

## New Research Reveals That Workers with Advanced Digital Skills Boost India's Annual GDP by US \$507.9 billion (₹10.9 trillion)

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80% organizations in India that employ workers with advanced digital skills report higher annual revenue growth, but 88% of organizations are facing hiring issues

AWS announces AWS re/Start Associate program to support individuals entering mid-level cloud roles

New Delhi, INDIA; 22 February, 2023 – Amazon Web Services (AWS), an Amazon.com company, today released new research that shows workers in India who use advanced digital skills – including cloud architecture or software development – contribute an estimated US\$507.9 billion (₹10.9 trillion) to India's annual gross domestic product (GDP). This is attributed to the 92% higher salaries that these workers earn compared to those with a similar education who do not use digital skills at work.

The "Asia Pacific Digital Skills Study: The Economic Benefits of a Tech-Savvy Workforce," commissioned by AWS and conducted by Gallup, examined how building a technology-enabled workforce has significant benefits for workers, organizations, and the economy. More than 2,000 (2,005) working adults and 769 employers were surveyed in India across a variety of public and private sector organizations and industries. The study classifies basic digital skills as the ability to use email, word processors, other office productivity software, and social media. Intermediate digital skills include drag-and-drop website design, troubleshooting applications, and data analysis. Advanced digital skills include cloud architecture or maintenance, software or application development, artificial intelligence (AI), and machine learning.

The study found that advanced digital workers in India are benefitting from more than just a boost in their income. 91% of workers who use advanced digital skills express higher job satisfaction, compared to 74% of workers with intermediate skills and 70% of workers with basic digital skills.

Similarly, employers that rely heavily on advanced digitally-skilled workers, digital technology, and cloud technology reap higher business growth and innovation. The study found that 21% of Indian organizations that run most of their business on the cloud report a doubling of annual revenue or more, compared to 9% of those that use the cloud for some or none of their business. Cloud-based organizations are also 15 percentage points more likely to have introduced a new or improved product within the last two years (95% vs 80%).

With many organizations now preparing for the challenges of a digital future, the Gallup study looked at 10 emerging technologies including AI, edge and quantum computing, blockchain, and cryptocurrency. 92% of employers in India say at least one of these technologies is likely to become a standard part of their future business operations, with 5G ranking the highest at 78%.

"People in India are increasingly going digital, from the way they work to the way they live. This research shows that digital skills provide immense economic value to India at the individual, organizational, and macroeconomic level," said Gallup Principal Economist, Dr. Jonathan Rothwell. "As more organizations move their IT to the cloud over the next decade and new technologies emerge, digitization is going to fuel a vast number of new jobs. The opportunity for India to be competitive in the digital economy depends on having a robust and highly skilled workforce to support current and future innovations."

With the digital transformation of businesses and government agencies accelerating around the world, demand for advanced digital workers will remain strong in the coming years. 93% of Indian employers surveyed reported they were seeking to fill openings that require digital skills, but 88% said it is challenging to find the talent they need. A possible barrier is that 60% of Indian organizations prefer a bachelor's degree, even for entry-level IT staff. However, many are starting to recognize that accepting industry certifications can ease their hiring challenges. 91% of employers say that digital certifications or training courses are acceptable substitutes for a bachelor's degree.

"As the Gallup research shows, India has the opportunity to seize immense economic benefits from building a strong pipeline of cloud talent to support the country's ongoing digital transformation. AWS is working with organizations such as Tech Mahindra Foundation, Perfios, the All India Council for Technical Education (AICTE), and Atal Innovation Mission (AIM) to help bridge the digital skills gap. AWS has trained more than four million people with basic, intermediate, and advanced cloud skills in India since 2017, and our work doesn't stop here," said Amit Mehta, Head of Training and Certification, AWS India Private Limited.

"Digital skills drive tremendous gains for individuals, organizations, and economies, which is why AWS is committed to expanding our digital skills training programs for workers and employers across India. We are excited to continue to collaborate with local public and private sector employers to help them upskill and reskill their employees, and take full advantage of the cloud to accelerate their business growth, productivity, and innovation."

"The shortage of tech talent is a global phenomenon. While it is good that India has the lowest tech talent demand-supply gap among the top tech locations, it is imperative for individuals and organizations to continue to invest in digital skills training, as technology will be the key differentiator when it comes to leading the world in innovation and digital transformation. Greater recognition of certifications can ease hiring challenges and there is a growing movement to shift from a pedigree-based hiring model to a skills-first model. The AWS Gallup Report correctly highlights the need for organizations to focus on a skills-based approach and work together to empower people with digital skills," said Ms. Kirti Seth, CEO, Sector Skills Council, NASSCOM.

To help workers in India acquire advanced skills to further their careers, AWS is today announcing AWS re/Start Associate, a new track under the AWS re/Start program to help unemployed and underemployed IT professionals modernize their skills and pivot to mid-level cloud careers. In India, AWS is collaborating with Generation India Foundation, a non-profit education to employment organisation, to deliver the program locally. Globally AWS re/Start is a free multi-week, cohort-based workforce-development program that connects more than 98% of graduates with job interview opportunities.

"After graduating from university with a Bachelor's in Forensic Science, I couldn't find a job. But through the AWS re/Start program, I re-discovered my interest in tech and realized that cloud computing would offer me a more secure job. One year since graduation, I am working as a Senior Software Engineer at EaseMyTrip, a travel solutions company. I'm currently studying for my AWS Solutions Architect – Associate certification because it will help further my career in IT," said Ms. Vishakha Priya, Senior Software Engineer, EaseMyTrip.

AWS opened its first office in India in Mumbai in 2011, and launched the AWS Asia Pacific (Mumbai) Region in 2016. AWS launched its second Region in India, <u>AWS Asia Pacific (Hyderabad) Region</u>, in November 2022. This second Region is estimated to support an average of more than 48,000 full-time jobs annually through a planned investment of more than US\$4.4 billion (approximately INR 36,300 crores) in India by 2030.

Since announcing the global commitment to invest hundreds of millions of dollars to provide free cloud computing skills training to 29 million people around the world by 2025, AWS has trained more than 13 million people in digital skills. For more information about AWS's free cloud skills training commitment, visit AboutAmazon.com/29million.

Download the "Asia Pacific Digital Skills Study: The Economic Benefits of a Tech-Savvy Workforce."

## **About Amazon Web Services**

Since 2006, Amazon Web Services has been the world's most comprehensive and broadly adopted cloud. AWS has been continually expanding its services to support virtually any workload, and it now has more than 200 fully featured services for compute, storage, databases, networking, analytics, machine learning and artificial intelligence (AI), Internet of Things (IoT), mobile, security, hybrid, virtual and augmented reality (VR and AR), media, and application development, deployment, and management from 99 Availability Zones within 31 geographic regions, with announced plans for 12 more Availability Zones and four more AWS Regions in Canada, Israel, New Zealand, and Thailand. Millions of customers—including the fastest-growing startups, largest enterprises, and leading government agencies—trust AWS to power their infrastructure, become more agile, and lower costs. To learn more about AWS, visit <a href="mailto:aws.amazon.com">aws.amazon.com</a>.

NOTE: AWS India Pvt. Ltd. undertakes the resale and marketing of AWS Cloud in India.