary / Analysis

Duration: The ideal duration for a course for junior level employees is ~2-6 months. From middle level and senior level employees, the course duration primarily ranges from ~2-4 months.

Soft skill requirements: The need for soft skill training is high among junior level and middle level employees.

Language preference: English is the most preferred language among junior level, middle level and senior level employees for communication during training and courses.

EMPLOYER PERSPECTIVE

Recruitment arrangement: A mix of small, medium and large companies were approached for the study. ~50% of employers conduct in-house recruitment for junior, middle and senior level employees. Most of the employers assess candidates based on CV shortlisting and assessment tests.

While selecting junior level employees, employers prefer candidates who possess basic level certification in the sector. Middle level and senior level employees with the relevant work experience and advanced level certification in the domain are preferred by employers.

Certification requirements: The majority of employers are of the opinion that ~35% of its junior level employees would benefit from certifications and training. The benefits for middle level and senior level employees

from certifications and training is expected to the tune of ~25% and ~20% respectively. Most of the employers believe that the certification needs for junior level employees can be met through domestic certifications, however international certifications would be beneficial for middle level and senior level employees.

Training arrangement: Industry trainers and third-party training contribute to ~50% of training while 44% of the employers conduct in-house training for their employees. Most of the training is job-related training and don't certify employees.

Need gaps: Lack of expert trainers is the major need gap in the current training provided to employees.

Key decision maker: Types of training to be provided to employees is primarily decided by the company's Human Resource Manager. Private training providers are most preferred to meet the company's training needs.

Selection criteria: ~50% of employers give preference to key parameters like the relevant experience of the training institute, prices and course duration while selecting a training institute.

Fund allocation: The average annual training budget per employee²⁷ is in the range of INR 10,000-15,000 in the BFSI sector. Employers are willing to spend maximum funds on the training of junior level employees followed by middle level and senior level employees.

²⁷ Ipsos Business Consulting Analysis

Based on the graduate pass, employee and employer’s perspectives, following information can be deduced:

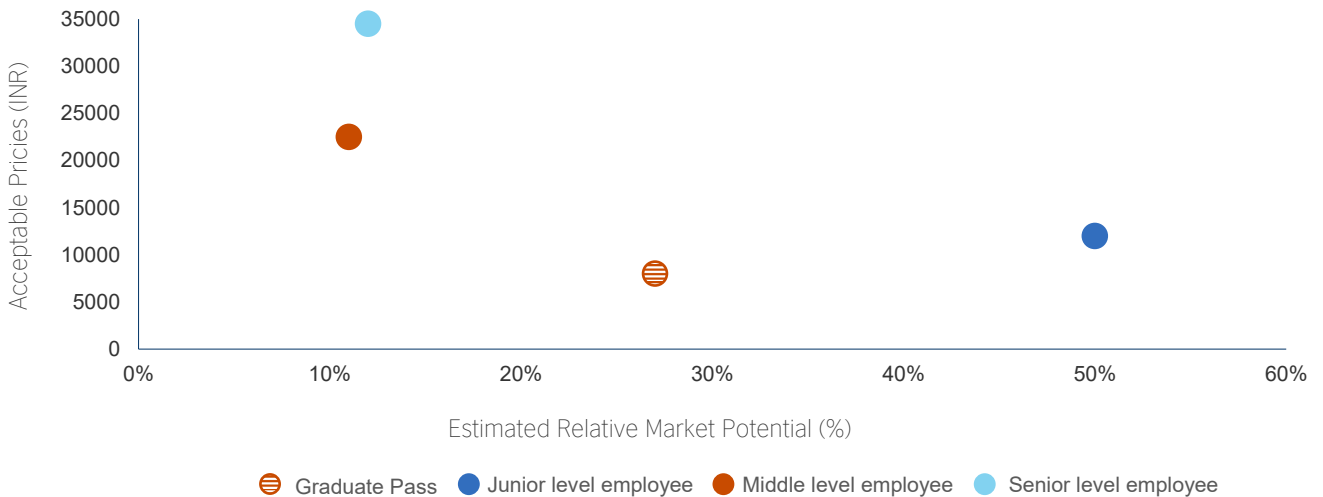
- College, peers and recruitment agencies are key influencers/decision makers as young professionals seek their opinion for career growth opportunities.
- Recognition by employers, prices and course content are the top 3 selection criteria as the prime motivation for undertaking certification & training is better employment opportunities. Additionally, young professionals seek to obtain maximum benefits from the investment in certification & training.
- Price sensitivity is medium to low among the young professionals. Price sensitivity is dependent upon the income of an employee.
- Ideal course duration is 2-6 months for graduate pass and junior level employees whereas preferred course duration is 2-4 months for middle level and senior level employees due to high work pressure.

- A blend of the online and face-to-face mode is preferred for delivery of training. Most of the young professionals except non-graduates at the junior level prefer computer-based examination for certifications.
- Soft skills requirements are maximum among graduate pass, junior level and middle level employees due to the nature of the service industry.
- English language is preferred for delivery of communication of training and courses as most of the young professionals are comfortable with the English language.

ATTRACTIVENESS OF CUSTOMER SEGMENTS

A plot of acceptable price v/s estimated relative market potential for young professionals at different levels in the BFSI sector is provided below.

Figure 8: Acceptable price v/s estimated relative market potential



Source: Ipsos Business Consulting Analysis

The market size is relatively less for middle level and senior level employees as compared to graduate pass and junior level employees but their price sensitivity is medium- low.

GO-TO-MARKET STRATEGY

The business potential²⁸ for certification and training in the BFSI sector is medium and the competition intensity²⁹ is high.

²⁸ The business potential refers to the market size. Rating has been done in terms of high, medium and low based on the relative market size

²⁹ Rating for competition intensity has been derived from primary interactions with stakeholders

Table 19: Go-to-market strategy in the BFSI sector

TARGET CUSTOMER SEGMENTS	TARGET CITIES	PREFERRED LANGUAGE	POTENTIAL COLLABORATORS
Middle level and senior level employees	Mumbai, Delhi/ NCR and Kolkata	Mumbai- English Delhi/ NCR- English Kolkata- English	BFSI Sector Skill Council of India, Reserve Bank of India, Insurance Regulatory Authority of India, leading sector companies, recruitment agencies, regional content and training providers



CONSTRUCTION AND INFRASTRUCTURE

Construction & Infrastructure sector is the second largest employer in the country, but close to 70% of the workforce is 12th standard pass³⁰ or below. There is a huge demand for skilled labourers, construction engineers and oil & gas professionals in the Gulf Cooperation Council (GCC) countries. Work permit and visa requirements are driving demand for health & safety certifications among the junior level employees. Cross-functional certifications in Project Management and Leadership & Management are in demand among middle level and senior level employees. Training and certification is a big opportunity in this sector as the majority of the workforce have had no exposure to such opportunities. However, the need is primarily being met through, or in partnership with, Government initiatives..

This chapter will review the opportunities for the international qualifications and training in the construction & infrastructure sector in India.

The total employment in the sector in 2013 was estimated at ~46.32 million; this is expected to reach ~78.45 million by 2022. The information on the employment statistics, geographical presence and talent sourcing across levels within the sub-sectors are provided below.

Table 20: Detailed information on sub-sectors

SUB-SECTOR	EMPLOYMENT STATISTICS IN 2013 (in million) ³¹	GEOGRAPHICAL PRESENCE	TALENET SOURCING AT JUNIOR LEVEL	TALENT SOURCING AT MIDDLE LEVEL	TALENT SOURCING AT SENIOR LEVEL
Building, Construction & Real Estate ³²	40.14	Pan India	~75% 12 th standard pass or below, 10% ITI graduates ³³ , 5% diploma holders ³⁴	~45% ITI graduates, 30% diploma holders, 20% engineering graduates	Mostly engineering graduates and post-graduates
Infrastructure	5.28	Pan India	~50% 12 th standard pass or below, 25% ITI graduates, 15% diploma holders	~35% ITI graduates, 30% diploma holders, 25% engineering graduates	Mostly engineering graduates and post-graduates
Oil & Gas	~0.90	Maharashtra, Gujarat, Assam, Andhra Pradesh, Karnataka, Rajasthan, Tamil Nadu, West Bengal, Odisha	40% ITI graduates, 30% diploma holders, 20% 12 th standard pass or below	~30% ITI graduates, 25% diploma holders, 25% science graduates	Mostly science graduates and post-graduates

In the construction sector, most of the engineering graduates are civil engineers. The oil and gas industry is divided into three major components: upstream, midstream and downstream. The upstream segment comprises Exploration and Production (E&P) activities. The midstream segment is involved in storage and transportation of crude oil and natural gas. The

downstream segment is engaged in refining and production of petroleum products, and processing, storage, marketing and transportation of commodities such as crude oil and natural gas. Junior level employees in the upstream and downstream segment are mostly ITI graduates and diploma holders and 12th standard pass or below account for the majority of the junior level

³⁰ Equivalent to A-Levels

³¹ Ministry of Skill Development & Entrepreneurship data, 2013

³² This excludes the Construction Material Building Hardware sector

³³ Equivalent to National Vocational Qualifications at level 2 or 3 depending on the course

³⁴ Equivalent to a Higher National Certificate/ Diploma or Foundation Degree

employees in the midstream segment. Most of the engineering graduates in the oil & gas industry possess degree in Petroleum Engineering/ Chemical Engineering/ Metallurgical Engineering/ Mechanical Engineering.

Research for the construction & infrastructure sector was primarily carried out in Mumbai, Delhi, Kolkata and Chandigarh cities based on the number of companies operating in the sector, employment potential and a number of colleges offering courses in this sector. Key skill requirements identified among young professionals in the sector include:

Table 21: Skills requirement in construction & infrastructure sector in India

	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL
CONSTRUCTION AND INFRASTRUCTURE	Piping software, pipe stress analysis, structural designing software- CAD, QA/QC (Quality Assurance/ Quality Control), health & safety standards, soft skills ³⁵	CAD, QA/QC (oil and gas), PMP (construction), Taxation, contract terms, international trade, ISO, knowledge of rigs selection, designing of offshore drilling programme, drilling bit selection	Project management, Leadership and people management, quality management, environmental management

Many national and international companies are offering certifications and training to meet most of these skill requirements in the construction & infrastructure sector. The awareness level of internationally recognised certifications and training is medium among young professionals.

MARKET SIZE

The table below shows the total market size³⁶ for all domestic and international certifications and training in India. We believe that the target audience for most international qualifications are the middle and senior level employees.

Table 22: Market size for domestic and international certifications and training

	ITI GRADUATES	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL	TOTAL
Total requirement of certifications (million)	3.20	4.95	2.47	2.75	13.37
Market size for certifications (INR billion)	44.80	69.27	34.64	38.48	187.19
Total requirement of training (million)	1.60	2.47	1.24	1.37	6.68

COMPETITION LANDSCAPE

Certifications offered by national and international companies are equally popular among young

professionals. The list of key certifications along with the details of domestic and international certification providers is provided below.

³⁵ Soft skills include listening skills, communication skills, confidence, team work, positive attitude etc.

³⁶ Methodology for market size is provided in the technical annexures

Table 23: Key certifications being offered by domestic and international competition

SECTOR	CERTIFICATION	DOMESTIC PLAYERS	INTERNATIONAL COMPETITION
CONSTRUCTION & INFRASTRUCTURE	Occupation Health and Safety	National Safety Council	<ul style="list-style-type: none"> OSHA (USA) AFNOR (France)
	Real Estate Management	<ul style="list-style-type: none"> National Institute of Real Estate Management Institute of Real Estate and Finance The Real Estate Management Institute Pertecnica Engineering 	
	Oil and Gas Management	Gas Authority of India Limited	

The table below shows examples of some certifications along with their price points and duration.

Table 24: Price points³⁷ and duration of the select certifications

SECTOR	CERTIFICATION	PRICE	DURATION
CONSTRUCTION & INFRASTRUCTURE	Oil and Gas Terminals - Training Programme	INR 50,000	6 months
	Industry Safety and Standards - Training Programme	INR 50,000	6 months
	Certified Construction Industry Financial Professional	INR 21,000	Exam based (no specified duration)
	Real Estate Management Programme	INR 50,000	6 months

The following sections provide insights on the certifications and training market in India based on the qualitative and quantitative interviews with young professionals and employers. The sample personas of

the young professionals interviewed during the study for the construction & infrastructure sector are provided below.

Table 25: Sample personas of the young professionals

CUSTOMER SEGMENTS	AGE GROUP (21-35 YEARS)	EDUCATIONAL CLASSIFICATION	EXPERIENCE LEVELS	PERSONAL INCOME LEVELS	CAREER ASPIRATIONS
ITI graduates	21-24 years	ITI graduates	No experience	No personal income	Looking for employment opportunities
Junior level employees	21-24 years	Non-graduates, graduates and above	0-3 years	< INR 3,00,000 per annum	Career growth and better employment opportunities
Middle level employees	24-29 years	Non-graduates, graduates and above	3-8 years	INR 3,00,000 – INR 5,00,000 per annum	Career growth and better employment opportunities
Senior level employees	29-35 years	Non-graduates, graduates and above	8 years and above	> INR 5,00,000 per annum	Career growth and better employment opportunities

³⁷ The prices are excluding service tax

ITI GRADUATE PERSPECTIVE

Key findings from the research include:

Sources of awareness: Peers and the internet are the main sources of awareness for certifications and training.

Influencers/ decision makers: Peers, colleges and family members majorly contribute to decision making to take up certifications in a specific skill in the construction and infrastructure sector.

Training mode: Majority of the ITI graduates in this study in the construction and infrastructure sector give more weight to face-to-face mode³⁸ for training.

Price range: Majority of the ITI graduates are price sensitive and thus for 42% of ITI graduates, optimal price of the certifications is from INR 5,000 to INR 10,000.

Duration: The ideal duration of a course for the ITI graduates is 4-6 months.

Soft skill requirement: Majority of the ITI graduates feel soft skill training would be required in the construction and infrastructure sector.

Language preference: Most of the ITI graduates prefer a mix of English and vernacular language³⁹ for communication in training and courses.

EMPLOYEE PERSPECTIVE

Key findings from the research include:

Motivating factors: Promotions and better employment opportunities within the industry are the key motivating

factors for undertaking certification and training amongst all three categories of junior, middle and senior level employees.

Sources of awareness: Peers and colleges are the main sources of information about certifications and training for junior level employees. The internet and peers are good sources for middle level employees while senior level employees rely on industry events and the internet for information on relevant certifications.

Influencers/ decision makers: Peers and alumni contribute primarily in decision making for junior level and middle level employees to take up certifications in a specific skill in this sector. Recruitment agencies and the alumni network are the key influencers for senior level employees.

Selection criteria: Recognition by employers, price and course content⁴⁰ are the key selection criteria for junior level and middle level employees in choosing certification and training. Senior level employees give more weight to the reputation of trainers, recognition of certification by employers and ease of accessibility in their decision making.

Preferred training institutes: There are limited training institutes in the sector. Private training institutes are more preferred by the young professionals for undertaking training in the sector.

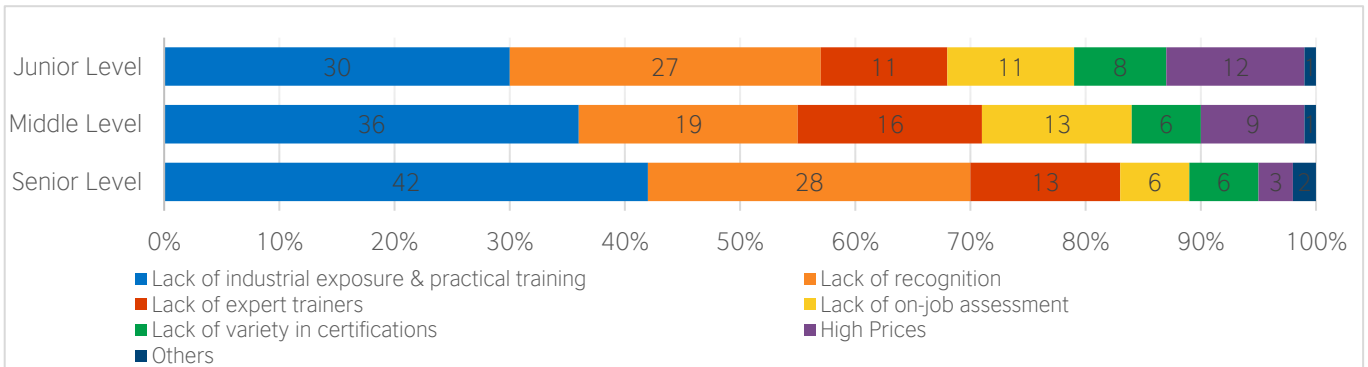
Need gaps: Lack of recognition of certification by employers is a major need gap with the certifications available in the sector. Key need gaps in the training requirements include lack of industrial exposure and practical training and lack of expert trainers in the sector.

³⁸ Face-to-face mode includes classroom training, action learning projects, case studies approach, live interactions etc.

³⁹ Refer to Table 27 for details on vernacular languages

⁴⁰ Course content includes the title, summary, table of contents etc.

Figure 9: Major need gaps of certification and training providers



Source: Ipsos Business Consulting Primary / Analysis

Training mode & criteria: Young professionals prefer a blended approach of the online mode and face-to-face mode for training. Practical knowledge is critical in this sector and hence the young professionals prefer to study the course material online supplemented with practical training.

The preferred mode of examination for certifications is pen and paper based for junior level non-graduates whereas graduates and above across levels prefer computer-based examination as most of the competitive examinations are also shifting to this mode.

Cross-functional requirements: ~45% of junior level employees believe that Marketing & Communications is an important skill set worth pursuing recognition through some form of certification. However, most of the demand can be met from domestic certifications. More than 30% of the middle level and senior level employees believe that internationally recognised certifications for Project Management and Leadership & Management can provide them with a distinct advantage in their career.

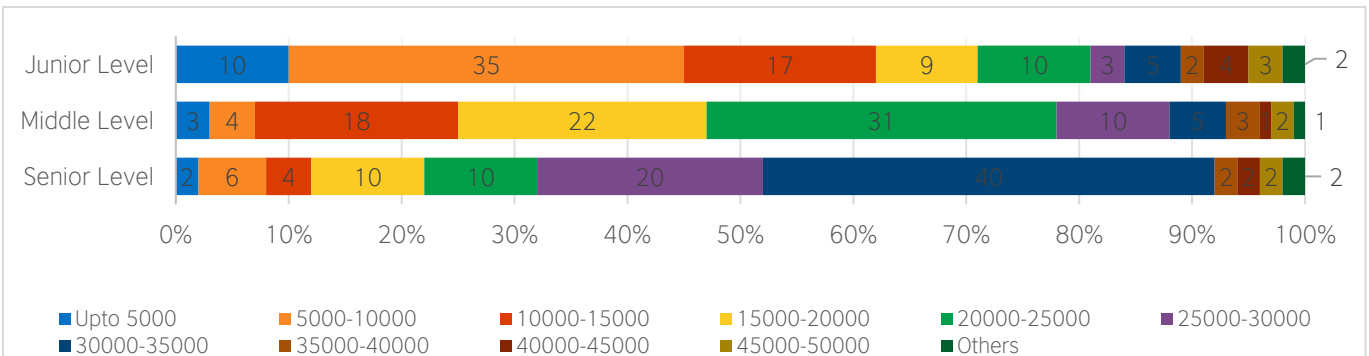
Table 26: Requirement of industry-specific, sector-specific and cross-functional skills

INDUSTRY SPECIFIC	SECTOR SPECIFIC	LEADERSHIP & MANAGEMENT	SALES & MARKETING	FINANCE & ACCOUNTING	HEALTH & SAFETY	PROJECT MANAGEMENT
5%	35%	15%	10%	5%	15%	15%

Price range: Certifications ranging from INR 30,000-35,000 have higher acceptability amongst the senior level employees. While certifications in the range of INR 20,000-25,000 are preferred by middle level employees, junior level employees prefer INR 5,000-10,000 price bracket. Amongst the junior level employees, non-

graduates prefer certifications of the amount less than INR 5,000. The acceptable price range for these certifications is dependent upon the salary drawn by the employees and the expected outcomes of the certifications in their career.

Figure 10: Preferred price range



Source: Ipsos Business Consulting Primary / Analysis

Duration: The ideal duration for a course for junior level employees is ~4-6 months. From middle level and senior level employees, the course duration primarily ranges from ~2-4 months.

Soft skill requirements: The need for soft skill training is high among junior level employees.

Language preference: English is the most preferred language among middle level and senior level employees. Junior level employees prefer a mix of English and vernacular language for communication during training and courses.

EMPLOYER PERSPECTIVE

Recruitment arrangement: A mix of small, medium and large companies in the organised and unorganised sub-sectors were approached for the study. Majority of the unorganised players outsourced recruitment to third parties. ~40% of the employers in the organised sub-sectors conducts in-house recruitment for junior, middle and senior level employees. ~60% of the employers in the organised sub-sectors assess candidates based on CV shortlisting and assessment tests.

While selecting junior level employees, employers prefer candidates who possess basic level certification in the sector. However, relevant work experience assumes greater importance in the selection of middle level and senior level employees.

Certification requirements: Majority of the employers are of the opinion that ~30% of its junior level employees would benefit from certifications and training. The benefits for middle level and senior level employees from certifications and training is expected to the tune of ~20% and ~10% respectively. Most of the employers believe that the international certifications would be beneficial for junior level, middle level and senior level employees.

Training arrangement: Close to ~60% of the employers conduct in-house training for their employees. Most of the training is job-related training and don't certify employees.

Need gaps: Lack of practical training and expert trainers are the major need gaps in the current training provided to employees.

Key decision maker: Types of training to be provided to employees is primarily decided by the Company's Human Resource Manager as reported by 35% of the respondents. There are limited training providers in the sector.

Selection criteria: Close to 60% of the employers give preference to key parameters like the relevant experience of the training institute, provision for on-the-job training and training duration while selecting a training institute.

Fund allocation: The average annual training budget per employee⁴¹ is in the range of INR 8,000-10,000 in the construction & infrastructure sector. Employers are willing to spend maximum funds on the training of junior level employees followed by middle level and senior level employees.

Based on the ITI graduate, employee and employer's perspectives, following information can be deduced:

- Peers, alumni and recruitment agencies are the key influencers/ decision makers as young professionals seek their opinion for career growth opportunities.
- Recognition by employers, prices and reputation of trainers are the top 3 selection criteria as the prime motivation for undertaking certification & training is better employment opportunities. Additionally, young professionals seek to obtain maximum benefits from the investment in certification & training.
- ITI graduates and junior level employees are highly price sensitive, whereas the price sensitivity is medium-low for middle level and senior level employees. Price sensitivity is dependent upon the income of an employee.
- Ideal course duration is 4-6 months for the ITI graduates and junior level employees whereas preferred course duration is 2-4 months for middle level and senior level employees due to high work pressure
- A blend of the online and face-to-face mode is preferred for delivery of training. Most of the young professionals except ITI graduates and non-graduates at the junior level prefer computer-based examination for certifications as most of the

⁴¹ Ipsos Business Consulting Analysis

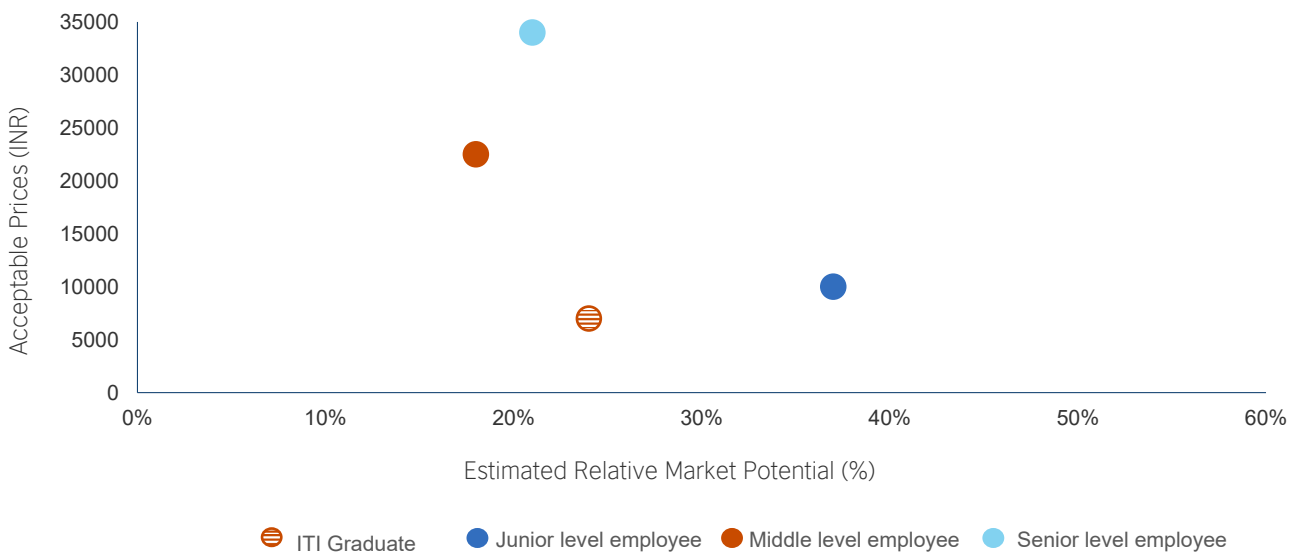
competitive examinations have shifted to the computer-based examination.

- Soft skills requirements are maximum among the ITI graduates and junior level employees due to no/ lower work experience and limited industry exposure.
- A mix of English and vernacular language (see Table 27 for list of vernacular languages) is preferred for delivery of communication of training and courses as most of the young professionals are comfortable in their vernacular languages.

ATTRACTIVENESS OF CUSTOMER SEGMENTS

A plot of acceptable price v/s estimated relative market potential for young professionals at different levels in the construction & infrastructure sector is provided below.

Figure 11: Acceptable price v/s estimated relative market potential



Source: Ipsos Business Consulting Analysis

The market size is relatively less for middle level and senior level employees as compared to ITI graduates and junior level employees but their price sensitivity is medium- low.

GO-TO-MARKET STRATEGY

The business potential⁴² for certification and training in the construction & infrastructure sector is high and the competition intensity⁴³ is medium.

⁴² The business potential refers to the market size. Rating has been done in terms of high, medium and low based on the relative market size

⁴³ Rating for competition intensity has been derived from primary interactions with stakeholders

Table 27: Go-to-market strategy in the construction & infrastructure sector

TARGET CUSTOMER SEGMENTS	TARGET CITIES	PREFERRED LANGUAGE	POTENTIAL COLLABORATORS
Junior level ⁴⁴ , middle level and senior level employees	Mumbai, Kolkata and Chennai	Mumbai- English, Hindi and Marathi Kolkata- English, Hindi and Bengali Chennai- English and Tamil	Construction Industry Development Council, Construction Skill Development Council of India, leading sector companies, recruitment agencies, regional content and training providers



⁴⁴ Those junior level employees that are willing to undertake international health & safety certifications for global job opportunities

ENGINEERING

India is home to 6,214 engineering and technical institutions with over 2.9 million enrolled students⁴⁵. However, only 7.49% engineering graduates are employable in core engineering jobs⁴⁶. Most junior level employees in the engineering sector are ITI graduates⁴⁷ and diploma holders⁴⁸ who generally prefer to undertake training without any need for certifying their skills. However, health & safety certifications are gaining popularity even among the junior level employees. The considerable percentage of engineering graduates in the sector presents an opportunity for internationally recognised qualifications to act as top up qualifications. The focus should be on certifications for technical skills like Quality Management, Productions & Operations Management and Supply Chain Management for middle level and senior level employees. Cross-functional certifications in Project Management and Leadership & Management are also in demand by middle level and senior level employees.

This chapter will review the opportunities for the international qualifications and training in the engineering sector in India.

The total employment in the sector in 2013 was estimated at ~4.5 million, and is growing at a rate of 6-8% annually⁴⁹. The information on the employment statistics, geographical presence and talent sourcing across levels within the sub-sectors are provided below.

Table 28: Detailed information on sub-sectors

SUB-SECTOR	EMPLOYMENT STATISTICS IN 2013 (in million)	GEOGRAPHICAL PRESENCE	TELENT SOURCING AT JUNIOR LEVEL	TELENT SOURCING AT MIDDLE LEVEL	TELENT SOURCING AT SENIOR LEVEL
Heavy engineering	~3.2	Jharkhand, Chhattisgarh, Odisha, Karnataka, Rajasthan, Gujarat, Tamil Nadu	~50% ITI graduates, 30% diploma holders, 10% 12 th standard pass ⁵⁰ or below	~55% engineering graduates, 30% diploma graduates	Mostly engineering graduates and post-graduates
Light engineering	~1.3	Andhra Pradesh, Karnataka, Maharashtra, Rajasthan, Gujarat	~30% ITI graduates, 25% diploma holders, 20% engineering graduates	~60% engineering graduates, 25% diploma holders	Mostly engineering graduates and post-graduates

Most of the engineering graduates in the sector are from core engineering backgrounds namely Electrical Engineering/ Mechanical Engineering/ Civil Engineering/ Chemical Engineering.

The research for the engineering sector was primarily carried out in Bengaluru, Bhubaneswar, Ahmedabad and Chennai cities based on the number of companies operating in the sector, employment potential and a number of colleges offering courses in this sector. Key skill requirements identified among young professionals in the sector include:

⁴⁵ Human Resources Development Ministry

⁴⁶ National Employability Report, Aspiring Minds, 2016

⁴⁷ Equivalent to National Vocational Qualifications at level 2 or 3 depending on the course

⁴⁸ Equivalent to a Higher National Certificate/ Diploma or Foundation Degree

⁴⁹ Ministry of Skill Development & Entrepreneurship data, 2013

⁵⁰ Equivalent to A-Levels

Table 29: Skills requirement in the engineering sector in India

	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL
ENGINEERING	Knowledge of production process, assembly line, standard operating procedures, forging, lathe machines, drilling, occupational health & safety, soft skills	Production & operations management, supply chain management, project management, big data, design software, HVAC designing, knowledge of PLC SCADA	Leadership & management, people management, climate change & sustainability, manufacturing technology management

There are many national and international companies offering certifications and training to meet most of these skill requirements in the engineering sector. However, the awareness level of internationally recognised certifications and training is low to medium among young professionals.

MARKET SIZE

The table below shows the total market size⁵¹ for all domestic and international certifications and training in India. We believe that the target audience for most international qualifications are the middle and senior level employees.

Table 30: Market size for domestic and international certifications and training

	ITI GRADUATES	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL	TOTAL
Total requirement of certifications (million)	0.64	0.80	0.40	0.08	1.92
Market size for certifications (INR billion)	8.48	10.65	5.33	1.07	25.53
Total requirement of training (million)	0.32	0.40	0.20	0.04	0.96

COMPETITION LANDSCAPE

Certifications provided by international companies are more popular among young professionals. The list of key

certifications along with the details of domestic and international certification providers is provided below.

Table 31: Key certifications being offered by domestic and international competition

SECTOR	CERTIFICATION	DOMESTIC PLAYERS	INTERNATIONAL COMPETITION
ENGINEERING	Project Management	L&T Institute of Project Management	Project Management Institute (USA)
	3D CAD	<ul style="list-style-type: none"> iCAD TGC India 	SOLIDWORKS (USA)
	Supply Chain Management	<ul style="list-style-type: none"> Confederation of Indian Industry Institute for Supply Management 	APICS (USA)

The table below shows examples of some certifications along with their price points and duration.

⁵¹ Methodology for market size is provided in the technical annexures

Table 32: Price points⁵² and duration of the select certifications

SECTOR	CERTIFICATION	PRICE	DURATION
ENGINEERING	Certified Associate in Project Management	INR 20,000 (approx.)	Exam based (no specified duration)
	Certification in Geotechnical	INR 20,000	4-6 months
	Certified Manufacturing Technologist	INR 14,000	Exam based (no specified duration)
	Certified MATLAB Associate	INR 11,000	2-4 months

The following sections provide insights on the certifications and training market in India based on the qualitative and quantitative interviews with young

professionals and employers. The sample personas of the young professionals interviewed during the study for the engineering sector are provided below.

Table 33: Sample personas of the young professionals

CUSTOMER SEGMENTS	AGE GROUP (21-35 YEARS)	EDUCATIONAL CLASSIFICATION	EXPERIENCE LEVELS	PERSONAL INCOME LEVELS	CAREER ASPIRATIONS
ITI graduates	21-24 years	ITI graduates	No experience	No personal income	Looking for employment opportunities
Junior level employees	21-24 years	Non-graduates, graduates and above	0-3 years	< INR 3,00,000 per annum	Career growth and better employment opportunities
Middle level employees	24-29 years	Non-graduates, graduates and above	3-8 years	INR 3,00,000 – INR 5,00,000 per annum	Career growth and better employment opportunities
Senior level employees	29-35 years	Non-graduates, graduates and above	8 years and above	> INR 5,00,000 per annum	Career growth and better employment opportunities

ITI GRADUATE PERSPECTIVE

Key findings from the research include:

Sources of awareness: Peers and the internet are the main sources of information for certifications and training.

Influencers/ decision makers: Peers, colleges and family members primarily contribute in influencing ITI graduates to take up certifications for a specific skill in the engineering sector.

Training mode: Majority of the ITI graduates in this study in the sector prefer face-to-face mode for training.

Price range: Majority of the ITI graduates are price sensitive and certifications ranging between INR 5,000-10,000 have higher acceptance.

Duration: The ideal duration of a course for the ITI graduates is ~2-6 months.

Soft skill requirement: Soft skill certifications are in high demand among the ITI graduates in the sector.

Language preference: Most of the ITI graduates prefer a mix of English and vernacular language⁵³ for communication in training and courses.

EMPLOYEE PERSPECTIVE

Key findings from the research include:

Motivating factors: Promotions and better employment opportunities within/outside the industry are the key motivating factors for undertaking certification and

⁵² The prices are excluding service tax

⁵³ Refer to Table 35 for details on vernacular languages

training amongst all three categories of junior, middle and senior level employees.

Sources of awareness: Peers are the main sources of information about certifications and training for junior level employees. Peers and the internet are good sources for middle level employees while senior level employees rely on industry events for information on relevant skill based certifications.

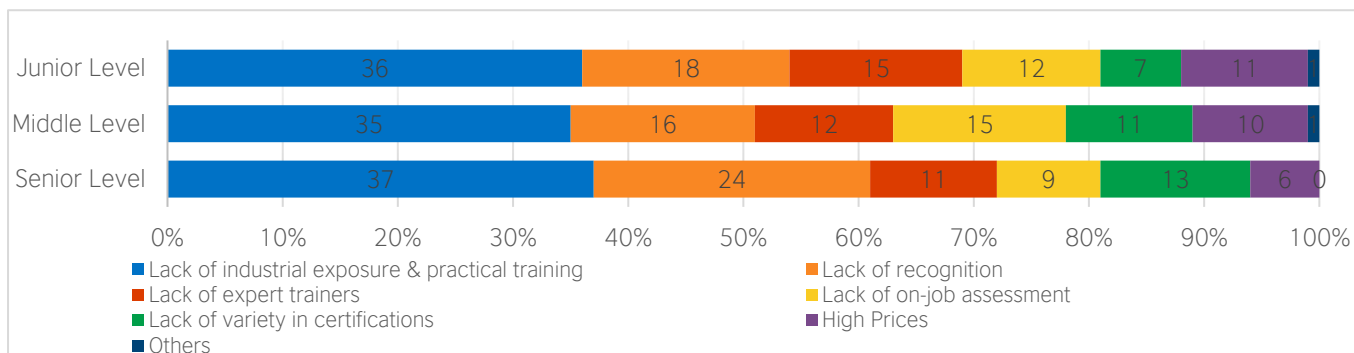
Influencers/ decision makers: Peers and alumni contribute primarily in decision making for junior level employees to take up certifications in a specific skill in this sector. Recruitment agencies and the alumni network are the key influencers for middle level and senior level employees.

Selection criteria: Recognition by employers and prices are the key selection criteria for junior level and middle level employees in choosing certification and training. Senior level employees give more weight to the reputation of trainers and recognition of certification by employers in their decision making.

Preferred training institutes: Close to 30% of the young professionals prefer private training institutes for undertaking training in the sector.

Need gaps: Lack of recognition of certification by employers is a major need gap with the certifications available in the sector. Key need gaps in the training requirements include lack of industrial exposure and practical training in the sector.

Figure 12: Major need gaps of certification and training providers



Source: Ipsos Business Consulting Primary / Analysis

Training mode & criteria: Young professionals prefer a blended approach of the online mode and face-to-face mode for training. Practical knowledge is critical in this sector and hence the young professionals prefer to study the course material online supplemented with practical training.

Most of the young professionals prefer computer-based examination for certifications except non-graduates at the junior level.

Cross-functional requirements: ~44% of junior level employees believe that Marketing & Communications is an important skill set worth pursuing recognition through some form of certification. However, most of the demand can be met from domestic certifications. More than 40% of the middle level and senior level employees believe that internationally recognised certifications for Project Management and Leadership & Management can provide them with a distinct advantage in their career.

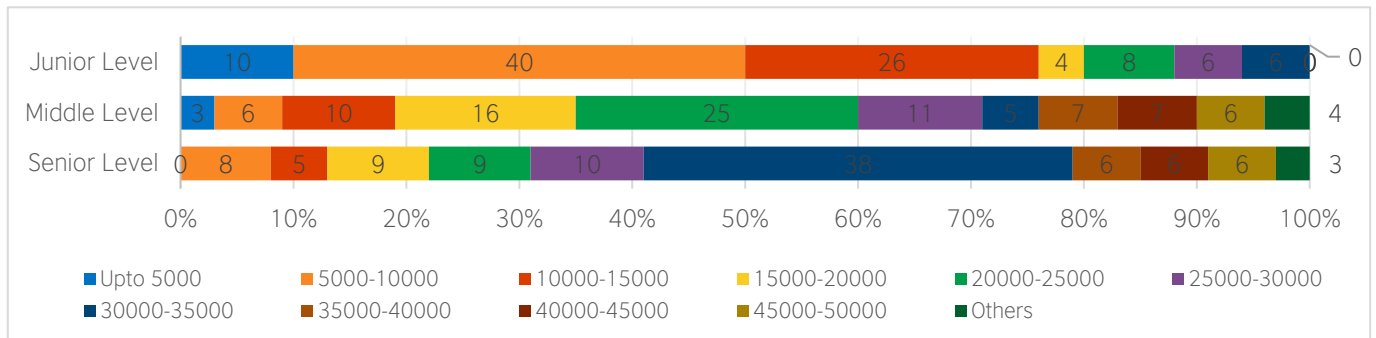
Table 34: Requirement of industry-specific, sector-specific and cross-functional skills

INDUSTRY SPECIFIC	SECTOR SPECIFIC	LEADERSHIP & MANAGEMENT	SALES & MARKETING	FINANCE & ACCOUNTING	HEALTH & SAFETY	PROJECT MANAGEMENT
10%	30%	15%	10%	5%	10%	20%

Price range: Certifications ranging from INR 30,000-35,000 have higher acceptability amongst the senior level employees. While certifications in the range of INR 20,000-25,000 are preferred by middle level employees,

junior level employees prefer INR 5,000-10,000 price bracket. Amongst the junior level employees, non-graduates prefer certifications of the amount less than INR 5,000.

Figure 13: Preferred price range



Source: Ipsos Business Consulting Primary / Analysis

Duration: The ideal duration for a course for junior level employees is ~2-6 months. From middle level and senior level employees, the course duration primarily ranges from ~2-4 months.

Soft skill requirements: The need for soft skill training is high among junior level employees.

Language preference: English is the most preferred language among middle level and senior level employees. Junior level employees prefer a mix of English and vernacular language for communication during training and courses.

EMPLOYER PERSPECTIVE

Recruitment arrangement: A mix of small, medium and large companies in the organised and unorganised sub-sectors were approached for the study. The majority of the unorganised players outsourced recruitment to third parties. However, 35% of the employers in the organised sub-sectors conducts in-house recruitment for junior, middle and senior level employees. ~66% of the employers in the organised sub-sectors assess candidates based on CV shortlisting and assessment tests.

While selecting junior level employees, employers prefer candidates who possess basic level certification in the sector. However, relevant work experience assumes significant importance in the selection of middle level and senior level employees.

Certification requirements: Majority of the employers are of the opinion that ~25% of its junior level employees would benefit from certifications and training. The

benefits for middle level and senior level employees from certifications and training is expected to the tune of ~25% and ~15% respectively. Most of the employers believe that the certification needs for junior level employees can be met through domestic certifications, however international certifications would be beneficial for middle level and senior level employees.

Training arrangement: ~45% of the employers conduct in-house training for their employees while industry trainers and third-party training contribute to 40% of training. Most of the training is job-related training and don't certify employees.

Need gaps: Lack of industrial exposure and practical training are the major need gaps in the current training provided to employees.

Key decision maker: Types of training to be provided to employees is primarily decided by the Company's Human Resource Manager as reported by 36% of the respondents. Private training providers are the most preferred to meet the company's training needs.

Selection criteria: ~65% of the employers give preference to key parameters like the relevant experience of the training institute, training duration and provision for on-the-job training while selecting a training institute.

Fund allocation: The average annual training budget per employee⁵⁴ is in the range of INR 10,000-15,000 in the engineering sector. Employers are willing to spend

⁵⁴ Ipsos Business Consulting Analysis

maximum funds on the training of junior level employees followed by middle level and senior level employees.

Based on the ITI graduate, employee and employer’s perspectives, following information can be deduced:

- College, family members, peers and alumni are the key influencers/ decision makers as young professionals seek their opinion for career growth opportunities.
- Recognition by employers, prices and reputation of trainers are the top 3 selection criteria as the prime motivation for undertaking certification & training is better employment opportunities. Additionally, young professionals seek to obtain maximum benefits from the investment in certification & training.
- ITI graduates and junior level employees are highly price sensitive, whereas the price sensitivity is medium-low for middle level and senior level employees. Price sensitivity is dependent upon the income of an employee.
- Ideal course duration is 2-6 months for the ITI graduates and junior level employees whereas preferred course duration is 2-4 months for middle

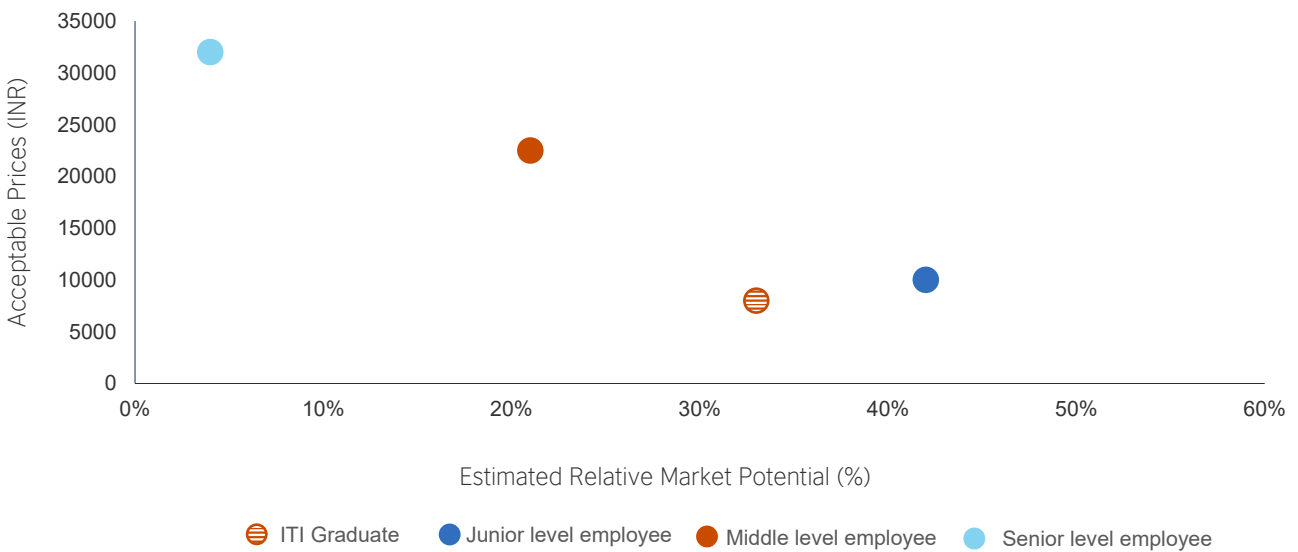
level and senior level employees due to high work pressure.

- A blend of the online and face-to-face mode is preferred for delivery of training. Most of the young professionals except ITI graduates and non-graduates at the junior level prefer computer-based examination for certifications as most of the competitive examinations have shifted to the computer-based examination.
- Soft skills requirements are maximum among the ITI graduates and junior level employees due to no/ lower work experience and limited industry exposure.
- A mix of English and vernacular language (see Table 35 for list of vernacular languages) is preferred for delivery of communication of training and courses as most of the young professionals are comfortable in their vernacular languages.

ATTRACTIVENESS OF CUSTOMER SEGMENTS

A plot of acceptable price v/s estimated relative market potential for young professionals at different levels in the engineering sector is provided below

Figure 14: Acceptable price v/s estimated relative market potential



Source: Ipsos Business Consulting Primary / Analysis

The market size is relatively less for middle level and senior level employees as compared to the ITI graduates and junior level employees but their price sensitivity is medium- low.

GO-TO-MARKET STRATEGY

The business potential⁵⁵ for certification and training in the engineering sector is medium and the competition intensity⁵⁶ is also medium.

Table 35: Go-to-market strategy in the engineering sector

TARGET CUSTOMER SEGMENTS	TARGET CITIES	PREFERRED LANGUAGE	POTENTIAL COLLABORATORS
Middle level and senior level employees	Bengaluru, Bhubaneswar and Ahmedabad	Bengaluru- English and Kannada Bhubaneswar- English, Hindi and Oriya Ahmedabad- English, Hindi and Gujarati	Engineering Council of India, All India Council for Technical Education, leading sector companies, recruitment agencies, regional content and training providers



⁵⁵ The business potential refers to the market size. Rating has been done in terms of high, medium and low based on the relative market size

⁵⁶ Rating for competition intensity has been derived from primary interactions with stakeholders

HEALTHCARE

Trained doctors in India are globally known for their clinical acumen and competence. However, the acceptance of Indian medical degree is low at foreign shores compared to medical degrees from Canada, USA, UK and Australia. Skilled nurses, specialists, radiologists and imaging professionals are in huge demand in Gulf Cooperation Council (GCC) countries and some developed countries. This provides an opportunity for internationally recognised qualifications to target young healthcare professionals in India that are looking for global opportunities. The intensity of competition is high in the certifications and training market in India and most of the certification requirements for young professionals is being met by domestic players. Price sensitivity is low among young professionals.

This chapter will review the opportunities for the international qualifications and training in the healthcare sector in India.

The total employment in the sector in 2013 was estimated at ~3.59 million; this is expected to reach

~7.39 million by 2022. The information on the employment statistics, geographical presence and talent sourcing across levels within the sub-sectors are provided below.

Table 36: Detailed information on sub-sectors

JOB ROLES	EMPLOYMENT STATISTICS IN 2013 (in million) ⁵⁷	GEOGRAPHICAL PRESENCE	TELENT SOURCING
Doctors (allopathic)	0.43	Pan India	~40% medical science graduates, 30% 12 th standard pass ⁵⁸ or below
Specialists	0.22	Tier-1 and tier-2 cities ⁵⁹	Master's degree in medicine and surgery
Dentists	0.08	Pan India	Bachelor's/ master's degree in dental surgery
Nurses and midwives	0.97	Pan India	Mostly science graduates (e.g. Bachelor of Science)
Pharmacists	0.26	Pan India	Mostly diploma holders ⁶⁰ in pharmacy and pharmacy graduates
Allied and other healthcare professionals (technicians and therapists/ technologists)	1.63	Pan India	Mostly diploma holders and university graduates

⁵⁷ Ministry of Skill Development & Entrepreneurship data, 2013

⁵⁸ Equivalent to A-Levels

⁵⁹ Based on Reserve Bank of India (RBI) classification, tier-1 cities include cities with population 1,00,000 and above. Tier-2 cities have population between 50,000-99,999 whereas the population for tier-3 cities lies between 20,000-49,999.

⁶⁰ Equivalent to a Higher National Certificate/ Diploma or Foundation Degree

HEALTHCARE

Research for the healthcare sector was primarily carried out in Mumbai, Hyderabad, Delhi/NCR and Thiruvananthapuram cities based on the number of companies operating in the sector, employment potential and a number of colleges offering courses in this sector.

Key skill requirements identified among young professionals in the sector include:

Table 37: Skills requirement in the healthcare sector in India

	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL
HEALTHCARE	Clinical trials, drug research, drug regulations, safety, skills in patient care, nursing, soft skills ⁶¹	Technical and commercial knowledge, skills in radiology, imaging and cosmetics	Pharmaceutical marketing, leadership & management, hospital management, motivation and conflict management skills

There are many national and international companies offering certifications and training to meet most of these skill requirements in the healthcare sector. The awareness level of internationally recognised certifications and training is low among young professionals.

MARKET SIZE

The table below shows the total market size⁶² for all domestic and international certifications and training in India. We believe that the target audience for most international qualifications are the middle and senior level employees.

Table 38: Market size for domestic and international certifications and training

	GRADUATE PASS	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL	TOTAL
Total requirement of certifications (million)	0.62	0.69	0.30	0.23	1.84
Market size for certifications (INR billion)	13.64	15.07	6.63	5.02	40.36
Total requirement of training (million)	0.37	0.41	0.18	0.14	1.10

COMPETITION LANDSCAPE

Certifications provided by national companies are more popular among young professionals. The list of key

certifications along with the details of domestic and international certification providers is provided below.

Table 39: Key certifications being offered by domestic and international competition

SECTOR	CERTIFICATION	DOMESTIC PLAYERS	INTERNATIONAL COMPETITION
HEALTHCARE	Certificate in Clinical Research	<ul style="list-style-type: none"> Institute of Clinical Research (India) Indian Biological Sciences and Research Institute 	SGS (Switzerland)
	Certificate in Pharmaceuticals Quality Assurance and Quality Management	<ul style="list-style-type: none"> Institute of Good Manufacturing Practices Institute of Pharmaceutical Education and Research 	Pharmaceutical Education & Research Institute (USA)
	Certificate in Pharmaceutical Marketing Management	Indian Institute of Pharmaceutical Marketing	International Institute of Marketing Professionals (Canada)

⁶¹ Soft skills include listening skills, communication skills, confidence, team work, positive attitude etc.

⁶² Methodology for market size is provided in the technical annexures

The table below shows examples of some certifications along with their price points and duration

Table 40: Price points⁶³ and duration of the select certifications

SECTOR	CERTIFICATION	PRICE	DURATION
HEALTHCARE	Diploma in Pharmaceutical Production Management (D.P.P.M.)	INR 8,000	11 months
	Diploma in Pharmaceutical Marketing Management (D.P.M.M.)	INR 18,500	11 months
	Quality Professional (CPQP) Training Course	INR 20,000	11 months
	Advanced Programme in Clinical Research & Management	INR 15,000	4 months

The following sections provide insights on the certifications and training market in India based on the qualitative and quantitative interviews with young

professionals and employers. The sample personas of the young professionals interviewed during the study for the healthcare sector are provided below.

Table 41: Sample personas of the young professionals

CUSTOMER SEGMENTS	AGE GROUP (21-35 YEARS)	EDUCATIONAL CLASSIFICATION	EXPERIENCE LEVELS	PERSONAL INCOME LEVEL	CAREER ASPIRATIONS
Graduate pass	21-24 years	Graduates	No experience	No personal income	Looking for employment opportunities
Junior level employees	21-24 years	Non-graduates, graduates and above	0-3 years	< INR 3,00,000 per annum	Career growth and better employment opportunities
Middle level employees	24-29 years	Non-graduates, graduates and above	3-8 years	INR 3,00,000 – INR 5,00,000 per annum	Career growth and better employment opportunities
Senior level employees	29-35 years	Non-graduates, graduates and above	8 years and above	> INR 5,00,000 per annum	Career growth and better employment opportunities

GRADUATE PASS PERSPECTIVE

Key findings from the research include:

Sources of awareness: Peers and the internet are the main sources of information for certifications and training.

Influencers/ decision makers: Colleges contribute ~50% in influencing graduates to take up certifications for a specific skill in the healthcare sector.

Training mode: Majority of the graduates in this research in the sector prefer face-to-face mode for training.

Price range: Certifications ranging between INR 15,000-20,000 have higher acceptance.

Duration: The ideal duration of a course for the graduates is ~2-6 months.

Soft skill requirement: The graduates prefer including soft skill training as part of their domain training.

Language preference: Most of the graduates prefer a mix of English and vernacular language⁶⁴ for communication in training and courses.

Soft skill requirement: The graduates prefer including soft skill training as part of their domain training.

Language preference: Most of the graduates prefer a mix of English and vernacular language for communication in training and courses.

⁶³ The prices are excluding service tax

⁶⁴ Refer to Table 43 for details on vernacular languages

HEALTHCARE

EMPLOYEE PERSPECTIVE

Key findings from the research include:

Motivating factors: Promotions and better employment opportunities within the industry are the key motivating factors for undertaking certification and training amongst all three categories of junior, middle and senior level employees.

Sources of awareness: Peers and the internet are the main sources of information about certifications and training for junior level and middle level employees. Senior level employees rely on peers and industry events for information on relevant skill based certifications.

Influencers/ decision makers: Peers and family members contribute primarily in decision making for

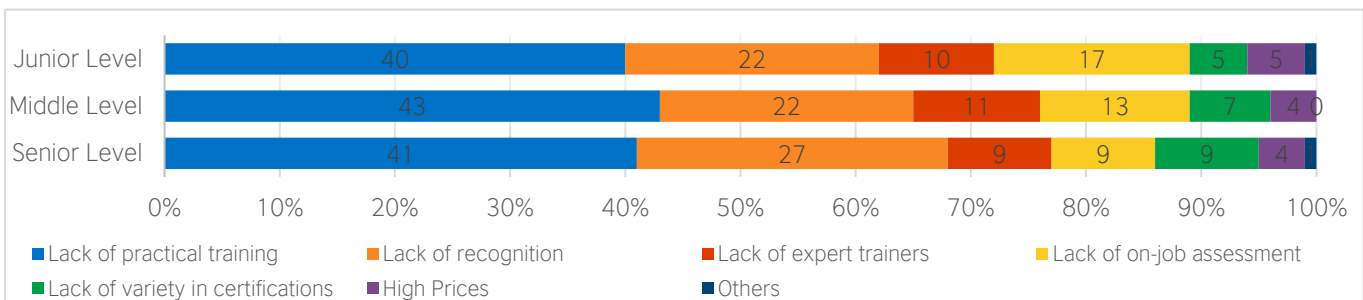
junior level employees to take up certifications in a specific skill in this sector. The alumni network is the key influencer for middle level and senior level employees.

Selection criteria: Recognition by employers and prices are the key selection criteria for junior level employees in choosing certifications and training. Senior level employees give more weight to the reputation of trainers, course content and recognition of certification by employers in their decision making.

Preferred training institutes: Private training institutes and national/state universities are preferred by the young professionals for undertaking training in the healthcare sector.

Need gaps: Lack of recognition of certification by employers is a major need gap with the certifications available in the sector. Key need gaps in the training requirements include lack of practical training and lack of quality trainers in the sector.

Figure 15: Major need gaps of certification and training providers



Source: Ipsos Business Consulting Primary / Analysis

Training mode & criteria: Young professionals prefer a blended approach of the online mode and face-to-face mode for training. Practical knowledge is critical in this sector and hence the young professionals prefer to study the course material online supplemented with practical training.

Most of the young professionals prefer computer-based examination for certifications except non-graduates at the junior level.

Cross-functional requirements: ~50% of junior level employees believe that Marketing & Communications is an important skill set worth pursuing recognition through some form of certification. However, most of the demand can be met from domestic certifications. ~25% of the middle level and senior level employees believe that internationally recognised certifications for Project Management and Leadership & Management can provide them with a distinct advantage in their career.

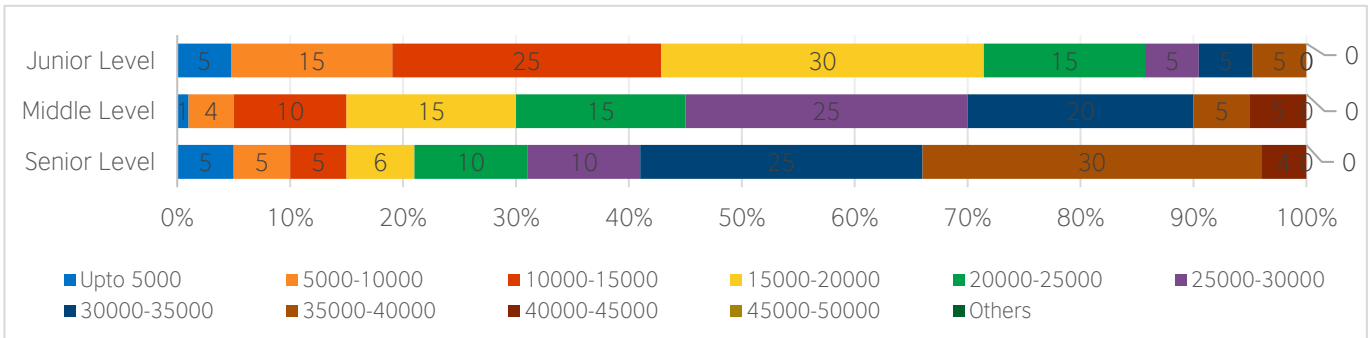
Table 42: Requirement of industry-specific, sector-specific and cross-functional skills

INDUSTRY SPECIFIC	SECTOR SPECIFIC	LEADERSHIP & MANAGEMENT	SALES & MARKETING	FINANCE & ACCOUNTING	HEALTH & SAFETY	PROJECT MANAGEMENT
10%	40%	15%	20%	5%	5%	5%

Price range: Certifications ranging from INR 35,000-40,000 have higher acceptability amongst the senior level employees. While certifications in the range of INR 25,000-30,000 are preferred by middle level employees,

junior level employees prefer INR 15,000-20,000 price bracket. Amongst the junior level employees, non-graduates prefer certifications of the amount less than INR 10,000.

Figure 16: Preferred price range



Source: Ipsos Business Consulting Primary / Analysis

Duration: The ideal duration for a course for junior level and middle level employees is ~4-6 months. For senior level employees, the course duration primarily ranges from ~2-4 months.

Soft skill requirements: The need for soft skill training is high among junior level employees.

Language preference: English is the most preferred language among middle level and senior level employees. Junior level employees prefer a mix of English and vernacular language for communication during training and courses.

EMPLOYER PERSPECTIVE

Recruitment arrangement: A mix of small, medium and large companies were approached for the study. ~45% of the employers outsourced recruitment to third parties. ~66% of the employers assess candidates based on CV shortlisting and assessment tests.

While selecting junior level employees, employers prefer candidates who possess basic level certification in the sector. However, relevant work experience assumes significant importance in the selection of middle level and senior level employees.

Certification requirements: Majority of the employers are of the opinion that ~30% of its junior level employees would benefit from certifications and training. The benefits for middle level and senior level employees from certifications and training are expected to the tune of ~25% and ~20% respectively. Most of the employers believe that the certification needs for junior level and middle level employees can be met through domestic

certifications, however international certifications would be beneficial for senior level employees.

Training arrangement: Industry trainers and third-party training contribute to 51% of training while ~40% of the employers conduct in-house training for their employees. Most of the training is job-related training and don't certify employees.

Need gaps: Lack of practical training and lack of expert trainers are the major need gaps in the current training provided to employees.

Key decision maker: Types of training to be provided to employees is primarily decided by the Company's Human Resource Manager as reported by 30% of the respondents. Public and private training providers are equally most preferred to meet the company's training needs.

Selection criteria: 55% of the employers give preference to key parameters like the relevant experience of the training institute and prices while selecting a training institute.

Fund allocation: The average annual training budget per employee⁶⁵ is in the range of INR 12,000-15,000 in the healthcare sector. Employers are willing to spend maximum funds on the training of junior level employees followed by middle level and senior level employees.

Based on the graduate pass, employee and employer’s perspectives, following information can be deduced:

- College, peers and the alumni network are the key influencers/ decision makers as young professionals seek their opinion for career growth opportunities.
- Recognition by employers, prices and course content are the top 3 selection criteria as the prime motivation for undertaking certification & training is better employment opportunities. Additionally, young professionals seek to obtain maximum benefits from the investment in certification & training.
- The price sensitivity is medium to low among the young professionals. Price sensitivity is dependent upon the income of an employee.
- Ideal course duration is 2-6 months for graduate pass and junior level employees whereas preferred

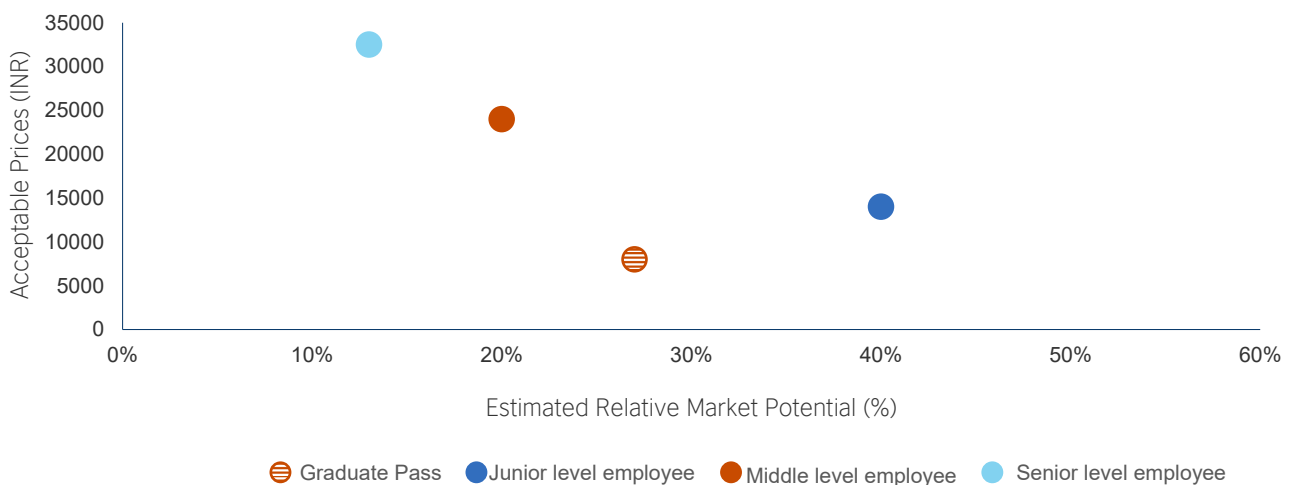
course duration is 2-4 months for middle level and senior level employees due to high work pressure.

- A blend of the online and face-to-face mode is preferred for delivery of training. Most of the young professionals except non-graduates at the junior level prefer computer-based examination for certifications.
- Soft skills requirements are maximum among graduate pass and junior level employees due to limited practical experience and exposure.
- A mix of English and vernacular language (see Table 43 for list of vernacular languages) is preferred for delivery of communication of training and courses as most of the young professionals are comfortable in their vernacular languages.

ATTRACTIVENESS OF CUSTOMER SEGMENTS

A plot of acceptable price v/s estimated relative market potential for young professionals at different levels in the healthcare sector is provided below.

Figure 17: Acceptable price v/s estimated relative market potential



Source: Ipsos Business Consulting Analysis

⁶⁵ Ipsos Business Consulting Analysis

The market size is relatively less for middle level and senior level employees as compared to graduate pass and junior level employees but their price sensitivity is medium- low.

GO-TO-MARKET STRATEGY

The business potential⁶⁶ for certification and training in the healthcare sector is medium and the competition intensity⁶⁷ is high.

Table 43: Go-to-market strategy in the healthcare sector

TARGET CUSTOMER SEGMENTS	TARGET CITIES	PREFERRED LANGUAGE	POTENTIAL COLLABORATORS
Middle level and senior level employees	Hyderabad, Mumbai and Thiruvananthapuram	Hyderabad- English and Telugu Mumbai- English, Hindi and Marathi Thiruvananthapuram- English and Malayalam	Healthcare Sector Skills Council, Medical Council of India, leading sector companies, recruitment agencies, regional content and training providers

⁶⁶ The business potential refers to the market size. Rating has been done in terms of high, medium and low based on the relative market size

⁶⁷ Rating for competition intensity has been derived from primary interactions with stakeholders

TOURISM, HOSPITALITY AND TRAVEL

India is one of the fastest growing tourist destination in the world. The government has permitted 100% foreign direct investment (FDI) in the sector. This provides an opportunity for domestic and international certifications and training providers to offer certifications to young professionals looking for employment opportunities in large domestic and international hotels. Certifications in culinary skills, quality control, hospitality management are in demand among junior level employees. Cross-functional certifications in Leadership & Management, Finance & Accounting and Marketing & Communications are popular among the middle level and senior level employees. Training institutes are limited in the sector. Price sensitivity is high among the young professionals.

This chapter will review the opportunities for the international qualifications and training in the tourism, hospitality & travel sector in India.

~7.39 million by 2022. The information on the employment statistics, geographical presence and talent sourcing across levels within the sub-sectors are provided below.

The total employment in the sector in 2013 was estimated at ~ 6.96 million; this is expected to reach

Table 44: Detailed information on sub-sectors

SUB-SECTOR	EMPLOYMENT STATISTICS IN 2013 (in million) ⁶⁸	GEOGRAPHICAL PRESENCE	TALENT SOURCING AT JUNIOR LEVEL	TALENT SOURCING AT MIDDLE LEVEL	TALENT SOURCING AT SENIOR LEVEL
Restaurants	4.59	Pan India	~70% 12 th standard pass ⁶⁹ or below, 20% diploma holders ⁷⁰	~60% diploma holders, 25% graduates	Mostly graduates
Hotels	1.88	Tier-1, tier-2 cities ⁷¹ and key tourist destinations	~40% diploma holders, 30% 12 th standard pass or below, 20% graduates	~60% graduates, 25% diploma holders	Mostly graduates and post-graduates
Travel agents & tour operators (TATO)	0.49	Tier-1, tier-2 cities and key tourist destinations	~45% 12 th standard pass or below, 30% diploma holders	~50% diploma holders, 35% graduates	Mostly graduates

Most of the university graduates have a Bachelor's degree in Hotel Management. The diploma holders possess a diploma in Hotel Management/ Hospitality Management/ Food Production. The university graduates with degrees in Statistics/ Data Sciences/ Data Analytics are preferred by the online travel agencies.

The research for the tourism, hospitality and travel sector was primarily carried out in Delhi, Mumbai, Kolkata and Guwahati cities based on the number of companies operating in the sector, employment potential and a number of colleges offering courses in this sector. Key skill requirements identified among young professionals in the sector include:

⁶⁸ Ministry of Skill Development & Entrepreneurship data, 2013

⁶⁹ Equivalent to A-Levels

⁷⁰ Equivalent to a Higher National Certificate/ Diploma or Foundation Degree

⁷¹ Based on Reserve Bank of India (RBI) classification, tier-1 cities include cities with population 1,00,000 and above. Tier-2 cities have population between 50,000-99,999 whereas the population for tier-3 cities lies between 20,000-49,999.

Table 45: Skills requirement in tourism, hospitality & travel sector in India

	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL
TOURISM, HOSPITALITY AND TRAVEL	Culinary skills, cooking techniques, personal grooming and hygiene, market knowledge, analytics, soft skills ⁷²	Client/ vendor management, menu planning, manpower scheduling, cost management, quality control and inventory management, people management	Leadership & management, operations management, client servicing and networking skills

MARKET SIZE

The table below shows the total market size⁷³ for all domestic and international certifications and training in

India. We believe that the target audience for most international qualifications are the middle and senior level employees.

Table 46: Market size for domestic and international certifications and training

	GRADUATE PASS	JUNIOR LEVEL	MIDDLE LEVEL	SENIOR LEVEL	TOTAL
Total requirement of certifications (million)	0.86	1.30	0.65	0.43	3.24
Market size for certifications (INR billion)	14.62	22.10	11.05	7.37	55.14
Total requirement of training (million)	0.30	0.46	0.23	0.15	1.14

COMPETITION LANDSCAPE

Most of the demand for certifications is met by the national companies in the tourism, hospitality & travel

sector. The list of key certifications along with the details of domestic and international certification providers is provided below.

Table 47: Key certifications being offered by domestic and international competition

SECTOR	CERTIFICATION	DOMESTIC PLAYERS	INTERNATIONAL COMPETITION
TOURISM, HOSPITALITY & TRAVEL	Certificate in General Cookery	Indian Institute of Hospitality and Management	
	Certificate in Hotel Management	National Council for Hotel Management and Catering Technology	
	Certificate in Hospitality & Air Travel Management	Indian Institute of Hospitality and Management	International Air Transport Association (Canada)

The table below shows examples of some certifications along with their price points and duration.

⁷²Soft skills include listening skills, communication skills, confidence, team work, positive attitude etc.

⁷³ Methodology for market size is provided in the technical annexures

Table 48: Price points⁷⁴ and duration of the select certifications

SECTOR	CERTIFICATION	PRICE	DURATION
TOURISM, HOSPITALITY & TRAVEL	Certificate in Travel & Tourism Management	INR 15,000	6 months
	Certificate in Retail Management	INR 15,000	6 months
	Certificate in Housekeeping	INR 18,000	6 months
	Certificate in Food & Beverage Management	INR 35,000	6 months

The following sections provide insights on the certifications and training market in India based on the qualitative and quantitative interviews with young professionals and employers. The sample personas of

the young professionals interviewed during the study for the tourism, hospitality & travel sector are provided below.

Table 49: Sample personas of the young professionals

CUSTOMER SEGMENTS	AGE GROUP (21-35 YEARS)	EDUCATIONAL CLASSIFICATION	EXPERIENCE LEVELS	PERSONAL INCOME LEVEL	CAREER ASPIRATIONS
Graduate pass	21-24 years	Graduates	No experience	No personal income	Looking for employment opportunities
Junior level employees	21-24 years	Non-graduates, graduates and above	0-3 years	< INR 3,00,000 per annum	Career growth and better employment opportunities
Middle level employees	24-29 years	Non-graduates, graduates and above	3-8 years	INR 3,00,000 – INR 5,00,000 per annum	Career growth and better employment opportunities
Senior level employees	29-35 years	Non-graduates, graduates and above	8 years and above	> INR 5,00,000 per annum	Career growth and better employment opportunities

GRADUATE PASS PERSPECTIVE

Key findings from the research include:

Sources of awareness: Peers and the internet are the main sources of information for certifications and training.

Influencers/ decision makers: Colleges and peers primarily contribute in influencing graduates to take up certifications for a specific skill.

Training mode: Majority of the graduates in the sector prefer face-to-face mode for training.

Price range: Majority of the graduates are price sensitive and certifications ranging between INR 5,000-10,000 have higher acceptance.

Duration: The ideal duration of a course for the graduates is ~2-4 months.

Soft skill requirement: Soft skills are very important in this sector and are thus soft skill certifications are in high demand among the graduates.

Language preference: Most of the graduates prefer a mix of English and vernacular language⁷⁵ for communication in training and courses.

EMPLOYEE PERSPECTIVE

Key findings from the research include:

Motivating factors: Promotions and better employment opportunities within/outside the industry are the key motivating factors for undertaking certification and

⁷⁴ The prices are excluding service tax

⁷⁵ Refer to Table 51 for details on vernacular languages

training amongst all three categories of junior, middle and senior level employees.

Sources of awareness: Peers and the internet are the main sources of information about certifications and training for junior level and middle level employees. Senior level employees rely on peers and industry events for information on relevant skill based certifications.

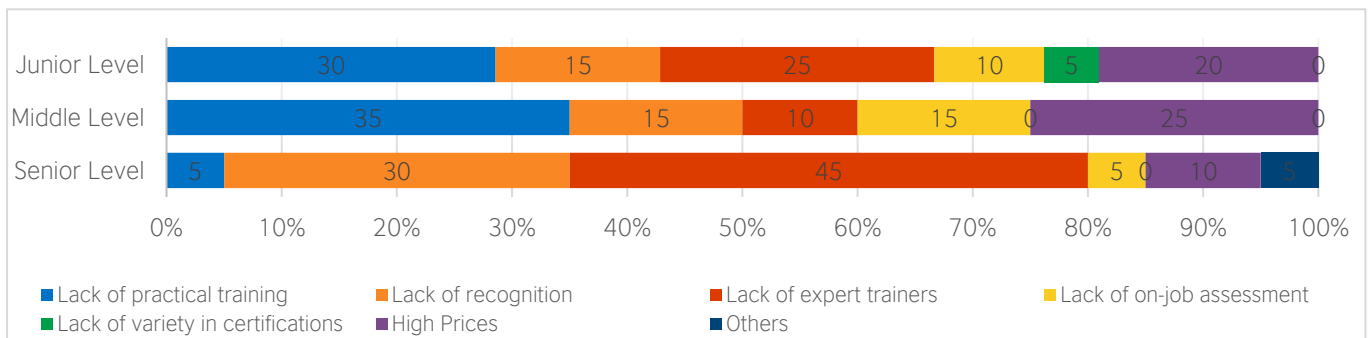
Influencers/ decision makers: Peers and family members contribute primarily in decision making for junior level employees to take up certifications in a specific skill in this sector. Peers and the alumni network are the key influencers for middle level and senior level employees.

Selection criteria: Recognition by employers and prices are the key selection criteria for junior level and middle level employees in choosing certification and training. Senior level employees give more weight to the reputation of trainers and recognition of certification by employers in their decision making.

Preferred training institutes: Close to 40% of the young professionals prefer private training institutes for undertaking training in the sector.

Need gaps: Lack of recognition of certification by employers is a major need gap with the certifications available in the sector. Key need gaps in the training requirements include lack of practical training and lack of quality trainers in the sector.

Figure 18: Major need gaps of certification and training providers



Source: Ipsos Business Consulting Primary / Analysis

Training mode & criteria: Young professionals prefer a blended approach of the online mode and face-to-face mode for training. Most of the young professionals prefer computer-based examination for certifications except non-graduates at the junior level.

Cross-functional requirements: ~65% of junior level employees believe that Marketing & Communications is

an important skill set worth pursuing recognition through some form of certification. However, most of the demand can be met from domestic certifications. More than 40% of the middle level and senior level employees believe that internationally recognised certifications for Leadership & Management and Marketing & Communications can provide them with a distinct advantage in their career.

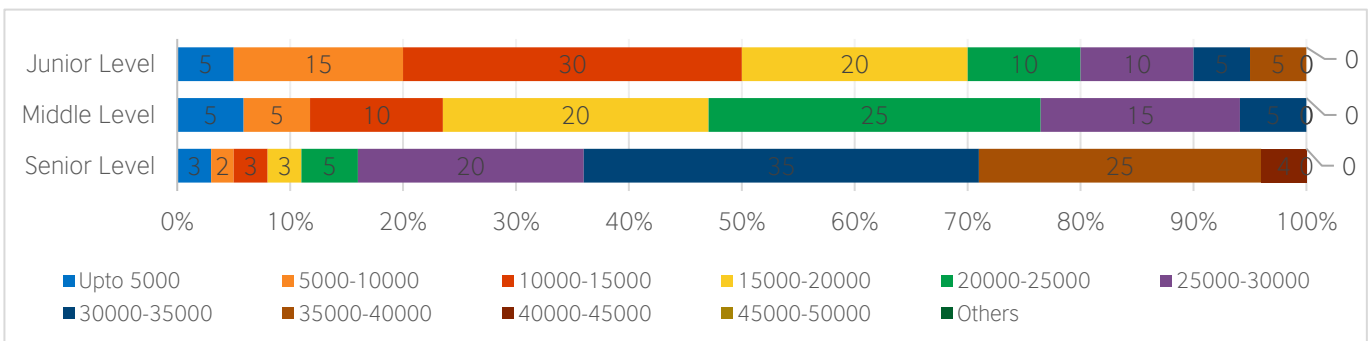
Table 50: Requirement of industry-specific, sector-specific and cross-functional skills

INDUSTRY SPECIFIC	SECTOR SPECIFIC	LEADERSHIP & MANAGEMENT	SALES & MARKETING	FINANCE & ACCOUNTING	HEALTH & SAFETY	PROJECT MANAGEMENT
5%	20%	20%	35%	10%	5%	5%

Price range: Certifications ranging from INR 30,000-35,000 have higher acceptability amongst the senior level employees. While certifications in the range of INR 20,000-25,000 are preferred by middle level employees,

junior level employees prefer INR 10,000-15,000 price bracket. Amongst the junior level employees, non-graduates prefer certifications in the range of INR 5,000-10,000.

Figure 19: Preferred price range



Source: Ipsos Business Consulting Primary / Analysis

Duration: The ideal duration for a course for junior level and middle level employees is ~2-4 months. For senior level employees, the course duration primarily ranges from ~1-2 months.

Soft skill requirements: Soft skills are critical in this sector and the need for soft skill training is high among junior level and middle level employees.

Language preference: English is the most preferred language among middle level and senior level employees. Junior level employees prefer a mix of English and vernacular language for communication during training and courses.

EMPLOYER PERSPECTIVE

Recruitment arrangement: A mix of small, medium and large companies in the organised and unorganised sub-sectors were approached for the study. The majority of the unorganised players outsourced recruitment to third parties. However, 48% of the employers in the organised sub-sectors conducts in-house recruitment for junior, middle and senior level employees. ~60% of the employers in the organised sub-sectors assess candidates based on CV shortlisting and assessment tests.

While selecting junior level employees, employers prefer candidates with good communication skills and interpersonal skills. Relevant work experience assumes significant importance in the selection of middle level and senior level employees.

Certification requirements: Majority of the employers are of the opinion that ~40% of its junior level employees would benefit from certifications and training. The benefits for middle level and senior level employees from certifications and training are expected to the tune of ~30% and ~25% respectively. Most of the employers believe that the certification needs for junior level and middle level employees can be met through domestic certifications, however international certifications would be beneficial for senior level employees.

Training arrangement: ~51% of the employers conduct in-house training for their employees while industry trainers and third-party training contribute to 37% of training. Most of the training is job-related training and don't certify employees.

Need gaps: Lack of practical training and lack of quality trainers are the major need gaps in the current training provided to employees.

Key decision maker: Types of training to be provided to employees is primarily decided by the Company's Human Resource Manager as reported by 30% of the respondents. Private training providers are the most preferred to meet the company's training needs.

Selection criteria: ~65% of the employers give preference to key parameters like the relevant experience of the training institute, training duration and provision for on-the-job training while selecting a training institute.

Fund allocation: The average annual training budget per employee⁷⁶ is in the range of INR 8,000-12,000 in

⁷⁶ Ipsos Business Consulting Analysis

the sector. Employers are willing to spend maximum funds on the training of junior level employees followed by middle level and senior level employees.

Based on the graduate pass, employee and employer’s perspectives, following information can be deduced:

- College, family members, peers and the alumni network are the key influencers/ decision makers as young professionals seek their opinion for career growth opportunities.
- Recognition by employers, prices and reputation of trainers are the top 3 selection criteria as the prime motivation for undertaking certification & training is better employment opportunities. Additionally, young professionals seek to obtain maximum benefits from the investment in certification & training.
- Graduate pass and junior level employees are highly price sensitive, whereas the price sensitivity is medium-low for middle level and senior level employees. Price sensitivity is dependent upon the income of an employee.
- Ideal course duration is 2-4 months for graduate pass, junior level and middle level employees

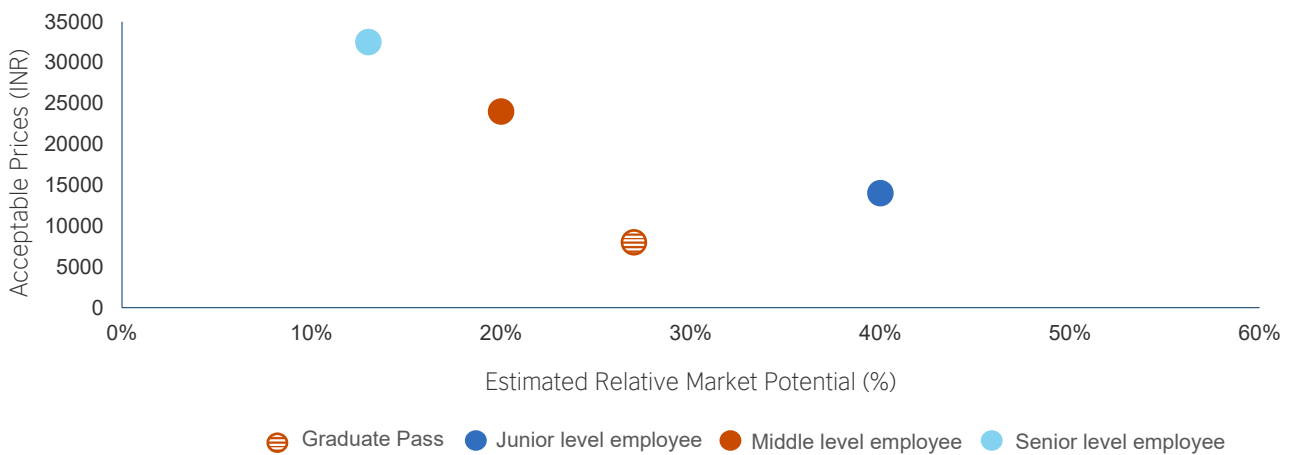
whereas preferred course duration is 1-2 months for senior level employees due to high work pressure.

- A blend of the online and face-to-face mode is preferred for delivery of training. Most of the young professionals except non-graduates at the junior level prefer computer-based examination for certification.
- Soft skill requirements are critical in this sector due to the nature of the service industry and would be required for graduate pass, junior level and middle level employees.
- A mix of English and vernacular language (see Table 51 for list of vernacular languages) is preferred for delivery of communication of training and courses as most of the young professionals are comfortable in their vernacular languages.

ATTRACTIVENESS OF CUSTOMER SEGMENTS

A plot of acceptable price v/s estimated relative market potential for young professionals at different levels in the tourism, hospitality & travel sector is provided below.

Figure 20: Acceptable price v/s estimated relative market potential



Source: Ipsos Business Consulting Analysis

The market size is relatively less for middle level and senior level employees as compared to graduate pass and junior level employees but their price sensitivity is medium- low.

GO-TO-MARKET STRATEGY

The business potential⁷⁷ for certification and training in the tourism, hospitality & travel sector is high and the competition intensity⁷⁸ is medium.

Table 51: Go-to-market strategy in the tourism, hospitality & travel sector

TARGET CUSTOMER SEGMENTS	TARGET CITIES	PREFERRED LANGUAGE	POTENTIAL COLLABORATORS
Middle level and senior level employees	Delhi/ NCR, Mumbai and Guwahati	Delhi/ NCR- English and Hindi Mumbai- English, Hindi and Marathi Guwahati- English, Hindi and Assamese	Tourism & Hospitality Skill Council, Federation of Hotel & Restaurant Associations of India (FHRAI), leading sector companies, recruitment agencies, regional content and training providers

⁷⁷ The business potential refers to the market size. Rating has been done in terms of high, medium and low based on the relative market size

⁷⁸ Rating for competition intensity has been derived from primary interactions with stakeholders

STRATEGIC RECOMMENDATIONS AND THE WAY FORWARD

The key strategic imperatives for UK qualifications, considering its focus on becoming a relevant player in India include the following:

Figure 21: Strategic imperatives for UK qualifications

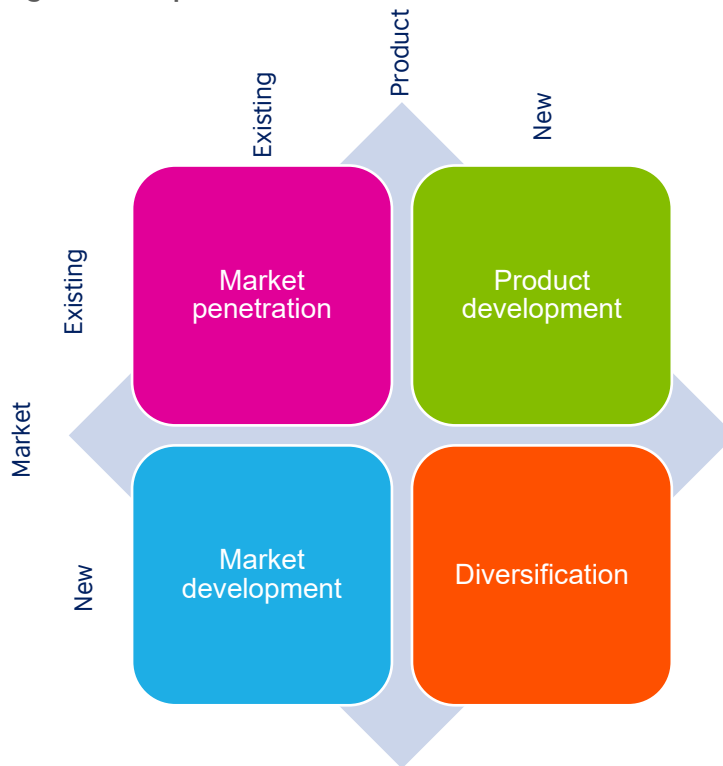


GROWTH STRATEGY

Based on the baseline assessment for professional qualifications in India, we recommend the following

growth strategies of market penetration, product development, diversification and market development for UK qualifications across the select sectors.

Figure 22: Growth strategies for UK qualifications



MARKET PENETRATION: UK qualifications in the health & safety and quality management skills across industries have positive acceptance in the Indian market. UK qualifications should aim to increase the market penetration for these qualifications by focusing on target customer segments, price points, target sectors and cities and marketing and outreach initiatives.

UK qualifications should target middle level and senior level employees in the short-term (0-2 years) whereas all the customer segments can be targeted in the long-term (more than 2 years). The reason for targeting middle level and senior level employees is that their price sensitivity is low-medium and have a higher affinity towards international qualifications. While targeting middle level and senior level employees in the short-term, the efforts should also be made to create awareness among ITI graduates, graduate pass and junior level employees. The strategy is to “Catch them

young” as they will transition into the middle level and senior level employees in the coming years.

PRODUCT DEVELOPMENT: The key skill sets required at various levels have been mapped across sectors. UK qualifications should launch their qualifications in the Indian market to meet these skill requirements. The course offerings in terms of course content, course duration, prices, mode of delivery and language of delivery should be customised in the Indian context in accordance with the preferences of young professionals.

MARKET DEVELOPMENT: Currently, the uptake of qualifications is predominantly in the metropolitan cities in India due to higher levels of awareness among young professionals and the availability of multiple options. However, the next wave of growth for professional qualifications is going to come from tier-2 and tier-3 cities⁷⁹ in India as a result of increased urbanisation and

⁷⁹ Based on Reserve Bank of India (RBI) classification, tier-1 cities include cities with population 1,00,000 and above. Tier-2 cities have population between 50,000-99,999

whereas the population for tier-3 cities lies between 20,000-49,999.

STRATEGIC RECOMMENDATIONS AND THE WAY FORWARD

improved infrastructure. UK qualifications should not miss out on this growth opportunity.

DIVERSIFICATION: Lack of expert trainers has been observed as a major need gap in the training requirements of young professionals and employers. “Train-the-Trainer” programmes present a potential business opportunity and UK qualifications should focus on these programmes along with the certifications to become a preferred choice of the qualifications provider. The demand for “Train-the-Trainer” programmes is maximum in the auto & auto components, construction & infrastructure and engineering sectors due to the need of industrial training

in these sectors. In the long-term, UK qualifications can also provide employability assessment solutions for employers.

UK qualifications should follow an optimal marketing mix strategy to become a preferred choice of the qualifications provider. The marketing mix strategy includes recommendations on the course offerings, price points, target sectors and cities and marketing and outreach initiatives.

Figure 23: Marketing mix strategy for UK qualifications



COURSE OFFERINGS

The product strategy includes recommendations on the course content (sector-specific & cross-functional requirements), course duration, mode of delivery, the language of delivery and critical success factors.

COURSE CONTENT

Industry-specific, sector-specific and cross-functional requirements: Our research indicated that the industries require a mix of industry-specific, sector-specific and cross-functional skill sets. The course content should be developed based on the key skill sets and competency requirements across sectors.

COURSE DURATION

The research indicated that the ideal course duration is 2-4 months for junior level, middle level and senior level employees across all sectors. However, the preferred

course duration is slightly higher, i.e. 4-6 months across all levels in the healthcare sector. Senior level employees prefer shorter course duration of 1-2 months due to critical work engagements in most of the sectors. Course duration can be aligned accordingly by the UK qualifications for the Indian market.

MODE OF DELIVERY

Mode of conducting the examination for certifications: Most of the young professionals except non-graduates at the junior level prefer computer-based examination because most of the competitive examinations are shifting to this mode of conducting the examination. UK qualifications should conduct the computer-based examination as the target customer segments prefer this mode of an examination.

Mode of delivery of training: Young professionals prefer a blended approach of the online and face-to-face mode like classroom training, case studies, action learning projects, live interactions with industry experts

and professionals etc. for training. UK qualifications need to adopt a blended approach for delivery of training.

LANGUAGE OF DELIVERY

Language of conducting the examination for

certifications: Most of the middle level and senior level employees across sectors prefer the English language for undertaking the examination of certifications whereas ITI graduates, graduate pass and junior level employees prefer English and vernacular language⁸⁰ for undertaking the examination of certifications. UK qualifications may collaborate with regional language training providers to provide an option of the examination in vernacular languages to junior level employees.

Language of delivery of training: Most of the young professionals prefer a mix of English and vernacular language for delivery of classroom training, action learning projects, live interactions etc. Therefore, UK qualifications may partner with regional training agencies to provide course material and training both in English and vernacular languages.

CRITICAL SUCCESS FACTORS

UK qualifications should be able to address the following need gaps of young professionals and employers to become a relevant player in the Indian market:

- Recognition of certification by employers: The research highlighted that most of the employers select candidates based on resume and personal interviews. Relevant work experience and expertise of candidate plays an important role in his/her selection. Young professionals prefer undertaking certifications that are recognised by most of the employers. So, UK qualifications should collaborate with employers in creating awareness for qualifications.
- Practical application of concepts in the training programmes: Lack of practical knowledge was

observed as a critical disconnect between the current educational curriculum and industry requirements. Training budget accounts for close to 5-20%⁸¹ of the employer's annual expenditure depending upon its size. Young professionals and employers prefer training programmes with exposure to practical situations and application of theoretical concepts.

- Good quality of trainers with sound exposure to concepts and practical situations: Quality of trainers is critical to the success of the training programme. The research indicated that there is need of expert trainers across sectors with sound theoretical concepts, rich practical experience and good presentation skills. UK qualifications should collaborate with good quality training providers for the delivery of training.

PRICING

The research showed findings on the acceptable prices for skill based certifications among young professionals. The acceptable price depends upon the annual income earned by these employees or household income for ITI graduates and graduate pass. Though the market potential of certification requirement is more for ITI graduates, graduate pass and junior level employees, this customer segment is highly price sensitive and may opt for local certifications. However, close to 10-15%⁸² of the total young professionals are willing to pay prices more than the acceptable price if the certification has a global recognition, positive acceptance by employers and good value addition in their skill sets.

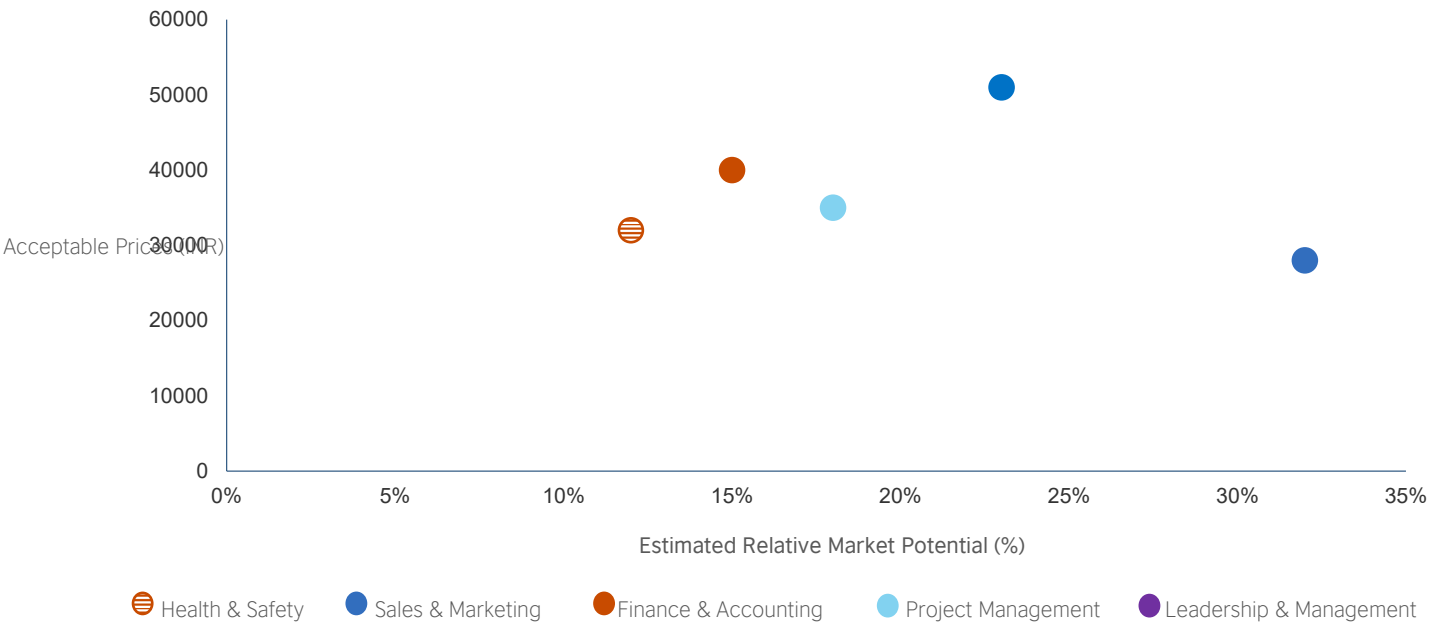
In addition to the industry-specific and sector-specific skill sets requirements, some of the critical cross-functional requirements have also been identified which are necessary for most of the sectors. The plot of acceptable price v/s the estimated relative market potential for cross-functional certification is provided below.

⁸⁰ Refer to sector sections for details on the vernacular languages

⁸¹ Derived from the primary research

⁸² Based on primary research

Figure 24: Acceptable price v/s estimated relative market potential for cross-functional certification



Source: Ipsos Business Consulting Analysis

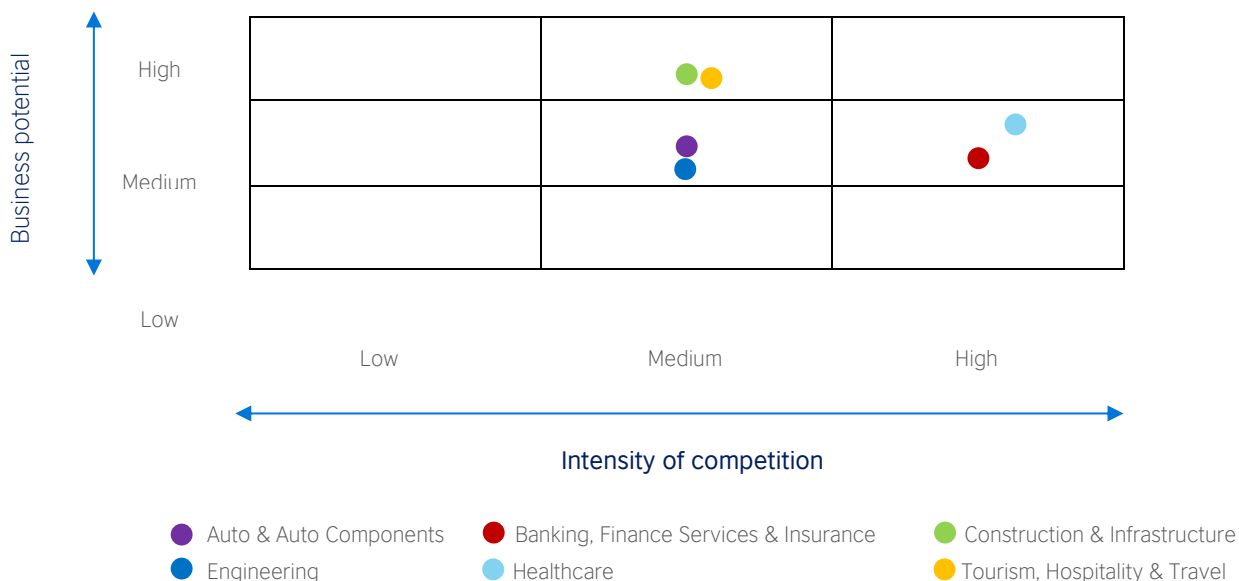
The analysis indicated that the sales & marketing certifications have the highest market potential among the cross-functional certifications as it holds acceptability in most of the sectors and is required across all levels. However, most of the demand for sales & marketing certifications is being met through domestic certifications. Middle level and senior level employees feel the need of international certifications for Project Management and Leadership & Management.

TARGET SECTORS AND CITIES

It is recommended that the market testing for certifications should be carried out in the recommended cities for a particular sector before rolling it out at the national level. Additionally, existing UK qualifications should focus on consolidating their position in the recommended cities within a sector.

SECTORS ATTRACTIVENESS: An assessment has also been made for UK qualifications in terms of business potential v/s intensity of competition in the select sectors as provided below.

Figure 25: Business potential v/s competition intensity for sectors



Source: Ipsos Business Consulting Analysis

The analysis showed that the intensity of competition is high in BFSI and healthcare sectors and have medium business potential. Construction & Infrastructure sector has the highest business potential among the selected sectors and the intensity of competition is also medium. UK qualifications should target Construction & Infrastructure sector, Auto & Auto Components sector, Engineering sector and Tourism, Hospitality & Travel sector as the priority sectors whereas BFSI and Healthcare sectors can be targeted in their medium-long term strategy.

MARKETING AND OUTREACH INITIATIVES

Lack of awareness for internationally recognised qualifications among young professionals has been identified as one of the key limitations for qualifications market in India. The research provided insights that peers, the internet and industry events are the main sources of awareness for qualifications to young professionals. UK qualifications need to adopt a mix of above-the-line (ATL) and below-the-line (BTL) marketing campaigns along with partnerships with key stakeholders for awareness creation.

ATL CAMPAIGNS

UK qualifications can create awareness through online marketing like AdWords marketing and advertising on major recruitment portals (Monster India, Naukri.com

etc.), professional platforms (Linkedin), online course providers (edX), social media marketing etc.

BTL CAMPAIGNS

The research showed that relevant work experience among young professionals continues to be one of the important selection criteria by employers. UK qualifications should make inroads by forging relationships with HR managers in the selected sectors to create awareness for skill based certifications. UK qualifications need to:

1. Sensitise the employers on the potential outcomes of skill based certifications in terms of increased productivity among employees. The status of skill based certifications needs to be shifted from “good-to-have” to “must-to-have” in the selection criteria by employers.
2. Conduct an annual industry event like National Employability Conclave in collaboration with employers, Human Resources (HR) managers & business heads, third-party trainers and young professionals to showcase the need for skill based certification and training.
3. Meet the training needs of employers through the quality “Train-the-Trainer” programmes.
4. Collaborate with training and placement cell (T&P) of colleges for creating awareness of skill based

STRATEGIC RECOMMENDATIONS AND THE WAY FORWARD

certifications with expected outcomes of better placements prospects.

PARTNERSHIPS/ COLLABORATIONS

UK qualifications may consider collaborating with regional content providers, regional training providers and recruitment agencies for the selected sectors to increase the uptake of UK qualifications in the Indian market.

UK qualifications may also partner with sector skill councils and other government bodies through the Public-Private-Partnership (PPP) mode wherein training can be provided by the Project Implementing Agencies (PIAs) designated by National Skill Development Council

(NSDC) and certifications can be provided by UK qualifications.



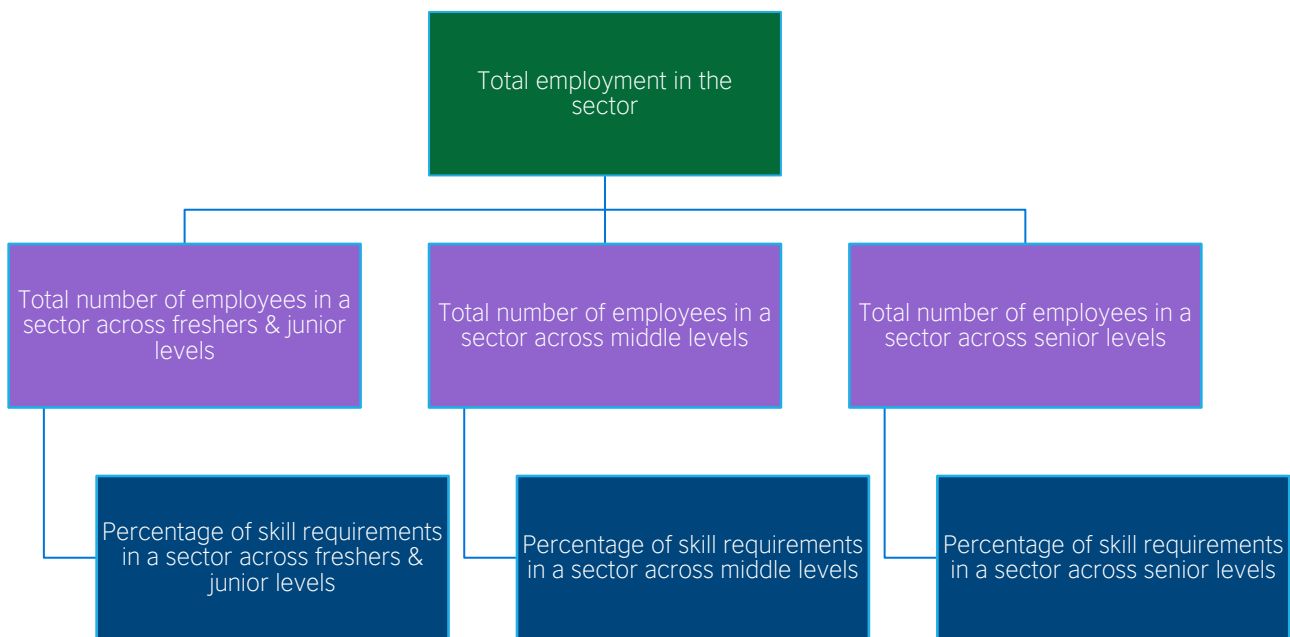
ANNEXURES

TECHNICAL ANNEXURES

The top-down methodology was used to determine market sizes for certifications and training. To determine the total addressable market (TAM) following parameters were taken into consideration:

1. Total sector-wise employment⁸³
2. Total sector-wise employment across freshers and junior, middle & senior level professionals⁸⁴
3. Total sector-wise skill requirements across freshers and junior, middle and senior level professionals⁸⁵

The following figure illustrates market size calculation across all the sectors:



Based on interactions with key stakeholders and industry experts, the average number of employees across junior, middle and senior level have been taken as 60%, 30% and 10% respectively out of the total employment in the sector. The number of ITI graduates and graduate pass has been estimated based on the incremental human resource requirements across sectors. The total number of certifications required for freshers, junior level, middle level and senior level

employees have been estimated based on the above assumption.

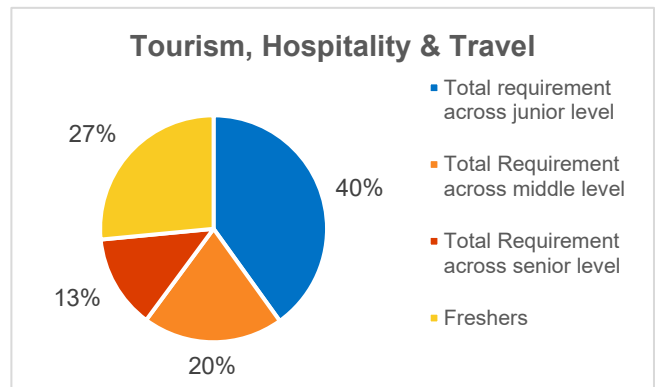
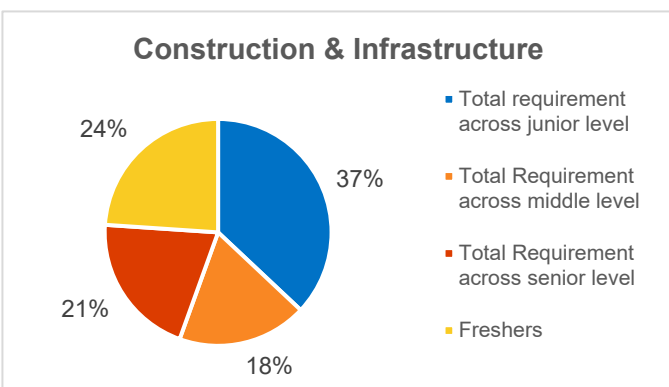
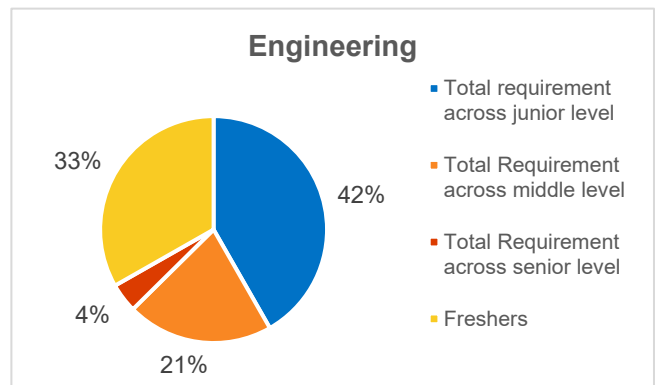
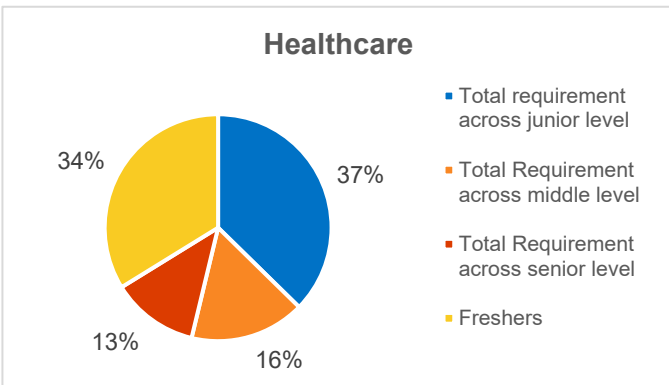
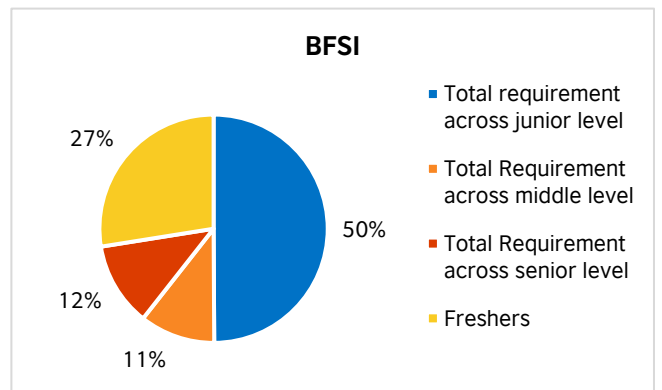
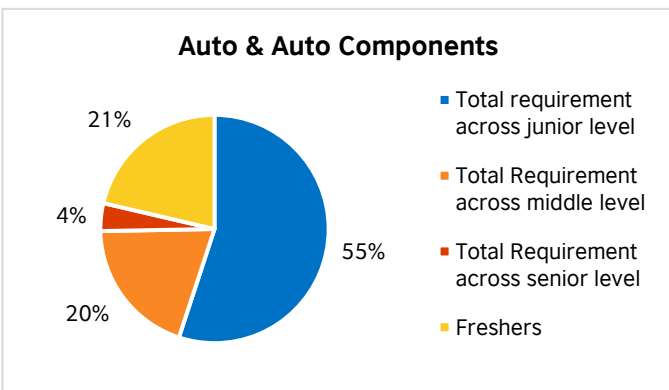
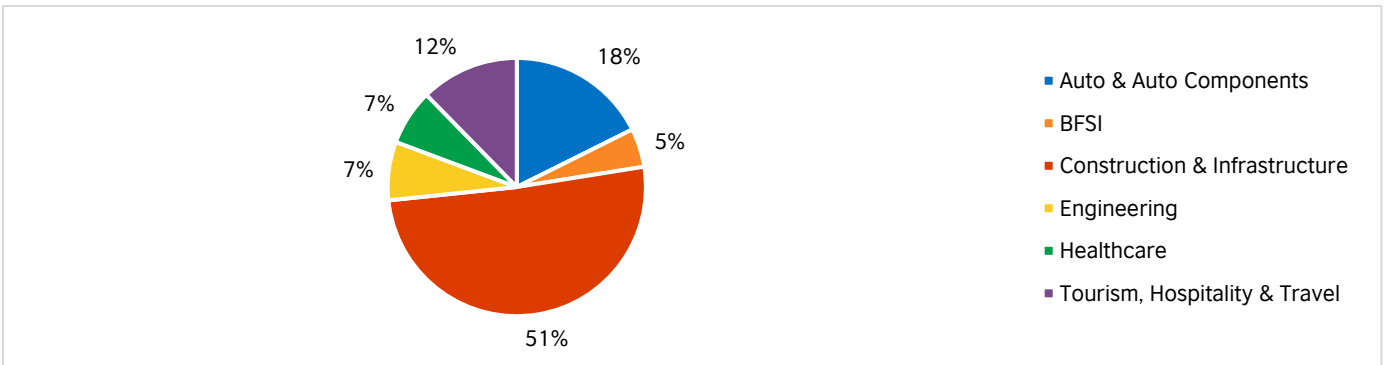
Market size for certifications (INR billion) has been estimated by multiplying the price ranges of certifications and a number of certifications required at various levels. The total requirement for training at various levels has been estimated based on interactions with key stakeholders and industry experts.

⁸³Source: Secondary research 2013 or desk research searches

⁸⁴Sources: Primary interviews and secondary research or desk research searches

⁸⁵Sources: Primary interviews

Total requirement of number of certifications



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British council creates international opportunities for the people of the UK and other countries and builds trust between them worldwide. We are a Royal Charter charity, established as the UK's international organization for educational opportunities and cultural relations.

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ABBREVIATIONS

APCRM: Advanced Programme in Clinical Research & Management

ASSOCHAM: Associated Chambers of Commerce & Industry of India

ATL: Above-the-Line

BAI: Builders' Association of India

BFSI: Banking, Financial Services and Insurance

BTL: Below-the-Line

CAD: Computer Aided Design

CAE: Certificate in Automobile Engineering

CCMH: Certified Course in Hotel Management

CCRATM: Certified Credit Research Analyst

CPBM: Certified Private Banking Manager

CPQP: Certified Pharmaceutical Quality Professional

CV: Curriculum Vitae

DAT: Diploma in Automobile Technology

DATES: Diploma in Automobile Engineering Services

DPMM: Diploma in Pharmaceutical Marketing Management

DPPM: Diploma in Pharmaceutical Production Management

E&P: Exploration & Production

FDI: Foreign Direct Investment

FHRAI: Federation of Hotel & Restaurant Associations of India

FRM: Financial Risk Management

GAIL: Gas Authority of India Ltd

GCC: Gulf Cooperation Council

GDP: Gross Domestic Product

HR: Human Resources

HVAC: Heating Ventilation and Air Conditioning

IATA: International Air Transport Association

IFBI: Institute for Finance, Banking and Insurance

IIHM: Indian Institute of Hotel Management

IIRM: Institute of Insurance and Risk Management

ISO: International Organization of Standardization

INR: Indian Rupee

ITI: Industrial Training Institutes

L&T: Larsen & Toubro

MATLAB: Matrix Laboratory

MSDE: Ministry of Skill Development and Entrepreneurship

NBFC: Non-Banking Financial Company

NCR: National Capital Region

NSDC: National Skill Development Council

OEM: Original Equipment Manufacturer

OHSAS: Occupational Health and Safety Assessment Series

OSHA: Occupational Safety and Health Administration

PIA: Project Implementing Agency

PLC: Programme Logic Controller

PMP: Project Management Professional

PPP: Purchasing Power Parity/ Public Private Partnership

QA/QC: Quality Assurance/Quality Control

RBI: Reserve Bank of India

SCADA: Supervisory Control and Data Acquisition

SOP: Standard Operating Procedures

T&P: Training & Placement

TAM: Total Addressable Market

UK: United Kingdom

USA: United States of America

WHO: World Health Organization

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