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Employability of Gen z and the role of skills beyond Traditional Education

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ABSTRACT:

Traditional education has always played an important role in the labour market but as we navigate today's competitive world only having a degree alone is not sufficient as the employer not only needs an employee to have a degree but also they want them to have various types of skills, efficiency in the work, practicality and good work experience. This research paper examines how generation z in India looks at the significance of ability inculcated other than formal education and how these skills can help them to get the suitable job. The study is purely based on primary data collected through a structured online questionnaire from 103 respondents aged from 18-29 years. The stored data is analysed using descriptive statistics, primarily percentages. Mostly percentage is used to understand every respondent's views, the skills needed and their professional background.

The findings show that 53% of respondents disagree that a formal qualification alone is enough to secure suitable employment, while only 33% agree. Approximately 74% of respondents have developed skills outside their formal education, and 78% have gained practical work experience. Respondents consider problem-solving skills (92%), soft skills (91%), communication skills (89%), and technical skills (88%) important for obtaining employment. Furthermore, 82% believe that candidates with additional skills have better employment opportunities. Self-learning (48%) and online platforms (46%) are the main sources through which respondents develop their skills.

However, participation in government skill development programs remains low. Only 16% of respondents have participated in such programs, while just 17% are well aware of these schemes. The major barriers to skill development are the high cost of training (50%) and lack of time (47%). Respondents also identify digital skills (62%) and artificial intelligence (AI)-related skills (57%) as important areas in which they need further training.

The findings suggest that Gen z thinks that skills are not the replacement for education but they help us to enhance our future as we know degree gives us less practical but more theoretical knowledge but on the other hand skills, work experience, training, internships give us more practical knowledge which helps Gen z to apply those knowledge in job. Therefore the study shows the importance of skill development courses which should also be affordable or free. Increase the awareness of government schemes and greater implementation of technological, practical and AI-related courses and training in educational institutions hence these steps can help Gen z to seek jobs and prepare them from rapidly changing demand of the labour market.

INTRODUCTION:

❖ Background

In the research we have taken help of various theories to explain the topic.

Human capital theories tell us that formal learning and professional development are seen as the investment that will improve people's practical abilities, efficiency, expertise, earnings (Schultz, 1961; Becker, 1964). As explained by signaling theory, a degree gives signal to employers to understand the person's skills and capability (Spence, 1973). For a considerable period, traditional education and academic credentials were considered very important for getting a suitable job but now this thinking is changing because employers are also searching for employees with practical skills and personal abilities.

Heckman and Kautz (2012) explain that basic education and educational test are not sufficient to measure essential qualities like speaking skills, determination, personal qualities, team building skills. These qualities can play a vital role in a person's career growth. Deming (2017) found that between 1980 and 2012, jobs which need communication have increased by almost 12 percentage points as a share of the US workforce. Job Opportunity and salary growth were also rising in jobs that needed both calculative and soft skills also Yorke (2006) and Tomlinson (2012) studies that jobs are mostly dependent on a combination of learning skills, ability, professional work experience and soft skills rather than only degree.

❖ The Indian Context

The distance between academic achievement and requirement for job is a vital issue in India. As per the Indian employment report 2024, prepared by the Institute for Human Development (IHD) and the International Labour Organization (ILO), the percentage of unemployed youth with formal school education or higher increased in 2000 by 35.2% to in 2022 by 65.7%. The report also tells that youth were also counted in India's total unemployed population.

by 82.9% in 2022. These values show that accomplishing education will not always guarantee job specifically for youth

The report also shows the gap in digital skills .for example 75%of youth were not able to send an email with an attachment as per findings from the report this suggests that some youth may differ basic digital or technological skills which are needed in today's job market .

Industry examines and also search for the gap between formal education and the abilities essential for being employed . A Mercer /Mettl study which covers 2500 colleges and more and also 440000 students examined that only 45% of Indian Graduates applying for jobs were called employable . This tells us that even though increasing number of youth are opting and completing formal education , many may need extra training and professional experience to meet the expectation of the employers

Hence , inculcating skills other than formal education has become very vital for Generation Z in India . Skills such as Ability to express ideas , Finding Solutions , Working Together , Basic Computer and digital skills ,Job related knowledge and Ability to use AI tools can help youth to prepare themselves for the constantly changing job requirement . extra training , online courses , hands on experience and work place training may help to fill the gap between Educational Attainment and job opportunity

Statement of the problem

1. Formal education

gives theoretical knowledge and educational attainment but with the changing time today employers may also need professional experience , ability to express ideas ,working together , digital knowledge and problem solving skills . many youth face problems while stepping in to the labour market despite having traditional education . Formal education has always been treated as a crucial to stable employment in the future .Human capital looks at education as a investment that raises efficiency and future earning . (Schultz, 1961; Becker, 1964) Signalling theory sees degree as a signal that tells employer about your skills . (Spence, 1973) both the theories tells us that formal education helps youth to get a job .in indian these assumption is strained . Educational qualification has has rised more rapidly then the labour market capacity to give jobs to educated entrants and also the employers growing search for skills that education do not certify.

2. Evidence of the problem

- **Educated unemployment.** The India Employment Report 2024 (ILO&IHD) shows that a part of young people with formal education or higher among all unemployed young people increased from 35.2% in 2000 to 65.7% in 2022 and the unemployed was mostly among graduates . young people also make a higher part of unemployed at 82.9% of the total in 2022. Education alone is therefore no longer a sufficient condition for employment.
- **An employability gap.** A Mercer | Mettl analysis of over 440,000 students in 2,500+ colleges found that only 45% of Indian graduates who apply for jobs are employable. Earlier editions of the India Skills Report put the figure at 47% (as cited in GRAAM, 2020). This gap is persistent rather than a one-off issue
- **Which skills are missing.** An employer survey by Blom and Saeki (2011) found that employers perceive soft skills (core employability and communication skills) to be very important, with skill gaps most severe in higher-order thinking skills. international evidence points in the same direction . Heckman and Kautz (2012) argue that achievement tests miss soft skills, which predict success in life and causally produce it. Deming (2017) finds that jobs requiring high social interaction grew by nearly 12 percentage points as a share of the US labor force between 1980 and 2012, with the strongest wage growth in jobs demanding both math and social skills.
- **Public skilling has uneven reach.** PMKVY is India's flagship short-term skilling scheme. Evaluations of it find that results depend on delivery. A study in Punjab found that post-training employment status was marginally better under the state-managed scheme than the centrally managed one, and that COVID severely affected the state-managed program. Reach Remains a separate question that the evaluation literature leaves largely open for young people in education.

3. Why Gen Z

Gen Z is the first cohort to enter the labor market as digital natives, with easy access to online learning but also exposure to fast-changing skill demands. Industry reports suggest it gives priority to skills, hands-on experience and flexibility over traditional academic credentials. A LinkedIn gfk survey of Indian respondents of 1000 people age from 18 to 24 showed that the learning skills are like twice of as likely to be earning soft skills (about 60%), hard skills (about 30%). (LinkedIn & GfK, 2021). Such reports are not peer-reviewed, and they say little about the economic constraints that shape what young people can actually do to build skills.

Research Question

- Does Gen Z consider formal education alone sufficient for employability?
- Which skills beyond formal education do respondents value, and how do they acquire them?
- Is the acquisition of additional skills associated with respondents' confidence in their employability and their perceived skill match?
- How aware are respondents of government skill-development schemes, and what limits their participation?
- What barriers constrain skill development, and which skills do respondents most want to acquire?

RESEARCH OBJECTIVES:

The study is guided by the following objectives:

1. To examine whether Gen Z considers formal education alone sufficient to secure suitable employment.
2. To identify the types and sources of skills that Gen Z has acquired beyond formal education, and the importance it attaches to them.

3. To analyse the relationship between acquiring skills beyond formal education and respondents' confidence in their employability and the perceived match between their skills and employer demand.
4. To assess Gen Z's awareness of and participation in government skill-development schemes.
5. To identify the major barriers to skill development and the skills respondents most need, in order to suggest policy measures.

RESEARCH HYPOTHESES:

Based on the objectives of this study, three hypotheses are tested. They help us understand whether awareness of environmental laws, people's opinions and education are related to their willingness to pay more for green products.

Hypothesis 1 (H1): Awareness of Environmental Laws and Willingness to Pay

H1: Sufficiency of formal education

H₀: There is no difference between the proportions of respondents who agree and who disagree that formal education alone is enough to get a suitable job.

H₁: There is a difference between the proportions of respondents who agree and who disagree that formal education alone is enough to get a suitable job.

H2: Skills beyond traditional education and perceived employability

H₀: There is no association between gaining skills outside formal education and perceived employability (measured by confidence in obtaining suitable employment) among Gen Z respondents.

H₁: There is an association between gaining skills outside formal education and perceived employability (measured by confidence in obtaining suitable employment) among Gen Z respondents.

H3: Awareness and participation in government skill-development schemes

H₀: There is no association between awareness of government skill-development schemes and participation in them among Gen Z respondents.

H₁: There is an association between awareness of government skill-development schemes and participation in them among Gen Z respondents.

LITERATURE REVIEW:

This review studies research on how do skills other than traditional education shape the employability of youth with a highlight on generation z with Indian context it studies 6 themes

Educational knowledge , Employability skills and Rapidly changing requirements ,skill gaps and mismatch, Genz views on employability, job experience with practicality and internship ,skill building ,social programme and technological and artificial intelligence skills

- **Educational knowledge**

Human capital theories tells us that formal learning and professional development are seen as the investment that will improve people's practical abilities , efficiency ,expertise ,earnings (schultz,1961;becker 1964) and signaling theory a degree gives signal to employers to understand the persons skills and capability(spence,1973).in both the qualification is given more importance for the labour market . the history of employability has changed Hillage and Pollard (1998),stated for Indian work on generation z they tells that employability is a type of personal asset personal circumstances and labour market situation. Tomlinson's (2012)

review of the field argues for a broader understanding of graduate employability than the one policymakers offer. His earlier work on students' views, titled "The degree is not enough" (Tomlinson, 2008), anticipates the question this paper asks. Yorke (2006) also separates employability from the simple act of being employed.

- **Employability skills and rapidly changing requirements**

Heckman and Kautz (2012) states that achievement tests miss abilities , such as personality traits, goals and determination , which predict success in life and are valued in the job market. Deming (2017) provides labour-market evidence: between 1980 and 2012, jobs requiring high social interaction grew by nearly 12 percentage points as a share of the workforce, with the strongest wage and employment growth in jobs combining math and social skills.

The research on genz is still very less and needs more study and settlement . A Parameters review of 20 articles found disagreement on how soft skills are described or categorized

And tells that job providers inculcate them through digital training ,guidance ,work experience and internship the same review also tells that ability to express your ideas , teamwork and interpersonal skills most need developing among Gen Z professionals (Visser & Terblanche, 2025).

Mismatch carries an economic cost. An OECD cross-country study of 19 countries finds that higher skill and qualification mismatch is associated with lower labour productivity, partly through less efficient allocation of resources. The ILO notes that tackling skills mismatch involves more than making sure workers hold adequate degrees or certificates.

- **Skill gaps and mismatch**

Employer surveys in India show the same priority on soft skills. Blom and Saeki (2011) surveyed employers of new engineering graduates and found that employers rate soft skills (core employability and communication skills) as very important, while the largest gaps are in higher-order thinking skills. Their results also show 64 percent of employers hiring fresh engineering graduates were only somewhat satisfied with

new hires, or worse.

Mismatch carries an economic cost. An OECD cross-country study of 19 countries finds that higher skill and qualification mismatch is associated with lower labour productivity, partly through less efficient allocation of resources. The ILO notes that tackling skills mismatch involves more than making sure workers hold adequate degrees or certificates.

For India the India Employment Report 2024 (ILO & IHD) reports that the educated young people are a part of unemployed young people in 2022 which are 65.7% while in 2000 it was 35.2% with the highest number of graduates. An industry analysis shows that the employable youth graduates are only 45%. Together these figures show increasing education alongside a persistent employability gap.

- **Gen Z views on employability**

Skills over knowledge. A study of Thai Generation Z graduates, using expert interviews and a student survey, found that employability was not mainly about knowledge but about skills and abilities, with employers expecting stronger presentation and communication skills. The same study found that employers and graduates interpreted some traits, such as patience, differently (Pancharoen & Chorkaew). A study of Gen Z STEM students in the Canary Islands likewise points to employability skills that are poorly addressed by traditional teaching methods. (Sierra et al., 2024). Self-perception versus employer views. A SHRM–Handshake survey of 1,180 HR professionals and 2,122 students and recent graduates found a significant gap between how Gen Z rates its own skills and how employers see them. For example, 58% of Gen Z reported extensive experience in critical thinking, against 27% of employers who agreed that emerging professionals commonly have it. This matters because respondents' confidence about employability may not match employer assessments.

- **Job Experience with practicality and internship**

Internships are widely seen as a route to employability, but the evidence is mixed. Chillias, Marks and Galloway (2015) studied placements in the ICT sector and found that internships can enhance employability and open access to permanent jobs, but interns are more often expected to work productively than to learn, and a mini labour market advantages those who already have the required soft skills. Hunt and Scott (2020), analysing UK graduate data, found that unpaid internships are more common than previously estimated and appear on balance to lead to underemployment and less favourable career outcomes, while post-graduation internships confer fewer long-term advantages than pre-graduation work experience. The quality, timing and pay of experience therefore matter as much as its presence.

- **Skill building social programme**

Surveys of Indian youth show strong demand for training but weaker access to it. An Observer Research Foundation survey of 5,764 people aged 15–30 across seven states found that degrees remain the most important employment qualification, that youth want skills training to improve employability, and that they want it to include vacancy information, job-application advice, placement and career guidance. The same study found that fewer young women than men have actually participated in skills programmes, although they show interest. (Chadha & Chapman, 2020). Of online Evidence on the effect of public programmes is limited and mixed. In a study of PMKVY-2 in Punjab, post-training employment status was marginally better under the state-managed scheme than the centrally managed one, and COVID severely affected the state-managed programme.

- **Technological and artificial intelligence skills**

Digital skills have become a basic requirement, and they widen inequality where access is weak. The ILO notes that in low and lower-middle-income countries, digital divides in both skills and infrastructure limit the supply of workers and the demand for them. The newest evidence concerns AI. Brynjolfsson, Chandar and Chen (2025) analyse US payroll data and find that early-career workers aged 22–25 in the most AI-exposed occupations experienced a 16 percent relative decline in employment, controlling for firm-level shocks. The authors caution that other factors may contribute, and the study is US evidence, so it cannot be applied directly to India. For young job-seekers it suggests that the skills which complement AI, not those that AI can automate, may protect employment.

RESEARCH GAP:

Most of what we know about skills and employability comes from studies done outside India or from employers and industry groups (Heckman & Kautz 2012; Deming, 2017; Blom & Saeki 2011; SHRM–Handshake). There is also one study from India that looks at Gen Z but it only covers one state (Sarkar & Das 2025). Other research looks at skills, internships, government skilling programs and the impact of AI. But rarely do these studies look at all of them together with the same group of young people.

We still don't know much about what Gen Z in India thinks about having a degree. Do they feel it's enough to get a job? How do they learn skills? Do those skills make them feel more confident about finding work? Do they even know about government skilling programs or take part in them?

This study tries to fill that gap. It uses survey data collected directly from young people, in India to answer these questions.

DATA AND METHODOLOGY:

Characteristic	Category	n	%
Gender	Female	73	70.9
	Male	30	29.1
Age	18–20 years	20	19.4
	21–23 years	58	56.3
	24–26 years	18	17.5
	27–29 years	7	6.8
Highest qualification	Higher secondary	12	11.7
	Diploma	3	2.9
	Undergraduate	46	44.7
	Postgraduate	32	31.1
Employment status	Professional degree	10	9.7
	Employed (full-time, part-time or self-employed)	51	49.5
	Student	39	37.9
	Intern, trainee or seeking work	13	12.6
Area of education	Commerce	25	24.3
	Arts/Humanities	23	22.3
	Science	19	18.4
	Economics	13	12.6
	Engineering/Technology	10	9.7
	Management	7	6.8
	Other	6	5.8

Source: Author's survey (2026). Percentages may not sum to 100 because of rounding.

The research instrument

The research instrument was a Google Form that contained 29 questions. Most of these questions were closed-ended. The research instrument was arranged into eight parts: (A) respondent profile, (B) perception of education (C) skills and training acquired (D) importance of skills, (E) practical experience, (F) employability perceptions, (G) government skill-development schemes and (H) barriers and skill needs. Twelve of the questions used five-point scales. These scales asked the respondent to agree or disagree with statements about how sufficient formal education's the importance of digital, communication, problem-solving, soft and technical skills and whether employers recognise practical skills. The scales also asked about confidence in getting a job. How well the respondent's skills match employer demand. The rest of the questions were choice, multiple-response or open-text. Some follow-up questions were shown to respondents, for whom they were relevant for example the type of practical experience was shown only to those who had experience. As a result a few responses were blank by design. The research instrument collected names and email addresses only to detect entries.

Variables and measurement

Two composite indices were built as ways to combine scale items. The skill-importance index brings together five items: skill, communication skill, problem-solving skill, soft skill and technical skill. The skills-employability perception index brings together four items: the importance of internships and hands-on experience better opportunities for candidates who have skills improved employability when people have skills that go beyond ordinary education and employers' recognition of practical skills. Perceived employability is measured by respondents' confidence, in getting a job that fits their current education and skills and it is supported by how well they think their skills match what employers want.

Reliability

Reliability was checked by looking at consistency with Cronbach's alpha (Cronbach, 1951).

Reliability is shown by the Cronbach's alpha value of 0.84 for the skill-importance index.

Reliability is shown by the Cronbach's alpha value of 0.86, for the skills-employability perception index.

Reliability is confirmed because both values exceed the 0.70 threshold.

Hypotheses and statistical techniques

Hypothesis	Variables	Test
H1: sufficiency of formal education	Agree vs disagree that formal education alone is enough (14 neutral responses excluded from the comparison)	Chi-square goodness-of-fit
H2: skills beyond education and perceived employability	Skills outside formal education (yes/no) × confidence in obtaining suitable employment (confident vs neutral or not confident)	Chi-square test of independence
H3: awareness and participation	Awareness of government schemes × participation in them	Chi-square test of independence, with Fisher's exact test as a check

The remaining objectives are addressed with the following tools:

- Frequency and percentage analysis for profile skill sources, barriers and skill needs.
- Mean and standard deviation for scale items.
- Cross-tabulation with row percentages.
- One-way ANOVA for differences in index scores across groups.
- Spearman correlation for relationships between scale items.
- Chi-square. The statistic is $\chi^2 = \sum (O - E)^2 / E$, where $E = (\text{row} \times \text{column total}) / N$ and the degrees of freedom are $(r - 1)(c - 1)$. Cramér's V reports effect size read as 0.1) medium (0.3) or large (0.5) (Cohen, 1988). Fisher's exact test is used where any expected count is below 5.
- One-way ANOVA (mean square analysis). The statistic is $F = MS \text{ between} / MS \text{ within}$, where each mean square equals its sum of squares divided by its degrees of freedom and eta-squared (η^2) gives the effect size. Levene's test checks variances, the Kruskal–Wallis test serves as a non-parametric check and Tukey's test is used for post-hoc comparisons.
- Correlation. Spearman's rank correlation coefficient (ρ) is used because scale data are ordinal with the Pearson coefficient as a check.
- Because several tests are run results are interpreted with the Holm correction for comparisons in mind (Holm, 1979). Microsoft Excel

Ethical consideration

Participation in the study was completely voluntary. All respondents were informed that the survey was conducted for research purposes. Names and email addresses were collected solely to identify and remove responses. These personal details were not included in any reports or published results. The findings are shared in form to protect individual privacy.

Limitations of the method

There are some limitations to the method used. The sample was convenience-based, which means it may not represent the population of Gen Z in India. The sample has a proportion of women which could affect how the results apply to all Gen Z individuals. The data are based on self-reported opinions and perceptions not on skill levels or verified outcomes in the labour market. Also the study used a design, which means it shows relationships, between variables but cannot prove cause and effect.

RESULT AND ANALYSIS

This chapter looks at the responses of 103 Gen Z respondents. It uses frequency and percentage analysis mean scores, cross-tabulation chi-square tests (including the three hypotheses) one-way analysis of variance (square analysis) and correlation. The tests use a 5% level of significance (* $p < 0.05$, ** $p < 0.01$ *** $p < 0.001$). Multiple-response percentages are shares of respondents. Therefore they can exceed 100%.

❖ Frequency and percentage analysis

Table 1: Formal education, skills and experience

Variable	Response	n	%
Formal education alone is sufficient	Agree (incl. strongly agree)	34	33.0
	Neutral	14	13.6
	Disagree (incl. strongly disagree)	55	53.4
Acquired skills outside formal education	Yes	76	73.8
	No	27	26.2
Certification or online course	Completed or pursuing	68	66.0
	No	35	34.0
Practical work experience	Yes	80	77.7
	No	23	22.3

Interpretation. More than half of the respondents 53.4 percent do not believe that a degree alone is enough. 33.0 Percent agree with that idea. Three out

of four respondents have gained skills outside their courses. Two, out of three have completed a certification. Taken an online course. A high majority, 77.7 percent have experience.

Table 2: Main skills acquired and their sources (multiple response, n = 103)

Skills acquired	n	%	Sources of skills	n	%
Digital/computer skills	62	60.2	Self-learning	50	48.5
Communication skills	58	56.3	Online courses/platforms	48	46.6
Teamwork and interpersonal	40	38.8	College/university	44	42.7
Problem-solving	35	34.0	Internship or workplace	35	34.0
AI/technology skills	28	27.2	Professional training institute	26	25.2

Interpretation. Respondents have mostly acquired communication skills. AI skills are common only 27.2 percent. Respondents learn mainly from self-learning and online platforms. College contributes 42.7 percent of skill acquisition. Therefore institutions are not the supplier of the skills respondents value.

Table 3: Government schemes, barriers and skills needed

Variable	Response	n	%
Awareness of government schemes	Know them well	18	17.5
	Limited knowledge	45	43.7
	Heard of them but know little	29	28.2
	Not aware	11	10.7
Participation	Participated or currently participating	16	15.5
	Not participated or unsure	87	84.5
Main barriers (multiple response)	High cost of training	51	49.5
	Lack of time	49	47.6
	Lack of information	33	32.0
Skills most needed (multiple response)	Digital/technology	64	62.1
	Artificial intelligence	59	57.3

Interpretation. Awareness is widespread but shallow. Awareness shows that 61.2 percent of people know about the schemes. 17.5 Percent know the schemes well. 15.5 Percent have taken part. Cost and time are the barriers. 3.9 Percent report no barriers. Lack of motivation is rarely mentioned 9.7 percent say it is a problem. So the main problem is access, not willingness. Respondents want AI skills the most. The gap is biggest, for AI. 27.2 Percent have AI skills. 57.3 Percent say they need AI skills. The two questions are worded differently. Treat this comparison as suggestive.

❖ Mean scores

Table 1.: Mean scores (1 = lowest, 5 = highest)

Item	Mean	SD	% agree or high
Formal education alone is sufficient	2.80	1.24	33.0
Problem-solving and critical thinking are important	4.50	0.64	92.2
Soft skills are important	4.48	0.71	92.2
Communication skills improve chances	4.45	0.75	89.3
Internships and experience improve employability	4.25	0.79	82.5
Candidates with additional skills have better opportunities	4.19	0.75	81.6
Confidence in obtaining suitable employment	3.89	0.79	67.0
Skill match with employer demand	3.91	0.84	65.0
Skill-importance index (5 items)	4.38	0.57	83.5
Employability-perception index (4 items)	4.17	0.64	77.7

Interpretation. Respondents rate all skills as important. Technical skills score 4.28. Digital skills score 4.18. These numbers are similar to the ones shown earlier. A one-sample t-test compares each item to the value of 3. The test is significant ($p < 0.001$) for every item except the first. The average for the statement "formal education alone is sufficient" is 2.80. This average is not significantly different from $p = 0.098$. The large standard deviation of 1.24 shows that opinions are divided. Confidence and skill match are positive. However the ratings for confidence and skill match are lower than the ratings, for importance.

❖ Cross-tabulation

Table 1: Skills outside formal education × confidence and skill match

Skills outside education	n	Confident, n (%)	Skills match employer demand well, n (%)
No	27	11 (40.7%)	12 (44.4%)
Yes	76	58 (76.3%)	55 (72.4%)

Table 2: Awareness × participation

Awareness of schemes	n	Participated, n (%)
Aware (know well or limited knowledge)	63	15 (23.8%)
Heard of them or not aware	40	1 (2.5%)

Interpretation. People who have skills are much more likely to feel confident with 76.3% compared to 40.7% for people who do not have outside skills. They also are more likely to say that their outside skills match what employers want with 72.4% versus 44.4%. Participation is far higher among people who know about the schemes with 23.8% participating compared to 2.5%, among people who do not know about the schemes

❖ Chi-square tests and hypothesis testing

Table 1: Results for H1 to H3

Hypothesis	Test	Result	Decision
H1: sufficiency of formal education	Chi-square goodness-of-fit: 34 agree vs 55 disagree (14 neutral excluded)	$\chi^2 = 4.96$, $df = 1$, $p = 0.026$	Reject H_0
H2: skills beyond education and perceived employability	Chi-square test of independence (Table 4.5)	$\chi^2 = 11.40$, $df = 1$, $p = 0.001$, $V = 0.33$	Reject H_0
H3: awareness and participation	Chi-square test of independence (Table 4.6)	$\chi^2 = 8.47$, $df = 1$, $p = 0.004$, $V = 0.29$; Fisher's exact $p = 0.004$	Reject H_0

H1. A lot more respondents disagree than agree that a degree alone is enough. The evidence is modest because neutral responses are left out and the average does not differ a lot from neutral so say the opinion is split but leaning toward disagreement.

H2. Perceived employability is linked to having learned skills of formal school with a medium size effect.

H3. Participation is linked to being aware again with a medium size effect. One respondent who was not aware of the schemes took part so look at the 2.5% carefully.

Other square results. Having skills is also connected with a better perceived skill match ($\chi^2 = 6.83$, $p = 0.009$, $V = 0.26$) and with agreeing that extra skills help opportunities (exact $p = 0.040$). Gender, age group, education level and employment status show no important connection with having skills or with confidence and neither certification nor practical experience is strongly linked with confidence (practical experience $p = 0.086$). Men are more likely to have skills than women (26.7% against 11.0%) which is significant by the standard test ($p = 0.046$) but not by the exact test ($p = 0.070$) so it is not considered significant. With many tests being done only the link, between skills and confidence remains significant after a Holm correction so the other results should be seen as hints.

❖ One-way ANOVA (mean square analysis)

Table 1: Significant ANOVA results

Outcome by group	MS between	MS within	F	p	η^2	Group means
Confidence by skills outside education	8.64	0.55	15.80	<0.001	0.14	No 3.41; Yes 4.07
Employability index by skills outside education	3.14	0.38	8.17	0.005	0.08	No 3.88; Yes 4.28
Employability index by practical	2.34	0.39	5.97	0.016	0.06	No 3.89; Yes 4.25

Outcome by group	MS between	MS within	F	p	η^2	Group means
experience						
Employability index by age	1.66	0.39	4.31	0.016	0.08	18–20: 3.99; 21–23: 4.10; 24–29: 4.48
Skill-importance index by education level	2.19	0.30	7.25	0.008	0.07	Below postgraduate 4.26; Postgraduate/professional 4.55

interpretation. People who have skills outside of their job rate themselves as more confident (4.07 compared to 3.41) and see themselves as more employable. The difference in confidence is the $F = 15.80$, $\eta^2 = 0.14$ and is the only result that still matters after I checked all 28 tests using a Holm correction (adjusted $p = 0.004$). Having real-life experience is linked to feeling more employable. The group that is 24 to 29 years old has the score on that measure and it is much higher than the 18 to 20 group (Tukey $p = 0.026$) and the 21 to 23 group ($p = 0.034$). People who have a postgraduate degree or a professional job think that skills are more important than others. Men and women people who are working or not working and those with or without certification do not show any differences in any of the results. Levene's test shows that the variances are the same, for these results and the Kruskal–Wallis test gives the answer.

❖ Correlation analysis

Table 1: Spearman correlations (n = 103)

Variable	(1)	(2)	(3)	(4)	(5)	(6)
(1) Skill-importance index	1					
(2) Employability-perception index	0.71***	1				
(3) Confidence	0.36***	0.41***	1			
(4) Skill match	0.24*	0.25*	0.55***	1		
(5) Formal education sufficient	–0.23*	–0.26**	0.03	0.19	1	
(6) Skills outside education (1 = yes)	0.24*	0.25*	0.37***	0.19	–0.06	1

interpretation. I see that respondents who rate skills as important are more confident ($p = 0.36$). Confidence moves closely with perceived skill match ($p = 0.55$). Those who believe that a degree alone is enough show a relationship, with both indices ($p = -0.23$ and -0.26) but do not seem to affect confidence ($p = 0.03$). Having skills is positively related to confidence ($p = 0.37$). The five skill-importance items are strongly correlated with each other ($p = 0.54$). This means respondents tend to answer them in a way and some of these correlations may reflect a general agreeing style.

- Respondents say that problem solving, soft skills and communication are very important with 89 to 92 percent agreeing.
- Three quarters of participants have learned skills outside of formal education. The biggest sources are self-learning, 48.5 percent and online platforms 46.6 percent, ahead of college 42.7 percent.
- People who have skills show more confidence – 76.3 percent versus 40.7 percent – and think their skills match better 72.4 percent versus 44.4 percent (H2).
- People know little about government schemes 17.5 percent are familiar. Participation is low 15.5 percent. Those who are aware 23.8 percent are more likely to take part than the 2.5 percent who are not aware (H3).
- The biggest obstacles are cost, 49.5 percent and time 47.6 percent. The largest gap in skills is intelligence, with only 27.2 percent having it and 57.3 percent needing it.

These results agree with Sarkar and Das (2025). They report that Gen Z feels Gen Z can get jobs most of the time. This confidence varies with a person's social and economic background. In this data women joined 11.0% of the programmes compared with 26.7% of men a difference that is not statistically significant. This pattern matches the observation of Chadha and Chapman (2020) who found that fewer young women than men signed up for skills training even though many women are interested. SHRM–Handshake shows a gap between how Gen Z judges Gen Z's own abilities and how employers judge them. Therefore treat the respondents' confidence as a perception than a real measure of employability

DISCUSSIONS

1.1s Education enough? (Objective 1 H1)

Most people don't think a degree alone is enough. 53.4% Said they disagree while 33.0% agree. That's a gap ($p = 0.026$). But the evidence isn't strong—average score was 2.80, which's close to neutral and still nearly a third say a degree is enough.

This matches what Tomlinson (2008) said: a degree isn't enough on its own. It also lines up with the India Employment Report 2024 (ILO & IHD) which shows educated people making up a bigger part of those who can't find work.

So a reasonable take is that many see a degree, as something you need but not all you need.

2.Skills beyond education (Objective 2)

Respondents rate problem-solving, soft skills and communication as important (89% to 92% agree), and three-quarters have acquired skills outside their courses. This matches evidence that non-cognitive and social skills have independent value: Heckman and Kautz (2012) show that achievement tests miss soft skills, which predict success in life, and Blom and Saeki (2011) found that Indian employers rate soft skills as very important, with the largest gaps in higher-order thinking skills. Respondents learn these skills mainly through self-learning (48.5%) and online platforms (46.6%), ahead of college (42.7%), so institutions are not the main supplier of the skills they value

3.Skills and perceived employability (Objective 3, H2)

The strongest result is the link between skills and confidence. Seventy-six point three percent of respondents who have skills are confident that they can find suitable employment. In contrast forty-seven point seven percent of respondents who do not have outside skills feel confident. The difference is statistically significant ($p = 0.001$ $V = 0.33$). Those with skills also say that the jobs they find match their skill set better. This is the finding that remains significant after correcting for multiple tests.

This finding is an association. People who are confident may also be more eager to acquire skills. Confidence is a perception. Sarkar and Das (2025) reported that Gen Z's perceived employability is generally high. It depends on socio-economic status. SHRM–Handshake found a gap, between how Gen Z rates its own skills and how employers view those skills. The 67.0 percent confidence reported here may therefore overstate how employable respondents appear to employers.

4.Government schemes (Objective 4 H3)

Only a small number of people know about government schemes well (17.5%) and very few take part (15.5%). Those who are aware of the schemes are more likely to participate (23.8% versus 2.5% $p = 0.004$). But one participant was from the group that did not know about the schemes so the result for that group must be viewed carefully. The Observer Research Foundation survey shows that young people want skills training that also tells them about job vacancies, how to apply, where to get placed and how to plan their careers (Chadha & Chapman 2020). Men are more likely than women to participate in these schemes (26.7% versus 11.0%). The difference is not statistically significant ($p = 0.070$). It is similar, to the survey's finding that women participate less.

5.Barriers and emerging skills (Objective 5)

Cost (49.5%) and time (47.6%) are the barriers while lack of motivation is rarely cited (9.7%). Therefore the constraint appears to be access than willingness. The largest gap is in AI: 27.2% have acquired AI skills. 57.3% Say they need AI skills (the two questions are worded differently so this is suggestive). This matters because Brynjolfsson et al. (2025) Find a 16 percent relative employment decline among early-career workers aged 22–25, in the AI-exposed US occupations although this is US evidence and may not transfer to India

POLICY IMPLICATIONS:

The findings point to a gap that individual effort has not closed. Young people want skills. Mostly learn them on their own but lack of information, high cost and time constraints limit how many can do this and public programmes reach only a few.

This matters economically because a mismatch between skills and qualifications leads to labour productivity (Adalet McGowan & Andrews 2015).

The implications, below follow from the survey ($n = 103$) which does not test any policy directly.

Finding	Implication	Policy direction
Only 17.5% know government schemes well, and 15.5% have participated, against 23.8% among the aware and 2.5% among the rest	Information gaps keep programmes underused	One scheme portal, outreach through colleges, and counselling linked to schemes
Cost (49.5%) and time (47.6%) are the main barriers; lack of motivation is rare (9.7%)	Under-investment in skills reflects access, not willingness	Subsidised short courses, stipends for low-income learners, flexible online or part-time formats
Skills come mainly from self-learning (48.5%) and online platforms (46.6%), ahead of college (42.7%)	Formal education supplies few of the skills students value	Embed practical, digital and AI content and credit-bearing internships in regular courses
Respondents with outside skills are more confident (76.3% against 40.7%), but confidence is self-reported	Skills must be visible and verifiable to employers	Recognised micro-credentials, skills-based hiring and assessments candidates can use to check themselves
AI skills: 27.2% acquired, 57.3% needed	Emerging skills gap	Accessible public AI and data training

Guidance. Participation rises sharply with awareness so spreading information is the step. Youth also want more than courses: the Observer Research Foundation survey found that they want training with vacancy information, application advice, placement and career guidance (Chadha & Chapman 2020). Women's participation here was lower (11.0% against 26.7% not by the exact test) so outreach should be monitored by gender.

Time. Skills are an investment with a delayed return that young people often cannot finance which is the standard case for public support in human capital theory (Becker, 1964). Flexible formats matter because 49.5% of respondents are in work and 37.9% are students.

Internships. The Prime Minister's Internship Scheme (PMIS) is the public response on work experience. It is run by the Ministry of Corporate Affairs. Aims to provide internships to 1 crore youth in 500+ companies over five years. Its monthly stipend was raised from ₹5,000 to ₹9,000 as of March 2026. Internships are the common route to experience in this sample (38.8%) and 82.5% say they improve employability. Quality is still the issue: Hunt and Scott (2020) found that unpaid internships appear on balance to lead to underemployment and less favourable career outcomes. Policy should therefore track learning content and completion not the number of places.

Prime Minister Internship Scheme 2026 +2

Curriculum. NEP 2020 aims to integrate skills into regular education but implementation faces inadequate infrastructure, social prejudice against vocational training a shortage of qualified trainers and limited industry-academia collaboration. Funding alone will not close the gap without trainers and industry links.

Credentials. When skills are acquired outside institutions employers need a reliable way to recognise them (Spence, 1973). This is also needed because SHRM-Handshake found a gap between how Gen Z rates its own skills and how employers see them.

Delivery. In a PMKVY-2 study in Punjab post-training employment status was marginally better under the state-managed scheme than the managed one (Chowdhury et al., 2021) so design and delivery matter as much as funding.

AI. Early US evidence finds a 16 percent relative employment decline among early-career workers aged 22–25, in the AI-exposed occupations (Brynjolfsson et al. 2025). It is not evidence but it supports early investment in AI and data skills.

LIMITATIONS:

- The sample is a convenience sample of 103 respondents 71% of them women so the findings cannot be generalised to all Gen Z in India.
- The data are self-reported perceptions, not tested skills or employment outcomes and the cross-sectional design shows association not cause.
- Many tests were run, Only the link between skills and confidence is robust to correction.
- Future research could use a random sample include employers' views to compare self-assessment with employer assessment track respondents, over time to see whether skill acquisition leads to employment and evaluate specific skilling programmes and AI-related training.

CONCLUSION:

This study looked at how Gen Z in India views skills beyond education when it comes to getting a job. We surveyed 103 people and found four main things.

A degree is important, but not enough on its own. More people said they don't think education alone is sufficient for a job (H1) though opinions are split. Many still see college as necessary. Not the full answer.

Skills. Most are learned on their own. Gen Z values problem-solving, skills and communication the most. They mostly pick up these skills by themselves or through courses not through college. Self-learning is clearly the go-to method.

Having skills boosts confidence and job readiness. People who have learned skills outside of college feel more confident. Say their skills match job needs better (H2). This is the solid finding in the study.. Remember, this is about what they feel not actual job results or proven cause.

Public skilling programs don't reach people. Many young people don't even know these programs exist and even fewer take part. Among those who do know participation goes up. Overall reach is still low (H3). The biggest reasons?. Time. Not lack of interest. For AI skills there's a big gap between what people have and what they need.

Together these results show that Gen Z wants skills and is working to get them.. Getting those skills depends a lot on personal effort, time and money. Public programs are not helping young people yet. This study adds Indian data on how young people see skills. Something that earlier research mostly looked at from employer views or, from other countries.

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