



India's first
SKILL
IMPACT BOND
for sustained employment of youth

What Works in Skill Training: A Compendium of Best Practices for Employment Outcomes

Commissioned by



as part of its objective to strengthen Outcome-Based Finance (OBF) in India

Funders



Training providers



Transaction Manager



Technical Partners



Performance Managers



Independent Evaluator



This report is part of a series of knowledge products drawing on data and insights from the Skill Impact Bond, aimed at augmenting existing knowledge and practices within the skilling ecosystem. The other two reports — Investing in Skilling Outcomes: The Case for Private Sector Funding in OBF and Delivering Results: Performance Management Toolkit for OBF — can be found [here](#).

This report was authored by Dalberg Advisors in partnership with the British Asian Trust and the National Skill Development Council (NSDC), with inputs from the Skill Impact Bond Steering Committee. We thank the four training providers with the largest implementation footprint in the Skill Impact Bond - Learnnet Skills Ltd, Magic Bus India Foundation, PanIIT Alumni Foundation, and Edujobs Academy, for sharing their learnings for this compendium.

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The Skill Impact Bond (SIB) is an outcomes-based finance (OBF) program focused on enhancing skilling outcomes in India—especially for women

Overview of initiative

The Skill Impact Bond (SIB) is a four-year Development Impact Bond designed to improve short-term skilling outcomes for youth across the country. SIB started in 2021, with the last cohort scheduled to end in August 2026

8

Cohorts

51K+

Candidates
enrolled

30k+

Candidates
retained¹

21

States and
UTs with
trainings²

16

Sectors of
employment

Key Features of Skill Impact Bond



Aligning financial incentives to
skilling outcomes



Deliberate focus on gender
outcomes



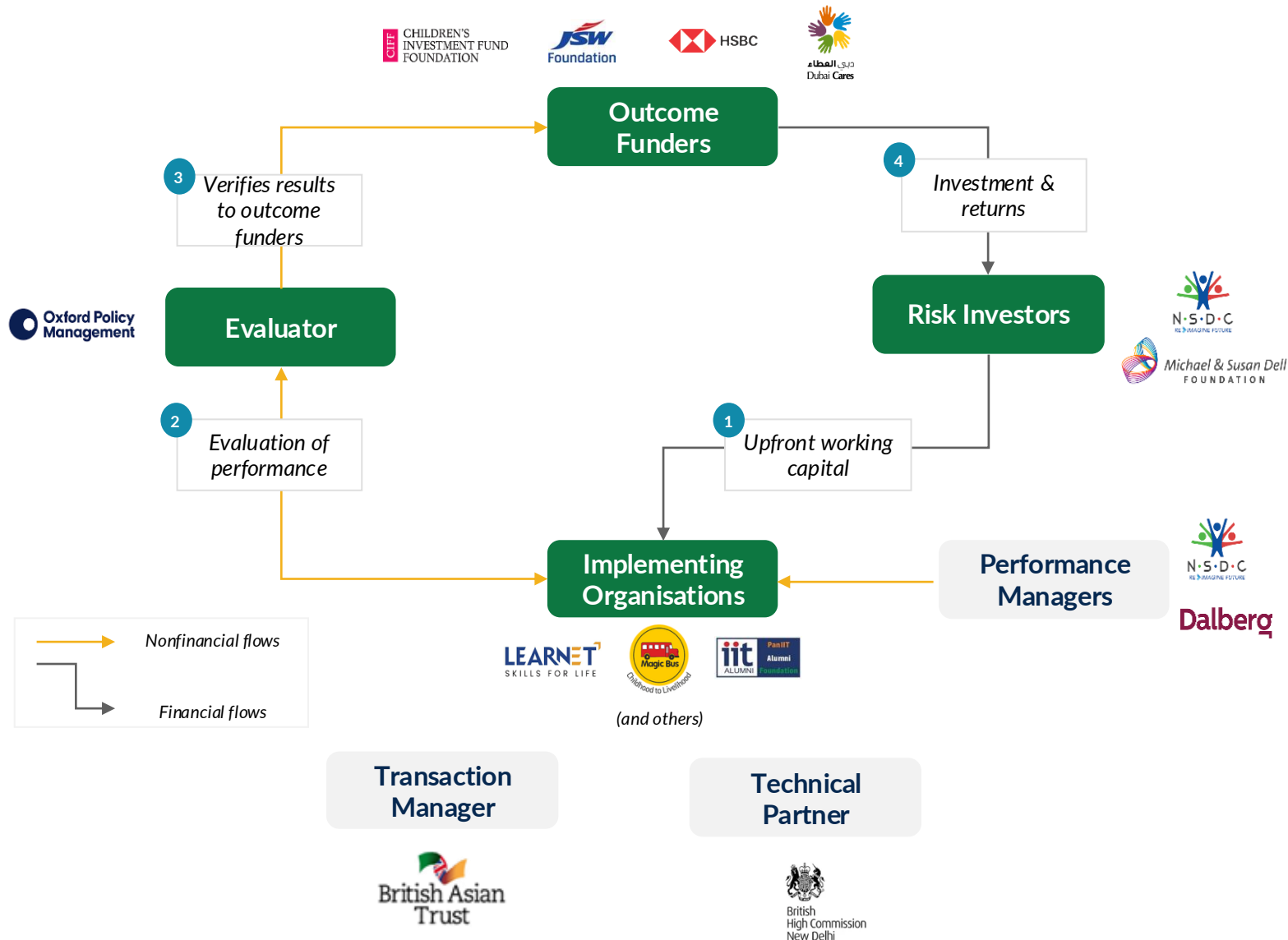
Robust third-party verification
of skilling outcomes



Strong focus on Performance
Management and Learning

Notes: 1. C1 – C7 placements basis third party verified data, C7 Retention and C8 data is basis TP reported data; 2. 21 states/UTs where training was conducted. Training geographies include Andhra Pradesh, Assam, Bihar, Chandigarh, Chhattisgarh, Delhi, Haryana, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Meghalaya, Odisha, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, and West Bengal; 3. 16 sectors include Apparel, Automotive, BFSI, Capital Goods, Construction, Electronics, Food Processing, Healthcare, Iron & Steel, IT-ITeS, Logistics, Media & Entertainment, Plumbing, Retail, Telecom and Tourism & Hospitality.

SIB operates through a multi-stakeholder OBF structure that links investors, service providers, and outcome funders



SIB has delivered industry-leading skilling outcomes at scale, with sustained improvements across certification, placement, retention, wages, and women's participation



Certification Rate

92%

against total enrolled



Placement Rate

76%

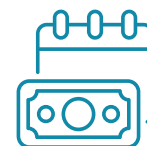
against total enrolled



Retention Rate

62%

against total enrolled



Average wage

₹ 15,292/-

Offered wage at the time of placement



Women Participation

73%

Against total retained

- 23p.p - 42p.p higher than other comparable program¹
- Certification rate has improved by 7p.p since start of Cohort 1
- 17p.p – 35p.p higher than other comparable programs¹
- Placement rate has improved by 9p.p since start of SIB
- 35p.p – 45p.p higher than other comparable programs
- Retention rate has improved by 14p.p since start of SIB
- 19% higher than industry average³
- Highest wage achieved was INR 38,649 per month in IT-ITeS in Cohort 6
- Gender wage gap reduced from 22% in C1 to 12% in C6
- 8p.p, 11p.p, 19p.p, improvement in women certification, placement and retention performance
- 18p.p improvement in enrolment of women in non-traditional sectors⁴
- 24p.p improvement in women wages

Notes: 1. AMBER and PMKVY 2.0 used as comparable programs basis data shared by NSDC for Amber and PMKVY 2.0; 2. OPM verified data from C1 to C6 are used. Cohort 7 is completed but final results are yet to be shared; Cohort 8 is ongoing; p.p – percentage points; 3. Cohort 1 average wage is taken as industry average; 4. Non-traditional sectors are sectors apart from Apparel. C1: 47% women were in enrolled in non-apparel sectors and the number rose to 65% by Cohort 6.

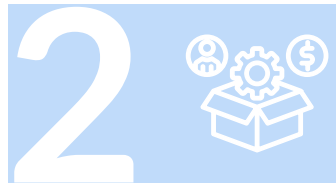
These outcomes can be attributed to three key elements intentionally built into SIB program and implementation design



Incentivising higher achievement by linking payments to outcomes

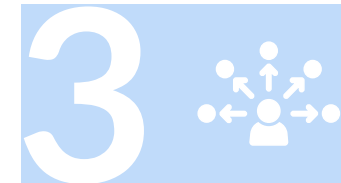
The SIB payment structure created clear incentives for training providers to prioritise employment outcomes, shifting focus from activity completion to sustained placement and retention.

Providers reoriented delivery across the skilling value chain, including mobilisation, candidate targeting, and training design, to improve employment outcomes. The program also included a gender incentive (higher payments for women) to strengthen focus on women's employment outcomes.



Providing adequate resources for achieving placement and retention outcomes

In SIB, payments were made on a per-trainee basis for enrolment, certification, placement, and 3-month retention, where the total cost to the provider include not only funds for training and certification of candidates but also adequate support for undertaking critical activities that were prerequisites for achieving better placement and retention.



Providing structured support through a Performance Management Unit

Recognising that OBF requires a shift in how training providers operate, SIB offered structured support through a Performance Management Unit (PMU).

The PMU enabled continuous improvement through iterative course correction and impact loops, working closely with training providers to build an outcomes-oriented culture. It supported the use of performance data for real-time decision-making, drove process innovations, and helped anticipate and mitigate operational, financial, and reputational risks. The PMU also strengthened data systems and monitoring for training providers.

Notes: 1. Gender differentiated pricing was deployed for Risk Investor Payouts to ensure focus on improving outcomes for female candidates as perceived risk of skilling women was assumed to be higher than men owing to historically poor retention rates. However, this was not deployed for Training partner payouts as program budgeting subsumes gender and model variation owing to use of shared resources.

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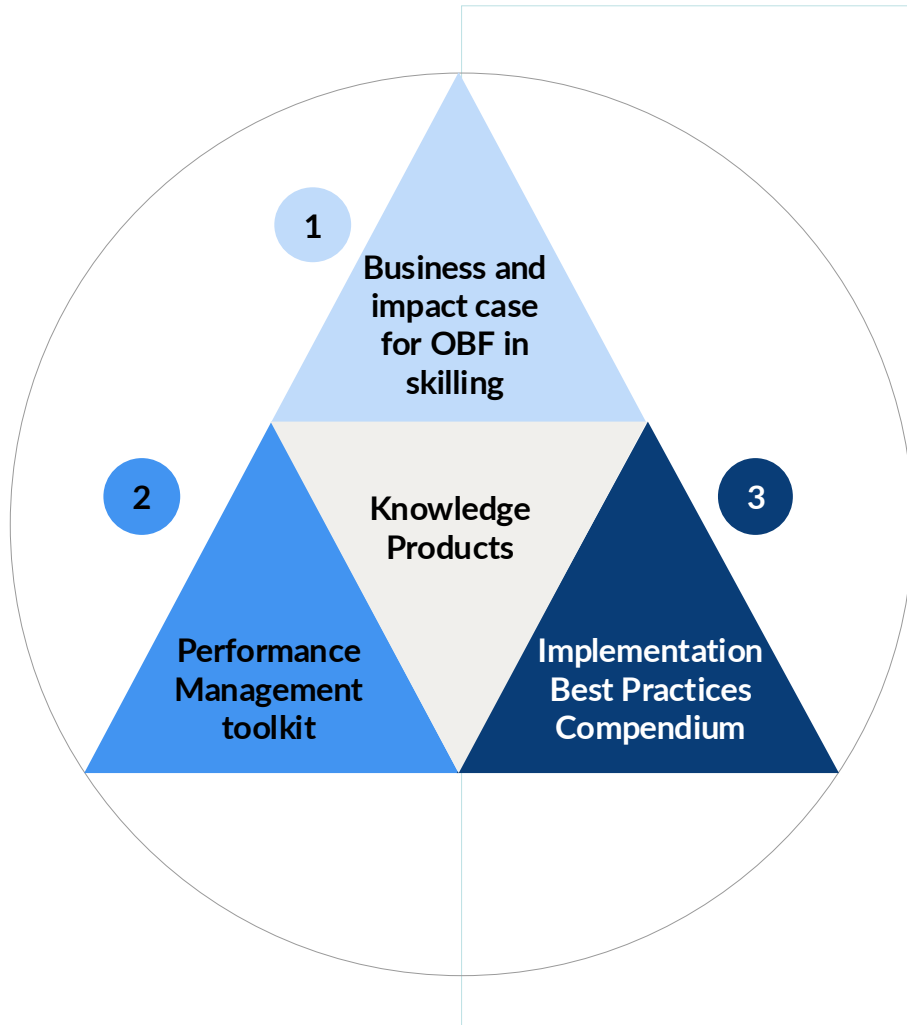
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Drawing on learnings from SIB, a suite of knowledge products has been developed to translate evidence into practical guidance for replication and scale-up of OBF skilling models



1

The Case for OBF in Skilling is aimed at philanthropic donors, CSR funders and private sector investors, by **laying out the business and impact case of adopting OBF principles in skilling**, using design, data and evidence from SIB.

2

The Performance Management toolkit is meant for any government and/or private sector organisation that shoulders the responsibility of managing and improving implementation partners' portfolio and outcomes in an OBF initiative. It explains the 'what', 'why', and 'how' of performance management, providing insights on process, practical tools, and templates drawn from SIB's experience.

Focus of this report

3

The Compendium of Best Practices for Employment Outcomes distils specific practices undertaken by training partners that helped achieve better outcomes at each stage of the value chain under SIB, the journey these partners underwent, and what it costed to drive outcomes at this level.

This compendium distils high-impact interventions and organisational shifts adopted by Training Partners under SIB to deliver sustainable skilling and stronger financial outcomes

Objectives of the compendium

This compendium answers three main questions:

- ✓ **What did TPs do differently under SIB:** SIB created stronger incentives and accountability for outcomes, pushing TPs to implement interventions more consistently, with clear pre-agreed targets across the skilling value chain to improve placements and retention. **Most interventions are not new, rather, TPs introduced improvements, micro-innovations and process adaptations in how they were implemented to maximise outcomes, particularly for women.**
- ✓ **What organisational changes did TPs undertake:** Highlights shifts in internal structures, decision-making, and ways of working to consistently deliver under an outcomes-based financing context.
- ✓ **What does it cost to implement these approaches effectively:** Provides high-level insights into cost implications, focusing on cost per outcome rather than line-item budgeting.

Audience for the compendium

This Compendium is designed to provide actionable insights for two primary audiences:

- **Skilling Training Partners (TPs):** To support TPs in strengthening outcomes delivery by illustrating interventions adopted by high-performing peers, along with the organisational shifts required to implement and sustain them under outcomes-based financing. TPs in the ecosystem can learn from the context of these high performing players and see what is fit for their operating model and goals.
- **Funders and ecosystem stakeholders:** Including outcome funders, CSR and philanthropic organisations, and program designers seeking to understand which interventions and organisational capabilities are most closely associated with improved outcomes, and where targeted investments may yield the greatest returns.

The compendium is NOT designed to be:

- **Comprehensive catalogue of interventions:** It does not document every intervention implemented by TPs across the skilling value chain
- **End-to-end implementation manual:** It is not SOP or step-by-step guide for implementing these interventions in full.

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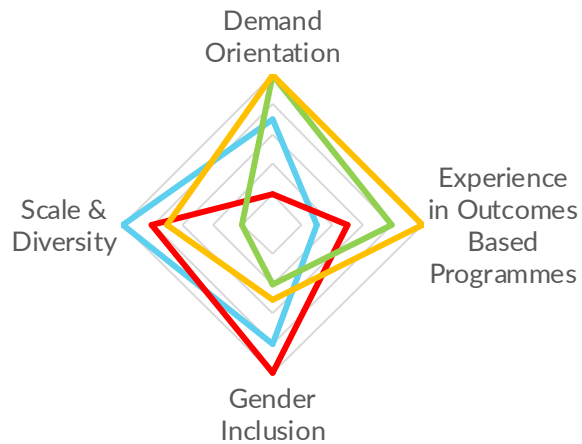
This compendium leverages learnings from four high performing Training Partners (TPs) from the SIB portfolio operating across varied delivery models, scale, geographies, and sectoral contexts

Service Provider				
Model summary	Non-residential training in a mix of rural and urban locations	Non-residential training in urban location with hyperlocal placements	Residential training in rural and tribal locations	Non-residential training in a mix of rural and urban locations
Annual capacity	~1,20,000 beneficiaries	~80,000 beneficiaries	~20,000 beneficiaries	~40,000 beneficiaries
Geographies in SIB	39 centres across 11 states	8 centres across 8 states	35 centres across Jharkhand	8 centres across 3 states
Sectors in SIB	Apparel, IT/ITeS, Retail, BFSI, Logistics, Food Processing	IT/ITeS, Retail, BFSI, Logistics	Apparel, Construction, Electronics, Manufacturing, Logistics	Apparel, Healthcare, Telecom, Logistics, IT
Total enrolments	~15,500 candidates across 8 Cohorts	~14,500 candidates across 8 Cohorts	~12,500 candidates across 8 Cohorts	~4,000 candidates across 2 Cohorts
Avg SIB Placement Rate (P/E)	c. 81%	c. 78%	c. 83%	c. 84%
Placement type	74% hyperlocal and 26% migratory placements	100% hyperlocal placement	100% migratory placement to industry hubs like Chennai, Bengaluru, Hyderabad, etc.,	61% hyperlocal and 39% migratory placements
Avg SIB Retention Rate (R/E)	c. 62%	c. 71%	c. 66%	c. 79%

Notes: 1. For Learnnet, Magic Bus and PanIIT, the average from C1 to C7 is taken for placement rate; C1 to C6 data is basis third-party verified outcomes and C7 data is basis TP reported outcomes; For EduJobs, C7 P and R are basis TP reported outcomes

These four TPs began their SIB journeys from markedly different starting points and undertook targeted structural and programmatic shifts over the course of the program

Mapping TP capabilities at the time of selection across key priorities used for selecting TPs under SIB



Notes:

1. While Learnnet, PANIIT, and Magic Bus started their SIB journey in Cohort 1, EduJobs was onboarded in Cohort 7
2. EduJobs and PANIIT had experience in large OBF programs (such as AMBER for the former and DDUGKY and other funder programs for the latter) whereas Learnnet's and Magic Bus's experience were limited to funder or CSR specific programs in small scale

Summary of key shifts witnessed by TPs across key SIB Priorities during their first cohort in SIB vs at the end of SIB

At the start of SIB Journey

- Entered SIB with a fully demand-driven model
- Strong female participation (~70%), though enrolments were concentrated in apparel.
- Operated at scale across multiple states and sectors, with an established delivery footprint.



- Entered SIB with limited demand orientation, with 10% of batches being demand-driven.
- Maintained high female participation (~80%) concentrated in service-sector roles.
- Operated through a hyper-local model, with individual centres undertaking end-to-end delivery and support functions.

- Entered SIB with a fully demand-driven model with strong wage premium for candidates
- Had low female participation (<20%), with enrolments heavily concentrated in apparel.
- Operated in a single state with limited sectoral and geographic diversification.

- Entered SIB as a mature, outcomes focused TP in Cohort 7¹
- Already operated a strong demand-driven leveraging large aggregators and focusing on women-inclusive sectors

By end of Cohort 8

- Introduced fully industry-led training delivered at employer locations and scaled it to 40% of all batches.
- Improved female wage across sectors by 25% and reduced gender wage gap by 15p.p (with women wages higher than men by Cohort 7)
- Added new sectors such as food processing and logistics to address emerging, higher-quality demand.

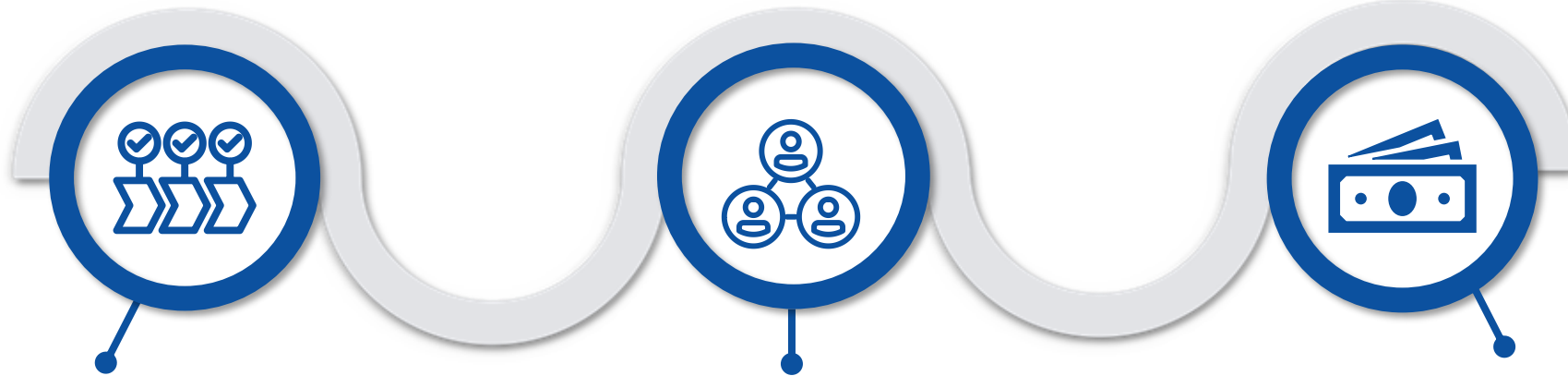
- Transitioned to a predominantly demand-driven approach, scaling employer-linked batches to over 80% of total cohort.
- Increased women's participation in service roles by 10p.p and reduced the gender wage gap by 6.3p.p (with women's wages exceeding men's by Cohort 7)
- Established regional teams for key functions, enabling more standardised performance management and outcomes-orientation across programs.

- Deepened strategic engagement with large employers, introduced and scaled international placements by 10x from <40 in C6 to 400+ in C8
- Increased women's participation in non-apparel roles by 51p.p, and introduced emerging and aspirational roles such as electronics and manufacturing

- Standardised outcomes documentation across all employers and centres within one cohort,

¹ Note Edujobs was onboarded on Cohort 7 of SIB, while they are a mature outcomes-focused partner their engagement with SIB has been limited to two cohorts.

We adopted a three-part approach to examine what the TPs did to drive outcomes in SIB, how they executed it, and what it took organisationally and financially



Operational Assessment *(What TPs do differently)*

Identify high-impact interventions across the skilling value chain, and document how TPs operationalised them in practice to improve outcomes.

Organisational Assessment *(What enables execution)*

Identify the organisational changes that enabled consistent execution of improved outcomes, including changes in HR, quality assurance, performance monitoring, financial management, and leadership engagement.

Financial Assessment *(What it costs to deliver)*

Analyse input and outcome costs across different operating models and identify key cost drivers and efficiencies required to deliver improved outcomes sustainably.

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We examined what TPs did differently, and how they executed these changes, across three stages of the skilling value chain



The following slides unpack the interventions implemented at each phase of the value chain

Notes: 1. As Training Partners incur significant costs at mobilisation and training stages, Risk Investor to TP payouts also included enrolment as a payment milestone to facilitate working capital requirements. However, the allocation at enrolment reduced from 50% in Cohort 1 to 25% in Cohort 7 as TPs showcased higher outcomes orientation and were able to effectively recycle working capital cashflows

Pre-Training

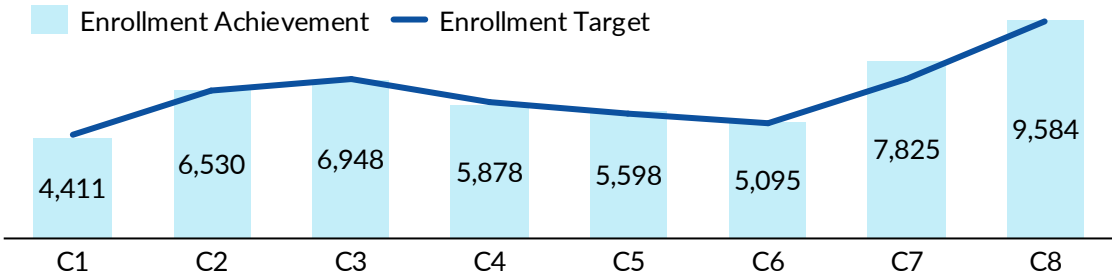
At a portfolio level, enrolment targets were achieved under SIB, alongside consistent outperformance on gender targets and improvements in mobilisation efficiency

Pre-Training

Training

Post-Training

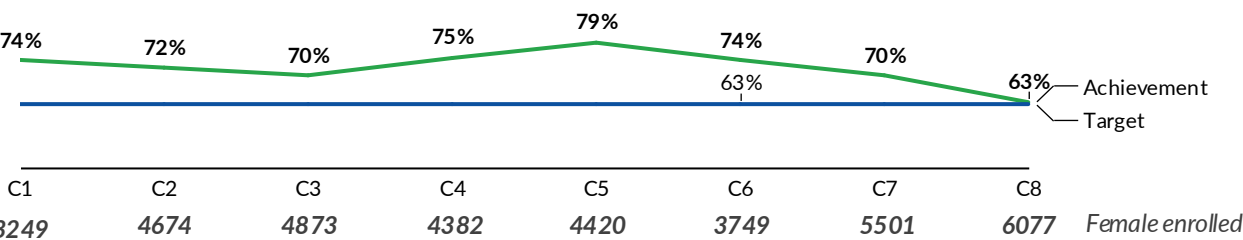
Graph #01: Comparison of Enrolment Target & Achievement C-on-C



1

Since Cohort 1, SIB has consistently met or exceeded enrolment targets, expanding its footprint of training centres to 19 states and 2 UTs, while scaling sector coverage from 8 sectors (C1) to 17 sectors (C8)

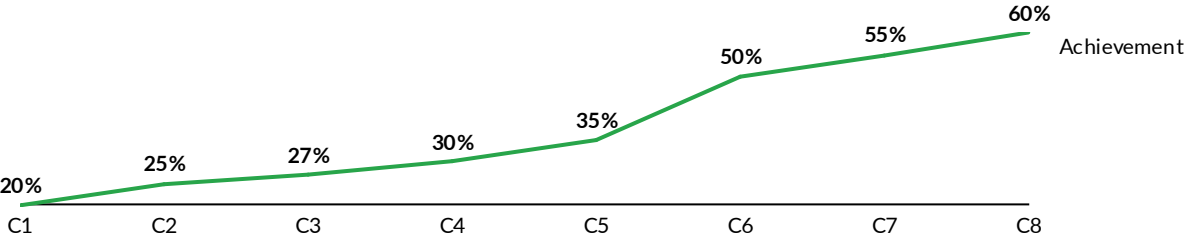
Graph #02: Comparison of Gender Target & Achievement C-on-C at E



2

All four TPs have consistently achieved or improved on their gender targets across cohorts and have seen a 28p.p improvement of women in non-traditional job roles (47% in C1 to 75% in C7)

Graph #03: Comparison of Mobilisation to Enrolment rate C-on-C



3

All TPs have showcased significant improvements in mobilisation efficiencies across cohorts, while rationalising and standardising mobilisation practices across centres (while keeping flexibility to customize for diverse geographic and demographic contexts)

Notes: 1. C-on-C: Cohort-on Cohort; 2. While across all cohorts, we outperformed our gender target, we saw it improve till C5 and then drop to 65% as we had new TPs onboarded onto the program; Gender target is defined as the number of female/total number of candidates in each cohort; 2. p.p – percentage point; 3. Non-traditional job roles for women are all non-apparel roles;

All four TPs have not only improved on core enrolment metrics, but also evolved their mobilisation and gender inclusion strategies and employer partnerships



Pre-Training

Training

Post-Training

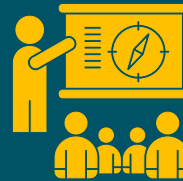
Enrolment Scale (Milestone Indicator)	32% increase from C1 to C8	120% increase from C1 to C8	110% increase from C1 to C8	120% increase from C1 to C8
2-week attrition¹ (Output Indicator)	5p.p decrease from C1 to C7	NA Never had high dropout due to the soft launch phase	7p.p decrease from C3 to C8	NA
Gender Ratio (Gender Indicator)	Sustained >80% ratio across cohorts (~13,500 women enrolled)	Sustained >80% ratio across cohorts (~10,800 women enrolled)	Improved ratio to >65% from 30% in C1 (~6,250 women enrolled)	Sustained ratio of >60%-69% in C7 and C8 (~2,500 women enrolled)
Other Strategic Shifts Achieved (if any)	- C.20% of enrolments now come from partner or alumni network from <5% in C1 - C.40% of all batches are fully employer led² from 0% in Cohort 2	- Scaled-up demand driven batches from 0% to 80% within 5 cohorts - C.45% of enrolments now come from alumni referrals from <20% in C1	51 p.p improvement in women's participation in non-traditional job roles - Scaled up enrolment of candidates from schools dominated by first-generation female learners from less than 10% in C1 to ~30% in C7	EduJobs, owing to its experience in other outcomes-based programs, had a strong short-term skilling foundation, aligned sector selection to SIB needs. With only two cohorts in SIB and a high baseline, meaningful programmatic shifts are unlikely to be visible yet.

Note: 1. 2-week attrition refers to candidates who drop out within the first two weeks of training. Historically, training attrition is highest during this period and stabilises thereafter, as misaligned or insufficiently counselled candidates tend to exit early; 2. Employer led batches are also referred to as demand driven batches. These are batches where TPs already have a letter of intent from the employer to hire a certain number of candidates. Even during the mobilisation, the candidates are clear about the sector, job role, employer, workplace location, salary, workplace benefits, etc., which ensure strong alignment from Day 0.

Over the course of SIB, TPs redesigned and deployed three interventions that were key towards consistently improving quality of enrolments across cohorts



I. Parent and Community counselling aligned on training and employment realities



II. Deploying mandatory Week 0 orientation to simulate actual training



III. Demand driven enrolment to build candidate buy-in for actual jobs



Parent and community counselling during candidate mobilisation (1/2)

BUSINESS AS USUAL SITUATION

- **Mobilisation is designed as a candidate-only transaction:** Across many skilling programs, mobilisation and counselling focus on the candidate, with family or community engagement limited to procedural parental consent rather than building buy-in
- **Misalignment surfaces during training and employment transitions:** Data shows that parental and community pressure drives nearly 5-10% of training dropouts and contributes to an additional 3-5% attrition during placement and retention stages, often due to concerns around safety, migration, job conditions, and social norms.
- **Women candidates are disproportionately affected:** Women were 20-80 p.p¹ more likely to drop out due to parent pressure compared to men, making early family alignment a prerequisite

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

TPs structured community mobilisation and counselling as a multi-step engagement process involving families and community actors.



Multi-channel sourcing and awareness building: Candidate mobilisation extended beyond individual outreach to include institutional partnerships with schools and colleges, alumni referrals, local networks, and hyper-local engagement, to improve early visibility and credibility within communities



Mandatory parent counselling : Parent counselling was made mandatory prior to enrolment, with structured, in-person sessions conducted at training centres to engage both candidates and their families to align expectations around training and employment.



Gender-related considerations: For women candidates, TPs used structured, in-person parent counselling at training centres to demonstrate safety infrastructure, explain mobility arrangements, and walk families through employer policies, shifting reassurance from verbal assurance to tangible proof.

Notes: 1. Learnnet: While 2-3% of men drop-out due to parental/family/community pressure, almost 80-90% women dropouts are mainly due to pressure at home. This pressure could either be parental pressure, pressure from in-laws, husband, pressure due to primary care-giver duties, pressure to get married at a young age, etc., For Magic Bus while 8% men dropout due to parental pressure, almost 25% female dropout due to parental pressure.



Parent and community counselling during candidate mobilisation (2/2)

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT **LEARNET** SKILLS FOR LIFE

Learnnet collaborated with local NGOs and community-based freelance mobilisers, including credible local leaders, to build early trust rather than relying solely on internal mobilisation teams - raising the share of enrolments through these channels from <5% in Cohort 1 to >20% in Cohort 8.

- NGOs and freelancers were onboarded 2–3 weeks before mobilisation and taken through centre visits, live batch observations, and employer briefs so they could clearly explain training intensity, safety, and employment conditions.
- These actors led initial conversations with parents and families to surface concerns and assess readiness, after which Learnnet staff stepped in to conduct deeper counselling once the first check was passed.
- Incentives were redesigned so NGO and freelancer payments were linked to candidate retention rather than enrolment volumes, shifting focus from only signing up candidates to preparing families for training and placement realities.
- Community actors were perceived as neutral and locally accountable, enabling sustained engagement with families even after enrolment. In parallel, mobilisation staff were sensitised to recognise and address subconscious biases, particularly around women's participation in non-traditional trades to support more inclusive enrolment.

*Other TPs such as Magic Bus and PanIIT similarly relied on alumni-led referrals, with 15-45% of enrolments sourced through alumni and peer networks¹.

WHAT TO WATCH OUT FOR

- Community and family biases that impact women's skilling journey arise owing to social conditioning and perceived role of women in society as home-makers, and concerns over women's safety. Understanding the root-cause of biases affecting specific communities and developing contextual and specific mitigation strategies is central to improving effectiveness of parent and community mobilisation activities.
- While alumni and peer referrals strengthen candidate alignment, negative employer experiences can spread quickly through networks, triggering herd-driven mid-training dropouts in subsequent batches/cohorts. These experiences can be mitigated by rapid employee-employer grievance redressal mechanisms, and proactively facilitating replacement of impacted candidates.



Deploying Week 0 orientation before enrolment (1/2)

BUSINESS AS USUAL SITUATION

- **Early attrition is concentrated immediately after enrolment:** Across skilling programs, a significant share of dropouts occurs within the first 1-2 weeks post-enrolment (*up to 50-60% of all training dropouts*), often before meaningful skilling begins¹
- **Misalignment is identified only after enrolment:** Candidates often enrol with limited understanding of training intensity, expectations, residential or commute arrangements, and workplace conditions, which surface only after enrolment, when drop out costs are higher for both candidates and TPs.

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

Under SIB, TPs embedded a week-long immersion, using the first week to test candidate readiness rather than start instruction.



Training immersion to mirror program realities: Week 0 was structured to closely reflect actual schedules, learning intensity, behavioral norms, and attendance discipline, allowing candidates to experience training conditions before enrolment.



Employer-led visibility into job expectations: TPs actively involved employers through workplace briefings, and interactions with hiring teams to provide candidates with direct visibility into job roles, performance expectations, and work environments.



Early screening and informed self-selection before enrolment: Week 0 served as a screening window for TPs to identify candidates needing additional support, while enabling candidates to opt out early if expectations did not align, before formal admission.



Deploying Week 0 orientation before enrolment (2/2)

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT



To improve female enrolment, Pan-IIT targeted candidates from Kasturba Gandhi Balika Vidyalayas (KGBVs), which serve a high proportion of first-generation learners. Recognising that these students required a longer runway to build comfort with training intensity and institutional discipline, PanIIT extended Week-0 into a two-week structured immersion prior to enrolment

- Week 1 focused on acclimatisation to structured schedules, attendance norms, digital tools, and behavioural expectations, with gradual increases in training intensity. For non-traditional roles, information was shared through audio and visual tools to familiarise candidates with the nature of work.
- Week 2 incorporated employer and alumni interactions to ground expectations around workplace conditions, earnings, and mobility.
- Parents were invited to selected sessions to clarify residential arrangements, safety provisions, and progression pathways prior to final enrolment decisions.
- Enrolment was confirmed only after completion of the two-week immersion resulting in a 30 p.p reduction in candidate attrition during the training stage

*Other TPs such as Magic Bus, given its focus on local placements, facilitated employer site visits before enrolment to familiarise candidates with job conditions. EduJobs leveraged Week 0 as a filtration phase, over-enrolling initially and confirming batches only after layered academic through daily formative assessments and close monitoring of classroom behavior, attendance, and engagement.

WHAT TO WATCH OUT FOR

- Training Partners typically assume a 20–30% drop-out rate during Week-0 orientation. However, in some instances, these assumptions did not hold, leading to over-enrolment given the cap on batch sizes (maximum of 30 candidates). This resulted in TPs having to turn away candidates who were otherwise a good fit, creating a trust deficit in the community. These situations were managed by mapping candidates to subsequent batches/cohorts, facilitating referrals to nearby centres, and offering alternate but closely aligned courses in SIB or other relevant skilling programs
- Training Partners typically incur additional costs while conducting Week-0 orientation (equivalent to ~1–2 weeks of training). However, these costs were not explicitly budgeted into cohort costing by the TPs under SIB, as the improved transition rates (thereby reducing cost of leakage) across the training lifecycle helped offset the additional costs for conducting Week-0



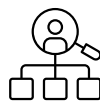
Demand driven mobilisation and enrolment at enrolment stage (1/2)

BUSINESS AS USUAL SITUATION

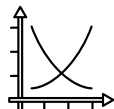
- **Training and placement planning is supply-led:** In many skilling models, batches are formed based on mobilisation targets rather than confirmed employer demand, resulting in supply-led training without secured downstream absorption.
- **Limited visibility into verified demand creates dual risk:** On the demand side, TPs commit capacity without confirmed employer intake volumes; on the supply side, candidates enrol without clarity on specific roles, wage bands, or joining timelines, exposing both to volatility if projected demand shifts.
- **Demand variations lead to costly late-stage corrections:** When demand variations surface during training, TPs are forced into last-minute employer sourcing or suboptimal placements, increasing operational costs, weakening job matching, and driving early employment attrition.

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

Under SIB, TPs embedded a week-long immersion, using the first week to test candidate readiness rather than start instruction.



Early employer sourcing and demand confirmation: Employer discussions, typically initiated 8–12 weeks before cohort start, moved beyond indicative interest to defined alignment on role categories, intake volumes, wage bands, documentation requirements, and joining timelines, providing visibility into hiring capacity before mobilisation.



Demand-linked batch planning: Cohorts are structured around confirmed intake volumes aggregated across multiple employers within a geography or role cluster. Mapping more than one employer to a batch helps manage demand fluctuation risk and reduces exposure to hiring revisions, and limits bulk dropouts at employment arising from employer-specific disruptions.



Aligning candidates to employer demand at enrolment: At enrolment, candidates are informed of likely employer categories, job locations, and role pathways linked to the batch. Preferences and constraints are captured early, reducing forced placements.



Demand driven mobilisation and enrolment at enrolment stage (2/2)

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT



Magic Bus transitioned from largely hyperlocal, supply led batches until Cohort 3 (less than 20% of batches) to c.80% demand-driven batches by C8 by restructuring employer aggregation and cohort planning.

- A centralised digital employer repository was built to track intake volumes, joining rates, retention trends, wage bands, and candidate feedback, informing employer selection and batch planning based on performance history.
- A structured employer checklist was introduced to assess demand stability, role clarity, wage levels, and joining reliability before aligning and formalising engagement with the employer.
- The employer base was expanded beyond hyperlocal, variable-demand employers to include larger service-sector players and aggregators, with leadership-level engagement securing repeat intake across cohorts and reducing exposure to fragmented, short-term hiring.
- For each cohort, employers were mapped to batches based on intake reliability and past performance, improving placement consistency while spreading risk across employers and centres.

WHAT TO WATCH OUT FOR

- **Gender-related consideration:** While industry norms mandate a certain proportion of female employees, these often do not translate into on-ground implementation. This results in an evident gap where women may get employed but drop out within the first two months due to lack of supportive work environments, lack of women in middle management, and workplace readiness for female employees.
 - TPs such as PANIIT addressed this through targeted gender sensitisation of employer staff (via workshops and on-site engagements, and leveraging industry associations), and by working with employer leadership to create dedicated roles for women, particularly in historically male-dominated sectors such as manufacturing (especially automotive and electronics sectors)
- While aggregators can be leveraged to scale placements without additional investments towards individual employer outreach, over-reliance on aggregators have showcased sudden drop-outs in candidates owing to lack of visibility on end-employer, variability in job quality within a batch,
 - TPs need to institute strong due diligence, and clear Service Level Agreements (SLAs) with aggregators to ensure uniformity in end-employer reputation and quality of jobs to ensure consistency in candidate experiences.

Training

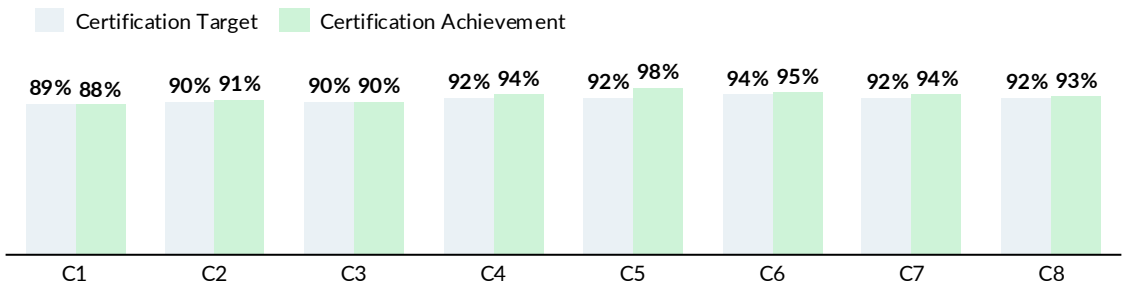
At a portfolio level, we not only have achieved our certification target for each cohort, but have showcased consistent improvements in training efficiency and learner progression

Pre-Training

Training

Post-Training

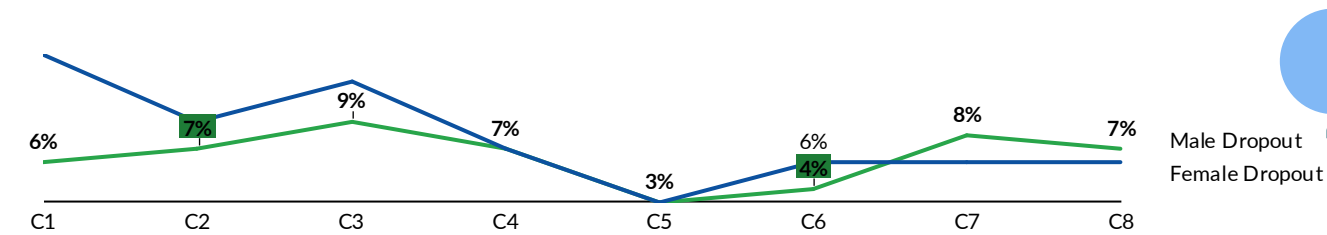
Graph #01: Comparison of Certification Target & Achievement Rates¹ over cohorts



1

Since Cohort 1, we have consistently met or exceeded the bond certification target at a portfolio level, even with introduction of new partners at various stages of SIB

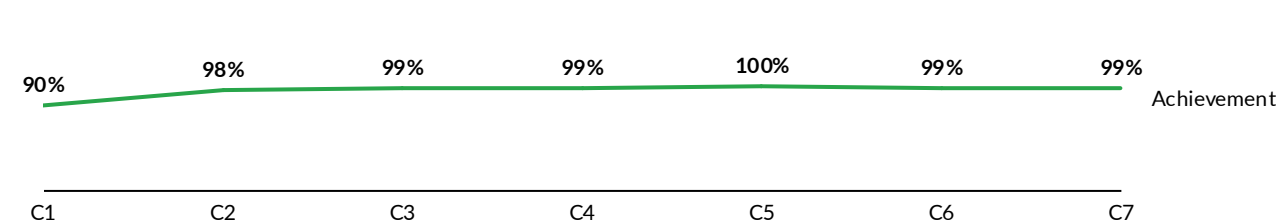
Graph #02: Comparison of male and female dropout rates C-on-C



2

While cohorts were affected by periodic market and TP specific turbulence, SIB witnessed reduced in-training dropouts over time for female candidates owing to TPs strengthening training relevance and learner support mechanisms for women

Graph #03: Comparison of assessment to certification transition C-on-C



3

All TPs maintained high benchmark on assessment-to-certification transition showcasing strong alignment of training content and delivery, with assessment readiness

Notes: 1. Certification rate is defined as Total number of candidates who are certified in a cohort / Total number of candidates enrolled in a cohort ; 2. Assessment is conducted by independent third-party agencies affiliated with NSDC and certification results are directly provided by the agencies to NSDC through the SIDH platform, which is utilised by OPM for verification under SIB

At a portfolio level, certification targets were achieved under SIB, alongside consistent outperformance on gender targets and improvements in training efficiency



Performance Summary

Certification Rate
(Output Indicator)

96%

96.5%

93%

98%

Training dropouts
(Output Indicator)

11p.p decrease from C1

2 p.p decrease from C1

1 p.p increase from C1

Only 2%

Female Certification Rate
(Gender Indicator)

10 p.p increase
from C1 to C8 (86% - 96%)

2p.p increase
from C1 to C8 (95% to 97%)

3 p.p increase
from C1 to C5 (93% - 96%)

98%

Other Strategic Shifts Achieved (if any)

- 30% of centres achieved 100% certification rate in C7
- 40% of the trainings occurred at employer location
- Reduced variation in training dropouts across centres from 60% in C1 to 9% in C7
- Reduced inter-centre variation in training drop-out rates from 40% in C1 to 11% in C7
- Reduced female drop-outs in batches dominated by first-generation female learners by 23p.p from C4 to C7
- *EduJobs has a strong short-term skilling foundation and proven experience delivering NSQF-aligned training. With only two SIB cohorts completed and a high baseline, significant programmatic shifts are unlikely to be evident yet.*

The consistently high certification rates in SIB were achieved through three key interventions deployed during candidate training



I. Employer support in curriculum design to ensure training is market aligned



II. Holistic skill development for workplace readiness to improve employability



III. Pre-placement preparation and transition support to address early-employment challenges



Employer support in curriculum design (1/2)

BUSINESS AS USUAL SITUATION

- **Curriculum pace lags evolving market demand:** While NSQF offers a strong baseline for standardised training delivery, employer skill requirement, especially in fast-evolving sector roles such as IT, change more rapidly than prescribed curricula.
- **Employer engagement in curriculum design is not institutionalised:** Employers typically engage only at hiring stage due to time and volume pressures. Feedback is reactive and rarely consolidated into structured curriculum review, leading TPs to default to generic benchmarks instead of role-specific standards
- **Skill misalignment affects training and placement outcomes:** The gap contributes to lower certification rates and higher dropouts during training, and also leads to weaker placement conversion, interview performance, and eventual employer disengagement from future hiring.

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

In SIB, TPs increasing anchored cohort and batch planning to formalised employer demand rather than enrolment targets.



Continuous feedback loops with employers : TPs regularly gathered inputs from local HR/hiring managers through multiple touchpoints during training and early employment, including employer forums and post-placement check-ins (especially during early employment/probation). Feedback on skill gaps, interview performance, productivity expectations, etc., was owned by the placement/regional employer PoC and fed into mock interviews, expectation-setting sessions, curriculum revisions, and broader program design.



Curriculum adaptation beyond NSQF requirements: While remaining NSQF-compliant, TPs added employer- and role specific modules based on confirmed demand. Early discussions with employers helped shape technical content, productivity standards, and employer-facing preparation such as industry sessions



Employer support in curriculum design (2/2)

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT



Magic Bus integrated structured employer inputs to ensure its curriculum remained aligned with evolving sector requirements. Rather than tailoring content to individual employers, feedback was aggregated across a broad employer base to inform continuous upgrades.

- **Feedback Capture Mechanisms:** A centralised employer feedback tracker was built to log interview performance trends, probation-stage drop-offs, productivity benchmarks, and behavioural flags shared by hiring managers. Structured annual employer forums (150–200 employers) were used to validate sector-level shifts in hiring criteria, screening filters, and role-level expectations, with documented outputs feeding into curriculum revision cycles.
- **Post-Placement Feedback Codification:** Post-placement feedback was codified into defined categories (technical gaps, communication, documentation readiness, shift discipline), allowing the content team to prioritise high-frequency gaps for module enhancement rather than reacting to isolated complaints.
- **Institutionalisation and Curriculum Translation:** Annual Curriculum reviews were institutionalised between placement, employer engagement, and content teams to translate aggregated employer feedback into specific changes such as increased mock interview intensity, role-based simulations, and documentation drills aligned to screening processes.
- **Trainer and Delivery Alignment:** Trainer calibration sessions were conducted using employer interview feedback and probation data, ensuring classroom delivery emphasised actual hiring-stage rejection triggers and early employment performance benchmarks.

* TPs such as Learnet and PANIIT have additionally deployed trainers with prior industry experience, particularly in manufacturing and apparel sector, often drawing on ex-employees or even current employees of partner companies, to further align training with actual workplace expectations and requirements

WHAT TO WATCH OUT FOR

- Employers request for a varying range of contextualisation in curriculum design to ensure adequate fit and candidate readiness prior to employment.
 - However, to ensure that candidates showcase adequate employability skills across employers in the industry, TPs need to balance employer-specific customisation with a standardised core curriculum.
 - While the specific balance vary across industries, TPs typically limit employer specific contextualisation to 20-30% of the overall training curriculum



Holistic skill development for workplace readiness (1/2)

BUSINESS AS USUAL SITUATION

- **Training remains technically focused despite broader employer expectations:** While candidates acquire role-specific technical skills, many remain underprepared in holistic workplace capabilities such as communication, confidence, customer interaction, and gender sensitivity due to limited emphasis beyond core curriculum delivery. This gap is most visible in service-sector roles, where employers increasingly prioritise soft skills alongside technical competence, contributing to lower placement conversion and early attrition.¹
- **Limited holistic readiness constrains career progression:** Limited holistic skill readiness also restricts long-term advancement, particularly for candidates moving into supervisory or team-management roles, including in manufacturing settings.

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

TPs under SIB integrated structured interventions to strengthen holistic skill development as a core component of training delivery, recognising its importance for employability, workplace adaptation, and retention



Employability and workplace-readiness skills: TPs incorporated structured sessions focused on communication, workplace behaviour, functional English, and professional conduct alongside technical training, rather than treating these as optional add-ons.



Experiential learning through workplace simulations: TPs simulated real workplace environments through mock customer interactions, team-based role plays, shift-readiness drills, and problem-solving scenarios mirroring on-the-job challenges. In some cases, training conditions were aligned with destination worksites, including local language familiarisation, worksite norms and safety briefings, productivity expectations, and region-specific routines



Gender-related consideration: Women candidates often entered training with lower confidence, particularly in mixed-gender and customer-facing contexts. Holistic skills training, combined with gender sensitisation of male peers and trainers, created safer learning environments and improved participation. Evidence shows cohort-on-cohort gains of 13p.p in placement and 18p.p in retention for women in service-sector roles where these interventions were strengthened.²



Holistic skill development for workplace readiness (2/2)

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT



Magic Bus focused primarily on building 21st century life and employability skills as defined by global frameworks such as the ILO and World Economic Forum, with delivery contextualised to specific service-sector job roles.

- **What was taught:** For each batch (e.g., BFSI), these 21st century skills were taught in reference to job roles and real situations within that sector. Employability skills included spoken English, financial literacy, and basic IT literacy, delivered in alignment with these job roles.
- **How was it delivered:** The training approach was case study-based and participatory, with emphasis on active participation and application rather than lecture-led instruction.
- **How was it aligned to the sector:** The core skills were contextualised to specific sectors (e.g., BFSI, Retail, IT-ITES) using role-based examples and customer scenarios. Curriculum updates were informed by structured employer feedback

*Other TPs like Learnnet used multimedia content to deliver standardised training across centres,. Animated videos and visual projections supported hands-on learning, with trainers spending more time on problem-solving and practical guidance. As a result, trainees, particularly sewing machine operators, were able to reach industry benchmark efficiency levels early, typically achieving around 50–60% efficiency.

WHAT TO WATCH OUT FOR

- With increasing penetration of AI in service-sector roles (IT/ITeS, BFSI), entry-level job requirements are shifting; TPs in SIB have started to incorporate dedicated modules on effective AI usage into their curriculum.
 - However, owing to the pace of evolution of AI, its interplay with workplace expectations, and varying levels of adoption by different employers, it is critical for TPs to align with industry association and employers to evolve AI related content to keep pace with shifts in job-role requirements



Pre-placement readiness and transition support (1/2)

BUSINESS AS USUAL SITUATION

- **Structured pre-placement support is fragmented or limited:** While candidates complete training and certification, structured pre-placement support is often limited or delivered in a disaggregated manner. As a result, many candidates are not fully job-ready at the time of placement. Gaps in interview confidence, communication, and understanding of workplace expectations reduce interview success and contribute to early attrition, particularly in migratory placements.
- **Role expectations are clarified only after employment begins:** Without consistent pre-placement preparation, candidates may enter employment with limited clarity on role requirements, work conditions, or relocation realities. This misalignment affects both placement conversion and retention outcomes.

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

TPs under SIB treated pre-placement preparation as a multi-fold intervention, combining interview readiness with deeper alignment on job realities to improve both placement success and post-placement stability.



Preparation to secure employment: TPs conducted targeted revision sessions, mock interviews, and scenario-based simulations to help candidates articulate their skills, build confidence, and navigate HR interactions effectively.



Alignment on job requirements and expectations: Structured counselling sessions helped candidates understand role responsibilities, performance expectations, work environments, and, where applicable, migratory placement requirements.



Employer and alumni engagement: TPs facilitated placement sessions with employers, informal interactions with alumni, and real-life job previews to provide candidates with a realistic understanding of workplace demands.



Peer support through alumni buddies: Candidates were connected with alumni from the same organisation or sector to enable peer guidance, expectation-setting, and early problem-solving, supporting smoother transitions into employment.



Pre-placement readiness and transition support (2/2)

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT

EduJobs embedded structured pre-placement preparation within the training cycle to ensure candidates were consistently interview-ready, rather than preparing only at the end of the program.

- **Weekly Mock Interviews:** Mock interviews were conducted every week (typically on a fixed day) using a pre-assessment checklist. Interview presentations were introduced in the first week of training to begin preparation early. In addition to trainer-led mocks, peer mock interviews were conducted to build familiarity and confidence.
- **Workplace Exposure:** Online sessions and workplace visits were organised to give candidates exposure to real work environments and expectations, helping them understand how they were expected to function at the workplace.
- **Ongoing Internal Assessments:** Internal assessments were conducted weekly, aligned to program duration. A model test paper was solved two days before the final assessment to strengthen preparation.

* TPs such as Learnet and PANIIT have additionally engaged employers to conduct periodic formative assessments throughout the training lifecycle, enabling early identification of candidate-specific gaps and targeted remediation, while also providing employers with a clear view of each candidate's learning progression and readiness for placement

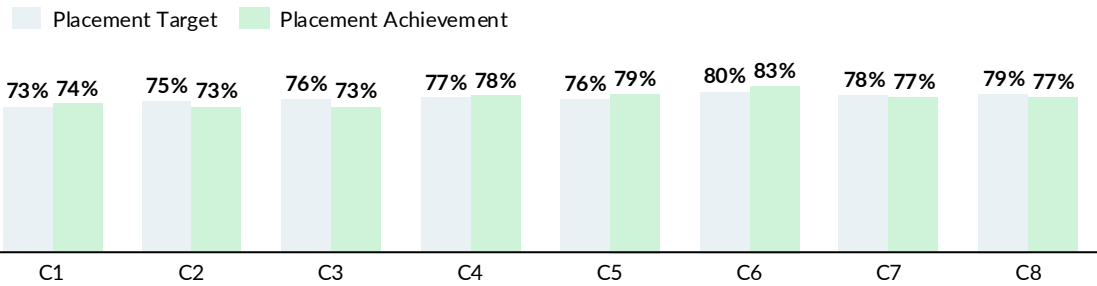
WHAT TO WATCH OUT FOR

- While core modules (communication, interview readiness, workplace behaviour) remain consistent across TPs, insufficient tailoring to role- and employer-specific requirements can reduce interview conversion especially in technical trades such as Apparel and Manufacturing.
 - TPs should maintain a standardised foundation, but layer in employer-specific preparation such as role simulations, mock interviews, and expectation-setting aligned to confirmed demand.
- Exposure to higher-paying roles and subsequent offers to only certain candidates within a batch can anchor average candidate expectations upward, resulting in rejection of viable opportunities below the perceived wage benchmark. TPs should ensure relative parity in wage bands across employers mapped to a batch/cohort and set clear, realistic expectations early to minimise drop-offs at the offer stage.

Post-Training

At a portfolio level, SIB not only achieved its outcome targets, but also demonstrated consistent improvements in both skilling and financial outcomes, especially for women

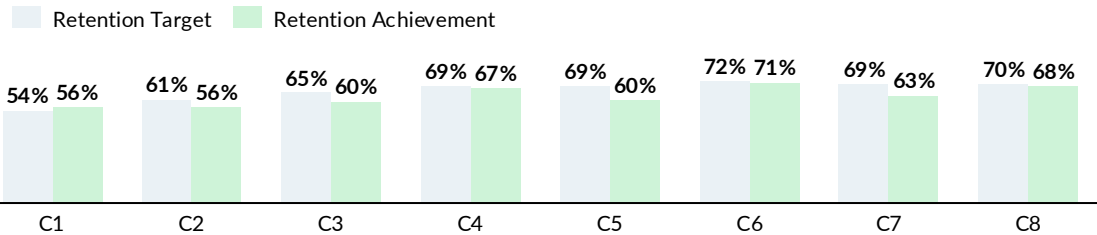
Graph #01: Comparison of Placement Target & Achievement Rates C-on-C



1

Since Cohort 1, we have consistently met or exceeded the bond placement target at a portfolio level, even with introduction of new partners at various stages of SIB

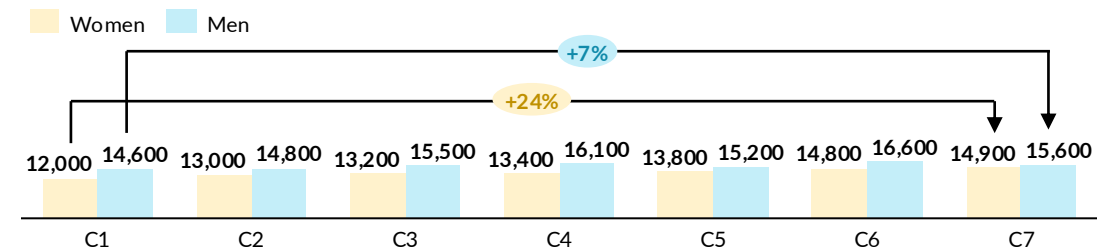
Graph #01: Comparison of 3M Retention Target & Achievement Rates C-on-C



2

Since cohort 1, there has been ups and downs, but we have stabilised in the last few cohorts and saw a max in C6 when we had 3 tenured partners; C7 drop is mainly due to onboarding of new partners

Graph #03: Comparison of candidate wages disaggregated by gender C-on-C



3

Both genders saw an increase in average wages across the portfolio. Women's wages have increased almost 2.5x male wages and the gender wage gap has been reduced by 14p.p (18% gap in C1 to only 4% in C7);

Notes: 1. As Cohort 7 Verification and Cohort 8 implementation is ongoing, final verified retention rates may be different from TP reported data for Cohort 7 and Cohort 8. While across all cohorts, we outperformed our gender target, we saw it improve till C5 and then drop to 65% as we had new TPs onboarded onto the program; Female participation is defined as # of female/# of male candidates in each cohort; 2. p.p – percentage point; 3. Non-traditional job roles for women are Construction, Plumbing, Manufacturing sector job roles

At a portfolio level, outcome targets were achieved under SIB, alongside consistent outperformance on gender targets and improvements in placement and retention efficiency



Pre-Training

Training

Post-Training

Performance Summary

Placement Rate
(Output Indicator)

18p.p increase
from C1 to C8 (69-87)

7p.p increase
from C1 to C8 (73-80)

Stabilised at 90%

84%

Retention Rate
(Output Indicator)

22p.p increase
from C1 to C7 (50-72)

20p.p increase
from C1 to C7 (50-70)

Stabilised at 70%

High retention at 79%

Increase in Female Placement Rate
(Gender Indicator)

Placement: 19p.p increase
Retention: 23p.p increase
from C1 to C7

Placement: 7p.p increase
Retention: 19p.p increase
from C1 to C7

Average around 70%

High retention at 79%

Other Strategic Shifts Achieved (if any)

- 40-50% increase in large and medium scale employers from C1 to C8

- 20% Increase in placement in large and medium scale employers

- 4.5 p.p increase in international placements from C6 and C8

- EduJobs has a strong short-term skilling foundation and a robust, demand-led employer pipeline via 2coms (their sister placement agency). With only two SIB cohorts and a high baseline, significant programmatic shifts are unlikely to be evident yet.

These industry leading placement outcomes were achieved through three interventions implemented during candidate placement season



I. Sourcing high quality jobs with aspirational wages and inclusive workplaces



II. Migration and onboarding support to improve early retention in employment



III. Dedicated personnel support for retention tracking, candidate upskilling and grievance redressal



Sourcing high quality jobs

BUSINESS AS USUAL SITUATION

- **Placement metrics prioritise job linkage over job quality:** While placement outcomes are typically measured in terms of job linkage, the quality of jobs available to candidates remains uneven, particularly for beneficiaries from underserved communities.
- **Sub-optimal job conditions undermine retention and satisfaction:** Common challenges include roles that do not meet minimum wage norms, lack formal benefits (such as PF), involve excessive or unpredictable working hours, or are characterised by weak workplace policies and practices.
- **Income insecurity drives a trade-off between immediate earnings and job quality:** Given limited employment alternatives and immediate income needs, candidates often accept sub-optimal job offers, which in turn contributes to early attrition, low job satisfaction, and constrained long-term career outcomes.

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

All TPs under SIB actively engaged employers to inform training design, recognising that employer proximity is critical to keeping curricula market-relevant and outcome-oriented.



Minimum job quality benchmarks formalised: Rather than informal screening, TPs codified non-negotiables (minimum wage compliance, full-time employment, statutory benefits such as PF, salary credits in banks) and embedded them into employer onboarding processes.



Systematic employer assessment: TPs introduced structured due diligence covering working hours, shift patterns, workplace policies, treatment of employees, and onboarding practices moving beyond job description alignment to assessment of workplace conditions.



Cohort-on-cohort negotiation: Instead of static employer terms, TPs used successive placement cycles to negotiate improvements in wages, benefits, accommodation, and shift allocations, linking performance and retention data to employer conversations.



Retention-linked employer decisions: Job quality was explicitly tied to retention outcomes. Employers with consistently poor stability or adverse working conditions were deprioritised or exited.



Sourcing high quality jobs

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT



Magic Bus has institutionalised a formal employer screening and scoring mechanism to ensure youth are placed with high-quality employers that meet defined standards.

- Magic Bus defined a “good employer” as one that complies with statutory benefits, provides a safe working environment, has a structured learning and development function, and demonstrates strong brand credibility.
- A 20-parameter employer checklist was used to assess job quality, with inputs entered into an automated platform that generated a composite score.
- The employer KYC and scoring process was conducted by an independent team, separate from the program team, to ensure transparency and reduce governance risks.
- Placing youth with large, high-quality employers ensured better career progression and stronger job retention, while also reducing the risk of governance breaches or fraud that could arise when working with small, unverified employers.

WHAT TO WATCH OUT FOR

- Over-reliance on a narrow employer base can expose TPs to demand shocks, affecting placement consistency and candidate outcomes. TPs should diversify employer partnerships across sectors, geographies, and employer types to reduce concentration risk and ensure steady demand.
- Employer profiling is a key tenet for strong outcomes achievements. TPs should incorporate job quality filters such as wage thresholds, role stability, and growth pathways while profiling the employers. The employer profiling needs to be instituted every 6 months even for legacy employers.
 - Prioritising volume over job quality can lead to placements in roles with poor retention, undermining long-term outcomes when TPs scale.
 - Limited visibility into actual workplace conditions, especially when working through intermediaries, can result in mismatched expectations and early attrition



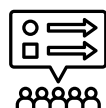
Support for migration during job placement and onboarding

BUSINESS AS USUAL SITUATION

- **Stated willingness to migrate does not translate into relocation readiness:** While many candidates said they were willing to relocate, actual relocation involved mental and operational barriers for first time migrants including concerns around safety, living conditions, language, workplace norms, finances, etc. These challenges were more acute for women due to mobility and safety considerations, often leading to offer-stage dropouts and early exits. This is further compounded by constrained decision-making agency, with only ~50% of women independently taking migration decisions, while the rest rely on parents, spouses, or other family members.
- **Limited migration support weakens retention in migratory placements:** Most large-scale skilling models offered minimal relocation support for housing, city onboarding, peer networks, or early grievance redressal, leaving candidates especially vulnerable in the initial weeks of employment. As a result, retention rates in migratory placements were 22 p.p lower than non-migratory placements

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

Under SIB, TPs embedded structured migration support into placement operations. By C7, migratory roles formed 40% of total placements and demonstrated retention levels comparable to non-migratory placements, reversing earlier attrition trends.



Pre-departure migration preparedness modules: Structured sessions (with both, candidates and parents) prior to placement covering city orientation, cost-of-living simulations, workplace norms, grievance escalation pathways, payroll literacy, and basic financial planning to convert intent into informed commitment



Structured relocation logistics and documentation support: Dedicated support for travel booking, accommodation identification (including vetted hostels/PGs for women), bank account activation, UAN/ESI documentation, and onboarding paperwork to reduce first-week drop-offs



Early-stage retention tracking and escalation: High-frequency follow-ups, peer buddy systems, and rapid-response escalation with employers for wage, shift, or accommodation grievances and rectification before they trigger dropouts.



Support for migration during job placement and onboarding

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT

During Cohort 5, PanIIT faced a sudden geography and sector-level disruption that increased early employment attrition. Rather than relying on centre heads and trainers to absorb additional follow-ups, PanIIT restructured centre HR design to make retention a defined function.

- **Pre-Departure Alignment and Expectation Setting:** A structured pre-departure migration readiness protocol was introduced, including family counselling, city-level cost simulations, hostel walkthroughs through videos, work-shift pattern explanations, and detailed wage breakdowns to align expectations before offer acceptance. For women in migratory roles, Pan-IIT scheduled follow-up calls with parents in the first 30 days and provided detailed walkthrough on safety arrangements, late shifts, or workplace concerns, ensuring family alignment continued beyond placement.
- **Verified Relocation Infrastructure:** Pan-IIT developed a verified accommodation network, shortlisting women-safe hostels/PGs near employer clusters and validating safety, commute time, and curfew norms before mapping candidates. Peer integration sessions were conducted during evenings or weekends, bringing together recent migrants and alumni placed in the same city to cover local navigation, workplace norms, budgeting, and practical problem-solving, helping build informal support networks beyond the employer.
- **Early-Stage Retention Monitoring and Escalation:** A staggered onboarding support model was implemented with a dedicated retention personnel stationed at the employer location to monitor candidate travel arrival, joining day protocols and conduct regular check-ins with candidates and employers.

WHAT TO WATCH OUT FOR

- Weak accommodation and safety arrangements at the employment location can impact retention, especially for women candidates, leading to early exits despite successful placement. Placing additional efforts towards pre-verifying accommodation facilities, ensuring minimum safety and hygiene standards, and establishing clear escalation mechanisms to address issues post-migration can help improve female retention in migratory employment. Placing bulk candidates from the same batch with the same employer or same location and accommodation facilities improves retention.
- Lack of local ecosystem support at employment locations can lead to isolation, reducing candidates' ability to navigate early employment challenges and increasing dependency on employers. When entering new placement geographies, TPs will benefit from focusing on building local support structures such as alumni networks, city coordinators, or peer groups to provide ongoing on-ground assistance to mitigate dropouts owing to perceived isolation



Dedicated personnel support for retention tracking, candidate upskilling and grievance redressal

BUSINESS AS USUAL SITUATION

- **Dedicated retention personnel:** TPs deploy dedicated Retention Managers who maintain regular touchpoints through weekly check-ins and periodic 1:1 calls to track candidate well-being, identify early risks, and resolve challenges through counselling and expectation setting. They also facilitate peer support via alumni networks and community spaces, while acting as intermediaries between candidates and employers for grievance resolution and documentation.
- **Multi-dimensional and unresolved candidate grievances drive early exits:** Candidate grievances span family pressures, operational challenges (food, transport, language), workplace conditions, and shift-related concerns, making them operationally complex to address. Employers often lack structured mechanisms to identify and resolve these early, leading to escalation into premature exits and adversely impacting retention outcomes and employer trust.
- **Ongoing capacity building support:** TPs actively incorporate employer feedback and provide targeted capacity building sessions for candidates

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

Under SIB, TPs repositioned grievance redressal from an ad-hoc, candidate-facing support function to a structured, multi-level retention system with defined escalation pathways.



Strengthened retention capacity through improved staffing ratios: TPs increased the retention personnel-to-candidate ratio, enabling more frequent and personalised engagement. This allowed for deeper monitoring, quicker issue resolution, and stronger post-placement support, ultimately improving retention outcomes.



Early-warning retention system: Grievance tracking was explicitly linked to attrition risk. TPs used patterns in complaints and check-ins as early signals, intervening before issues translated into exits, shifting the function from “post-exit response” to “pre-attrition prevention.”



Structured, tiered escalation model: TPs institutionalised differentiated response levels based on severity of issues, ranging from light-touch counselling for early adjustment challenges, to periodic check-ins with candidates and HR teams to surface emerging concerns, to high-touch senior-level engagement with employer leadership to address systemic issues related to workplace policies, shifts, compensation, or conditions. This ensured that minor concerns were stabilised early while structural issues triggered organisational-level intervention.



Dedicated personnel support for retention tracking, candidate upskilling and grievance redressal

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT



PanIT implemented a high-touch, decentralised grievance redressal model through the deployment of Retention Sevaks at an approximate ratio of 1:500 candidates, with a dual focus on early issue identification and rapid resolution.

- **Dedicated retention Infrastructure:** Retention Sevaks were stationed in major employment hubs such as Bengaluru, Mumbai, and Chennai, enabling regular in-person and remote engagement with candidates across employers within each city. Their proximity allowed them to intervene during the critical first few weeks of employment, when attrition risk was highest.
- **Dual-Track Escalation Structure:** Retention Sevaks worked closely with HR teams to flag emerging concerns related to attendance, accommodation, workplace adjustment, and productivity expectations, while PanIT's BD and leadership teams maintained ongoing engagement with employer management to escalate and resolve systemic issues.
- **System-Level Corrective Action:** This multi-tiered structure enabled resolution not only of individual candidate grievances, but also organisation-level changes, including adjustments to working hours, shift allocations (e.g., limiting night shifts), accommodation arrangements, compensation revisions, and improvements in workplace conditions.
- TPs such as Learnet and PANIT have also deployed dedicated retention managers at specific employer sites to facilitate On-the-Job training to improve post joining productivity and facilitate longer term upskilling of candidates for a period of upto 1 year during employment

WHAT TO WATCH OUT FOR

- Lack of clarity on grievance ownership between TPs and employers can result in issues falling through the cracks, especially in cases involving workplace conditions or role expectations. TPs should clearly define roles and responsibilities with employers and set up joint resolution mechanisms.
 - Inconsistent grievance handling across centres or employers can lead to uneven candidate experiences and impact overall retention outcomes. TPs should standardise grievance redressal protocols and monitor adherence across locations and employer partners. The grievance handling mechanisms should not be dependent on interpersonal relationship between placement officer and employer.
- Under-reporting of issues, particularly among women candidates, can mask early warning signals of dissatisfaction and lead to silent dropouts. TPs should create safe, accessible, and confidential channels for grievance reporting, with proactive check-ins during the first 30–60 days.

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About the Skill Impact Bond

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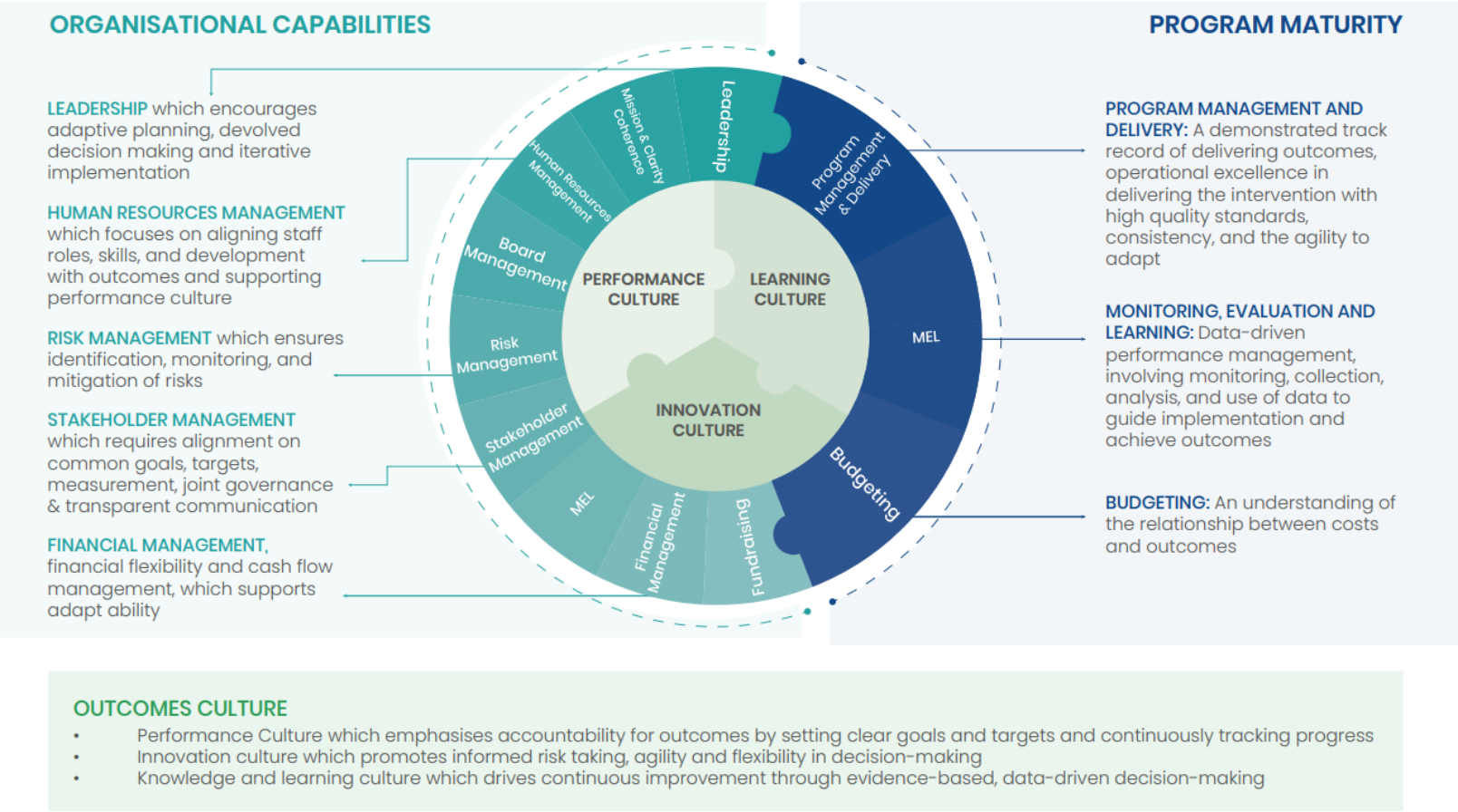
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Financial Assessment

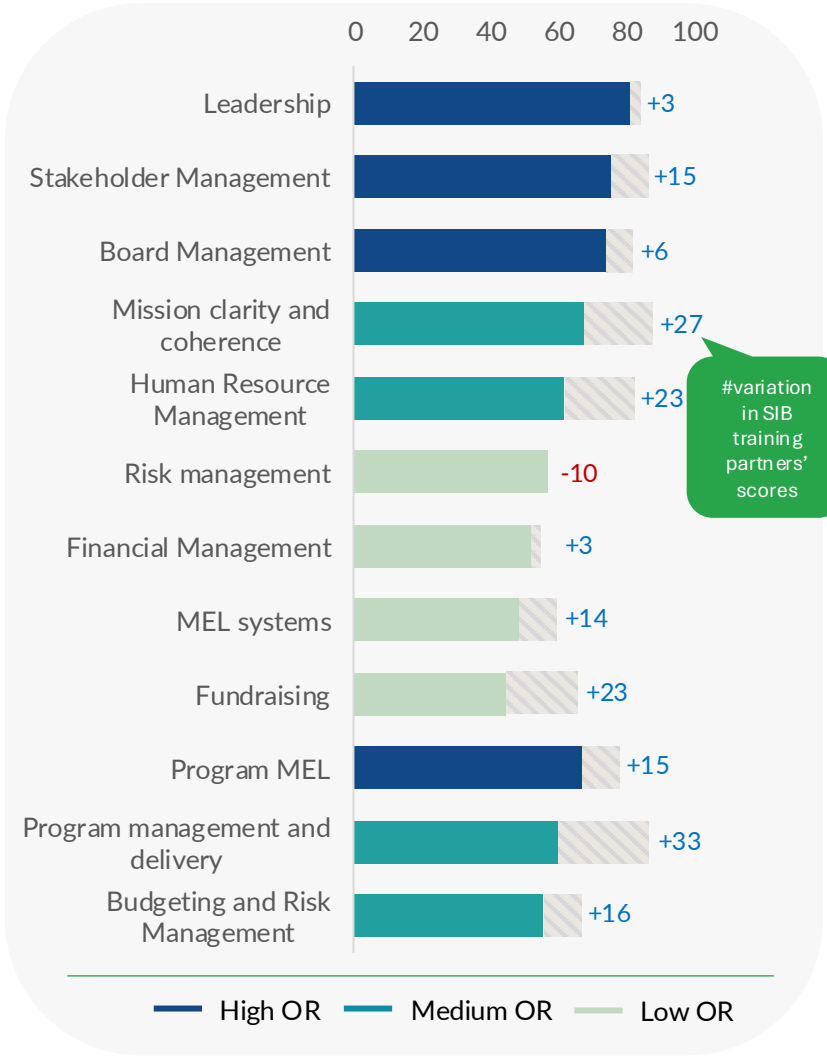
- Key cost drivers

SIB service providers demonstrate stronger outcomes readiness across key capabilities compared to other TPs, in BAT's outcomes readiness framework

The OR framework assesses organisational capabilities and program maturity across key dimensions. While being outcomes-ready requires strong core capabilities, **certain 'plus-plus' capabilities are critical to delivering outcomes consistently in an OBF model and are therefore highlighted in the visual.**



SIB service providers **outperform other training partners** across most outcomes readiness capabilities



Note: SIB partner scores reflect average scores for two providers referenced in this document (PanIT and Magic Bus). Scores for other ecosystem partners represent averages across 22 skilling providers that undertook the survey. The comparison is indicative in nature.

Over the course of SIB and enabled in part by its design elements, TPs strengthened key organizational capabilities which were critical for improving and sustaining outcomes delivery

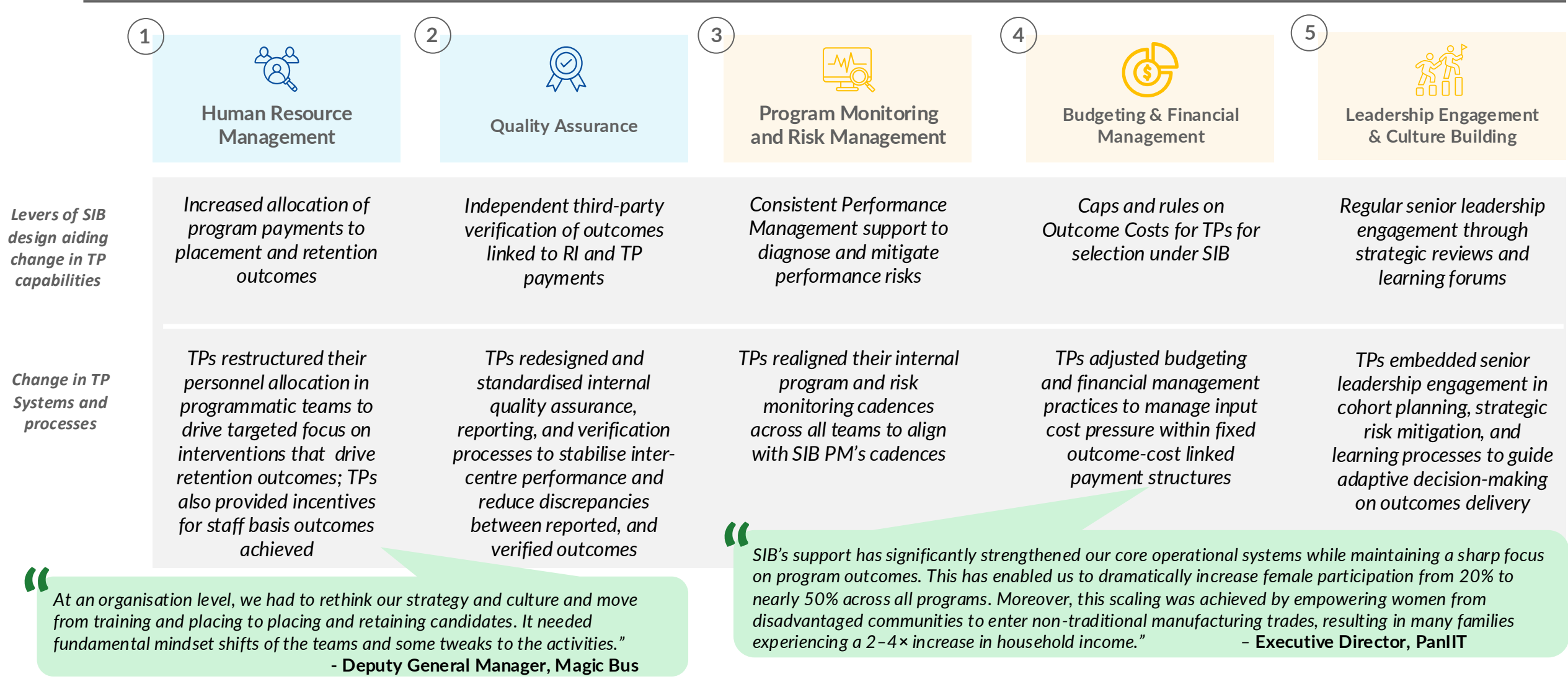
India's first

SKILL

IMPACT BOND

for sustained employment of youth

SIB design features aided targeted shifts across five-core organisational capabilities of TPs





Human Resource Management

CURRENT SITUATION

- **TP HR structures are built around certification achievement :** Most large skilling schemes prioritised enrolment and certification, so centre teams were structured around trainers and mobilisation staff, with limited capacity for employer outreach or retention support
- **Post training functions were added on, not embedded:** Owing to low payouts at outcomes, placement coordination, employer management, and candidate tracking were typically handled alongside classroom responsibilities. Without dedicated roles, regional oversight, or retention-linked KPIs, employer engagement and early employment risks were managed reactively and inconsistently across centres.

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

Under SIB, TPs restructured centre and regional HR models to align roles and KPIs with placement and retention outcomes rather than certification alone, creating dedicated capacity for employer engagement and early employment tracking.



Dedicated employment and retention roles at centre level: Centres both refined existing roles (e.g., centre heads and trainers taking on structured placement accountability) and introduced new roles such as Placement Officers, Retention Executives, and Employer Relationship Managers, clearly separating classroom delivery from employer engagement and post-placement processes.



Regional demand and employer aggregation teams: Employer outreach and demand planning were shifted from purely centre-led efforts to regional teams, enabling coordinated employer engagement, intake forecasting, and cross-centre demand allocation.



Rationalised HR allocation linked to scale and outcomes: TPs stabilised centre-level staffing norms by defining role ratios based on centre size, sector mix, and employer spread. On average, each centre operated with ~2-3 mobilisation staff, 2-10 training staff, and 1-5 employment and retention staff per 30-150 active candidates ensuring adequate bandwidth for employer management and post-placement tracking rather than ad hoc deployment

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT



During Cohort 5, PanIIT faced a sudden geography and sector-level disruption that increased early employment attrition. Rather than relying on centre heads and trainers to absorb additional follow-ups, PanIIT restructured centre HR design to make retention a defined function.

- *Each affected centre deployed additional dedicated retention staff for active placements improving the ratio to 1:500 from 1:800, separating post-placement monitoring from classroom delivery. These staff were assigned defined candidate groups and were responsible for proactively calling candidates at risk of dropping out, understanding grievances, and coordinating ad-hoc support where needed.*
- *PanIIT has also operated a dedicated call centre that serves as a centralised support channel for candidates across centres. Through this facility, candidates can directly report issues related to wages, working conditions, or workplace grievances, and seek timely guidance and support. Clear escalation channels were formalised so wage delays and any employer grievances were quickly taken beyond the centre teams. Regional employment leads engaged employer HR directly, enabling faster resolution and reducing prolonged uncertainty for candidates.*
- *Retention staff did not limit follow-ups to candidates. For women candidates, especially in cases where exits were attributed to parental or family pressure, teams directly called and counselled families to address safety, accommodation, and replacement concerns.*

**The disruption affected over 50% of enrolled candidates across impacted centres. Through dedicated retention staffing, faster employer escalation, and targeted family counselling for women migrants, PanIIT reduced projected dropouts by 11p.p, stabilising retention despite the external shock.*



Quality Assurance

CURRENT SITUATION

- **TP reported outcomes are not “audit-grade”:** Most TP verification for outcomes relied on self report documentation and confirmations from candidates
- **Weak verification fidelity and limited cross-checks:** The same staff manage placement, proof collection, and follow-ups, with limited regional/HQ review or structured call-backs, allowing errors and sometimes inflation to slip through.
- **Inconsistent documentation formats:** Employers shared confirmations in varied, non-standard formats (emails, screenshots, partial payroll extracts), leading to discrepancies and reconciliation challenges
- **As a result, material discordance persisted between reported and verified outcomes:** Cohort 1 data showed up to 16p.p variation between TP-reported and independently verified outcomes, limiting confidence in performance data and root-cause diagnosis.

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

Under SIB, over the period of 5 cohorts from Cohort 1 to Cohort 5, TPs moved from document-based confirmation to multi-layered outcome verification systems with defined maker-checker controls and independent validation.



Standardised documentation and reporting protocols: TPs embedded uniform outcome documentation formats across centres and, aligned to SIB-mandated proof requirements. Document collection shifted from candidate-led submissions to structured employer confirmations, with agreed formats for joining letters and retention proofs to streamline verification and improve consistency.



Maker-checker architecture with role separation: Placement generation, documentation upload, and outcome verification were separated. Centre teams (maker) recorded placements, while regional/HQ teams (checker) independently reviewed proofs, verified milestones, and approved outcomes before reporting. No centre-level staff could self-certify their own outcomes.



Structured two factor verification protocol: Outcomes were approved only after verification with both candidate and employer. A centralised call centre conducted candidate confirmation calls, while regional employer TPOCs obtained payroll extracts or formal HR sign-offs in standardised formats. Outcomes were cleared only after reconciliation, with discrepancies escalated for review

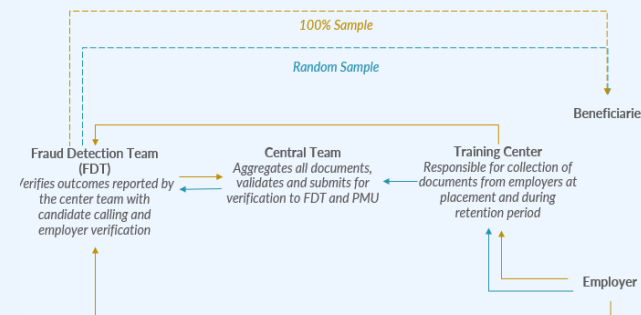
CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT



- *In Cohort 4, one centre reported a spike in grievances and employer-level discrepancies, exposing weaknesses in document routing and verification controls. Until then outcome documentation and verification were largely routed through centres, with fraud checks based on sampled validation and indirect employer communication.*
- *In response, Magic Bus redesigned the architecture. Employers began sharing documents directly with the Fraud Detection Team, verification shifted to 100 percent candidate calling with employer triangulation, and outcomes were approved only after independent validation. Centres were removed from the verification chain, and reporting was centralised post-verification.*

Internal Outcomes Verification Structure for Cohort 1 vs Cohort 5 for MagicBus

— Old Document flow — New Document flow
- - - Old Verification flow - - - New Verification flow



ORIGINAL FLOW

Document flow

Document collected from employer by training center and is forwarded to employer

Verification flow

Central team shares a random sample with the FDT which verifies outcomes through candidate calling

Process failure

Fraud detection team was unable to verify authenticity of documents submitted by training center on account of gaps in FDT not being looped in email threads between employer and training center

REFINED FLOW

Document flow

Document directly shared by employer to FDT. Outcomes are sent to central team only after 100% verification

Verification flow

FDT to verify outcomes through a 100% candidate calling of candidates and triangulation of data shared by employer



Program and Risk Management

CURRENT SITUATION

- Incentive structures and system design reinforced program management over performance management:** Internal KPIs, and MIS systems were tied to scheme reporting formats rather than outcome performance
- Monitoring was compliance-led, not risk-led:** Reviews focused on enrolment, training completion, and documentation milestones. Early signals of performance risks across the value chain were not tracked in a structured way.
- Performance volatility became difficult to anticipate and manage:** Without forward-looking dashboards or integrated risk views, placement gaps, employer drop-offs, or retention dips were identified only after milestones were missed, making course correction slower and more resource-intensive.

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

In SIB, TPs moved from compliance-led program management to structured, proactive performance management, embedding standardised planning, monitoring and review systems and processes



Data and performance driven cohort planning: SIB mandated comprehensive plans for the cohort from each TP for mobilisation, training, placement, and retention, with targets being disaggregated to activity and cost level headers. The plans were jointly developed and reviewed across the implementation cycle with performance manager



Redesigned monitoring tools: All TPs in SIB used uniform and standardised monitoring tools and templates to track cohort performance at each milestone while surfacing gender-disaggregated risks. Each risk was assigned a risk score with clearly defined mitigation strategy, and timelines being jointly discussed with the Performance Manager.



Standardised review architecture across centres and teams: Aligning with SIB performance review cadences, the TPs fixed internal review processes from centre to leadership teams. Weekly centre reviews tracked attendance gaps, employer intake status, target shortfalls, and early milestone risks. Biweekly program check-ins focused on cross-centre trends and escalations to the performance manager and leadership. Quarterly leadership reviews examined strategic risks and mitigation strategies

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT **LEARNET** SKILLS FOR LIFE

Even after five cohorts, Learnnet continued to see wide performance variation across centres in UP and Bihar. Learnnet

- conducted a root-cause analysis to identify centre-level drivers of underperformance*
- Standardised monitoring processes across these centres, introduced a structured performance plan with clear review and mitigation timelines*
- Centres where risks could not be stabilised within one cohort were discontinued.*

With one cohort, learnnet was able to showcase the highest cohort-on-cohort improvement in these geographies (15p.p), while reducing inter-centre volatility.

Template of recommended mitigation plan followed by Learnnet in SIB, following diagnosis of root issues driving poor performance

#	Drivers for poor performance	Specific action	Measure of success	Assigned owner	Relevance link	Time-bound checkpoint
1	Centre / geography risk—high drop-out in UP, AP, Chhattisgarh	- Phase out the 4 worst-performing centres (≥30 pp below portfolio retention) - Open 4 new centres in Rajasthan & Gujarat with ≥75 % historical retention	- New-centre retention ≥ 70 % by C6 - Portfolio retention +4 pp vs C5	PM Regional Lead	Removes chronic low-performing nodes pulling down outcomes	Close & open actions finished 30 Jun; retention review 31 Dec
2	Employer-level risk—small, low-benefit firms	- Shift ≥60 % of placements to “Tier A” employers (≥200 staff & ≥70 % 3-mo retention) - Sign MoUs guaranteeing ≥₹12 k wage + ESI/PF - Drop any employer with <60 % retention in two cohorts	≥60 % Tier A mix from C6 - Avg. wage +₹1 k vs C5 - Employer-level retention ≥ 72 % by C7	IO Placement Manager (monitored by PMU)	Tackles poor workplace conditions; lifts wage & retention KPIs	MoUs signed 15 Aug; mix & retention checked each cohort
3	Candidate-level risk—migration mismatch & weak pre-placement prep	- Day-0 migration-willingness screen & career-fit quiz for 100 % intakes - Keep placement split at 40 % local / 60 % migratory - Add 2-hour orientation on wages, hostel life, grievance redressal	- Screening logged for 100 % new intakes - Placement split within ±5 pp of 40/60 - Migratory-candidate retention ≥65 % in C7 (up from 57 %)	IO Mobilisation Lead	Aligns jobs to candidate preference; cuts early drop-outs	Screening live 1 Jul; split & retention variance flagged monthly

Program and risk management practices adopted by TPs under SIB were closely aligned with the standardised performance management structures instituted by the SIB Performance Managers. Detailed tools, templates, review cadences, and illustrative case examples are documented separately in the SIB Performance Management Toolkit. Please refer to the toolkit [here](#).



Financial Management and Budgeting

CURRENT SITUATION

- Financial management was input-led, not outcome-linked: Budgets tracked line items and utilisation rather than cost per outcome, with limited visibility into delivery-stage cost drivers.
- Cost visibility was aggregated and obscured by shared resources: With staff and overheads spread across programs, accurate cohort- or model-level cost attribution was difficult, masking true cost drivers and limiting informed budgeting decisions
- Budgeting was reactive, not performance-integrated: Financial reviews were not embedded into cohort planning, delaying trade-off decisions and proactive management of cost per placement or retention.

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

In SIB, TPs moved from compliance-led program management to structured, proactive performance management, embedding standardised planning, monitoring and review systems and processes



Mapping activity and time-based costs across the value chain: TPs disaggregated costs across the skilling milestones, breaking down spend by key activities and time intensity. This improved visibility into structural cost drivers and inefficiencies.



Integrating cost and outcome performance reviews: TPs jointly reviewed cost and outcome performance across delivery models to identify interventions driving disproportionate outcome cost pressures. Financial reviews with the performance manager were embedded into cohort performance discussions rather than conducted separately.



In addition, detailed gender-based cost disaggregation was undertaken to identify women-specific cost drivers (e.g., mobilisation, residential, safety, migration support) and inform targeted resource allocation towards high-support interventions for women. Costs for women were found to be 4% - 18% higher on average than men at a cohort level.

CONTEXT-SPECIFIC ADAPTATIONS TO DEEPEN IMPACT



PANIIT faces higher input costs due to high-touch employer engagement, mobilisation in tribal geographies, and extended post-placement support. The fully residential nature of the training further adds to this, with accommodation, meals, and on-site support driving costs well above non-residential models. To better manage costs they,

- Shifted to time- and activity-based costing, mapping each resource to specific delivery activities to improve cost visibility and allocation discipline.
- Introduced co-funding mechanisms, including skill loans and employer contributions, to share costs while maintaining outcome orientation.
- Rationalised target allocation across centres to optimise utilisation and improve program-level efficiency.

Collectively, these actions helped PANIIT rationalise overall outcome costs by ~20%

Template for TP's Proposed Budgets under SIB; each outcome/output/activity was broken down into a list of detailed cost headers

Total Intervention cost	PO-1	PO-2	PO-3	PO-4
Cost Headers				
A Facility/Training center	37,33,249			
Rent	22,73,969			
Utilities	2,98,478			
Maintenance	1,23,179			
Housekeeping and security staff salary	2,84,270			
IT platform cost (SMS, software)	0			
Security	2,18,120			
Capital Assets or Equipments (one time basis)	5,33,249			
Capital Assets or Equipments (depreciation basis)	0			
B Management and Head Office	37,05,000			
Cumulative annual salaries of all head office/regional program/impact management team, who are supporting SIB (eg. program manager, training content development team, placement/retention team, MIS team, Cumulative annual salaries of all other head office/regional office staff or senior executives (corporate functions, eg. HR, finance, admin, IT etc.)	24,80,119			
Cumulative overheads of all head office/regional offices	12,24,881			
C Mobilisation and Counselling	31,87,430			
HO Hardware, Furniture, fixture etc	10,00,373			
Costs for Mobilisation Events	11,55,234			
Cost for mobilisation material (canopies, flyers, posters etc.)	0			
Counselling staff salaries (only training center level)	5,23,123			
Operational Costs (Travel and lodging of staff etc.)	5,08,950			
Any other cost related to mobilisation and counselling (Please provide details in the comments section)	1,18,36,364			
D Training and Certification	58,63,046			
Training staff recruitment	1,13,185			
Assessment staff salary @ HO	0			
Staff Training	0			
Other training material used in training center	4,15,881	1,75,000	0	0
Industry visit costs (if any)	1,53,338	0	0	0
OJT Costs	0	0	4,66,548	0
Assessment and certification cost (Please provide agency details in the comments section)	9,60,000	10,32,500	23,30,222	8,68,100
Any other cost related to training and certification (Please provide details in the comments section)	4,40,299	1,70,170	9,76,401	0
Pre-placement and placement	24,30,244	47,90,816	1,97,68,698	0
Placement staff salaries (Only training center level)	3,19,700	39,89,064	1,30,33,178	0
Placement preparation cost (e.g. mock interviews etc.)	0	35,000	0	0
Placement Counselling Cost	0	35,000	0	0
Employee network development cost (eg. travel etc.)	7,32,090	4,34,000	40,34,894	0
Placement Migration Cost	12,88,806	0	0	0
Other cost	2,97,350	0	0	0
Ta DA for placement staff	0	7,00,628	0	0
Placement Staff at HO	89,441	0	0	0
Retention	11,59,209	42,54,391	1,30,79,618	48,801
Retention personnel salaries	1,87,354	35,10,441	92,93,918	0
Travel costs for retention	0	3,11,400	22,69,221	0
Call Center costs	34,295	2,66,500	4,39,096	0
Replacement and addressal costs	0	0	0	0
Medical Costs	0	1,66,250	0	48,101
Lodging of retention Personnel	0	0	0	0
Mobile Recharge for Candidates for Initial Months	0	0	70,783	0
Retention personnel travel, boarding and lodging cost	9,38,660	0	0	0
Others	23,42,190	4,68,000	1,33,47,811	80,755
Project monitoring cost, eg. travel of regional/HO staff to training centers, cost of project review/planning meetings etc.) - MIS Cost	3,52,007	4,68,000	1,07,44,654	0
Salary of Academic Support Team	4,73,209	0	0	0
Salary of Admin Team at TC Level (For learner - both TC + regional + HO)	3,92,427	0	0	0
Any other cost (Please provide details in the comments section)	9,21,062	0	9,83,267	80,755
HO	2,04,224	0	0	0
Total Costs	2,89,93,261	9,07,86,548	12,42,17,942	1,48,06,889

Finance Management and Budgeting practices adopted by TPs under SIB were closely aligned with the standardised performance management structures instituted by the SIB Performance Managers. Please refer to the toolkit [here](#):



Leadership Engagement and Culture Building

CURRENT SITUATION

- **Leadership engagement was episodic and program-centric:** Senior leaders were involved in program level reporting on milestone achievements but not consistently in reviewing retention, wage outcomes, or cohort-level risk patterns
- **Performance culture was uneven across centres:** Accountability structures, review cadences, and incentives were not systematically aligned to final outcomes, leading to variability in discipline and expectations
- **Learning was informal and reactive:** Cohort learnings were not consistently institutionalised across programs, limiting cross-centre improvement.

WHAT DID TRAINING PARTNERS DO DIFFERENTLY UNDER SIB

Under SIB, TPs strengthened leadership engagement by institutionalising outcome-focused oversight, structured learning forums, and organisation-wide performance alignment.



Increased senior leadership engagement: Senior leaders were more closely involved in operational reviews, strategic direction-setting, and troubleshooting. In some cases, SIB learnings and performance were discussed at board level, signaling organisational priority.



Clear outcome-first orientation: Across TPs, leadership emphasised retention and final outcomes, not just placements, as the core metric of success. Decision-making (mobilisation intensity, employer selection, resource allocation) was increasingly linked to improving retention performance rather than achieving enrolment or placement volumes alone.



Higher performance expectations and accountability: SIB introduced sharper performance discipline within teams. Leaders set clearer expectations around targets, monitored performance more closely, and aligned internal incentives more directly with outcome achievement. Performance conversations became more data-driven and milestone-focused.



Culture of continuous improvement across cohorts: From cohort to cohort, TP leadership led cohort planning driving strategic reflections TPs dropout patterns, employer quality, screening processes, and verification gaps. SIB was treated as a learning laboratory, not a fixed model.

SIB DESIGN ELEMENTS THAT DEEPENED IMPACT

By design, the SIB model embedded leadership engagement not just for program oversight, but to actively steer performance, learning, and larger organisational impact.

Detailed guidance on operationalising leadership engagement, including detailed steps on including them across program implementation aspects is available in the SIB Performance Management Toolkit. [Link here:](#)

Key TP Leadership engagement principles utilised by the PM under SIB



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Financial Assessment

- Key cost drivers

Costs per beneficiary enrolled in SIB ranged between ₹19.7K to ₹35K on average, depending on the training and employment models deployed by the TPs

Three delivery models were implemented across the all partners is SIB

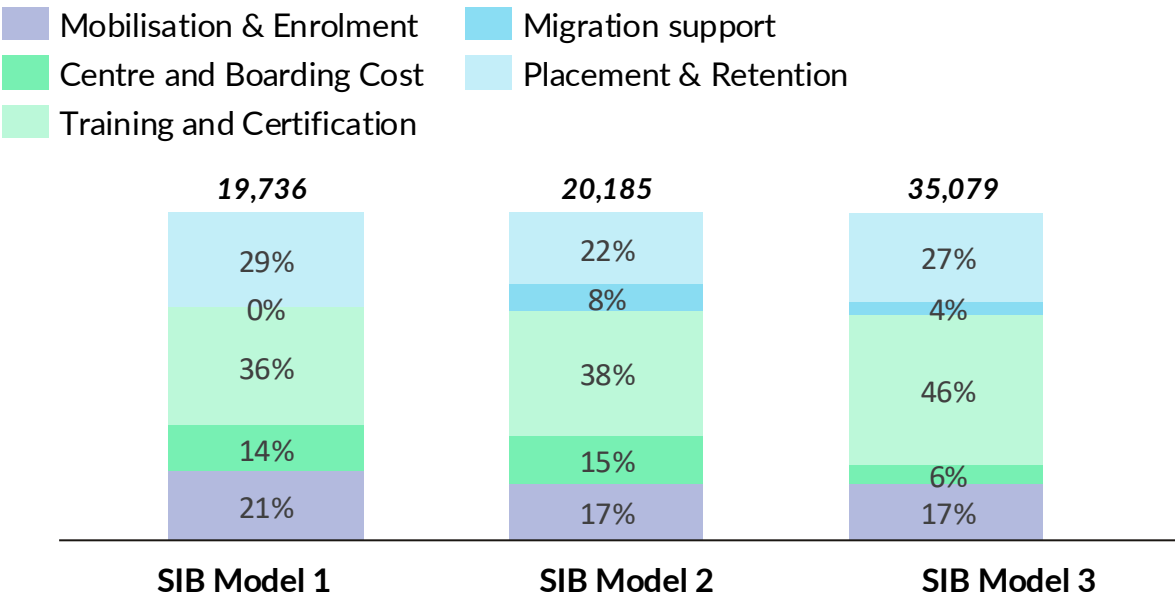
- 1

Non-residential training with local placements
Category of candidates: Urban youth from tier-1, tier-2 cities
Dominant sectors: Service sector roles (apparel, telecom, IT-ITeS, BFSI, logistics, retail)
- 2

Non-residential training with migratory placements
Category of candidates: Urban youth from tier-2 cities
Dominant sectors: Service sector roles (apparel and telecom)
- 3

Residential training with migratory placements
Category of candidates: Rural and tribal youth
Dominant sectors: Manufacturing sector roles (apparel, automotive, capital goods, construction, etc.,)

Figure: Cost per beneficiary enrolled across SIB Operating Models (in INR)¹



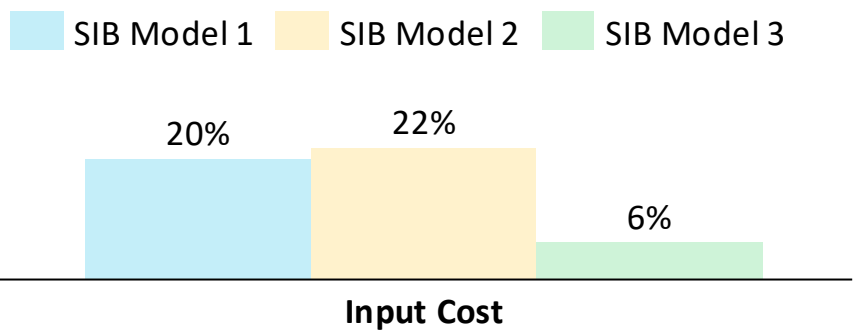
TP payouts in SIB was split across 4 milestones: Enrolment, Certification, Placement, and Retention. The allocation shown above across various stages of the value-chain is the realised costs incurred by the TPs on average to implement skills training and in achieving the intended outcomes

Note: 1. Model-wise cost per beneficiary analysis uses TP reported cost allocation data, averaged at a portfolio level across the TPs implementing each model in Cohort 7

Over successive cohorts, input costs have increased across Models 1 and 2 owing to investments; At the same time outcome costs have declined, indicating cost efficiency gains being realised by SIB TPs

In SIB, within a period of 4 Cohorts, Input costs at a portfolio level have risen by an average of 6-22%¹

Figure: Percentage shift in input cost from C3 to C7 in SIB:

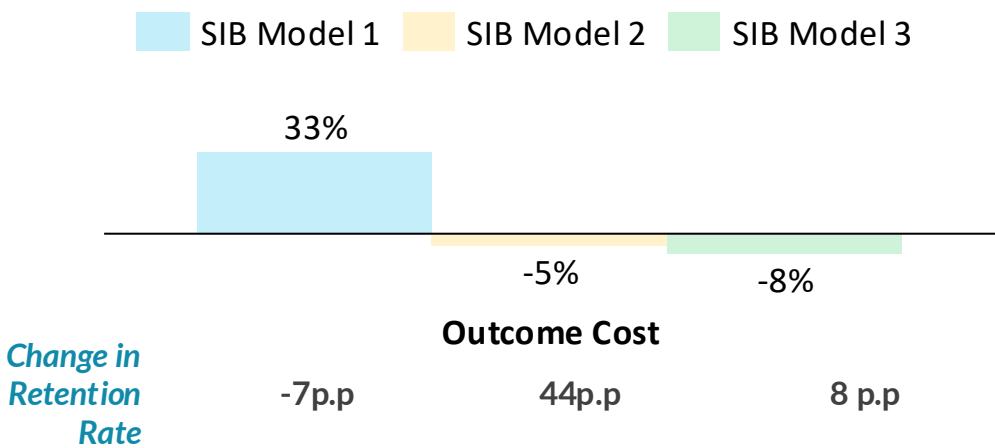


Increases in input costs (Cost per beneficiary enrolled) can be attributed to:

- Inflation Adjustments to reflect market realities
- Additional performance improvement activities being deployed by TPs
- Addition of new high-performance TPs in the portfolio

However, in the same period we see a decline in the average outcome cost by c. 5% across models

Figure: Percentage shift in outcome cost from C3 to C7 in SIB:



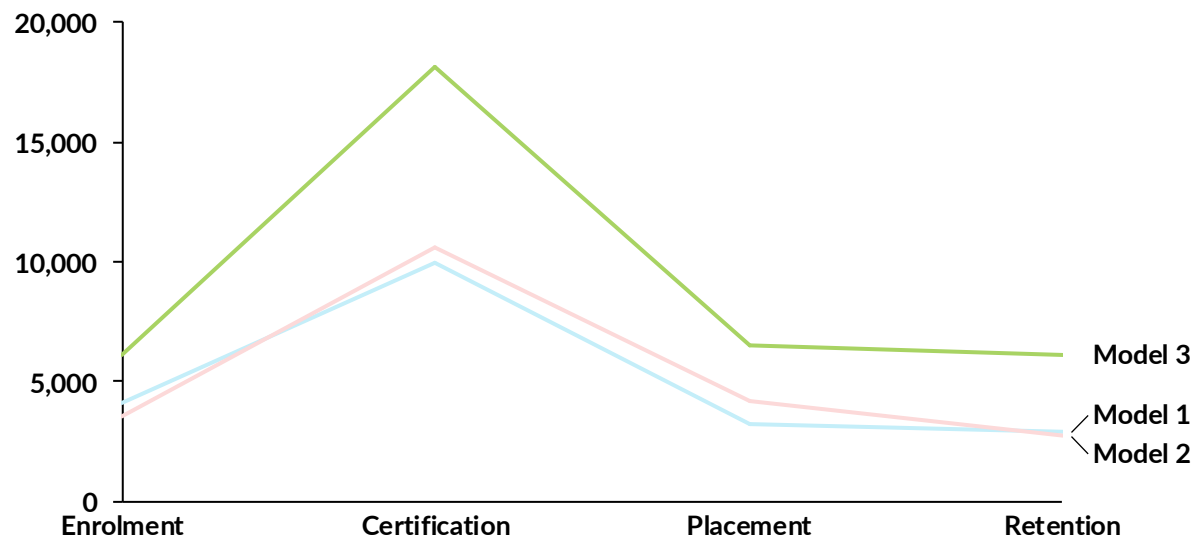
Outcome cost (Cost per beneficiary retained) mechanically reflects cost efficiencies gained by the TPs owing to direct improvement in the retention performance.

Note: 1. Individual input costs across TPs under each model was averaged to arrive at cohort level input cost for each model. Portfolio costs include TP costs for Learnnet, Magic Bus, PANIIT, and EduJobs only to ensure consistency in analysis across this document

Despite the overall reduction in outcome costs, analysis of output costs at each milestone shows that TPs still incur 3-5%¹ additional cost per beneficiary owing to inefficiencies in the value-chain

In Cohort 7, across models, the output costs at each stage of the value chain range from ₹2.7K to ₹18.1K

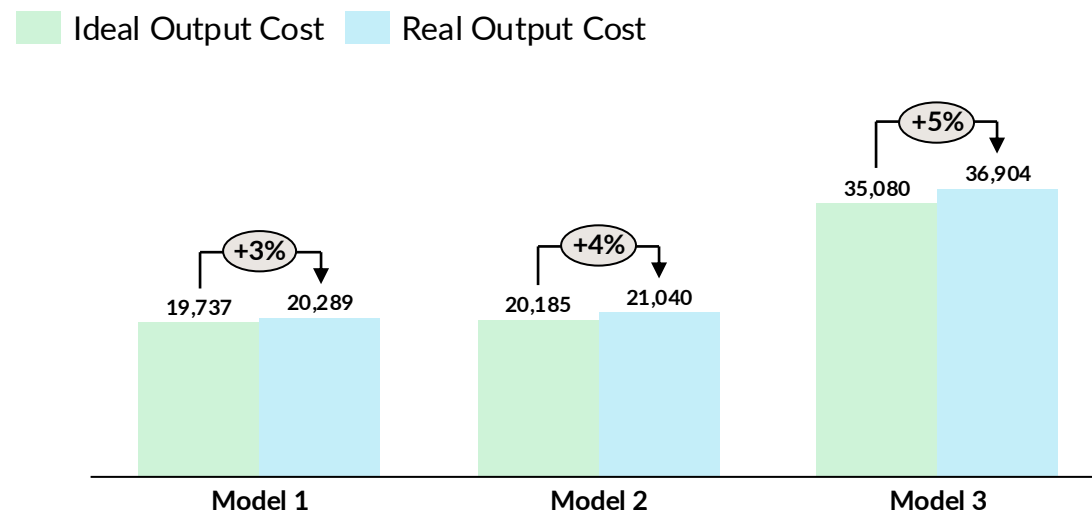
Figure: Output Cost per beneficiary (in INR) at each milestone for each operating Model in SIB



Output cost shows how much is effectively spent to achieve one successful outcome at each milestone, accounting for all candidates who drop out along the way at each stage of the value chain. Output cost per beneficiary = Total cost incurred at a milestone ÷ Number of candidates who successfully reach that milestone

As TPs invest equally on all candidates in each milestone, dropouts create a compounding leakage costs upto 3-5% per beneficiary

Figure: Cost of leakage (In INR) at each milestone for each operating model in SIB due to candidate drop-outs/transition rate at that stage

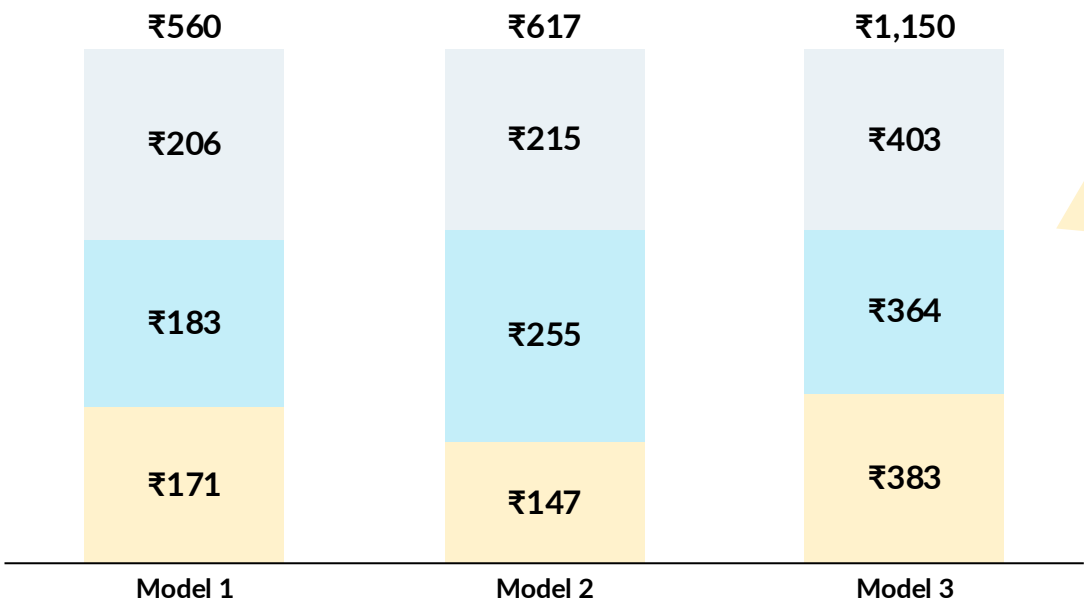


In an ideal scenario, with 100% retention across the value chain, there would be no cost leakage, and output cost per beneficiary would equal input cost. In reality, candidate drop-offs at each stage increase the effective output cost per successful beneficiary. Improving transition efficiencies can therefore directly reduce or mitigate this leakage.

Based on TP performance thresholds in SIB, there is an optimal level of financial investment in improving transition rates, beyond which additional investments may not help, and the enrolment of more candidates is more cost-effective

Table: Calculation of cost of mitigation at Certification, Placement and Retention stage across different operating model for a 2%, 5%, 5% increase in their transition rates respectively

Training and Certification Placement Retention



Across models, c.2% at certification (as certification rates were already at 97% in C7) and a c.5% improvement at placement and retention rates c.2% at certification can be achieved at a relatively low incremental cost per beneficiary indicating strong headroom for targeted mitigation strategies before additional enrolments to achieve the same quantum of outcomes becomes more viable.

Such mitigation includes interventions like expanding mobilisation reach, improving job matching, strengthening post-placement support, and enabling employer-side support (e.g., accommodation), as discussed in earlier sections of the deck.

Calculation of cost of mitigation:
Cost of mitigation defines the breakeven point where the revised cost per successful outcome after implementing pertinent mitigation strategies is equal to or lower than the current cost. It is calculated by first dividing the current per beneficiary input cost at a given stage (a) by the current transition rate (t1) to arrive at the current per beneficiary outcome cost (b). An additional per beneficiary mitigation cost (c) is then added to the current input cost, such that the revised input cost becomes (d=a+c). This is divided by the improved transition rate (t1+t2) to arrive at the revised per beneficiary outcome cost (e=d/(t1+t2)). The cost of mitigation is the maximum value of (c) for which (e) remains less than or equal to (b).

Annexure – Additional resources

Employer due diligence checklist

A structured employer due diligence process can improve placement quality and retention outcomes by ensuring candidates are placed with employers that meet predefined standards of quality, safety, and growth opportunities.

What information is verified and collected before onboarding

Non-negotiables

- A registered business entity verified through PAN/TAN/GST etc.
- Physical workplace/office infrastructure verified through site visits to ensure safety
- Ability to provide placement and retention documentation
- Official company website available and validated

Assessment metrics

- Vacancy visibility: Availability and predictability of hiring demand
- Employer reach: Geographic footprint of the employer
- Employer type: Nature of employer engagement and hiring arrangement (direct/ third party)
- Employer credibility: Legitimacy and reputation of the employer
- Women workforce representation: Existing participation of women in the workforce
- Learning & development opportunities: Availability of training and development opportunities
- Career progression opportunities: Scope for advancement within the organisation

How the information is verified

- **Initial information collection:** Employer SPOC's fill the registration form clearly outlining the sector, job roles, hiring locations and requirements
- **Preliminary validation:** Quick checks are done through the company website review, online presence, LinkedIn and social media review, and review of prior performance (for existing employers)
- **Documentation review:** Company registration documents and documentation support for placements/retention proofs is collected and validated
- **Site Visit:** Site visits of hiring locations and employer office is conducted for physical address verification, operational status verification, employee interactions and feedback, safety protocols and legal compliance checks
- **Reference checks:** Local reference checks are conducted for further verification

Ongoing data collection and verification after onboarding

Continuous employer review

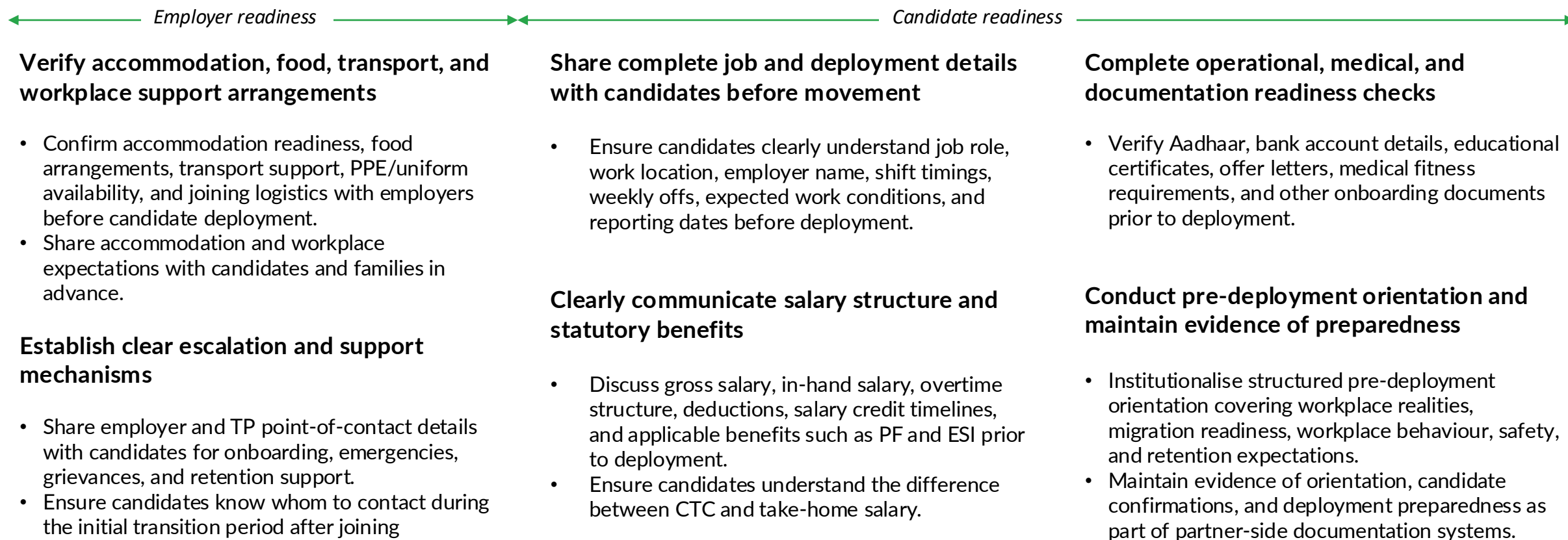
- Monitoring of outcomes (placement and retention success) and periodic review of employer performance
- Feedback from candidates placed with the employer
- Emerging concerns and employer risks flagged
- Revalidating employers in case of complaints or material changes

Governance Mechanisms

- Fortnightly and monthly verification reviews by placement teams
- Ongoing employer rating updates
- Re-verification of flagged employers
- Periodic tracker and employer database updates

Pre-deployment checklist for migratory candidates

A structured pre-deployment checklist can help reduce post-placement dropouts, improve candidate preparedness, and minimise disputes related to salary, work conditions, or accommodation after joining. Within SIB, providers that institutionalised detailed pre-deployment verification processes were better able to align candidate expectations with actual workplace conditions and improve early-stage retention.



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