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Skill Development, Employability and Sustainable Livelihoods among Indian Youth: An Empirical Study

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Abstract:
Skill development has emerged as an important instrument for improving youth employability, promoting entrepreneurship and supporting sustainable livelihoods in India. Although the country has a large young population, the transition from education to employment continues to be influenced by the availability of relevant skills, practical training, industry requirements and access to employment opportunities. This study examines the relationship between skill development, employability and sustainable livelihoods among Indian youth. It focuses on technical and digital competencies, communication skills, vocational training, entrepreneurial abilities and the perceived contribution of skill development programmes to employment opportunities and income security.

The study proposes a quantitative research design based on a sample of 120 young respondents. A structured questionnaire is used as the proposed instrument for collecting information on demographic characteristics, participation in skill development programmes, perceived skill improvement, employment status and livelihood security. The analysis framework includes frequency distributions and percentage analysis to examine the major dimensions of the research problem. The paper also considers the implications of skill development for inclusive economic growth and the achievement of Sustainable Development Goals, particularly SDG 4 (Quality Education) and SDG 8 (Decent Work and Economic Growth).

Keywords: Skill development, youth employability, sustainable livelihoods, vocational education, entrepreneurship, India, digital skills

1. Introduction

India's young population represents an important source of economic growth, innovation and social transformation. The ability to convert this demographic potential into productive employment depends substantially on the quality of education, the relevance of skills and the availability of decent work. In an increasingly competitive economy, academic qualifications alone may not be sufficient to secure employment. Employers also expect practical knowledge, communication abilities, digital literacy, problem-solving skills, teamwork and adaptability to changing workplace requirements.

Skill development refers to the process of acquiring and improving the technical, vocational, digital, managerial and interpersonal abilities required to perform specific tasks or occupations. It includes formal vocational education, short-term training programmes, apprenticeships, workplace learning, entrepreneurship training and continuous professional development. In India, initiatives such as the Skill India Mission and the Pradhan Mantri Kaushal Vikas Yojana seek to improve access to occupational training and strengthen the relationship between skills and labour-market requirements.

However, the effectiveness of skill development should not be assessed solely by the number of individuals enrolled in training programmes or awarded certificates. Its real contribution must also be evaluated in terms of employment, earnings, occupational mobility, self-employment, job retention and improvements in the quality of life. Training that is disconnected from actual labour-market demand may not lead to meaningful employment. Similarly, employment that provides inadequate income, irregular working hours or no social protection may not create a sustainable livelihood.

The India Employment Report 2024, prepared by the International Labour Organization (ILO) and the Institute for Human Development (IHD), examines the relationship between education, skills and employment in India and highlights the continuing challenges faced by young people entering the labour market.
These challenges make it necessary to examine whether skill development programmes are improving young people's ability to obtain work and maintain a reasonable standard of living.

Sustainable livelihoods refer to the capabilities, assets and activities that enable individuals and households to meet their needs over time while managing economic, social and environmental risks. For young people, sustainable livelihoods may arise through regular wage employment, self-employment, small enterprises, agricultural and allied occupations, digital work or other productive activities. They require not only occupational skills but also financial literacy, entrepreneurial capacity, access to markets, social security and opportunities for continuous learning.

The relationship between skill development and sustainable livelihoods is also relevant to the United Nations Sustainable Development Goals. SDG Target 4.4 calls for an increase in the number of young people and adults possessing relevant skills for employment, decent jobs and entrepreneurship. SDG 8 emphasises productive employment and decent work, including measures to improve youth employment opportunities.

Against this background, the present study examines the perceived role of skill development in improving employability and supporting sustainable livelihoods among Indian youth. It seeks to identify the training areas that young people consider important, the barriers that restrict access to employment and the measures required to strengthen the contribution of skill development to inclusive and sustainable economic development.

2. Literature Review

The existing literature on skill development, youth employability and sustainable livelihoods highlights the importance of linking education and training with labour-market requirements. The following review identifies major contributions relevant to the present study.

Becker (1964) explained that education and training constitute investments in human capital because they improve an individual's knowledge, productivity and potential earnings. From this perspective, skill development can enhance employability by enabling young people to perform occupational tasks more effectively. However, the economic benefits of training depend on the relevance of acquired skills, the quality of instruction and the availability of productive employment opportunities.

The India Employment Report 2024 by the ILO and IHD examines employment trends, educational attainment, skill development and the challenges encountered by young people in the Indian labour market. It provides an important national context for understanding the transition from education to employment and the need for stronger links between educational institutions, training systems and employers.

The report supports the relevance of examining employability as a multidimensional issue rather than treating educational qualifications or training participation as sufficient indicators of employment success.

The Ministry of Skill Development and Entrepreneurship has implemented initiatives intended to expand vocational training, improve occupational competencies and promote industry-oriented skills. The Pradhan Mantri Kaushal Vikas Yojana includes short-term training, certification and recognition of prior learning as part of the broader effort to improve workforce capabilities.

The International Labour Organization emphasises the importance of core employability skills, including communication, teamwork, problem-solving and the ability to adapt to workplace requirements. Young people entering employment for the first time may face disadvantages because they have limited work experience and fewer opportunities to demonstrate these competencies.

This perspective suggests that vocational and technical training should be complemented by soft skills, digital competencies, career guidance and workplace exposure.

Chambers and Conway (1992) developed an influential framework for understanding sustainable rural livelihoods. Their approach highlights the importance of people's capabilities, assets and activities in enabling them to secure a living while coping with shocks and stresses. Although originally developed in the context of rural livelihoods, the framework offers useful insights for understanding youth employment, self-employment and economic resilience.

Applied to the present study, sustainable livelihoods involve more than obtaining a job. They include the ability to earn a sufficient and reasonably stable income, meet essential household needs, withstand economic disruptions and improve one's future opportunities.

3. Research Gap

The reviewed literature establishes the importance of education, occupational skills, core employability competencies and livelihood security. However, a focused local-level investigation can provide additional insight into how young people perceive the relationship between training, employment opportunities and income stability.

The present study addresses this proposed research gap by examining skill development, employability and livelihood security together within a sample of 120 youth respondents. Its intended contribution is to connect participation in training with perceived skill improvement, employment outcomes and the conditions required for sustainable livelihoods.

The review above provides a conceptual foundation. Before journal submission, it should be expanded through additional peer-reviewed empirical studies, particularly research evaluating the employment and income outcomes of Indian skill development programmes.

4. Research Objectives

The main objective of the study is to examine the role of skill development in improving employability and promoting sustainable livelihoods among Indian youth.

The specific objectives are:

1. To examine the level of participation of youth in skill development and vocational training programmes.
2. To assess the perceived contribution of skill development to employability and job readiness.
3. To examine the relationship between skill development and employment-related outcomes.
4. To identify the major barriers faced by youth in accessing skill training and employment opportunities.
5. To assess the perceived contribution of skill development to income stability and sustainable livelihoods.

Hypothesis

H_0: There is no statistically significant association between participation in skill development programmes and employment status among the respondents.

H_1: There is a statistically significant association between participation in skill development programmes and employment status among the respondents.

5. Research Methodology

Research Design

The study adopts a descriptive and analytical research design. The descriptive component examines the demographic characteristics of respondents, participation in skill development programmes, employment status and perceived livelihood security. The analytical component is intended to examine associations between training participation and employment-related outcomes.

Nature and Sources of Data

The proposed study uses primary data collected from youth through a structured questionnaire. Secondary data are drawn from government publications, research reports, academic books and relevant institutional publications relating to skill development and employment in India.

For the illustrative analysis presented in this draft, the primary-data tables use hypothetical responses. They must not be interpreted as observations collected from actual respondents.

Sample Size and Sampling Technique

The proposed sample consists of 120 young people. Respondents may be selected from colleges, vocational training institutions, employment-seeking groups and young people engaged in wage employment or self-employment.

A stratified sampling approach may be adopted to ensure representation across gender, educational qualifications, employment status and training participation. Where a convenient or purposive sample is used, the sampling method should be reported accurately, and the findings should not be generalised to all Indian youth.

Study Area and Target Population

The target population comprises young people in India who are pursuing education, seeking employment, participating in skill development programmes or engaged in economic activities. The precise geographical study area, respondent age range and institutional coverage must be specified after the fieldwork plan is finalised.

Measurement of Variables

Variable	Suggested measurement
Skill development participation	Participated / not participated
Perceived skill improvement	Low / moderate / high

Employment status	Wage-employed / self-employed / unemployed and seeking work / studying or not seeking work
Training–job relevance	High / moderate / low / not applicable
Livelihood security	Income regularity, ability to meet essential needs and perceived financial stability
Employment barriers	Multiple-response checklist

Tools of Data Analysis

The proposed study uses frequency distributions, percentages and tabular analysis. If actual respondent-level data are available, a chi-square test can be used to examine the association between training participation and employment status. Logistic regression or other suitable multivariate techniques may be considered if the sample, measurement quality and research design support them.

For a sample of 120 respondents, each respondent represents approximately 0.833 percentage points.

6. Data Analysis and Interpretation

6.1 Demographic Profile of Respondents

Table 1: Age-wise distribution

Age group	Respondents	Percentage
18–21 years	48	40.0%
22–25 years	52	43.3%
26–29 years	20	16.7%
Total	**120**	**100.0%**

Source: Primary Data.

In the distribution, respondents aged 22–25 constitute the largest group, accounting for 43.3% of the sample. Respondents aged 18–21 represent 40%, while those aged 26–29 account for 16.7%. The distribution provides representation across different stages of the transition from education to employment.

Table 2: Gender-wise distribution

Gender	Respondents	Percentage
Male	66	55.0%
Female	54	45.0%
Total	**120**	**100.0%**

Source: Primary Data.

The study comprises 55% male and 45% female respondents. This distribution allows the proposed analysis to consider the experiences

of both groups. In the actual study, gender differences in training access, mobility, employment opportunities and livelihood security may be examined if the data are sufficient.

Table 3: Educational qualifications

Educational qualification	**Respondents**	**Percentage**
Higher secondary	22	18.3%
ITI or diploma	24	20.0%
Undergraduate	56	46.7%
Postgraduate	18	15.0%
Total	**120**	**100.0%**

Source: Primary Data.

Undergraduate respondents form the largest group at 46.7%, followed by respondents with ITI or diploma qualifications at 20%. The distribution includes both academically qualified youth and those with vocational qualifications. This is useful for examining whether the perceived relevance of skill development differs by educational background.

6.2 Participation in Skill Development Programmes

Table 4: Participation in skill development training

Training participation	**Respondents**	**Percentage**
Participated in training	72	60.0%
Did not participate	48	40.0%
Total	**120**	**100.0%**

Source: Primary Data.

Training participation in the sample: Participated - **60%,** Did not participate - **40%**

In the study, 60% of respondents have participated in some form of skill development training, while 40% have not. The difference suggests that access to training could be an important dimension of the study. The actual questionnaire should record the type, duration, provider and completion status of training to distinguish meaningful participation from brief exposure.

6.3 Perceived Improvement in Skills

Table 5: Perceived improvement among trained respondents

Level of improvement	**Respondents**	**Percentage of 72 trained respondents**
High improvement	26	36.1%
Moderate improvement	32	44.4%

Low improvement	14	19.4%
Total	**72**	**100.0%***

Source: Primary Data.

Among the 72 hypothetical respondents who participated in training, 44.4% report moderate improvement and 36.1% report high improvement. The remaining 19.4% report low improvement. This illustrative pattern suggests that training quality and practical relevance deserve attention. In the actual study, the questionnaire should distinguish improvements in technical competence, communication, digital literacy and confidence in performing job-related tasks.

6.4 Skills Considered Important for Employability

Table 6: Important skills identified by respondents

Skill category	**Respondents identifying the skill**	**Percentage**
Technical or occupational skills	86	71.7%
Digital and computer skills	78	65.0%
Communication skills	74	61.7%
Problem-solving and critical thinking	62	51.7%
Entrepreneurial and financial skills	48	40.0%
Teamwork and leadership	44	36.7%

Source: Primary Data.(Multiple responses permitted.)

Technical or occupational skills receive the highest number of selections, followed by digital skills and communication skills. This pattern illustrates the importance of combining job-specific competencies with the ability to communicate effectively and use digital tools. Entrepreneurial and financial skills are also relevant because not all young people will enter regular salaried employment; some may pursue self-employment or small business activities.

Since multiple responses are permitted, the percentages are not expected to add up to 100%.

6.5 Employment Status of Respondents

Table 7: Employment status

Employment status	**Respondents**	**Percentage**
Wage-employed	38	31.7%
Self-employed	24	20.0%
Unemployed and seeking work	42	35.0%

Studying or not currently seeking work	16	13.3%
Total	**120**	**100.0%**

Source: Primary Data.

In the above distribution, wage-employed respondents account for 31.7%, while 20% are self-employed. The largest single category comprises respondents who are unemployed and seeking work, at 35%. The remaining 13.3% are studying or not currently seeking employment.

The table highlights an important distinction: acquiring skills and obtaining employment are separate outcomes. Even when individuals receive training, their employment prospects may depend on vacancies, local economic conditions, work experience, employer recruitment practices and access to professional networks. The actual study should examine these factors rather than attributing unemployment solely to a lack of skills.

6.6 Perceived Barriers to Employment

Table 8: Major barriers faced by youth

Employment barrier	Respondents	Percentage
Lack of practical experience	68	56.7%
Insufficient local job opportunities	61	50.8%
Mismatch between training and job requirements	54	45.0%
Financial constraints in accessing training	43	35.8%
Inadequate digital skills	31	25.8%

Source: Primary Data.(Multiple responses permitted.)

Lack of practical experience is the most frequently identified barrier in the illustrative data, followed by insufficient local job opportunities and a mismatch between training and job requirements. These results demonstrate why training programmes should be linked with internships, apprenticeships, employer participation and local employment information.

Financial constraints may also prevent young people from accessing suitable courses, transport, devices or certification. The actual survey should investigate whether these constraints differ by gender, rural or urban residence and family income.

6.7 Income Regularity and Livelihood Security

Table 9: Perceived income regularity among employed and self-employed respondents

Income regularity	Respondents	Percentage of 62 employed/self-employed respondents
Regular income	28	45.2%
Somewhat regular income	22	35.5%
Irregular income	12	19.4%
Total	62	100.0%*

Source: Primary Data.

Of the 62 hypothetical respondents classified as wage-employed or self-employed, 45.2% report regular income, 35.5% report somewhat regular income and 19.4% report irregular income. The illustrative distribution shows why employment status alone is not an adequate measure of livelihood sustainability. The regularity of earnings, adequacy of income, work conditions and ability to meet essential expenses also matter.

For the actual study, livelihood security could be measured through questions about the ability to meet food, housing, healthcare, education and transport expenses; the ability to save; and access to social protection. These indicators would offer a more comprehensive understanding than income regularity alone.

6.8 Summary of Illustrative Analysis

The illustrative tables provide a framework for examining the major dimensions of the research problem. They indicate how a sample of 120 respondents can be described in terms of training participation, perceived skill improvement, employability skills, employment status, employment barriers and income regularity.

However, these descriptive tables do not establish a causal relationship between training and employment. Nor do they demonstrate that trained respondents have better livelihood outcomes than untrained respondents. Those conclusions would require actual respondent-level observations and appropriate comparative or statistical analysis.

In the completed study, the proposed null hypothesis should be tested using a cross-tabulation of training participation and employment status, followed by a chi-square test where its assumptions are satisfied. The relationship between training and livelihood security

could also be examined, controlling for relevant factors such as educational qualification, age, gender and work experience where the sample supports such analysis.

7. Findings of the Study

The following findings are derived from the illustrative tables presented in Section 6. They demonstrate the form that the findings section may take; they are not verified findings from an actual field survey.

1. Participation in skill development: The illustrative data show that 60% of respondents have participated in skill development programmes, while 40% have not. This highlights the importance of examining the accessibility and reach of training opportunities.

2. Perceived improvement in skills: Among the 72 illustrative training participants, 80.5% report either moderate or high improvement in their skills. This suggests the importance of assessing training effectiveness from the perspective of participants, alongside objective assessments of competence.

3. Importance of technical and digital skills: Technical or occupational skills are identified by 71.7% of the illustrative sample, while 65% identify digital and computer skills as important for employability. These figures demonstrate how skill priorities can be presented and interpreted.

4. Significance of communication skills: Communication skills are identified by 61.7% of the illustrative respondents. This highlights the potential value of integrating communication, teamwork and workplace behaviour into vocational and higher education curricula.

5. Continuing employment challenges: In the illustrative sample, 35% of respondents are unemployed and seeking work. This indicates the need to investigate the relationship between training and actual access to jobs rather than assuming that training automatically results in employment.

6. Practical experience as a barrier: Lack of practical experience is the most frequently identified employment barrier in the illustrative data, selected by 56.7% of respondents. This supports the rationale for examining internships, apprenticeships and work-integrated learning.

7. Mismatch between training and job requirements: The illustrative results show that 45% identify a mismatch between training and job requirements. This points to the importance of employer consultation, occupational standards and periodic curriculum revision.

8. Livelihood security extends beyond employment: Among the illustrative employed and self-employed respondents, 45.2% report regular income. This demonstrates the importance of examining income adequacy and stability alongside employment status.

9. Importance of entrepreneurship: The illustrative responses indicate that entrepreneurial and financial skills are considered important by 40% of respondents. This reinforces the need to consider self-employment, enterprise creation and financial literacy as complementary pathways to sustainable livelihoods.

10. Need for further statistical testing: Descriptive statistics alone cannot establish whether skill development participation is significantly associated with employment or livelihood security. Such relationships require analysis of actual respondent-level data.

8. Suggestions

Based on the conceptual framework and the issues examined in this study, the following suggestions are proposed for educational institutions, training providers, employers and policymakers.

i. Align Training with Industry Requirements

Skill development programmes should be designed after assessing the current and emerging requirements of local industries and service sectors. Regular consultation with employers can help educational institutions identify skill gaps and revise course content. Training should combine theoretical knowledge with practical assignments, simulations and workplace exposure.

ii. Strengthen Practical Training and Apprenticeships

Internships, apprenticeships, industrial visits and live projects should form an integral part of skill development. These activities provide opportunities to apply classroom knowledge, gain workplace experience and understand employer expectations. Educational institutions should establish formal partnerships with businesses, industries and service organisations to facilitate such opportunities.

iii. Integrate Employability Skills into Higher Education

Communication, problem-solving, teamwork, critical thinking, time management and professional conduct should be incorporated into academic programmes. Students should receive opportunities to participate in presentations, group discussions, mock interviews, project work and workplace simulations.

iv. Promote Digital Literacy and Emerging Skills

Training should include digital communication, spreadsheets, data analysis, online collaboration, digital payments, cybersecurity awareness and the responsible use of artificial intelligence tools.

Courses should be regularly updated to reflect technological developments and the changing requirements of occupations.

v. Encourage Entrepreneurship and Self-Employment

Skill development should not be restricted to preparing young people for salaried jobs. Entrepreneurship education should cover business planning, market research, costing, accounting, financial management, digital marketing and customer relations. Young entrepreneurs should also receive guidance on business registration, access to finance, mentoring and market linkages.

vi. Improve Access for Disadvantaged Youth

Training opportunities should be accessible to young people from economically disadvantaged households, rural communities and other underrepresented groups. Scholarships, affordable training, transport support, flexible schedules and accessible learning facilities can help reduce participation barriers.

vii. Strengthen Career Guidance and Placement Services

Educational institutions and training centres should provide career counselling, aptitude assessment, resume preparation, interview training and information about job opportunities. Placement services should maintain links with employers and track whether trainees obtain employment relevant to their qualifications.

viii. Establish Outcome-Based Monitoring

The success of skill development programmes should be assessed through measurable outcomes, including:

- Completion and certification rates.
- Employment and placement rates after training.
- Relevance of employment to the training received.
- Changes in earnings and income stability.
- Job retention and career progression.
- Self-employment and enterprise survival.
- Employer satisfaction and participant feedback.

Such monitoring would help distinguish training participation from meaningful improvements in employability and livelihoods.

ix. Strengthen Financial Literacy and Social Security Awareness

Young people should receive guidance on budgeting, savings, responsible borrowing, insurance, digital financial services and social security. Workers in informal and self-employed occupations may particularly benefit from information about available protections and support mechanisms.

x. Encourage Continuous Learning

Skill development should be treated as a continuous process rather than a one-time intervention. Short courses, micro-credentials, refresher programmes and online learning opportunities can help young workers adapt to technological changes and changing occupational requirements.

xi. Promote Sustainable and Green Skills

Training institutions should consider opportunities in renewable energy, energy efficiency, waste management, sustainable agriculture, environmental services and other emerging areas. Green skills can help young people participate in economic activities that contribute to environmental sustainability.

xii. Improve Coordination Among Stakeholders

Government agencies, educational institutions, employers, industry associations, training providers and financial institutions should coordinate their activities. Such collaboration can help align training capacity with employment demand and improve access to entrepreneurship support.

9. Conclusion

Skill development plays a vital role in enhancing youth employability and promoting sustainable livelihoods in India. Its effectiveness depends on the relevance of skills, practical experience, employment opportunities and support for entrepreneurship. Technical, digital, communication and problem-solving skills can improve job readiness, while income stability, financial security and social protection contribute to sustainable livelihoods.

This paper proposes a research framework for studying these relationships among 120 Indian youth. The illustrative analysis examines training participation, skill improvement, employment status and livelihood security using descriptive statistics. Since the data are hypothetical, actual survey responses are necessary to establish reliable findings.

Skill development should ultimately contribute to productive employment, economic independence and improved quality of life. Strengthening the links between education, vocational training, industry and entrepreneurship can promote inclusive and sustainable economic growth while supporting the Sustainable Development Goals of quality education and decent work.

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