Executive Summary

The rapid and sustained growth of Indian Industry over past few years combined with challenges emerging due to globalization has resulted in demand for high order soft and technical skills in graduates (engineering and other streams) which our higher education system is unable to deliver. Although, there is a substantial increase in enrolment in engineering institutions, there is decline in quality of graduating engineers as skill gap has become one of the prime challenges faced by the industry. According to several reports, only 25- 30% graduates across the higher education spectrum are employable.

Lack of appropriate Industry-academia linkages and engagements have been identified as one of the critical reasons for the lack of quality of new engineering graduates in the country. There is a major apathy between the two key stakeholders leading to negligible knowledge about each other's specific needs and resources. The present interaction is limited largely to summer internships or placement of the students in the industry which is neither productive nor effective.

This paper focuses on finding ways to create sync between industry expectations and output from institutions and thus reduce un-employability of engineering graduates. In the present scenario of emergence of India as a Global R&D and Production hub, it is extremely pertinent that the knowledge being produced in academic institutions should be put to best use by the industry. The paper also captures the good practices initiated and experience of effective engagement by the Core group members who are also leading this initiative from the front viz. Larsen & Toubro Ltd., NMIMS's MPSTME, Manipal Institute of Technology, and Thapar University.



As per the World Bank analysis based on FICCI -World Bank Employer Satisfaction Survey, the following changes are required in the higher education system to improve high order thinking skills;



- Reshape assessment methods
- Reform curricula to increase the share of tasks
- Promote teaching-learning sessions
- Develop programs to meet the demand for specific skills from different sectors
- Encourage industry internships and involvement of institutions with the community

In this context, FICCI has initiated the setting up of National Knowledge Functional Hubs (NKFH) focusing on specific verticals in Industry that are facing severe human resource and skill shortages. To begin with, capital goods industry is being focused as the first vertical for NKFH in Mumbai with a Core Group consisting of few leading Engineering Institutions and CEOs of capital goods companies. The core group has identified the following steps:

- Each Capital Goods company should be encouraged to adopt two-three institutions within its vicinity for sustained interaction and collaboration.
- To help the companies identify and select quality engineering institutions, interested Institution should upload Performance indicator on its website/send it to the companies with request for collaboration. ***(Annexure I)***.
- Technology like webcasting should be leveraged to create network of institutions for disseminating lectures by leading professionals and academics at leading engineering institutions and corporations.