



KNOWLEDGE AND SKILLS FOR IMPROVING YOUTH LIVELIHOODS, INCOME AND ECONOMIC OPPORTUNITIES

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Abstract

Knowledge and skills acquired by young people play an important role in improving livelihoods, increasing income, and expanding economic opportunities. Enhancing youth employability and economic participation in a rapidly changing economic and technological environment requires relevant education, vocational training, digital competencies, and entrepreneurial abilities. This study examines the role of knowledge and skills in youth employment, self-employment, entrepreneurship, earning potential, and livelihood opportunities. The study is based on secondary data obtained from government reports, research studies, statistical publications, and reports of national and international organizations. The review of secondary evidence indicates that access to quality education and market-oriented skills can enhance young people's employment prospects, income generating capacity, and financial well being. Furthermore, skill development can help reduce unemployment and skill mismatches while enabling young people to benefit from emerging opportunities in the labour market. The study highlights the importance of comprehensive, accessible, and industry-relevant education and skill development programmes, particularly for disadvantaged and rural youth. Therefore, strengthening knowledge and skills among young people is important for promoting sustainable livelihoods, increasing income, expanding economic opportunities, and supporting inclusive economic development.

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Keywords: Employability, Economic Development, Knowledge, Skills, Youth Livelihoods, Income, Economic Opportunities.

Introduction

The development of knowledge and skills plays a vital role in improving the livelihoods and economic well-being of youth. In a rapidly changing economy, young people require not only formal education but also practical, technical, digital, communication, and entrepreneurial competencies to participate effectively in the labour market. Knowledge enables youth to understand emerging opportunities, make informed decisions, and adapt to changing economic conditions, while skills enable them to apply their knowledge to productive activities and employment. Young people constitute a vital human resource for economic development and have significant potential to contribute to household income, community development, and national economic growth. Appropriate education and skill development can improve their employability by increasing productivity, confidence, problem-solving abilities, and occupational competence. Skilled youth are better positioned to access decent employment, pursue self-employment, establish enterprises, and participate in diverse income-generating activities. In addition, digital and technological knowledge has become increasingly important as employment and business activities increasingly adopt digital platforms and new technologies.

Knowledge and skills also contribute to sustainable livelihoods by enabling young people to respond to changing labour-market requirements and emerging economic opportunities. Vocational training, entrepreneurship development, digital literacy, financial knowledge, and work-related competencies can help youth overcome barriers to employment and improve their earning potential. Skill development can also reduce dependence on traditional occupations by creating opportunities in new and expanding sectors of the economy.

However, many young people continue to face challenges such as inadequate access to quality education and training, skill mismatches, limited employment opportunities, lack of financial resources, and unequal access to digital technologies. These challenges can restrict their ability to participate effectively in the labour market and benefit from emerging economic opportunities. Addressing these issues requires effective education and training systems, industry-oriented skill development programmes, entrepreneurship support, career guidance, and improved access to employment and financial services.

Knowledge and skills also strengthen the ability of youth to participate actively in both the formal and informal sectors of the economy. Market oriented skills enable young people to identify employment opportunities, improve work performance, and increase earning capacity. Skills in areas such as information technology, financial management, communication, marketing, manufacturing, agriculture, healthcare, and other emerging sectors can create wider livelihood opportunities. Furthermore, continuous learning helps youth adapt to technological changes, changing consumer demands, and evolving workplace requirements, thereby improving their long-term economic security. When young people secure productive employment or establish successful enterprises, increased income can contribute to improved household living standards, savings, education, and overall welfare. Skilled youth can also contribute to innovation, entrepreneurship, productivity, and local economic development. Therefore, strengthening knowledge and skills among youth

is an important strategy for creating sustainable livelihoods, improving income opportunities, reducing unemployment, and supporting inclusive economic growth.

Objectives

- ❖ To examine the role of youth knowledge and skills in strengthening sustainable livelihoods.
- ❖ To assess the role of skill development in improving youth income and economic opportunities.
- ❖ To identify the challenges in skill development and suggest measures to improve youth livelihoods and economic advancement.

Scope of the Study

The study focuses on the role of education, vocational training, digital competencies, entrepreneurial skills, and market oriented skills in improving youth employment, income generation, self employment, entrepreneurship, and sustainable livelihoods.

Limitations of the Study

The study is based on secondary data and therefore depends on the availability, reliability, and quality of published information. The study does not include primary-level evidence from individual youth or households. Differences in definitions, periods, and methodologies across secondary sources may also affect comparisons.

Youth Skills and Sustainable Livelihoods

Youth Knowledge and Competency Development

Education and training provide young people with foundational knowledge and competencies that support effective participation in economic activities. Knowledge helps youth understand occupational requirements, identify opportunities, and make informed decisions, while competencies enable them to apply what they have learned in practical situations. Strong foundational and transferable competencies can improve adaptability, problem-solving, communication, and workplace readiness. Therefore, developing youth competencies provides an important foundation for employment and long-term livelihood development.

Skill Development and Livelihood Improvement

Skill development can improve livelihood security by increasing the ability of young people to perform productive economic activities. Market-oriented training enables youth to acquire occupation-specific competencies that are relevant to available employment opportunities. When training is aligned with local and regional labour-market requirements, it can improve the utilization of acquired skills and support more stable livelihood options. Thus, the relevance and quality of training are important factors in converting acquired competencies into productive economic activities.

Education and Vocational Skills among Youth

Vocational education provides occupation-specific preparation for young people entering different sectors of the labour market. Practical training in areas such as manufacturing, agriculture, construction, healthcare, and services can help bridge the gap between theoretical education and workplace requirements. Apprenticeships and industry exposure can further strengthen practical experience and facilitate the transition from training to employment. Therefore, stronger links between vocational institutions and employers are important for improving the relevance of vocational education.

Digital Skills and Sustainable Livelihoods

Digital competencies have become increasingly important as employment, business, financial services, and communication increasingly use digital technologies. Basic and advanced digital skills can help young people access online information, digital financial services, e-commerce, remote work, and technology-enabled business activities. However, the benefits of digitalization depend on access to affordable devices, reliable internet connectivity, and appropriate digital training. Therefore, digital inclusion should be considered an important component of contemporary youth livelihood development.

Skills and Employment Opportunities

Alignment between training outcomes and labour-market requirements is essential for improving the transition of young people from education and training to suitable employment. Employers increasingly seek a combination of technical knowledge, digital competencies, communication abilities, and problem-solving skills. Training programmes that are developed in consultation with employers can help reduce the gap between the skills supplied by educational institutions and those demanded by the labour market. Apprenticeships, internships, and workplace-based learning can further improve the transition from training to employment.

Skills for Youth Entrepreneurship

Entrepreneurship requires a combination of business knowledge, financial literacy, market awareness, decision-making, and risk-management abilities. Training in business planning, bookkeeping, marketing, digital commerce, and financial management can strengthen the capacity of young entrepreneurs to establish and manage enterprises. However, training alone may not be sufficient; access to finance, markets, mentoring, technology, and institutional support is also important for enterprise sustainability. Therefore, entrepreneurship programmes should combine training with appropriate financial and non-financial support.

Access to Emerging Economic Opportunities

Young people can participate in new and expanding economic sectors when they have access to relevant knowledge, skills, and training. Digital technology, internet-based services, entrepreneurship, green jobs, and other emerging industries are creating new employment and income-generating opportunities. Appropriate education, training, and digital literacy can help youth benefit from these developments. Continuous learning and adaptation can help young people respond to changing occupational requirements and participate in emerging sectors of the economy.

Challenges and Measures for Improving Youth Livelihoods and Economic Advancement

Major Challenges in Skill Development and Youth Livelihoods

Young people face multiple barriers in acquiring relevant skills and converting those skills into sustainable livelihood opportunities. Limited access to quality training institutions can restrict skill acquisition, particularly among rural and disadvantaged youth. Financial constraints may prevent participation in training or the establishment of small enterprises. Skill mismatches can arise when training programmes are not adequately aligned with changing labour-market requirements, reducing the effective utilization of acquired competencies. Limited career guidance and weak links between training institutions and employers can further affect the transition from education to employment. In addition, unequal access to digital infrastructure can restrict participation in technology-enabled economic activities. These challenges indicate that improving youth livelihoods requires not only greater access to training but also improvements in training quality, labour-market linkages, finance, career guidance, and digital inclusion.

Measures to Improve Youth Skills and Economic Opportunities

Improving youth economic opportunities requires an integrated approach to skill development. Training curricula should be regularly updated in consultation with industries and local employers to improve their relevance to labour market requirements. Apprenticeships, internships, and placement services can strengthen the transition from training to employment. Career guidance should help young people identify suitable occupations and training pathways. For aspiring entrepreneurs, training should be combined with access to credit, mentoring, market information, and digital platforms. Rural and disadvantaged youth also require accessible training centres, affordable digital connectivity, and financial support. Such measures can improve the conversion of acquired skills into employment, entrepreneurship, and sustainable livelihood outcomes.

Role of Government and Institutions in Youth Skill Development

Government Policies and Institutional Coordination

Government institutions play a central role in establishing an enabling policy environment for youth skill development and employment. They should formulate clear policies, allocate adequate resources, coordinate among relevant departments, and strengthen partnerships between training institutions and industries. Policy implementation should focus not only on participation in training programmes but also on employment outcomes, skill utilization, income improvement, and sustainable livelihood outcomes.

Role of Educational and Vocational Institutions

Educational and vocational institutions should ensure that training programmes provide relevant theoretical knowledge and practical competencies. They should regularly review curricula according to labour market requirements, strengthen practical learning, and facilitate apprenticeships and industry exposure. Effective institutional linkages with employers can improve the transition of youth from training to employment.

Digital Inclusion and Technology Support

Government agencies and educational institutions should promote digital inclusion by providing access to digital learning facilities, online training resources, and basic digital literacy programmes. Special attention should be given to youth in rural and underserved areas who may face limited access to devices, internet connectivity, and digital learning opportunities.

Financial and Enterprise Support

Financial institutions and government agencies should facilitate access to scholarships, training subsidies, affordable credit, and other financial services for youth. For aspiring entrepreneurs, institutional support should also include access to business information, mentoring, market linkages, and financial guidance. Such support can help reduce financial barriers to skill acquisition and enterprise development.

Rural and Inclusive Institutional Support

Local institutions should help extend training and employment services to rural and underserved communities. Training programmes should reflect local economic conditions and employment opportunities while ensuring accessibility for disadvantaged youth. Community-based training centres and flexible learning arrangements can improve participation among young people who face geographical or economic barriers.

Conclusion

Knowledge and skills play a vital role in improving youth livelihoods, increasing income, and expanding economic opportunities. Education, vocational training, digital skills, and entrepreneurship capabilities enable young people to access better employment, establish businesses, and adapt to changing labour market demands. Skill development can strengthen productivity, financial independence, employability, and economic participation. However, inadequate training facilities, skill mismatches, financial constraints, limited employment opportunities, and unequal digital access continue to restrict opportunities for many young people. Therefore, greater investment in quality education, market-oriented skills, vocational training, digital competencies, entrepreneurship support, and inclusive employment services is essential for creating sustainable livelihoods and improving the economic well-being of youth. Government institutions, educational organizations, industries, and other stakeholders should work together to ensure that skill development programmes are accessible, relevant, affordable, and closely aligned with labour-market requirements. Strengthening knowledge and skills among youth can contribute significantly to employment generation, income enhancement, inclusive economic growth, and sustainable development.

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