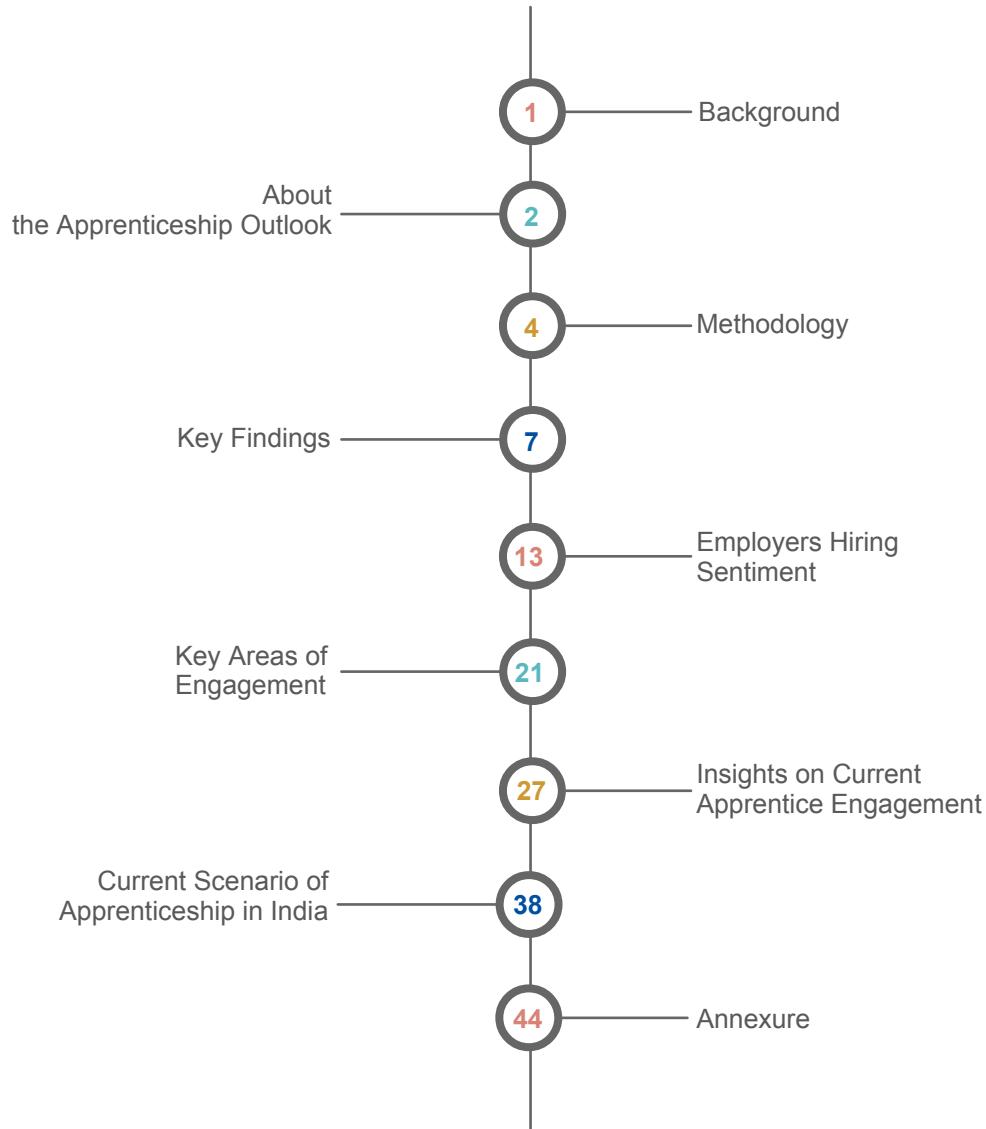


Apprenticeship Outlook Report

6-month forecast for apprentice hiring based on employer sentiment

Forecast for HY-1 (CY): Jan 2020 – June 2020



Background

While the adoption of apprenticeship programs has been growing in recent times, in India, we are still way behind our global counterparts. Just a bit more than 0.1% of our employed workforce – or just 0.6 million people – comprise apprentices. In comparison, the UK has 1.5% or 0.5 million, China has 2.5% or 20 million, and Germany has 5% or 2.5 million apprentices.

The government of India has amended the Apprenticeship Act with the aim of increasing participation by employers and candidates alike. The newly amended set of rules (effective as on September 25th 2019) has now raised apprentice hiring limits to 15% of the total employee strength in an organization and revised the minimum stipend (ranging from INR 5000 (Class 5th to 9th pass outs) to INR 9000 (Graduates of any stream) per month. In addition, the minimum organizational size to engage apprentices has been lowered from 40 to 30. The act has also reduced the size-limit of an establishment wanting to engage apprentices from 6 to 4.

This apprenticeship outlook report provides forward looking hiring estimates, every half-year, based on employer sentiment. In addition to hiring estimates, it covers data on stipend payout ranges, role popularity, skills and productivity, and such other critical dimensions.

This edition of the report sets the initial benchmark for the proportion of employers that are looking to increase or decrease hiring, and therefore arrives at a Net Apprenticeship Outlook for the January 2020 – June 2020 half-year.

About

The Apprenticeship Outlook

The Apprenticeship Outlook report contains insights on employer sentiment in relation to apprentice hiring for the period January 2020 – June 2020. Analysis is based on the historical data of apprentice hiring and findings from a survey of 509 employers across 15 sectors and 10 cities.

The objective of this report is to

- ❖ Gauge employer sentiment about hiring apprentices over the said period, by sector and by city.
- ❖ Identify the functional areas, category and job profiles employers plan to hire over the said period.
- ❖ Analyze stipend payout trends.
- ❖ Analyze engagement under various apprenticeship promotion schemes.

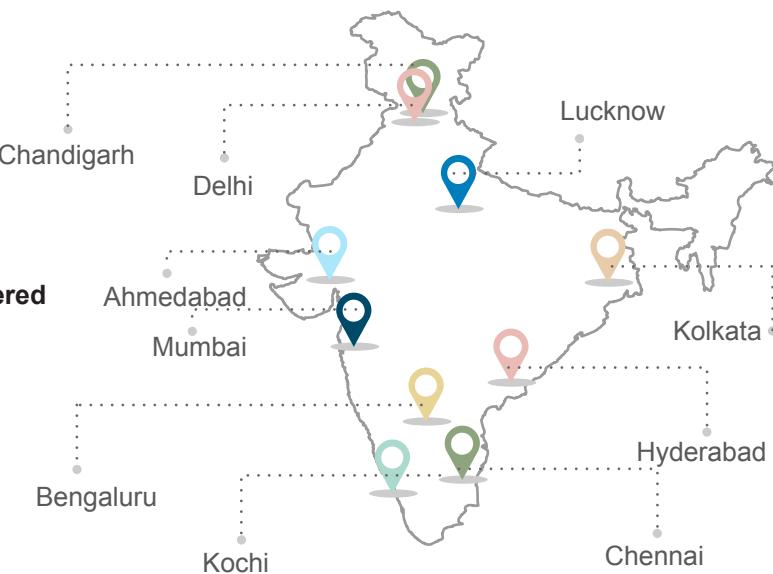
About

The Apprenticeship Outlook

Sectors covered

- Agriculture & Agrochemicals
- Automobile & Ancillaries
- Beauty & Wellness
- BFSI
- Construction & Real Estate
- FMCG & D
- Health & Pharmaceuticals
- IT / ITeS
- Logistics
- Retail
- Telecommunication
- Travel & Hospitality
- Media and Entertainment
- Apparel & Textiles
- Manufacturing & Engineering

Citis Covered



Industry classification

Manufacturing

- Manufacturing & Engineering
- Automobile & Ancillaries
- FMCG
- Health & Pharmaceuticals
- Apparel & Textiles

Services

- Beauty & Wellness
- BFSI
- Construction & Real Estate
- IT/ITeS
- Logistics
- Retail
- Telecom
- Travel & Hospitality
- Media and Entertainment

Agriculture

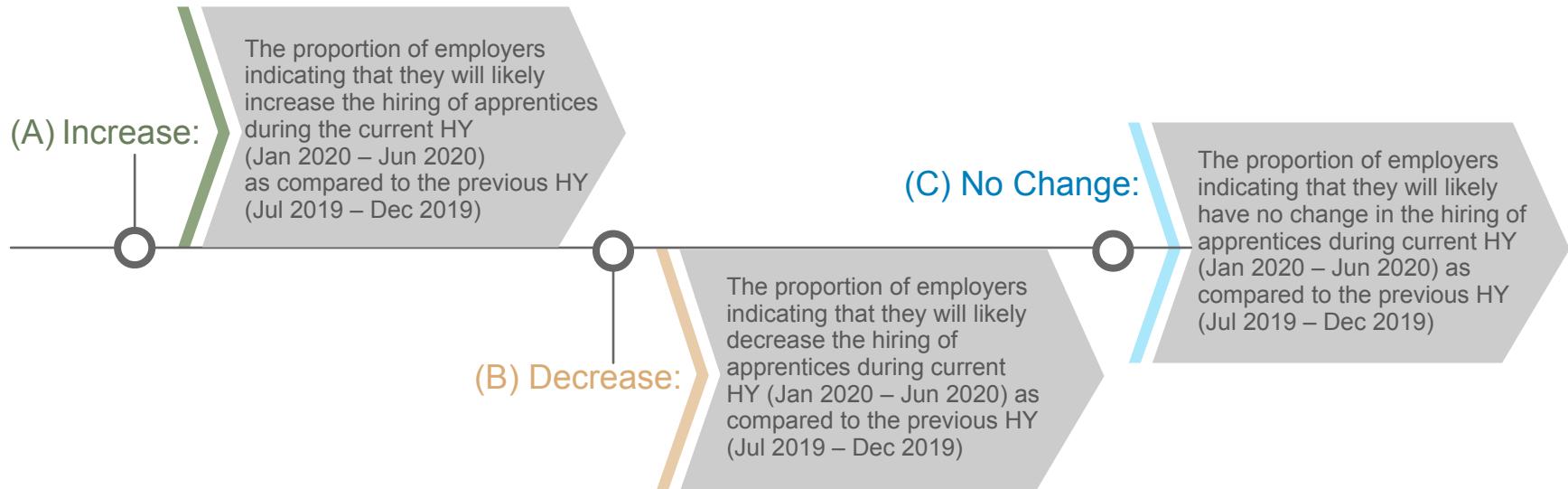
- Agriculture & Agrochemicals

Methodology

The Apprenticeship Outlook

Net Apprenticeship Outlook (NAO) → (A) minus (B)

(computed based on 467 responses who have apprenticeship program implemented in their organization: Total responses: 509)



All other findings are reported as percentages of total respondents at the respective levels of analysis.

Definitions

Apprentice	An apprentice is a person who is undergoing apprenticeship training.
Apprentice Hiring	Identifying and hiring an apprentice for a specified tenure and a specified stipend.
Apprenticeship Training	Apprenticeship training refers to a course of training in any industry or establishment. Apprenticeship training consists of basic training (theoretical instructions) and practical on the job training at actual work place.
Engagement of Apprentices	Employers engaging or training the apprentices in their establishment.
Designated Trade	Designated trade is any trade/occupation/any subject field in engineering/ non engineering/ technology/any vocational course as notified by the Government. There are 259 designated trades for trade apprentices, 163 for graduate and technician apprentices and 137 designated trades for technician (vocational) apprentices.
Trade Apprentice	A person undergoing apprenticeship training in any designated trade. Candidates should be 8th, 10th, 12th & ITI pass outs for trade apprenticeship training.
Graduate Apprentice	A person who holds a degree in engineering/non-engineering and undergoing apprenticeship training in designated trade.
Technician Apprentice	A person who holds a diploma in engineering / non-engineering and undergoing apprenticeship training in designated trade.
Technician (vocational) Apprentice	A person who holds certificate in vocational course after the completion of the secondary stage of school education recognised by the All-India Council.

Definitions

Optional Trade	"Optional trade" means any trade or occupation or any subject field in engineering or non-engineering or technology or any vocational course as may be determined by the employer for the purposes of the Apprenticeship Act, 1961. The minimum qualification prescribed is 8th class pass.
Stipend	A stipend is the fixed sum of money paid to apprentices for their services. Employers pay the stipend to apprentices
Minimum Wage(Stipend)	It is the government notified minimum rate of stipend to be paid to the apprentices for their services.
NAPS (National Apprenticeship Promotion Scheme)	NAPS is a Scheme launched by Ministry of Skill Development and Entrepreneurship to provide skill training to ITI students/ Freshers /MES Pass-outs/PMKVY candidates.
NATS (National Apprenticeship Training Scheme)	National Apprenticeship Training Scheme(NATS) is instituted by Board of Apprenticeship Training/Practical Training, Ministry of Human Resource Development, Government of India. It is a National Scheme for providing skill training to Fresh Graduates, Diploma Holders in Engineering and Technology and +2 Vocational pass outs.

Employers Hiring Sentiment for the HY [Jan 2020 – Jun 2020] – Net Apprenticeship Outlook (NAO)

Overall sentiment:

The Net Apprentice Outlook Index for the current HY [Jan 2020 - Jun 2020] is 69%



- ❖ Estimated increase in apprentice hiring in the next 6 months: 80%
- ❖ Estimated decrease in apprentice hiring in the next 6 months: 11%
- ❖ Estimated no change in apprentice engagement in the next 6 months: 9%
- ❖ Net Apprenticeship Outlook: 69%

Top 3 reasons for employers to increase hiring of apprentices:



- ❖ To reduce the labor cost of work at basic levels: 37%
- ❖ Expansion of the business: 26%
- ❖ As part of our CSR: 23%

Top 3 reasons for employers to decrease hiring of apprentices:



- ❖ As a step towards downsizing the workforce [since a % of the overall workforce needs to comprise apprentices]: 36%
- ❖ No requirement: 29%
- ❖ Non-availability of training staff: 16%

Of all employers who engage apprentices, a substantial majority intends to increase their hiring of apprentices in the first half of CY 2020 (Jan 2020 – Jun 2020). The optimism is widespread across sectors, cities and apprentice categories.



- ◆ 80% of all employers – across sectors, cities and apprentice categories – who hire apprentices will likely hire more apprentices over this period.
- ◆ 90% of the employers that plan to hire Trade apprentices, and 84% of the employers that plan to hire Graduate apprentices will likely increase hiring.
- ◆ 91% of all Retail sector employers, 88% of all Telecom sector employers and 86% of Construction & Real Estate employers, that hire apprentices are set to hire more apprentices this HY.
- ◆ 89% of all employers in Hyderabad, 87% of all employers in Bangalore, and 86% of all employers in Chandigarh, Delhi and Kochi that hire apprentices will likely increase hiring during this HY.
- ◆ 87% of all large businesses, 86% of all medium sized businesses and 69% of all small sized businesses that hire apprentices will likely increase their hiring over the period.

A significant proportion of employers are sensitive to gender diversity, and a fair number of cities and sectors are increasingly offering equal opportunity employment.

28% of all employers across sectors and cities do not discriminate between male, female and transgender candidates. This includes –



60% of the Beauty & Wellness sector employers, and 42% of the Media sector employers have a preference for female apprentices.



- ❖ 19% of Apparel & Textiles, 14% of Health & Pharmaceutical, and 11% of IT/ITeS sector employers.
- ❖ 22% of all employers in Kolkata and 19% of all employers in Bangalore.
- ❖ 39% of all small sized businesses and 36% of all large sized businesses.

With the 2017 amendments to the Apprenticeship Act kicking in, and with a widened base of sectors now hiring apprentices the demand for non-technical job roles is picking up pace.

Non-technical job roles that are likely to witness significant uptake –



- ◆ Back Office Executive, Beautician, Forklift Operator, Loader, Plumber, Surveyor, Sales Executive

Technical job roles that are likely to witness significant uptake –



- ◆ Electrician, E & E Apprentice, E & E Technician and Mechanical Technician

Key areas of engagement during Jan 2020 – Jun 2020

Top 3 categories of apprentices employers are likely to hire:



- ◆ Trade – Outlook: 57% / Median number of hires: 118
- ◆ Graduate – Outlook: 32% / Median number of hires: 123
- ◆ Technician – Outlook: 27% / Median number of hires: 116

Top 3 trade roles employers are likely to hire:



- ◆ Electrician – Outlook: 27% / Median number of hires: 30
- ◆ Machinist – Outlook: 20% / Median number of hires: 21
- ◆ Helper – Outlook: 17% / Median number of hires: 19

Top 3 trade Graduate apprentice roles employers are likely to hire:



- ◆ Electrical & Electronics Engineering – Outlook: 47% / Median number of hires: 28
- ◆ Mechanical Engineering – Outlook: 38% / Median number of hires: 23

Top functional domain(s) where the apprentices are likely to be hired the most:



- ◆ Production & Engineering – Outlook: 46%
- ◆ Administration & Office services – Outlook: 19%
- ◆ Information Technology – Outlook: 11%

Insights on current apprentice engagement

Employer perception of productivity levels of apprentices engaged:



- ❖ Fairly productive: 54%
- ❖ Very productive: 38%
- ❖ Unproductive: 8%

Stipend ranges paid to apprentices engaged (per month): [Percentage of total at the respective category level]



- ❖ Trade Apprentices: INR 10001 – 15000: 33%
- ❖ Graduate Apprentices: INR 12001 – 15000: 48%
- ❖ Technician Apprentices: INR 10001 – 15000 : 67%
- ❖ Technician (Voc): 10001 – 15000: 46%

Gender preferences of employers

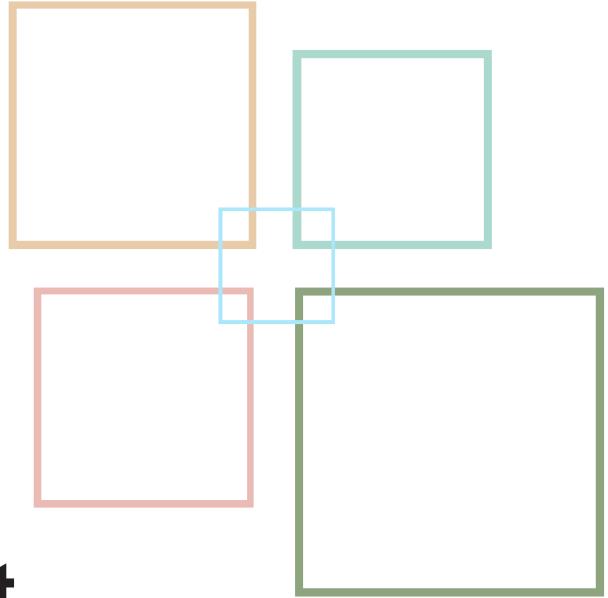


- ❖ Male candidates: 54%
- ❖ Female candidates: 18%
- ❖ No Pref: 28%

Ease of hiring apprentices



- ❖ 59% of respondents find difficulty in hiring apprentices.
- ❖ 32% attribute the reason to the lack of awareness among candidates



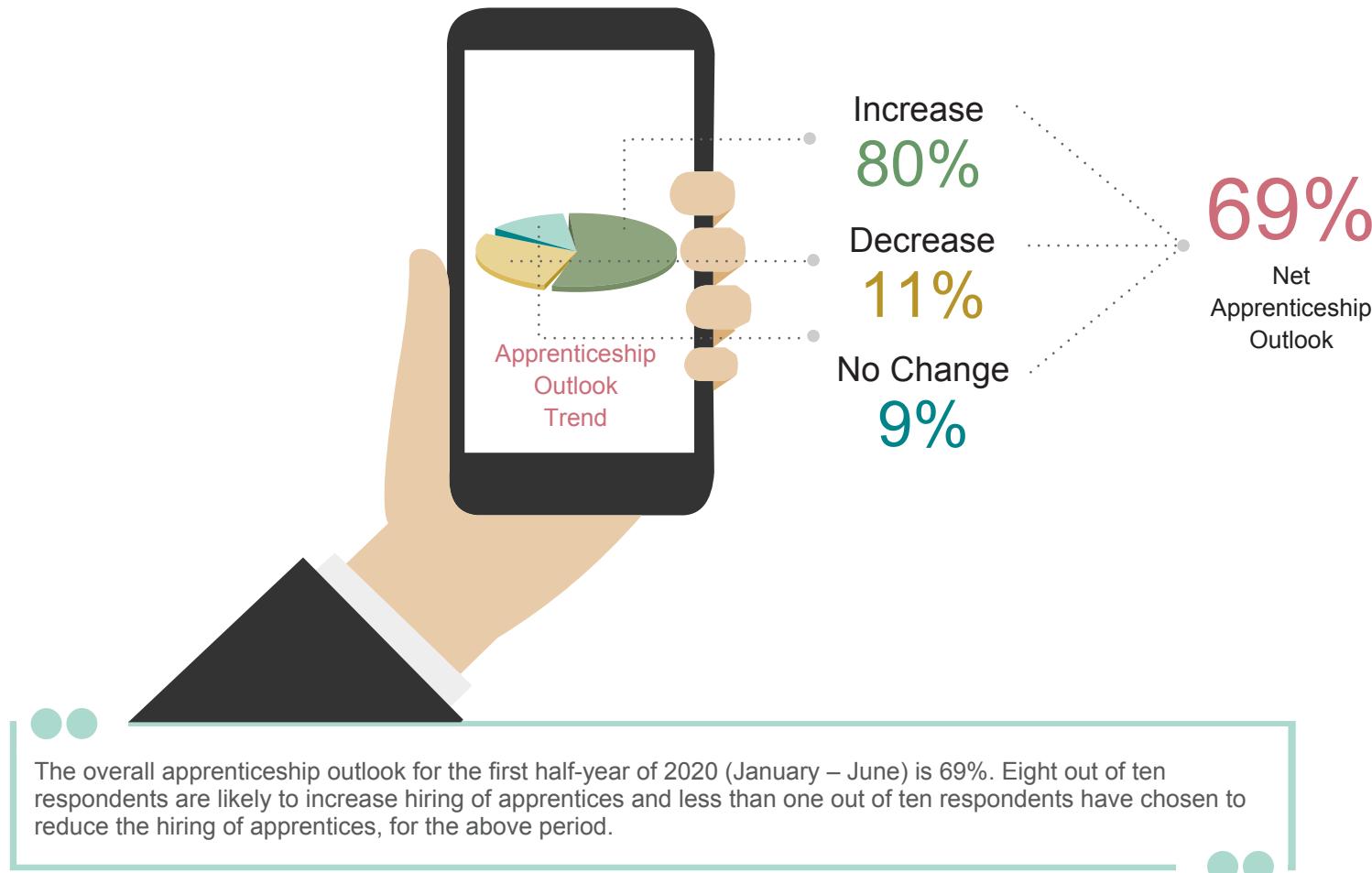
Employers Hiring Sentiment

(Jan 2020 – Jun 2020)

Net Apprenticeship Outlook (NAO)

Net Apprenticeship Outlook

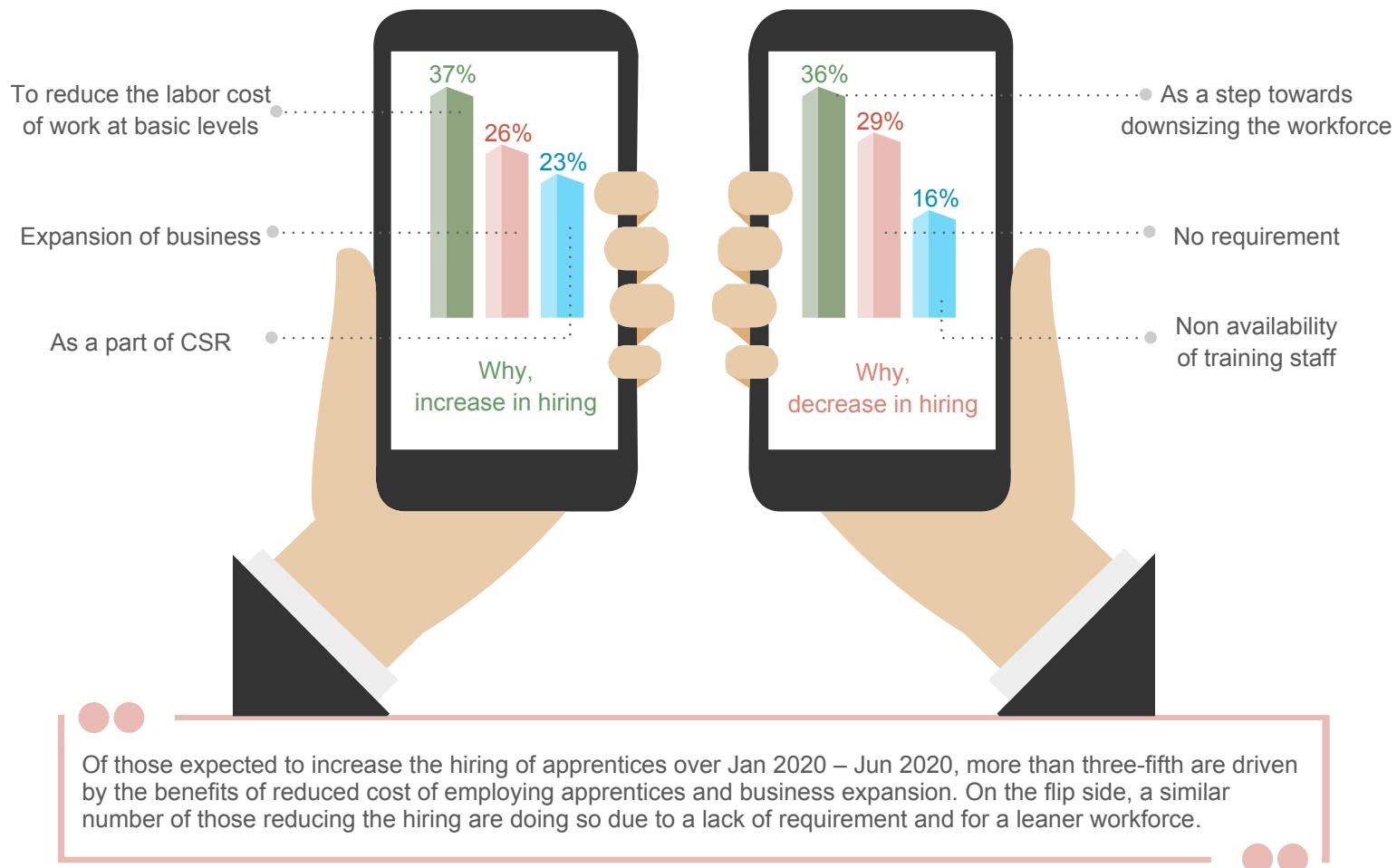
Overview [Forecast for HY : Jan 2020 – Jun 2020]



Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

Net Apprenticeship Outlook

Top 3 Reasons for the Increase or Decrease in the Engagement During Jan 2020 – Jun 2020

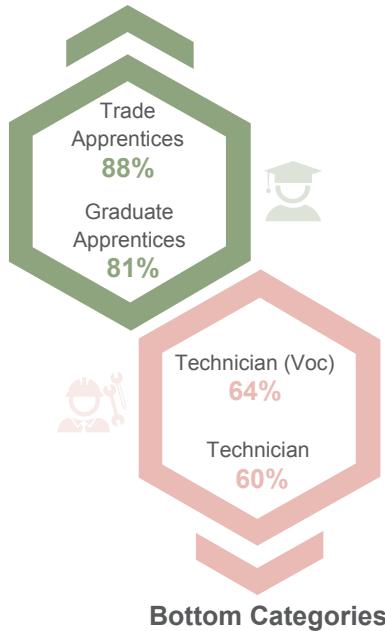


Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

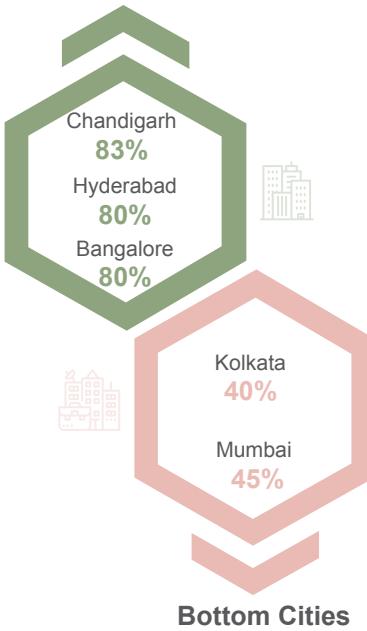
Net Apprenticeship Outlook

NAO Highlights - [forecast for HY : Jan 2020 – Jun 2020]

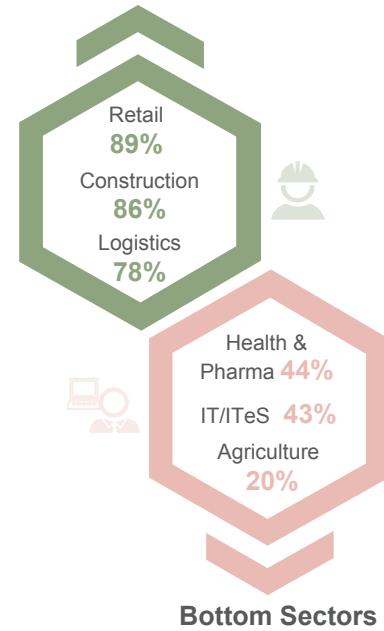
Top Categories



Top Cities



Top Sectors



The Net apprenticeship Outlook looks promising for Chandigarh (83%), Hyderabad (80%), and Bangalore (80%) and for the following sectors: Retail (89%), Construction (86%) and Logistics (78%) relative to other cities and sectors.

On the other hand, prospective apprentices (especially the Technician category), are likely to face challenges finding opportunities in cities and sectors with lower levels of net outlook – Kolkata (40%) and Mumbai (45%), and IT/ITeS (43%), Health & Pharmaceuticals (44%) and Agricultural (20%).

Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

NAO = Increase – Decrease in engagement of apprentices

Apprenticeship Outlook Trends – Jan 2020 – Jun 2020

By City

City	Increase	No Change	Decrease	Net Apprenticeship Outlook	City	Increase	No Change	Decrease	Net Apprenticeship Outlook
Chandigarh	86%	14%	3%	83%	Chennai	80%	13%	7%	73%
Bengaluru	87%	7%	7%	80%	Lucknow	78%	11%	11%	67%
Hyderabad	89%	2%	9%	80%	Ahmedabad	74%	11%	16%	58%
Delhi	86%	7%	7%	79%	Mumbai	64%	18%	18%	45%
Kochi	86%	3%	11%	75%	Kolkata	67%	7%	27%	40%

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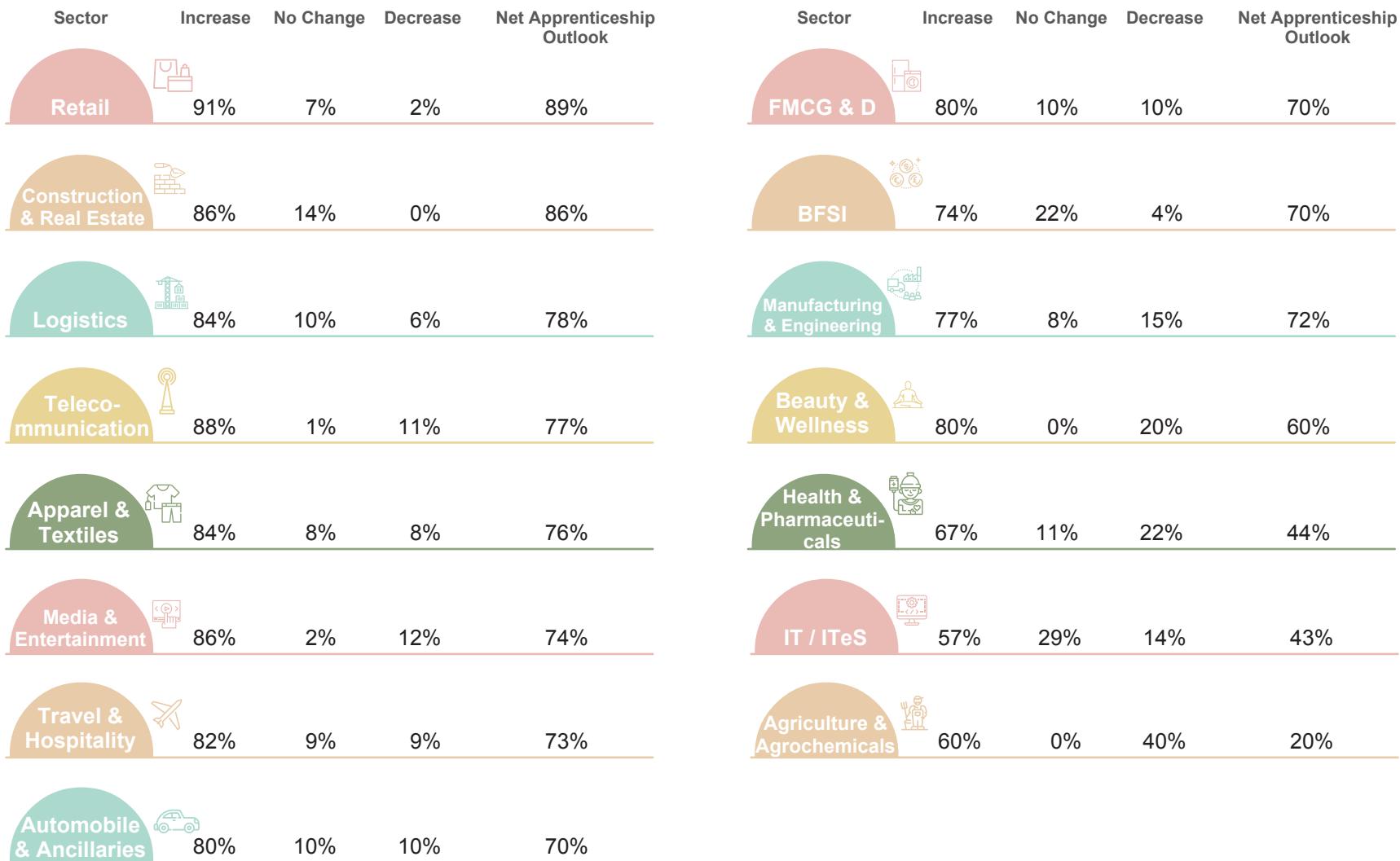
Six out of the total ten cities namely, Hyderabad (89%), Bangalore (87%), Chandigarh (86%), Chennai (80%), Delhi (89%) and Kochi (86%) foresee healthy growth of the apprentice workforce in the first half of CY 2020. Chandigarh also has the highest Net Apprenticeship Outlook (83%) mostly due to the fact that only 3% of respondents from that city, plan to reduce their apprentices count.

Conversely, Kolkata and Mumbai face lower levels of NAO due to relatively lower levels of increase in hiring (67% and 64%) and higher levels of decrease in hiring (27% and 18%) of apprentices when compared to other cities.

Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

Apprenticeship Outlook Trends – Jan 2020 – Jun 2020)

By Sector

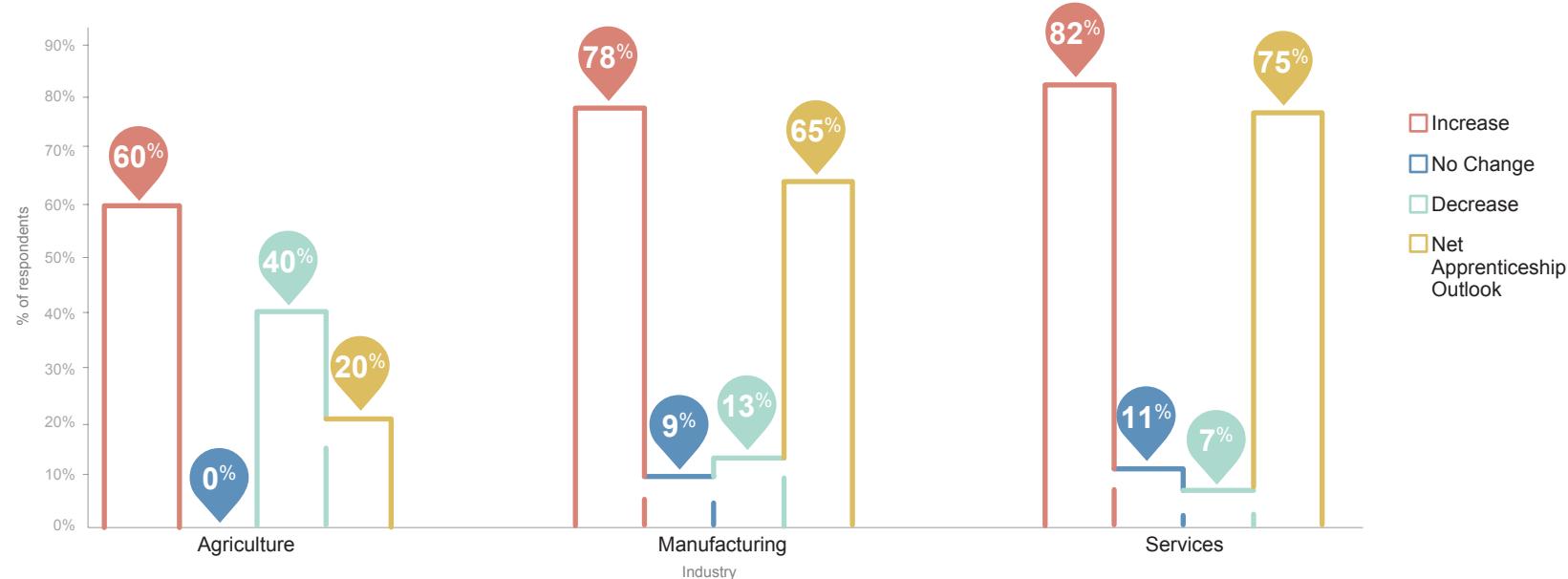


Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

Apprenticeship Outlook Trends – Jan 2020 – Jun 2020)

By Sector

Apprenticeship Outlook by Industry



More than 80% of respondents in 10 sectors (of the total 15 sectors) expect to increase apprentice hiring during Jan 2020 – Jun 2020. Retail and Telecommunication top this list with 91% and 88% respondents likely to increase hiring, respectively.

A significant number of employers (40%) in the Agriculture and Agrochemicals sector foresee reduction of their apprentice workforce lowering the Net Apprenticeship Outlook to 20%.

Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

Apprenticeship Outlook Trends – Jan 2020 – Jun 2020

By Business Size , Category of Apprentices

Business Size	Increase	No Change	Decrease	Net Apprenticeship Outlook
Small		69%	14%	17%
Medium		86%	0%	14%
Large		87%	13%	0%

Category	Increase	No Change	Decrease	Net Apprenticeship Outlook
Trade		90%	9%	1%
Graduate		84%	13%	3%
Technician		77%	6%	17%
Technician (Voc)		75%	14%	11%
Optional Trade		83%	0%	17%

 Respondents foresee only 1% and 3% reduction of their apprentices under trade and graduate categories respectively, thereby ensuring the highest Net Outlook levels for these two apprentice categories.

The outlook for optional trade apprentices suffers in spite of 83% respondents indicating they will increase hiring. About 17% respondents planning to reducing hiring pulls down the Net Apprenticeship Outlook to below those of Trade and Graduate categories.

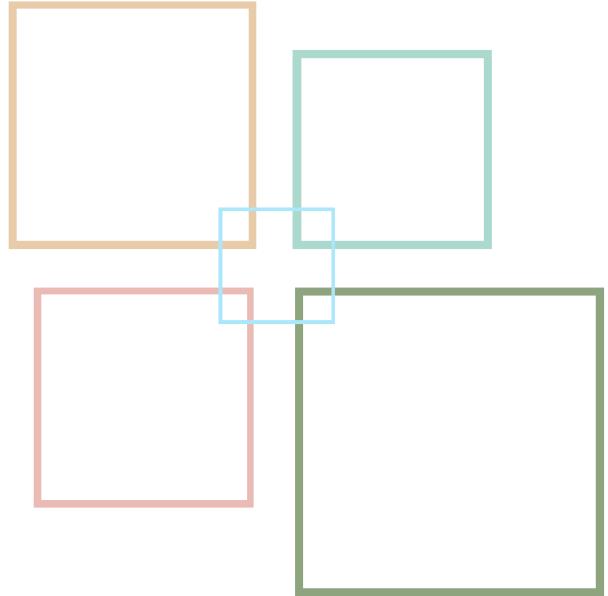
 Although more than eight in ten medium sized businesses intend to hire more apprentices during Jan 2020 – Jun 2020, this proportion is offset by 14% of the respondents likely to reduce apprentice hiring. This lowers the Net Apprenticeship Outlook to 71% for medium sized businesses.

Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

Key Areas of Engagement

HY (Jan 2020 – Jun 2020)

Employer Survey on Apprentice Hiring



Net Apprenticeship Outlook

Categories Likely to be Engaged During Jan 2020 – Jun 2020 and Functional Areas Where Engagement is Likely to be More

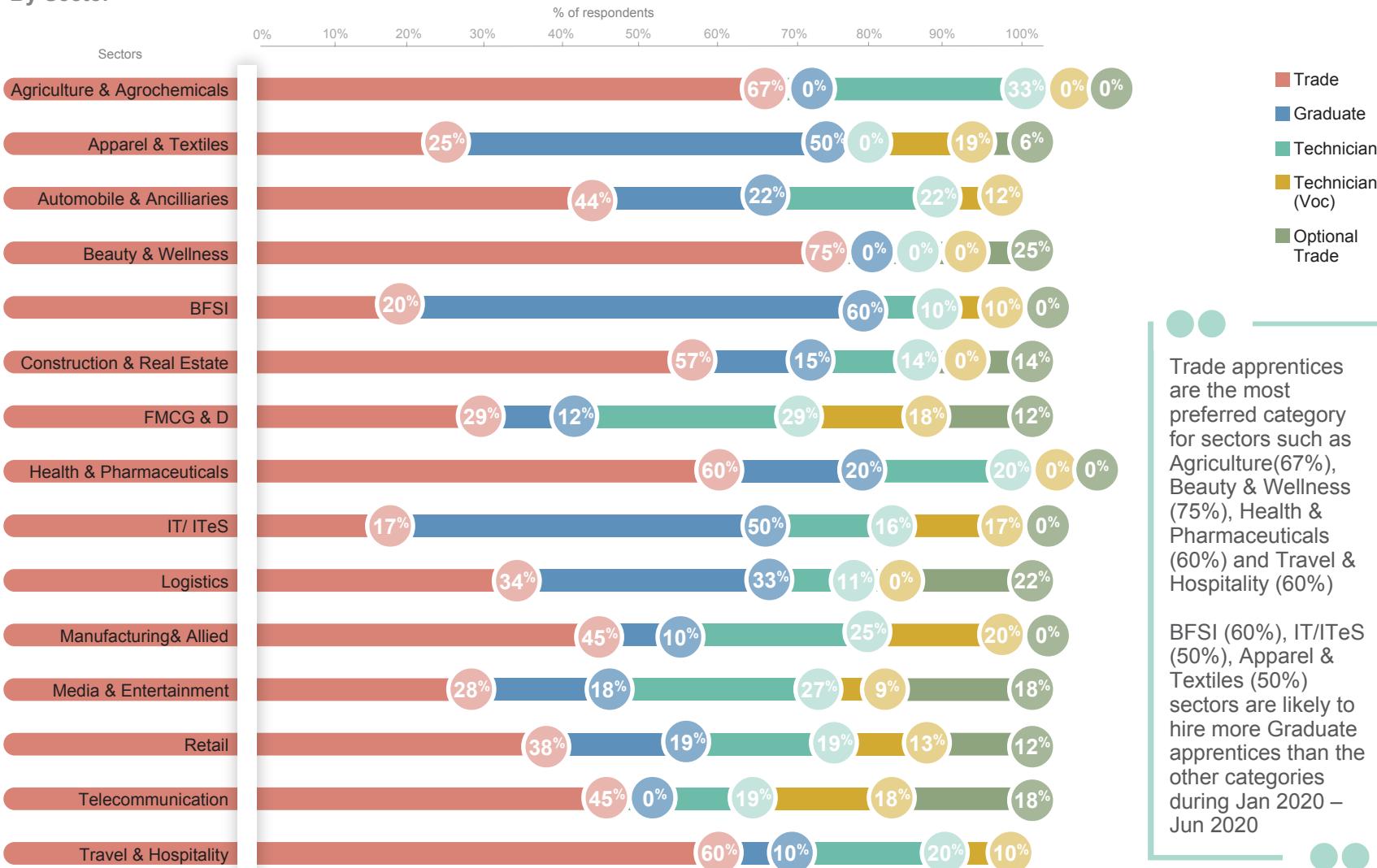


The proportion of employers increasing hiring for Trade (57%) and Graduate (32%) apprentices, during Jan 2020 – Jun 2020 are higher compared to other categories. The increase could be predominantly in the production & engineering (46%) domains. Apprentices engagement is likely to be weak in the HR and Sales (9%) domain.

Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 371 responses who are likely to increase engagement in the next 6 months

Engagement of Apprentice Categories – Jan 2020 – Jun 2020

By Sector



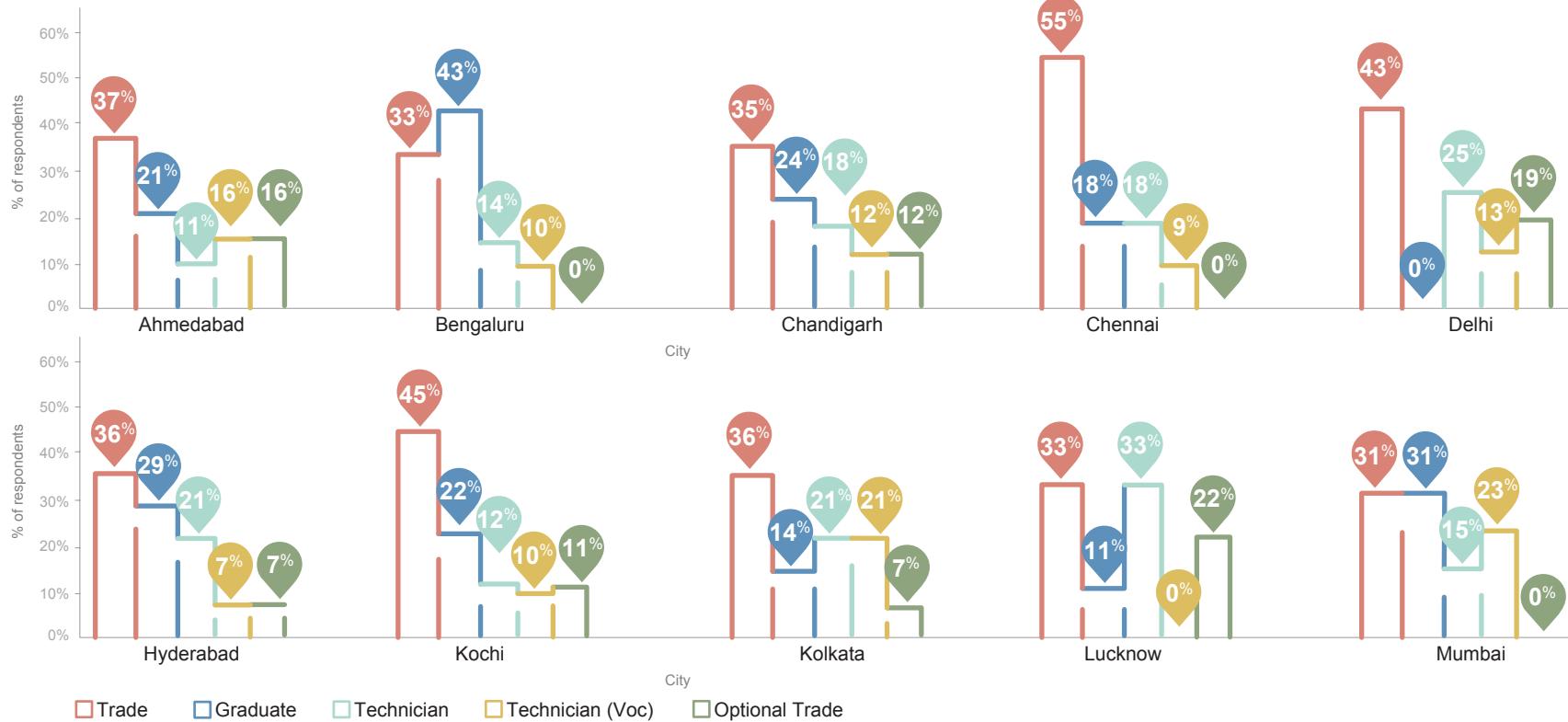
Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 371 responses who are likely to increase engagement in the next 6 months

Trade apprentices are the most preferred category for sectors such as Agriculture(67%), Beauty & Wellness (75%), Health & Pharmaceuticals (60%) and Travel & Hospitality (60%)

BFSI (60%), IT/ITeS (50%), Apparel & Textiles (50%) sectors are likely to hire more Graduate apprentices than the other categories during Jan 2020 – Jun 2020

Engagement of Apprentice Categories – Jan 2020 – Jun 2020

By City



Chennai (55%), Kochi (45%) and Delhi (43%) are likely to witness a notable increase in the hiring of Trade apprentices compared to other cities. Optional trades are likely to gain prominence in Lucknow (22%), Delhi (19%) and Ahmedabad (16%).

Bangalore (43%) and Mumbai (31%) are likely to have higher levels of engagement of graduate apprentices than other cities.

Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 371 responses who are likely to increase engagement in the next 6 months

Top Roles Likely to be Engaged During Jan 2020 – Jun 2020



Trade Roles

27% Electrician
20% Machinist
17% Helper
13% Mechanic
13% Welder



Graduate Roles

47% Electrical & Electronics Apprentice
38% Mechanical Engineer Apprentice
41% Chemical Engineer Apprentice



Technician Roles

47% Electrical & Electronics Technician
41% Mechanical Technician Apprentice
29% Civil Apprentice



Technician (Voc) Roles

53% Mechanical Technician
26% Electrical Technician
21% Production Technician

Optional Trades likely to be hired

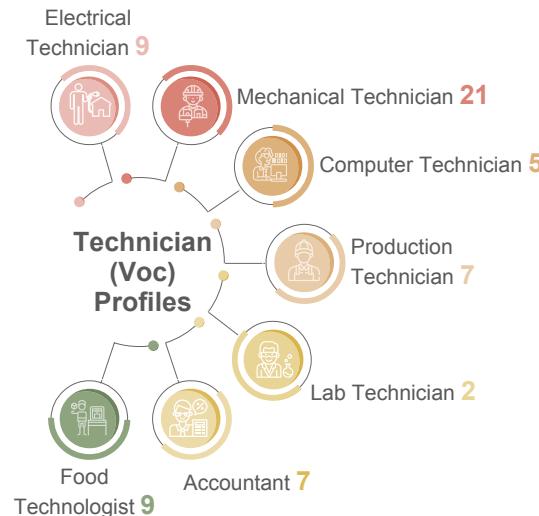
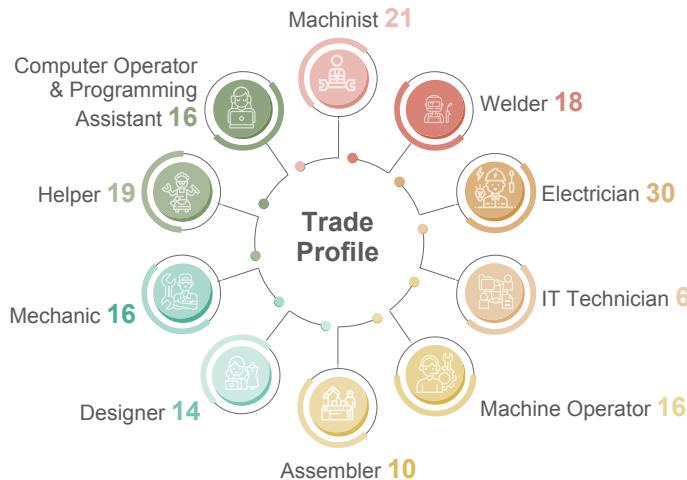
- Back Office Executive
- Beautician
- Forklift Operator
- Loader
- Plumber
- Surveyor
- Sales Executive

Electrician (27%) under the Trade category, E & E Apprentice (47%) under the Under-graduate category, E & E Technician (47%) under the Technician category and Mechanical technician (53%) under the Technician (voc) categories are the profiles likely to be hired the most during Jan 2020 – Jun 2020.

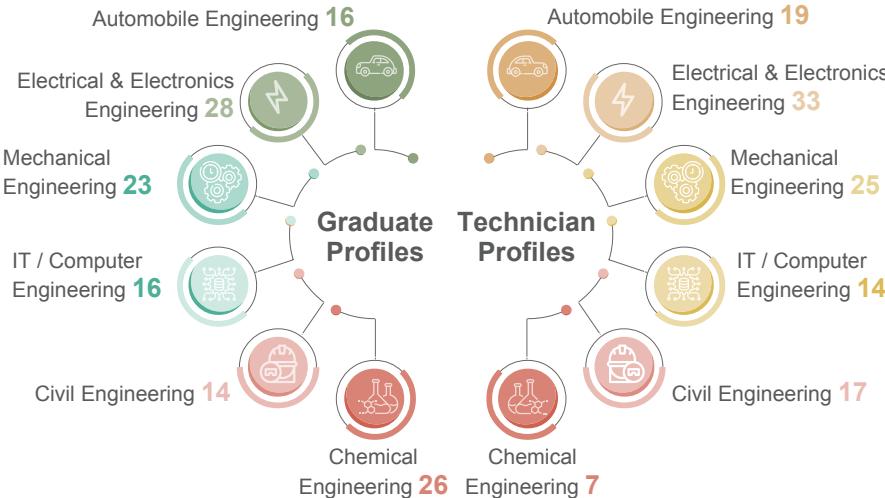
Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 371 responses who are likely to increase engagement in the next 6 months

Estimated Hiring Numbers During Jan 2020 – Jun 2020

Median Number of Apprentices by Category



All numbers represents Estimated Engagement



Source: Valuvox Survey of Apprenticeship Hiring Trends , Nov-Dec, 2019 | Total number of respondents: 509 |
The above computation is based on 371 responses who are likely to increase engagement in the next 6 months

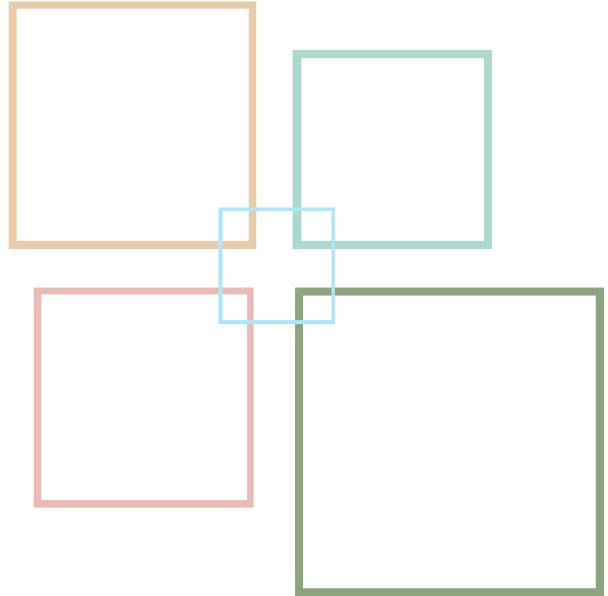
Across the four categories of apprentices, it can be seen that roles associated with electrical and mechanics (The highlighted roles) are mostly sought after.

Overall Trade and Graduate apprentices enjoy a higher support from employers than the other categories.

Note: The above table represents estimated median number of apprentices to be hired across 371 employers in the next 6 months

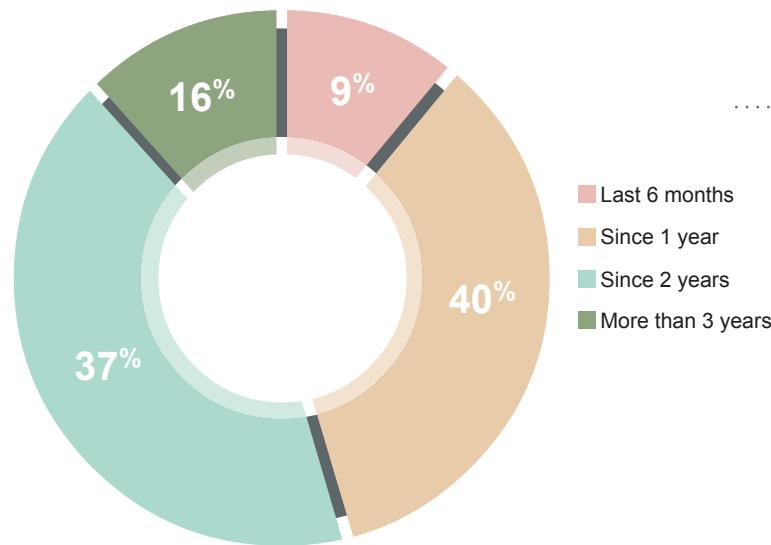
Insights on Current Apprentice Engagement

Employer Survey on Apprentice Hiring



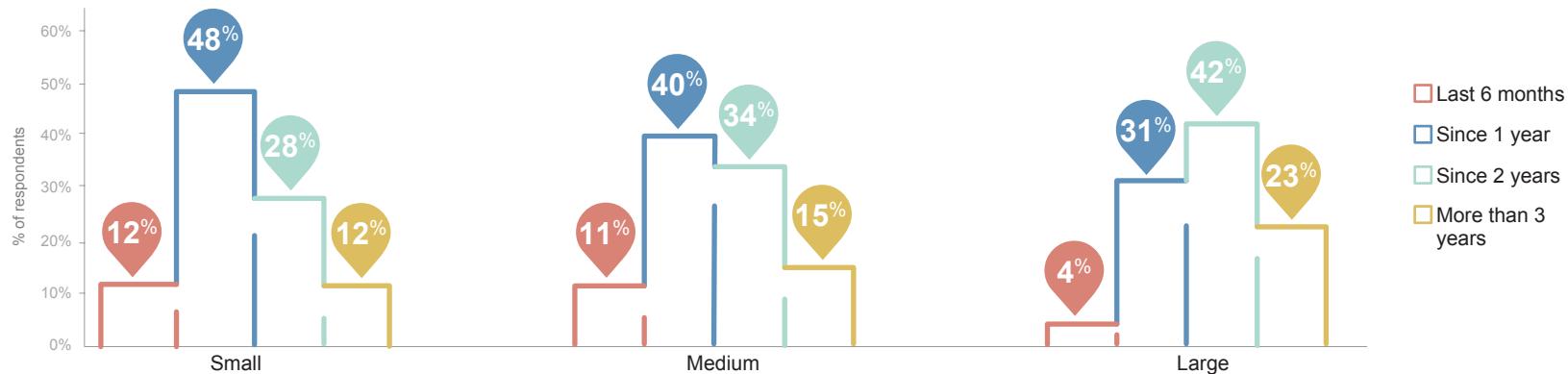
Timelines of Adoption of Apprenticeship Programs

Adoption of apprenticeship programs – since when?



A significant number of small (48%) and medium (40%) sized businesses have engaged apprentices for a period of one year. Large companies have actively adopted apprenticeship programs for a period of 2 years (42%) and 23% for a period of more than 3 years

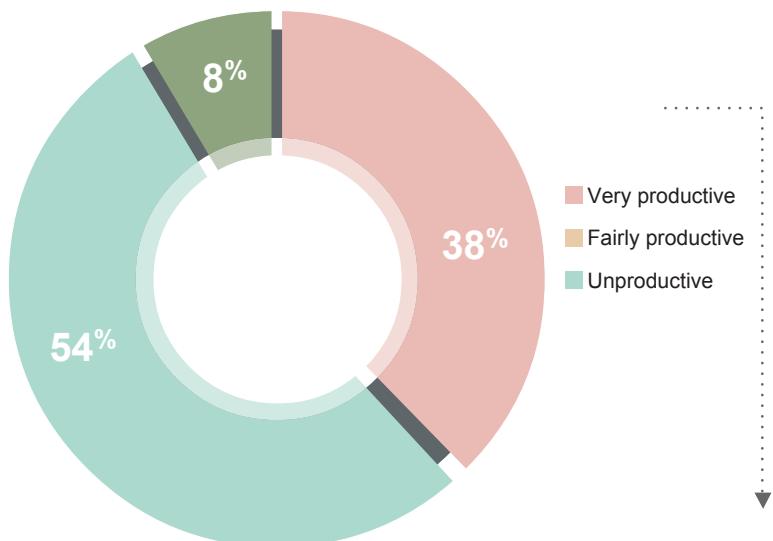
Adoption of apprenticeship programs by business size



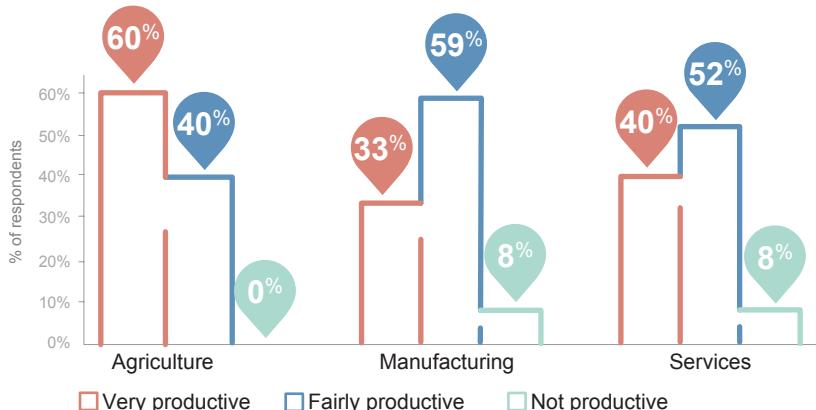
Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

Employer Perception of Apprentice Productivity

Are apprentices engaged productive?

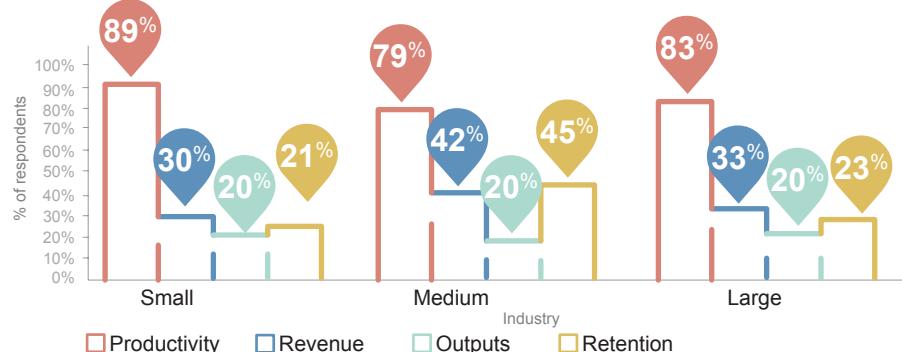


Employer perception of apprentice productivity – by Industry



Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

Benefiting from Apprenticeship Program in core performances of Sector/Industry



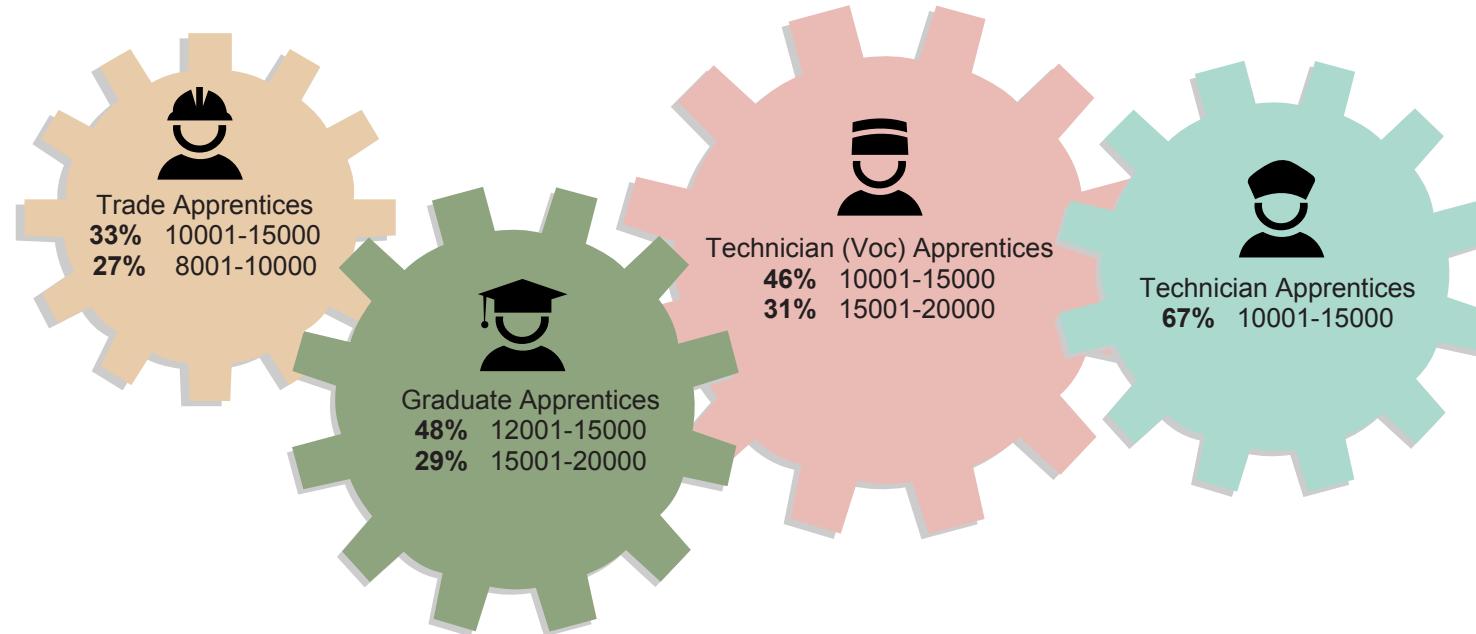
Productivity benefits of apprenticeship were highest in small sector organizations followed by large and medium ones. A significant number of medium sector organizations reported better revenues (42%) and higher employee retention (45%) compared to other benefits. (from literature)

A majority 54% of respondents perceive hired apprentices to be “fairly” productive; and 38% perceive apprentices to be “highly” productive.

The Agriculture industry perceives greater productivity gains from apprentices (60%) compared to the manufacturing and services industries

Top Stipend Pay-outs

By Category



On an average, payouts for apprentices across various categories ranges between INR 10000 and INR15000

While the demand for Graduate apprentices is slightly lower than for trade apprentices, the former draw a slightly higher stipend than the latter due to their qualification advantage.

Around 30% (each) of Technician (Voc) and Graduate Apprentices enjoy a higher salary range than the rest

Stipend Payout Trends

By City

City	Trade	Graduate	Technician	Tech(Voc)
Ahmedabad		12500	17000	13000
Bengaluru		13200	18388	13500
Chandigarh		10850	19800	13200
Chennai		12000	15967	11250
Delhi		10671	18000	17120

City	Trade	Graduate	Technician	Tech(Voc)
Hyderabad		11000	13600	15000
Kochi		11300	15900	11250
Kolkata		9000	18040	11500
Lucknow		8500	20850	13000
Mumbai		9950	18700	12700

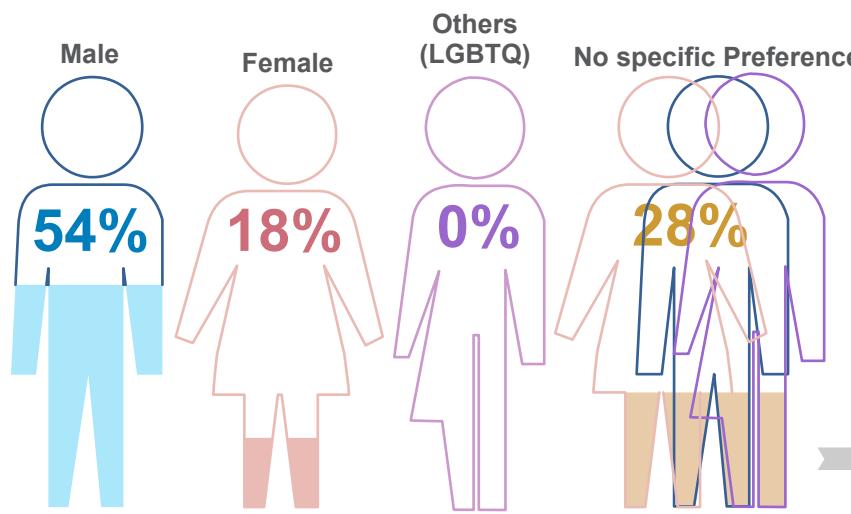
On an average, employers across sectors and cities pay much higher stipend compared to minimum pay scales notified by the government.

Bengaluru pays a comparatively higher stipend for Trade apprentices.

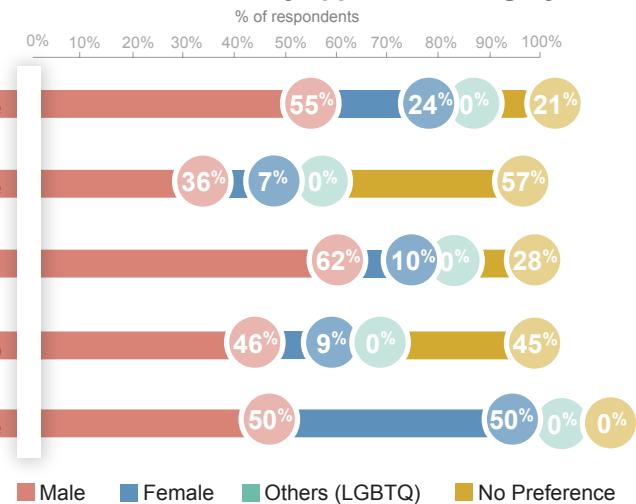
In the Graduate category, Lucknow and Chandigarh pay better stipend than other cities.

Gender Preference in Apprentice Hiring

Overall and by Apprentice Category



Gender Preference by apprentice category

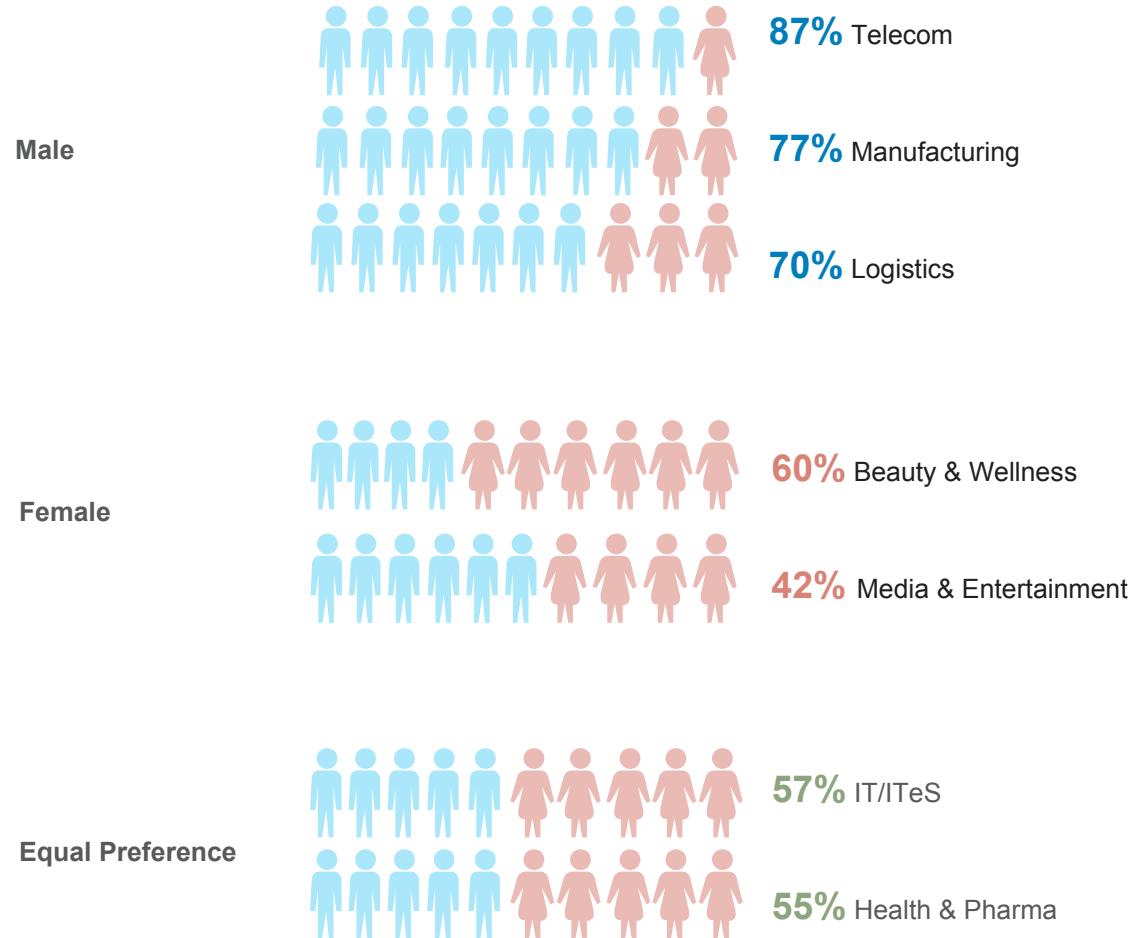


Gender bias exists in apprentice hiring – across sectors and categories. More than half of all respondents prefer male candidates, especially for technical profiles. Three in ten respondents (30%) exhibit no gender discrimination.

Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

Gender Preference in Apprentice Hiring

By Sector



A clear pattern emerges in the gender preferences across various sectors.

Sectors such as manufacturing and Logistics seem to prefer Male apprentices.

Preference for women apprentices is more in sectors where aesthetics play a key role such as Beauty and wellness and Media sectors.

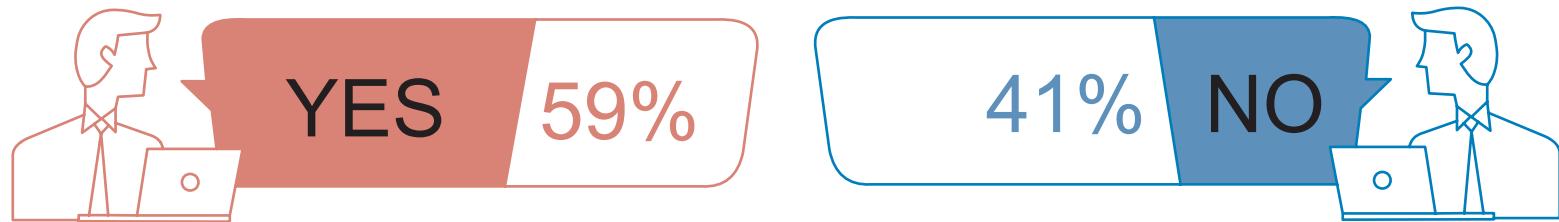
Sectors such as IT/iTes and Health and Pharma indicate no specific gender preference.



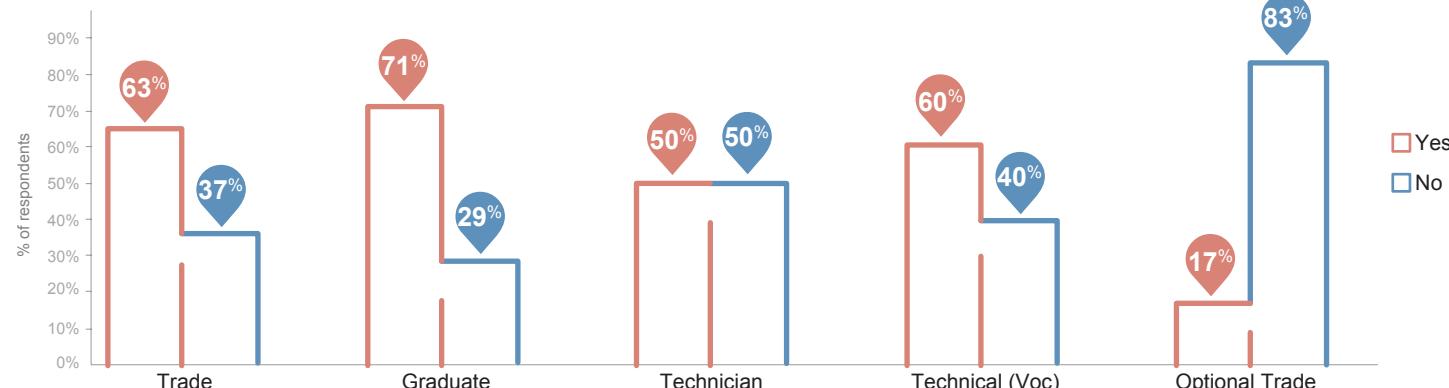
Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

Challenges in Hiring Apprentices

Do employers face challenges in hiring apprentices?



Challenges faced in hiring apprentices - By Category



About six in ten respondents reported facing challenges in sourcing and hiring apprentices.

Even though Trade and Graduate apprentices are the most sought after, majority of the respondents report their sourcing as most challenging.

Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

Challenges in Hiring Apprentices

By City

Do employers face challenges while hiring apprentices?

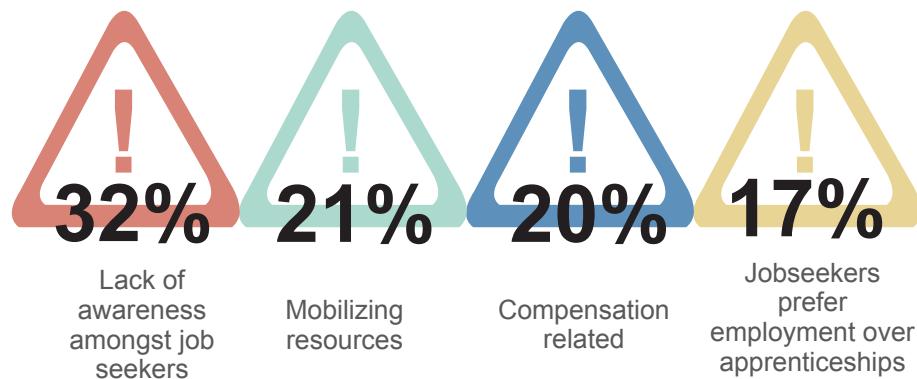


Mumbai (82%), Delhi (71%), Hyderabad (80%), Kochi (75%) and Lucknow (87%) face the maximum challenge sourcing apprentices. A significant number of employers of Chandigarh (57%) and Kolkata (60%) report being able to source apprentices without much difficulty.

Source: Valuvox Survey of Apprenticeship Hiring Trends, Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

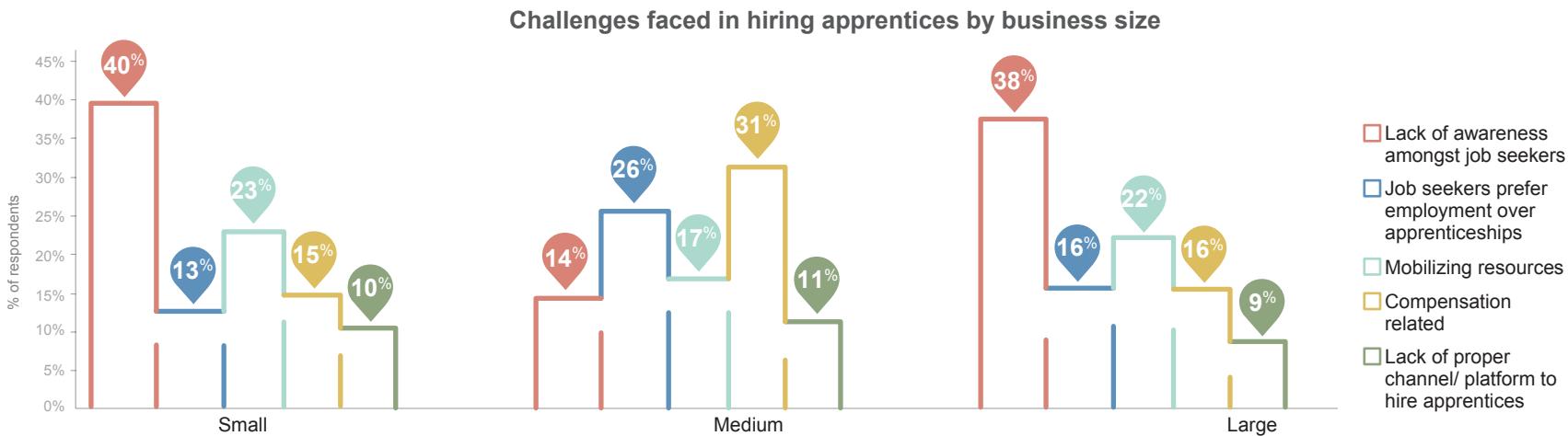
Challenges in hiring apprentices

Type of Challenge – Overall and by Business Size



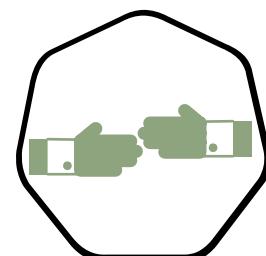
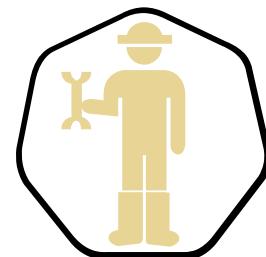
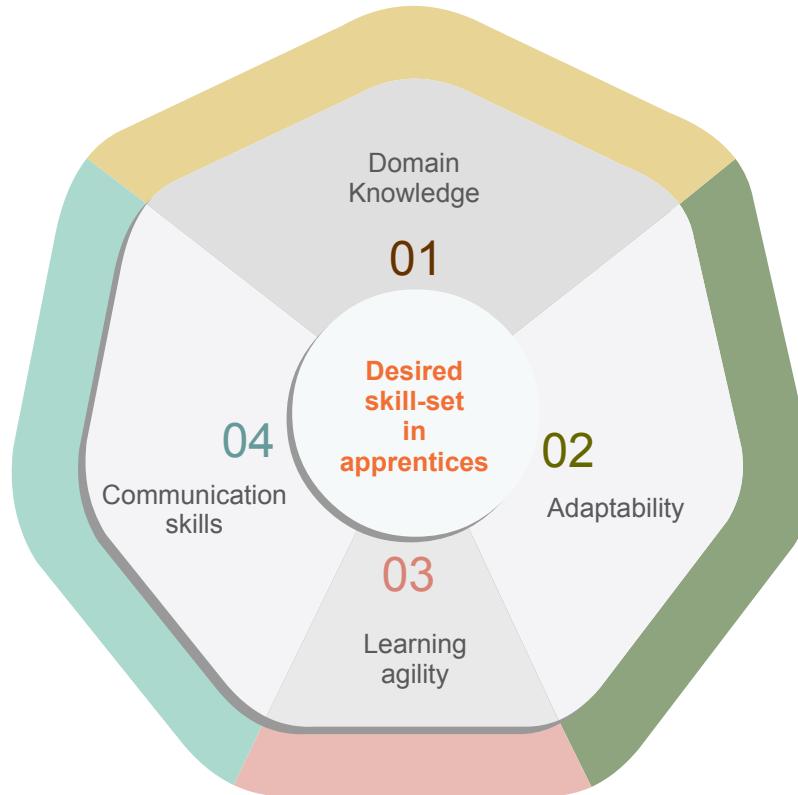
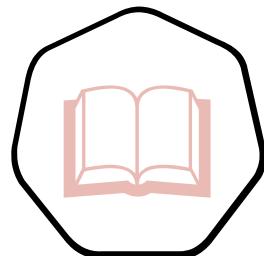
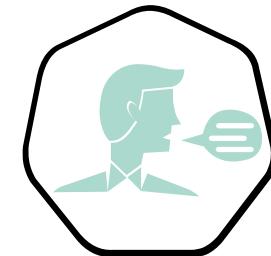
Nearly a third of all respondents cite lack of awareness of the apprenticeship program amongst job seekers as the key reason for the hiring process to be challenging.

Unlike small and large business, medium business report compensation issues as a key challenge in hiring apprentices.



Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Dec, 2019 | Total number of respondents: 509 | The above computation is based on 467 responses who have apprenticeship program implemented in their organization.

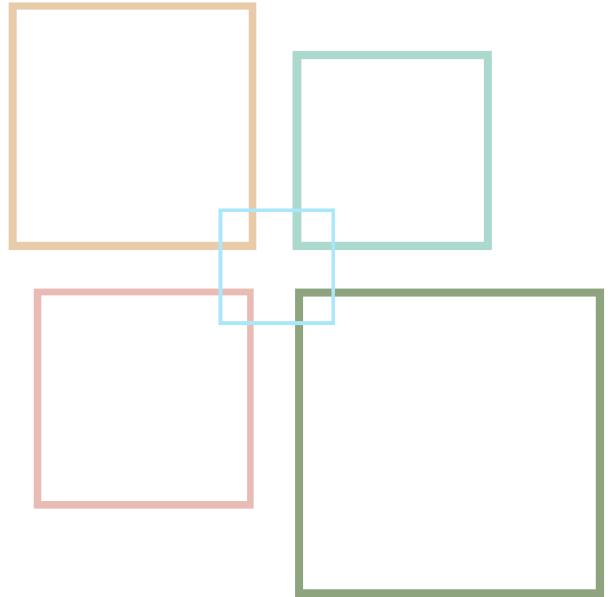
Desired Skill-set in Apprentices

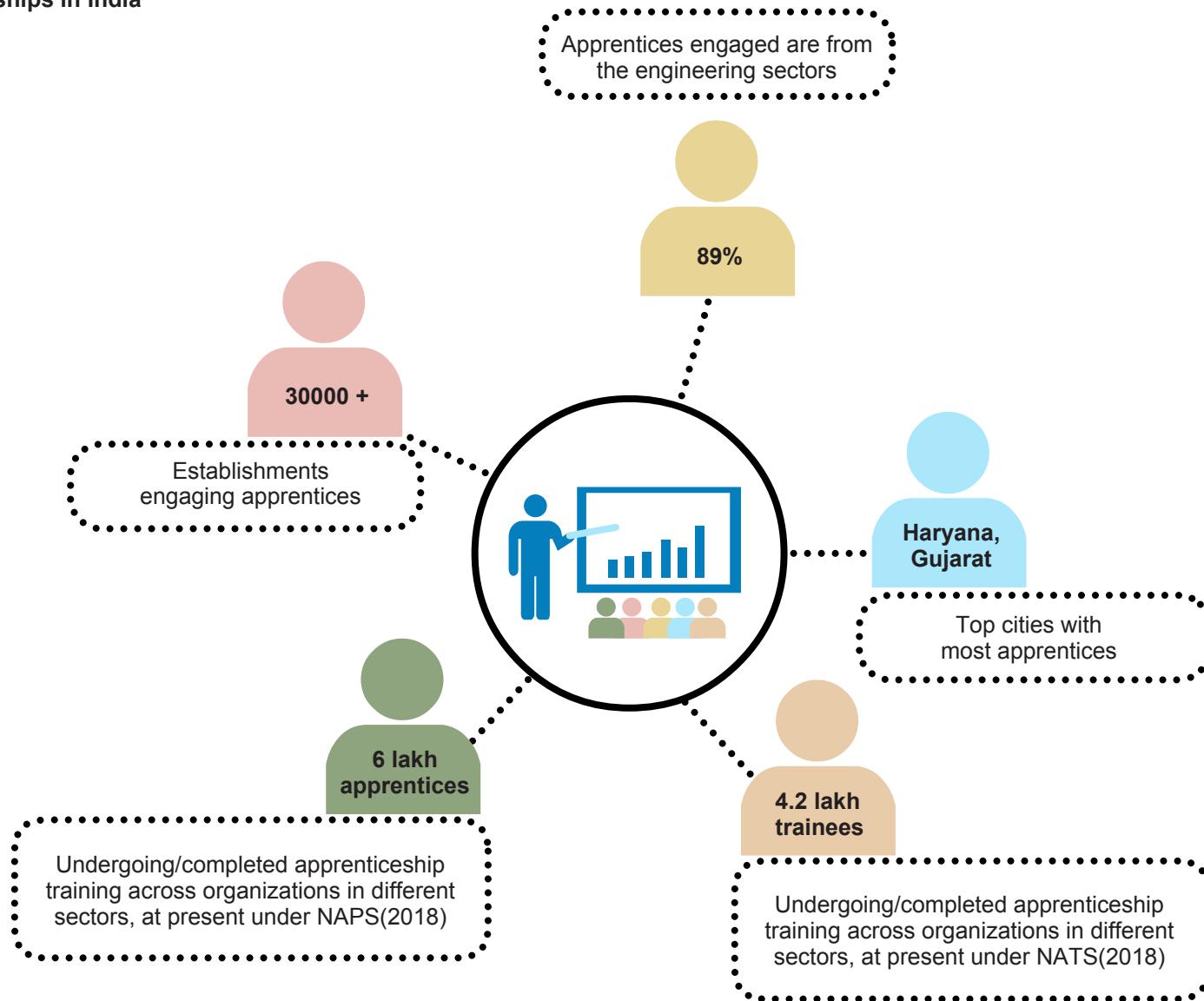


Apart from domain knowledge, employers prefer candidates with better communication skills and those ready to learn and adapt to the changing business environment.

Source: 'India Skill Report', 2019, PeopleStrong, India's fastest growing HR solutions, and HR Technology Company, and Wheebox

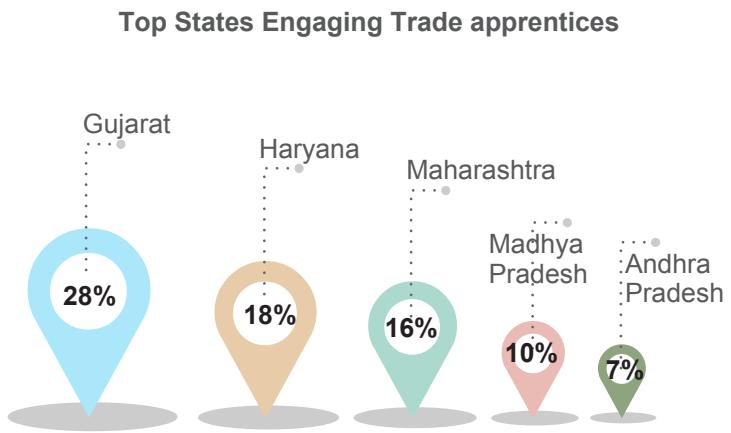
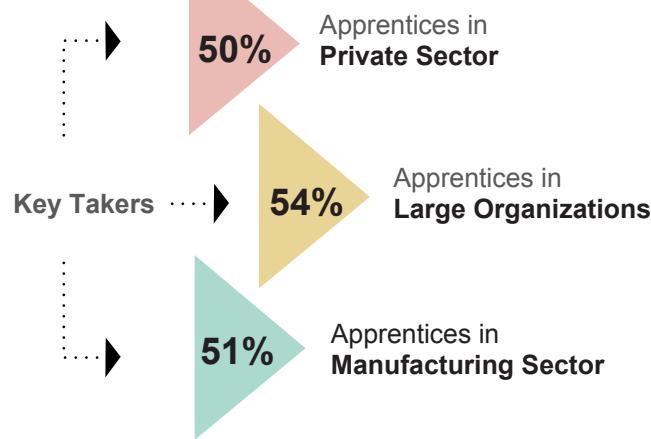
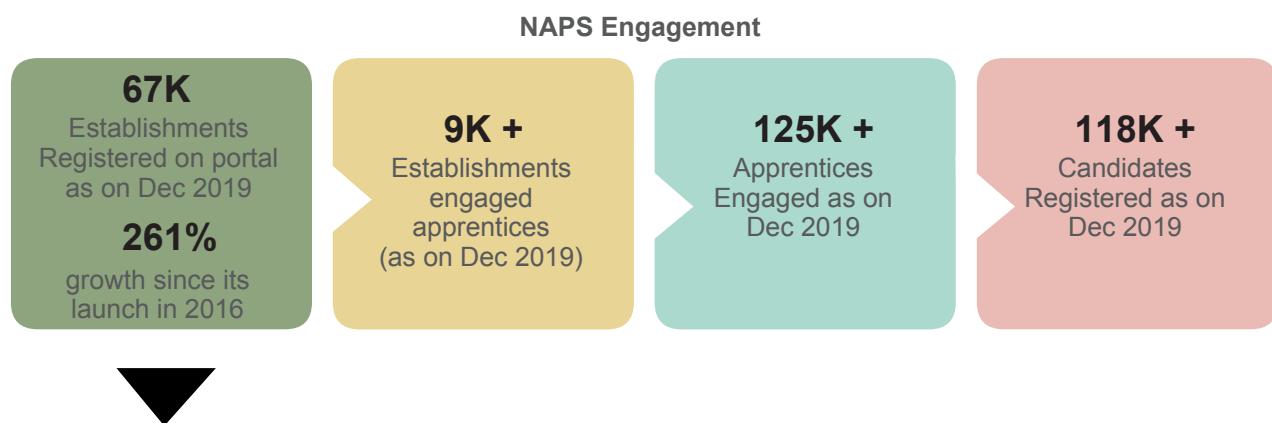
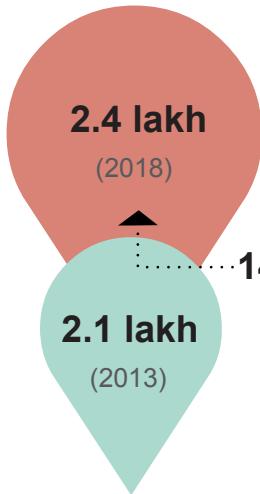
Current Scenario of Apprenticeship in India





Trade Apprenticeship Highlights

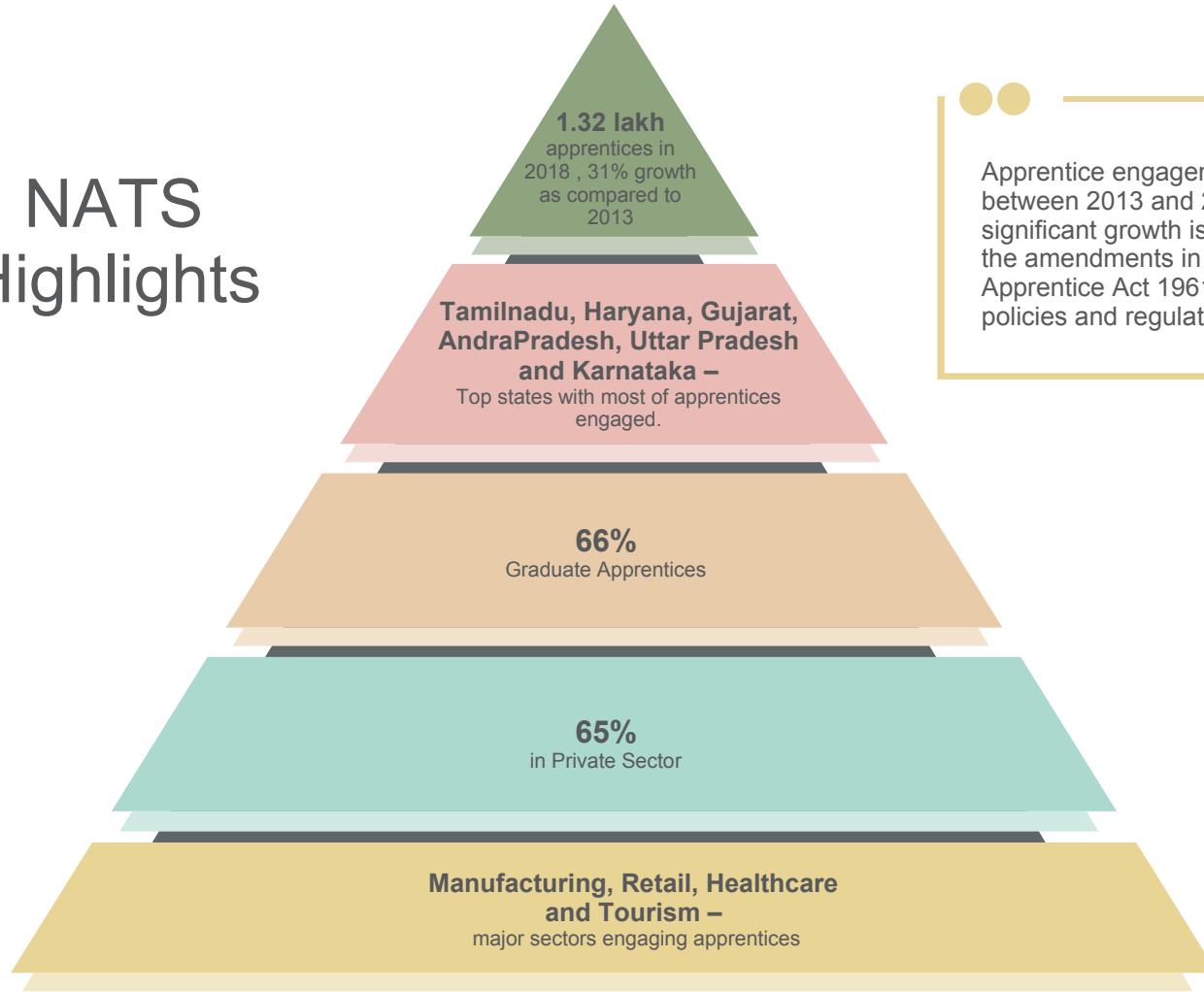
Engagement Trend



Source: NAPS Apprenticeship portal (data as on Dec 2019),

Note: Percentage out of total trade apprentices as on Dec 2019

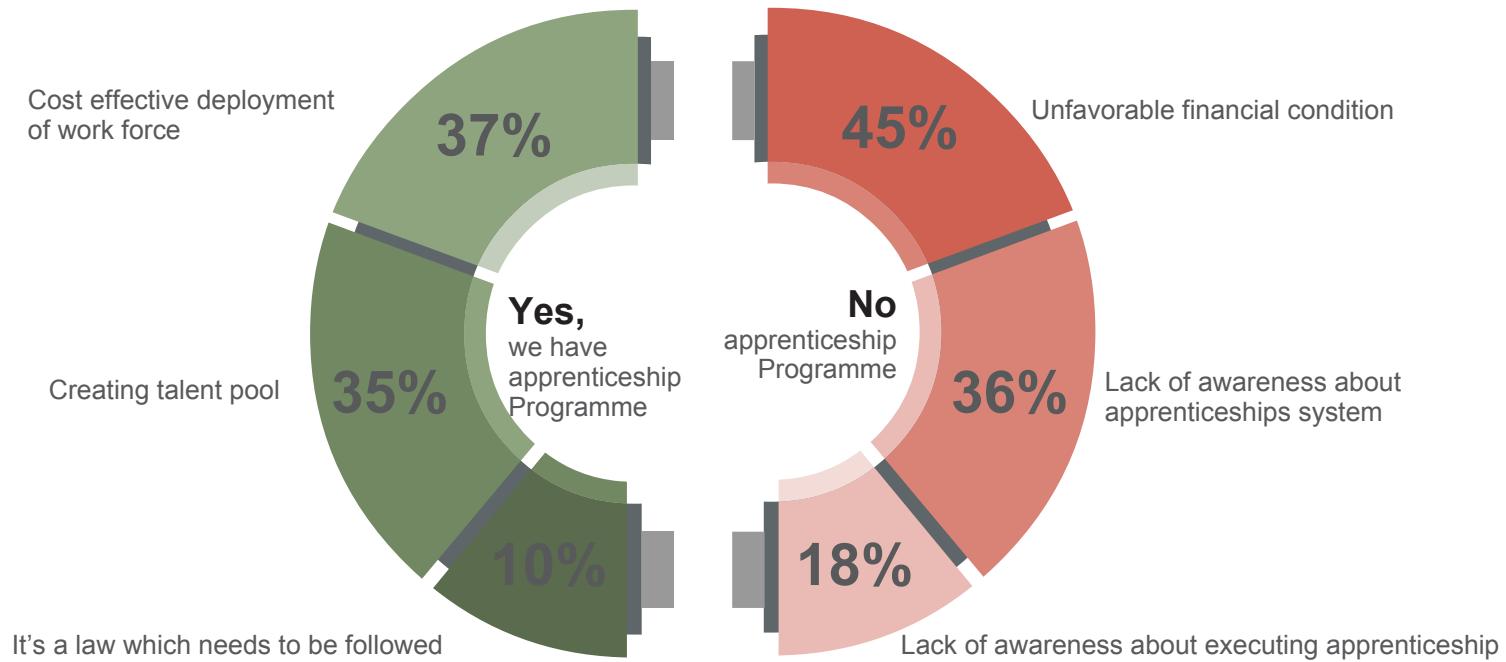
NATS Highlights



Source: Annual Reports , 2013-14 to 2018-19, NATS-Ministry of Human Resource Development

Why Companies Engage / Do not Engage Apprentices

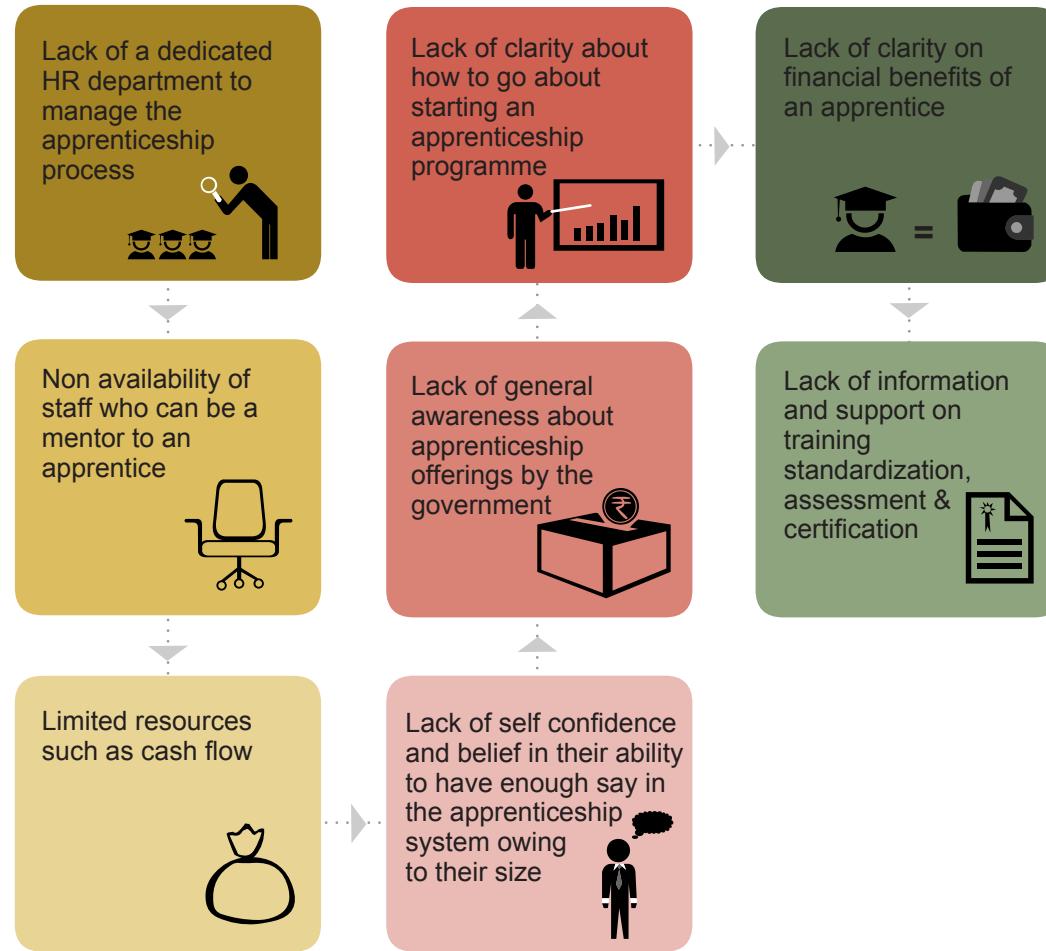
Top Reasons



The key factor in businesses adopting apprenticeship programs is financial impact. Nearly four in ten businesses report cost effectiveness of apprentices as a key factor and, on the other hand, 45% of all businesses report unfavorable financial conditions/ financial burden as a deterrent in adopting apprenticeship programs.

Source: Valuvox Survey of Apprenticeship Hiring Trends ,Nov-Jan, 2019 | Total number of respondents: 509

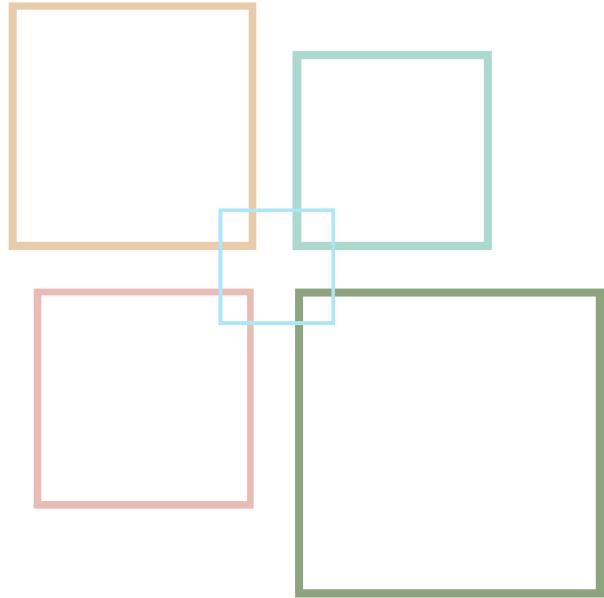
Constraints Small and Medium Businesses Face



Source: 'Barriers to Engaging in Apprenticeships – The Employer Perspective', indiaapprenticeshipforum.org

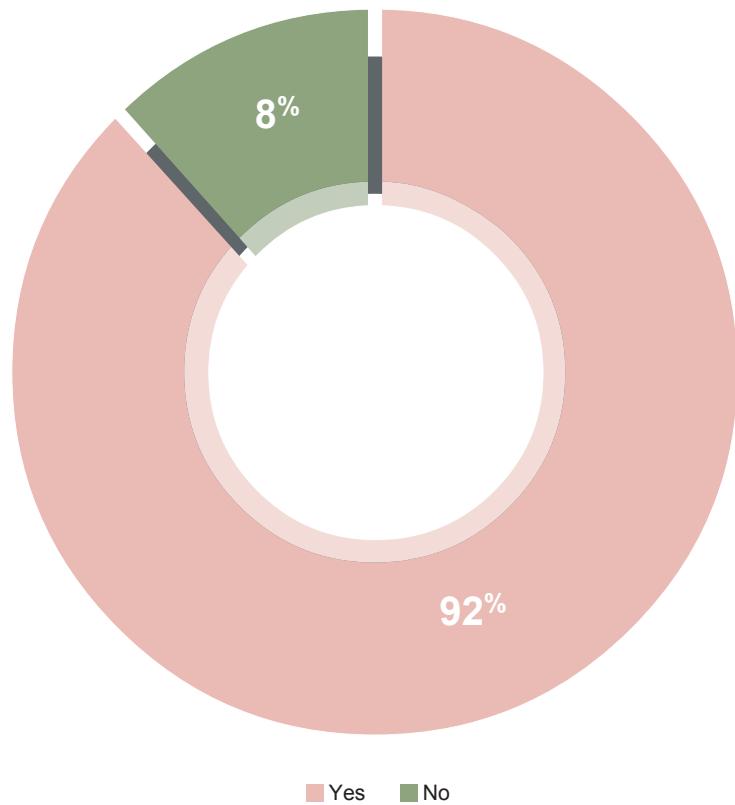
Annexure

The Apprenticeship Framework
Research Methodology
Sample Design
Bibliography



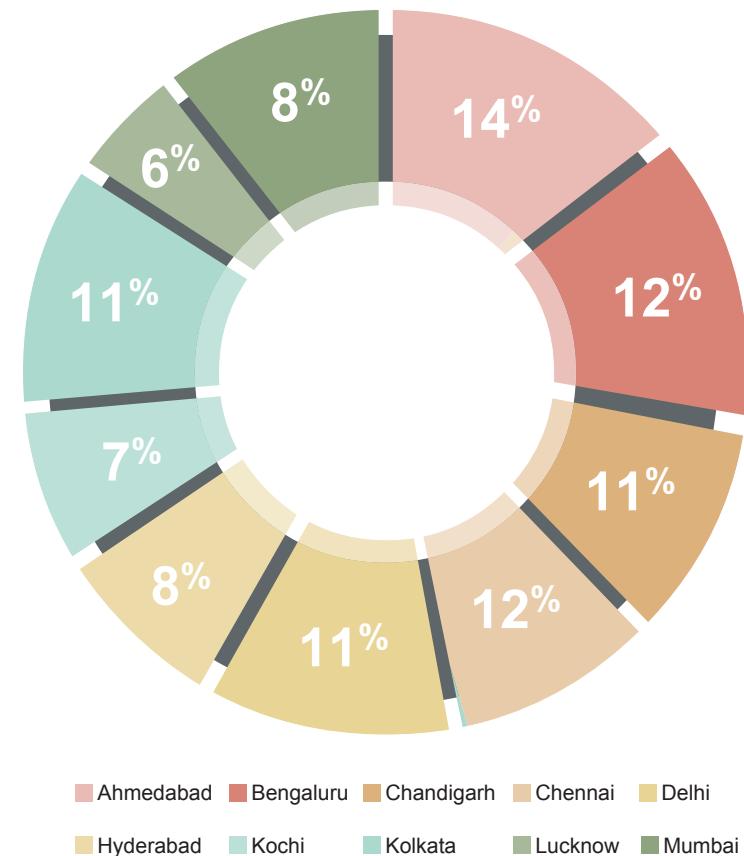
Respondent Classification

Respondents adopted apprenticeship Program



Total Sample: 509

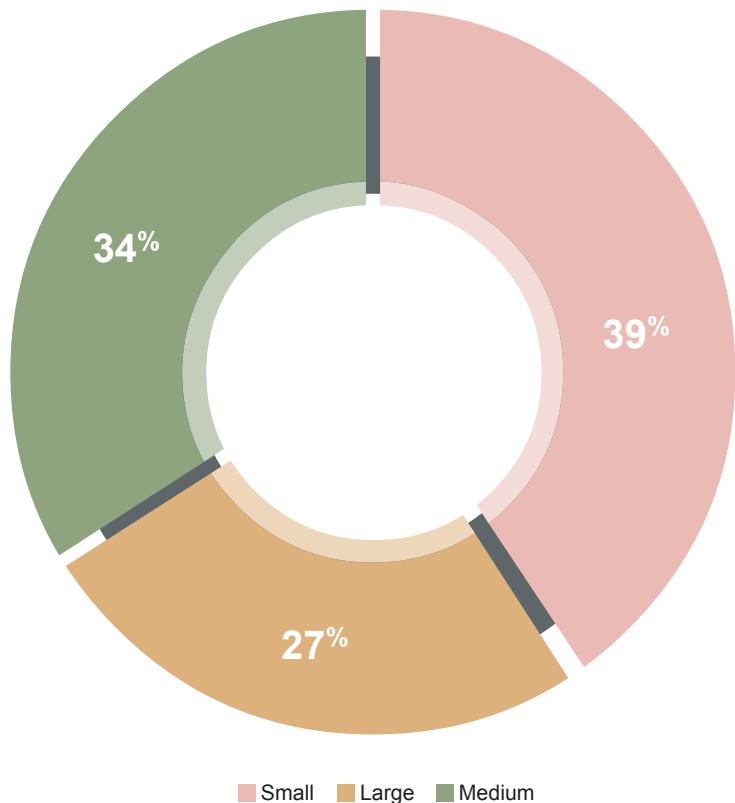
Respondents adopted apprenticeship Program - by city



Sample: 467; Total sample size - 509

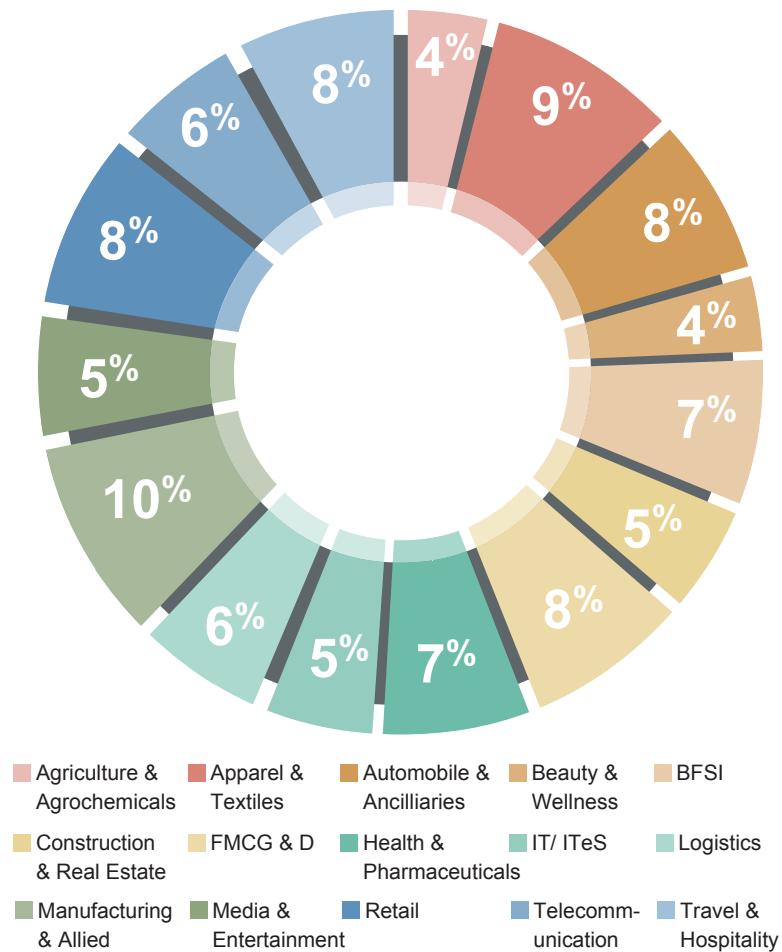
Respondent Classification

Respondents adopted apprenticeship Program - by business size



Sample: 467; Total sample size - 509

Respondents adopted apprenticeship - by sector



Sample: 467; Total sample size - 509

Sample Design

- ❖ Random stratified sampling technique was used to identify respondents for the survey. **Respondent Selection**
- ❖ Target respondents for the study were HR Managers, HR head, Business owners or directors (for small companies).

Data Collection

- ❖ The survey instrument was then administered to the target respondents using the valuvox® mobile survey application. Please refer the following section named 'Sample Distribution' for details on city and business size-wise breakup of the sample.

Data Analysis

- ❖ Data Analysed using statistical methods and techniques. The Major tools used are MS Excel and Python.

Secondary Data Sources

- ❖ Region wise Annual Reports of Board of Apprenticeship Training(Autonomous body of Ministry of skill Development and Entrepreneurship)(2013-2018)
- ❖ Annual report of Ministry of skill development and Entrepreneurship (2017)
- ❖ Other Apprenticeship related research papers, news articles and reports

Sample Design

Respondents by sector & city

Sector	Agriculture & Agrochemicals	Apparel & Textiles	Automobile & Ancillaries	Beauty & Wellness	BFSI	Construction & Real Estate	FMCG & D	Health & Pharmaceuticals	IT/ ITeS	Logistics	Manufacturing & Allied	Media & Entertainment	Retail	Telecommunication	Travel & Hospitality	Total
Ahmedabad	0	0	7	0	11	4	4	0	0	0	7	4	14	7	11	67
Bengaluru	0	0	14	0	4	0	4	7	11	4	7	0	4	0	4	57
Chandigarh	7	7	4	4	0	7	7	0	0	4	4	4	7	0	0	53
Chennai	0	4	7	11	4	4	7	7	0	0	7	0	4	0	4	57
Delhi	4	0	4	0	0	4	4	0	7	11	0	4	0	7	11	53
Hyderabad	7	7	0	0	7	4	0	7	0	0	4	4	0	4	0	42
Kochi	7	4	0	4	0	0	7	0	0	7	0	0	11	0	0	39
Kolkata	0	14	4	4	0	4	0	4	4	4	11	0	0	4	4	53
Lucknow	0	4	0	4	4	4	7	4	0	0	4	7	0	4	0	39
Mumbai	0	7	0	0	4	0	0	4	4	0	7	4	0	7	14	49
Total	25	46	39	25	32	28	39	32	25	28	49	25	39	32	46	509

Sample Design

Respondents by City & Business size

Sector	Small	Medium	Large	Total
Ahmedabad	28	11	28	67
Bengaluru	14	11	32	57
Chandigarh	39	11	4	53
Chennai	18	14	25	57
Delhi	14	18	21	53
Hyderabad	14	14	14	42
Kochi	28	11	0	39
Kolkata	28	14	11	53
Lucknow	32	0	7	39
Mumbai	11	21	18	49
Total	226	124	159	509

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- ◆ Annual Reports , 2013-14 to 2018-19, NATS-Ministry of Human Resource Development
- ◆ Annual Report, 2016-17, Ministry of Skill Development and Entrepreneurship
- ◆ Ministry of Skill Development and Entrepreneurship NAPS portals www.apprentice.gov.in, <https://apprenticeshipindia.org>
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- ◆ 'Barriers to engaging in apprenticeships – the employer perspective', Indian Apprenticeship Forum
- ◆ 'India Skill Report', 2019, PeopleStrong, India's fastest growing HR solutions, and HR Technology Company, and Wheebox



Analytics Solution Provider

