

## EdTech in India – the Australian tertiary sector risks falling behind

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Whether or not you've had the privilege of visiting India, the stereotype most of us have is of a developing country with lots to learn about education from developed countries like Australia. If you work in the post-secondary education system – you probably understand the calibre of India's leading universities but other than that, Australia's tertiary education sector has spent much of the past decade or two visiting India either to recruit international students and/or to work out if/how we can partner and bring our expertise to India.

There's nothing wrong with either of those activities and where those partnerships in India have worked they've made an important difference. After all, India's formal education system is significantly under-resourced, and leaving aside the elite end of their education system, it's clear that the Australian system is far ahead when it comes to traditional, formal post-secondary education.

The problem for Australia is if we only view India through this lens – we miss the substantial progress India's EdTech sector is making outside the formal system. India is now the 3<sup>rd</sup> largest market for EdTech investment (behind China and the US but ahead of the UK, Europe and the rest of the world).

There are Indian EdTech providers educating hundreds of thousands of learners who are looking to enter either the employment market or to reskill/upskill. Through their use of AI and big data, and the partnerships they have with leading Indian and foreign universities as well as with global businesses – these education providers are delivering better learning outcomes than we do in our formal tertiary education system, better completion rates and hugely satisfied students and employers.

We need to be learning from these providers. If we don't, we risk them (along with other overseas EdTech providers) seriously disrupting parts of our tertiary education sector.

To understand the nature and scale of the Indian EdTech sector I went to India earlier this month with the [HolonIQ Executive Immersion Program](#).

The program involved four days of meetings and briefings with leaders in the Indian education sector (from pre-school right through to corporate training), leading EdTech providers, site visits and attendance at the first of the [2019 HolonIQ Future of Education and Workforce Summits](#) (in Bangalore).

There were 20 program attendees from 12 different countries. I've gathered some of their reflections and perspectives and will be sharing them on the **What now? What next? Insights into Australia's tertiary education system** podcast in coming weeks.<sup>1</sup>

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<sup>1</sup> To subscribe to the podcast search for **What now? What next?** in your favourite podcast app (eg Apple podcasts, Spotify, Stitcher etc) or listen via the website: <http://www.buzzsprout.com/345782>

### Here's some of what I learned about how education in India is changing:

- When India liberalised its economy in the early 1990s IT became a key area of focus, to the point that IT companies are now the largest private sector employers in India – in a labour market of ~466m
- Unemployment is currently at a 45 year high despite strong economic growth – India's growth has been 'jobless growth'
- The government has recently enacted reforms to improve the labour market participation of women – particularly after they have children. This is perceived as likely to lead to an increased demand for childcare and afterschool care
- The high unemployment rate has been exacerbated by a skills mismatch for many college and university students who graduate without the skills employers need. This in turn is fuelling a growing interest in start-ups (keeping in mind that India is a highly entrepreneurial, small business economy)
- India has the world's largest youth population with 356 million 10 – 24 year olds. 260m students are in 1.5m schools. In addition there are 50,000 higher education institutions and 13,000 Industrial Training Institutes (where the quality of VET delivery is increasing following successive governments focussing on skills development)
- While English is the main language of government, higher education and business – there are 18 official languages, a total of 114 languages and 900 dialects
- Around 9 million students graduate from colleges and universities each year. The government is aiming to skill/reskill 400 million people by 2022 – half of these in the services sector
- In addition to its emphasis on skills, the government has introduced reforms to strengthen quality and increase participation in higher education (including allowing fully online delivery options)
- The Indian higher education sector is not-for-profit and exceeds US \$15B. It is dominated by the private sector (70% of delivery is by private higher education providers, rising to 75% in engineering colleges and business schools). Most institutions are small with 80% having fewer than 1,000 students and 20% having less than 100 students. Government reforms will consolidate the 800 universities and 40,000 colleges into 15,000 well resourced, multi-disciplinary institutions comprising the following types:
  - Research universities
  - Teaching universities
  - Autonomous degree-granting colleges (focussed almost exclusively on teaching)
- Challenges in the higher education sector include:
  - Outdated curriculum
  - Credential learning largely dependent on rote learning
  - Lack of research
  - Scarcity of qualified faculty
  - Fee controls imposed by government
- In the corporate training/upskilling sector there are two key markets which have a higher propensity to pay and which will be of potential interest to Australian tertiary education providers:
  - Knowledge workers: 5 – 7 million people work in the 'knowledge economy' in India (white collar work). They individually or their companies spend an average of US \$2,000 pa on upskilling. This is therefore a ~\$10 B market segment

- New college graduates with STEM degrees and high aspirations.<sup>2</sup> There are approx. 1.5 million of these graduates entering the labour market each year and they are considered likely to spend up to US \$1,000 on additional training – a market segment worth \$US 1B.
- The Indian government has invested in its own MOOC portal, SWAYAM, which provides anyone with free access to courses from 9<sup>th</sup> grade to postgraduate. Take-up has been relatively slow (albeit it's a relatively new initiative) but what it will help to do is to shift public perceptions of the role and status of online learning in the education sector. Traditionally online education has been seen as sub-standard by Indian parents and students – despite the size of the IT sector in the Indian economy.
- Investment in the Indian EdTech sector is skewed by its first (and so far only) unicorn<sup>3</sup> Byju's (an after-school tutoring/test preparation platform). This part of the EdTech market (tutoring and test prep) is strong in India, [as it is in China](#), because access to higher education places is strictly limited and the quality of schooling is highly variable. Nonetheless there is a growing realisation of the role EdTech can play in the post-secondary education environment and in the workplace.

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### Examples of EdTech companies disrupting the tertiary education landscape in India include:

- **Awign** - is an Indian outsourcing business, driving business development through its 'Crowdsourcing in Outsourcing' which leverages the huge undergraduate/postgraduate student community in India. Working with more than 200,000 students and 10,000 companies – Awign offers students online training to prepare them for a paid internship. Companies pay students a stipend for the work and the student participates in work integrated learning directly related to their studies. They graduate with recent employment experience and references which help them avoid the skills mismatch many Indian employers and graduates have been experiencing.
- **CoCubes** – Founded in 2007, CoCubes is now India's leading assessment and hiring platform, CoCubes run assessments to measure employability. They work with 600+ corporate clients to provide employment suitability assessments and have access to more than a million candidates through their platform. They run 2 million+ assessments each year in 350+ cities. Their platform assists their corporate clients to improve their recruitment. CoCubes also enable educational institutions to measure and improve the employability of students as they approach graduation. In addition, CoCubes' education provider partners have access to services including: sharing job posts, deadlines, events etc to all or selected students via SMS and e-mail notifications, as well as automated placement statistics which allow providers to draw insights from campus hiring statistics across drives, branches, degrees etc. with regard to their institute's placements. They also offer an easy method of staying connected to institution alumni. CoCubes is part of Aon which is listed on the New York Stock Exchange.
- **Great Learning** – is an EdTech company offering alternatives to standard university postgraduate programs in Analytics, Data Science, Big Data, Machine Learning, Artificial Intelligence, Cloud Computing, DevOps, Full Stack Development and more. Their courses are taken by thousands of professionals in more than 50 countries (including Australia) who build competencies in these emerging areas to secure and grow their careers. In the last 6

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<sup>2</sup> ie willing to invest in their own upskilling to secure a better career/start in the jobs market

<sup>3</sup> A privately held start-up company valued at over \$1 billion.

years, Great Learning has delivered 9 million+ hours of learning helping their graduates to achieve careers with leading companies including Microsoft, Amazon, Adobe, American Express, Deloitte, IBM, Accenture, McKinsey and more. Students at Great Learning have access to blended learning, online learning and bootcamps. Great Learning works with leading academics in the US and India supported by a network of more than 1,000 faculty, mentors and evaluators. They use AI and big data to monitor student progress and can determine within the first 6 weeks of a course which students have a high likelihood of non-completion. They then deploy intensive support to these students and have completions rates of 90% for a 12 month blended delivery model course – which is taught to early mid-career professionals (often also juggling families and work as well as study). Their graduates consistently rate them 4.5 out of 5, even though the pass mark for their courses is set at 60% not 50%.

- **Simplilearn** – is one of the world’s leading certification training providers. They partner with both companies and individuals to provide training and coaching in more than 400 courses. They have industry certification from more than 40 leading certification bodies eg YouTube, Facebook and HubSpot are among the organisations which certify their Marketing and Automation training. In 10 years they have educated more than 1 million professionals and now employ more than 2,000 trainers. Their programs include live virtual classrooms and 24/7 teaching support. With a growing US arm – they have now educated professionals from over 150 countries and in 2016 were ranked the 8<sup>th</sup> most influential education brand on LinkedIn. In July this year they [announced a collaboration](#) with IBM for the delivery of four Masters’ programs.
- **TalentSprint** – another EdTech company focussed on teaching tech skills, TalentSprint takes a different approach to Simplilearn and Great Learning by partnering with higher education institutions as well as global corporations to “develop and offer disruptive programs”. They have a hybrid platform offering both onsite and online learning to give students opportunities for a ‘deep tech’ learning experience. They deliver via interactive live classes which are AI-powered, personalised video archives, practice labs, group labs and hackathons, as well as offering one-to-one mentor support. Their employer partners include Deloitte, Accenture, Hyundai, Microsoft, Infosys, Wells Fargo amongst others. They have educated 180,000+ students in 800 higher education colleges, as well as 2,000+ mid-career professionals in 700+ companies achieving a 95% completion rate. Their You Tube channel (aimed at students/recent graduates) has 1 million subscribers and 50 million views.

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