

The ‘Make in India’ Initiative: A Mediation Analysis of Training Quality, Youth Readiness, and self-reliant Enterprise Potential Rationale

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Abstract

This study examines how government led skill development programs, central to India’s *Make in India* initiative, foster entrepreneurial potential among youth. Moving beyond prior research that emphasized employability outcomes, this paper investigates the mediating role of Skills & Readiness—a construct encompassing technical competence and self efficacy—in linking training quality to self reliant enterprise potential. Using a quantitative, cross sectional survey of 188 program participants, training quality was conceptualized as a higher order formative construct comprising relevance, delivery quality, support infrastructure, and post training support.

The results, derived from Partial Least Squares Structural Equation Modeling (PLS SEM), confirm that training quality exerts both a **direct effect** on enterprise potential and an **indirect effect** through Skills & Readiness, establishing a partial mediation mechanism. Among the formative indicators, relevance of training content emerged as the strongest contributor, underscoring the importance of aligning curricula with industry needs. These findings provide empirical support for Social Cognitive Theory and the Theory of Planned Behavior by demonstrating that entrepreneurial outcomes are shaped not only by technical inputs but also by psychological readiness and perceived behavioral control.

The study contributes to entrepreneurship and policy literature by evidencing the dual pathway—direct and mediated—through which training influences enterprise potential in a policy driven context. Practically, the results suggest that national skill initiatives should prioritize curriculum industry alignment, trainer competence, infrastructure investment, and structured post training support. By adopting a holistic approach that integrates both capability building and mindset development, policymakers can better transform India’s youth from job seekers into job creators.

Keywords: Mediation, Readiness, self-reliant, Rationale.

1. Introduction

India’s demographic advantage is both an opportunity and a challenge. With the youth representing over half of its population, the country is on course to accounting for a quarter of the world’s workforce within a few years (Maqbool & Khan, 2019). To tap into this potential, national programmes like Make in India and the Skill India mission have been initiated with a multi pronged approach of improving employability coupled with the encouragement of entrepreneurship. One of flagship programmes in this mission, the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), has already trained more than 1.6 crore, substantial reach and resources (NSDC, 2023). However, whilst training coverage has expanded, the results in terms of formal placements or entrepreneurial activity are mixed at best and evidence points to low rates of sustained employment or enterprise formation among trainees (Cabral & Dhar, 2019; Kumar & Singh, 2018).

This disconnect indicates that the challenge may not lie solely in the scale of training but in the quality and depth of what is imparted. Prior evaluations of training schemes in India have tended to emphasise employability metrics such as job placement rates or wage improvements (Behera & Gaur, 2022). Although such measures reflect short term effects, they risk ignoring the psychological and behavioural states necessary for successful entrepreneurship. Theories like Social Cognitive Theory (Bandura, 1986) and the Theory of Planned Behaviour (Ajzen, 1991) emphasize self efficacy, perceived behavioural control, and intention as key in translating skills into entrepreneurial activities. However, relatively few cases have tested how these mechanisms operate within India's state led skill development system (Jena, 2020; Subhadrammal, 2023).

To advance this discussion, it is necessary to move beyond a narrow employability lens and examine how **training quality**—conceived as a multidimensional construct—affects entrepreneurial readiness. Training effectiveness depends not only on technical delivery but also on dimensions such as relevance of content, delivery quality, supportive infrastructure, and post training guidance. These components collectively shape both the tangible skills and the psychological confidence of trainees (Holton, 2005; Kirkpatrick & Kirkpatrick, 2006). What remains underexplored is how these facets of training jointly foster **Skills & Readiness**, a construct that integrates technical competence with entrepreneurial self efficacy, and whether this readiness serves as the crucial pathway through which training translates into self reliant enterprise potential.

By focusing on these dynamics, the present study seeks to fill a critical gap in the literature. While global scholarship has long established the importance of readiness in entrepreneurship, empirical validation in the Indian context of large scale national training programmes is still emerging. Understanding these mechanisms is vital for policy, as scaling training initiatives without embedding readiness and support mechanisms may lead to outputs (numbers trained) but limited transformative outcomes (sustainable enterprises).

The study's primary objectives are to:

1. Examine how Training Quality—conceptualized as a higher order construct of Relevance, Delivery Quality, Support Infrastructure, and Post Training Support—positively influences Skills & Readiness.
2. Analyze how Skills & Readiness, as a mediator, enhances the Self-Reliant Enterprise Potential of Indian youth.

2.1 Theoretical Background

The entrepreneurial capacity building that occurs through large scale training interventions can be explained using multiple theoretical lenses. Human Capital Theory views training as an investment that enhances individuals' knowledge, skills, and productivity (Becker, 1993). In entrepreneurial contexts, this investment yields higher innovation, competitiveness, and employability (Jena, 2020). Social Cognitive Theory emphasizes mastery experiences and environmental support as key drivers of self-efficacy (Bandura, 1986). When trainees are exposed to relevant curricula, effective pedagogy, and mentoring, they develop the confidence necessary to initiate entrepreneurial activities (Dwivedi et al., 2023).

The theory of planned behavior (TPB) also explains entrepreneurial intentions in the forms of attitudes, subjective norms and perceived behavior control (Ajzen, 1991). Training interventions have an effect on proactiveness by directly affecting perceived control and readiness to act, and so on intentions and emerging behaviour (Liñán & Chen, 2009; Kautonen et al., 2015). Finally, according to the Capability Approach, skills are not valuable in themselves unless they assume capabilities (enabled functioning) that are sustained by enabling factors such as infrastructure, mentorship, and financial access (Sen, 2000; Verma & Kapoor, 2022). Altogether, these theories underpin why Training Quality can be conceived of as a second order formative construct determining Skills & Readiness, which, in turn, affects Self Reliant Enterprise Potential and subsequent entrepreneurial performance.

2.2. Hypotheses Development based on Literature review

2.2.1 Training Quality as a Higher Order Construct

The construct of Training Quality has been defined as a higher order construct consisting of four dimensions: Relevance, Delivery Quality, Support Infrastructure, and Post training Support (Holton, 2005; Kirkpatrick & Kirkpatrick, 2006). This conceptualization aligns with evaluations of vocational and entrepreneurship education programs globally (Salas et al., 2012; Blume et al., 2010).

Relevance refers to the alignment of training curricula with industry requirements. Studies across OECD countries and developing economies emphasize that employer informed curricula and work based learning improve the transferability and employability of skills (OECD, 2022). In India, the India Skills Report (2023) revealed that only 50.3% of youth were found to be highly employable, highlighting a significant gap between academic skills and industry demands (Wheebox, 2023). Similarly, Sharma and Mehta (2023) found that PMKVY curricula aligned with industry standards significantly improved perceived training effectiveness. Furthermore, when trainees view training as relevant, their motivation and engagement increase, which enhances outcomes (Strong et al., 2023). Recent research confirms this link, noting that trainees who perceive training content as relevant to their job roles and career aspirations are more engaged and motivated, leading to higher job satisfaction and improved performance (TalentLMS & Vyond, 2025; Retorio, 2025). This practical, hands on application of skills is a key component of the perceived value of training programs. Therefore, it is proposed that:

H1: Relevance positively influences Training Quality.

Delivery Quality is determined by trainer competence and pedagogical practices. Evidence indicates that active, experiential, and practice based learning is more effective than lecture based instruction (Arthur et al., 2003; Salas et al., 2012). Trainer expertise accounts for a substantial variance in learner outcomes (Strong et al., 2023). In India, hands on sessions with expert trainers were found to be critical for entrepreneurship readiness (NIESBUD, 2022). Globally, pedagogical quality has been shown to outweigh technological sophistication in digital learning environments (Sharma & Gupta, 2022). Recent studies further emphasize that a blend of theoretical knowledge and practical application is a strong catalyst for improving learning outcomes (Al Aali, 2021; Fegade & Sharma, 2023). A 2024 study on English teachers' pedagogical competencies highlights that effective communication and a deep understanding of the material make learning more organized and engaging for students, underscoring the vital role of the trainer (Al Haddad, 2024).

H2: *Delivery Quality positively influences Training Quality.*

Support Infrastructure such as laboratories, equipment, and digital connectivity, is essential for skill acquisition. Resource deficiencies reduce both skill acquisition and retention (World Bank, 2023). In the Indian context, Verma and Kaur (2023) reported that PMKVY centers with strong infrastructure received high ratings from trainees. Infrastructure also signals program legitimacy to employers and industry stakeholders, thereby strengthening employability outcomes (Blume et al., 2010).

H3: *Support Infrastructure positively influences Training Quality.*

Post Training Support, which includes mentoring, placement, incubation, and financial linkages, ensures skills translate into entrepreneurial outcomes. The Capability Approach (Sen, 2000) highlights that such enabling conditions are as critical as the skills themselves. Empirical studies show that mentoring and incubation increase entrepreneurial survival rates and performance (McKenzie & Woodruff, 2014; Cho & Honorati, 2014). Recent meta analyses and studies have consistently found that post training support, especially mentorship, is a significant element in stimulating the growth and success of new business ventures. These studies reveal that coaching and mentoring can lead to increased profitability and better decision making for new entrepreneurs (Jayakumar, 2023; Patel & Wolfe, 2024).

H4: *Post Training Support positively influences Training Quality.*

2.2.2 Training Quality, Skills & Readiness, and Enterprise Potential

High quality training enhances both technical competence and entrepreneurial self efficacy. Meta analyses demonstrate that entrepreneurship education significantly improves self efficacy and intentions (Martin et al., 2013; Nabi et al., 2017). Newman et al. (2023) confirmed that program quality strongly predicts competence and confidence across higher education contexts. This is further supported by studies from 2023, which found a positive relationship between high quality training and employee performance, with work motivation acting as a key mediating factor (Garg & Khatik, 2023).

H5: Training Quality positively influences Skills & Readiness.

Entrepreneurial self efficacy is widely recognized as a robust antecedent of entrepreneurial intentions (Ajzen, 1991; Liñán & Chen, 2009). In India, studies show readiness is a strong predictor of self employment intention among graduates of skill programs (Jain & Agarwal, 2023). A recent study by Goyal, Mansi, and Pandey (2023) further confirms the significant and positive impact of self efficacy on entrepreneurial intentions among Indian students. Global studies echo this pattern (Newman et al., 2023; Al Qadasi et al., 2021). A Global Entrepreneurship Monitor (GEM) 2022/2023 India Report found that nearly 80% of respondents agreed they had the skills and experience to start their own business, but only 20% were expecting to start a new business in the next three years, indicating that high self efficacy does not always translate into intention (GEM, 2023). This demonstrates that readiness is a powerful differentiator in entrepreneurial aspiration. Supporting this, a NASSCOM Zinnov report revealed that 60% of tech startup founders reported increased revenue and profitability in 2023, often linked to their technical competence and self belief (NASSCOM Zinnov, 2023).

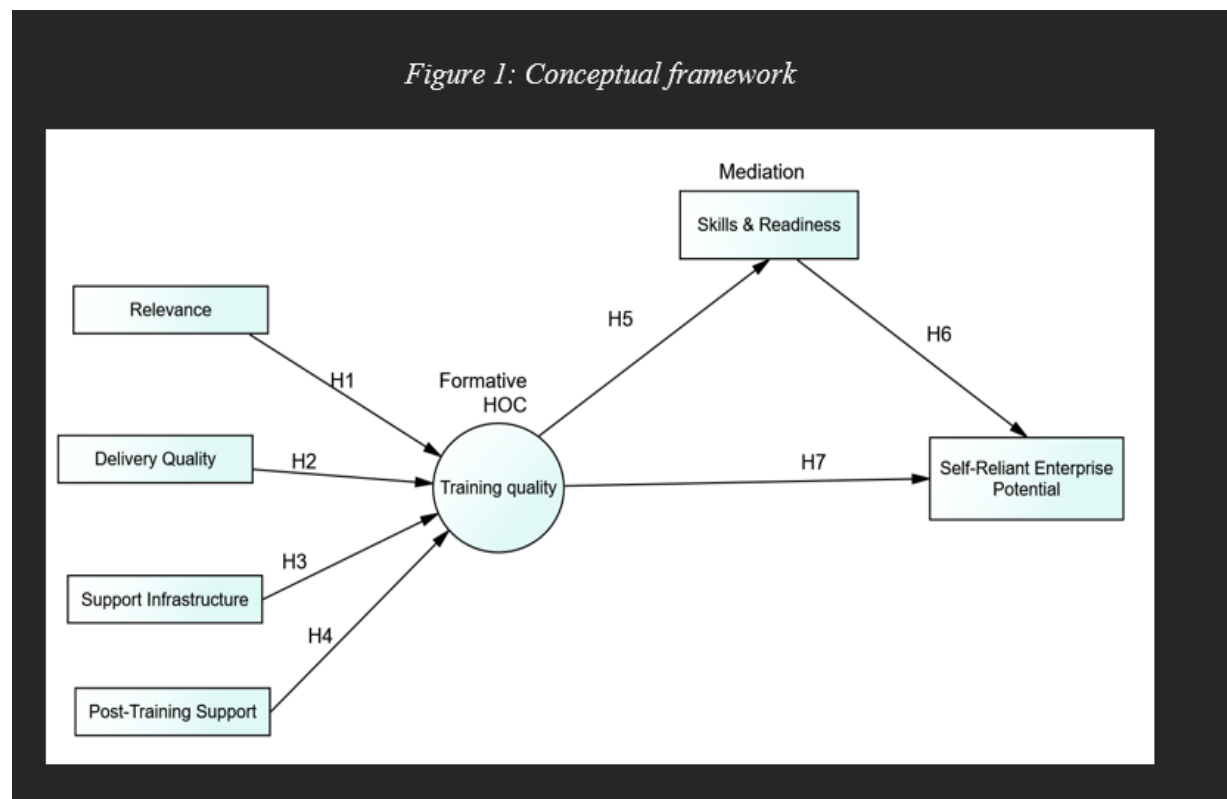
H6: Skills & Readiness positively influence Self Reliant Enterprise Potential.

The Mediation Path

The entrepreneurship education literature consistently highlights that self efficacy serves as a key mediating mechanism through which training influences entrepreneurial intention. Rather than operating in a direct, linear fashion, high quality training environments tend to foster competence and confidence, which in turn translate into stronger entrepreneurial aspirations (Nabi et al., 2017; Martin et al., 2013). The mediating role of this mechanism has been supported by empirical evidence from diverse settings. For instance, in Indonesia, entrepreneurial self efficacy was found to mediate education and intentions (Susanti et al., 2023) as well as in China, where a partial mediation was also confirmed (Zhou, & Cheng 2023). In India, Kaur and Sharma (2023) found that better training environment had a stronger impact on venture creation intentions through readiness, which implied an indirect, rather than a direct, transmission of knowledge effect.

This mechanism is also supported by industry and policy reports. One key insight from the World Economic Forum (2023) report in the future of jobs is that more than 85% of surveyed businesses see the implementation of new technologies and expanding digital capabilities as strategic to business transformation, demonstrating the direct causality of skill development on enterprise (World Economic Forum, 2023). Likewise, a Press Information Bureau (PIB) feature on PMKVY outcomes revealed that successful entrepreneurs consistently credited “a newfound belief in their ability to succeed” as the critical factor linking training to entrepreneurial action. Taken together these results corroborate that readiness and confidence are the primary mechanisms for the transfer of the quality of the training to the intention and the realization of a venture.

H7: Skills & Readiness mediate the relationship between Training Quality and Self Reliant Enterprise Potential.



3. Methodology

3.1 Research Design

This study used a quantitative, cross sectional survey design to examine how skills and readiness mediate the link between training quality and the self reliant enterprise potential of Indian youth. Since the model involved a higher order construct and had an exploratory focus, Partial Least Squares Structural Equation Modeling (PLS SEM) was chosen for analysis. PLS SEM is appropriate for complex models, relatively small samples, and data that may not follow a normal distribution (Hair et al., 2019).

3.2 Sample and Data Collection

The population comprised youth who had participated in Skill India and Pradhan Mantri Kaushal Vikas Yojana (PMKVY) training programs within the past two to three years. Using purposive sampling, 188 valid responses were obtained, meeting minimum sample size requirements for PLS SEM models with multiple constructs (Hair et al., 2019). Respondents included rural and urban regions, different education levels, and genders. Questionnaire Data were collected using a structured questionnaire that was both online and offline. A pilot study of 30 people was then carried out for questionnaire modification.

3.3 Measurement of Constructs

All constructs were adapted from validated scales and contextualized for the Indian training environment. Responses were measured on a seven point Likert scale (1 = strongly disagree, 5 = strongly agree).

Training Quality (Independent Variable): Conceptualized as a higher order construct with four sub dimensions: Relevance (Holton et al., 2000), Delivery Quality (Alvarez et al., 2004), Support Infrastructure (Rajeev et al., 2021), and Post Training Support (Nabi et al., 2017). Each was measured with two to three reflective items.

Skills and Readiness (Mediator): Based on Social Cognitive Theory (Bandura, 1986) and assessed using items adapted from entrepreneurial self efficacy and employability readiness scales (Chen et al., 1998; McGee et al., 2009).

Self Reliant Enterprise Potential (Dependent Variable): Derived from the Entrepreneurial Intention Scale (Liñán & Chen, 2009) and adapted to reflect self employment and job creation in India.

3.4 Data Analysis

Analysis was conducted using SmartPLS 4.0 following the two step procedure of Hair et al. (2019). First, the measurement model was examined for reliability and validity. Second, the structural model was evaluated for hypothesized relationships, including mediation. Mediation was tested via bootstrapping with 5000 resamples at a 95% confidence level. Model adequacy was judged using R^2 , f^2 , and Q^2 values.

4. Results

4.1 Sample Characteristics

The final sample consisted of 188 respondents from Skill India and PMKVY programs. Demographic details are summarized in **Table 1**. The results indicate balanced gender distribution, youth concentration in the 18–30 years group, and diverse representation in both rural and urban regions. Educational backgrounds ranged from secondary schooling to post graduate levels, ensuring variability across the sample.

Table 1: Demographic Profile of Respondents (N = 188)

Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	96	51.1
	Female	92	48.9
Age	18–24 years	82	43.6
	25–30 years	71	37.8
	Above 30 years	35	18.6
Education	Secondary	40	21.3
	Graduate	96	51.1
	Post graduate	52	27.6
Location	Rural	102	54.3
	Urban	86	45.7

Source: Survey Data (2025)

4.2 Measurement Model Assessment

All reflective indicators had outer loadings greater than 0.70, which supports the reliability of the indicators (Table 2). The VIFs were less than the threshold value of 5, so multicollinearity was not an issue. It can be inferred from this that each scale contributed uniquely and predictably to its construct.

The outcomes related to measurement model indicated all the constructs to be above recommended thresholds of reliability and validity. The α and $CR \geq 0.70$ for all constructs were used to demonstrate internal consistency. All item factor loading on the respective constructs exceeded the 0.70 threshold and AVE values for construct are over the minimum acceptable level of 0.50, as evidence of good convergent validity.

Table 2: Outer loadings and VIF values

	Loadings	VIF
DQ1	0.919	3.661
DQ2	0.915	3.947
DQ3	0.926	3.786
DQ4	0.918	3.277
PTS1	0.910	2.705
PTS2	0.882	2.956
PTS3	0.894	3.214
PTS4	0.906	3.200
RV1	0.887	4.488
RV2	0.927	3.980
RV3	0.906	4.217
RV4	0.937	4.610
RV5	0.927	3.661
SI1	0.951	3.459
SI2	0.947	4.496
SI3	0.959	4.038

Table 3: Constructs Reliability and Convergent Validity

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Self reliant enterprise Potential	0.946	0.947	0.959	0.823
Skills & Readiness	0.954	0.955	0.964	0.844
Training quality	0.948	0.951	0.954	0.567

Discriminant Validity: The Fornell Larcker criterion and the Heterotrait Monotrait (HTMT) ratio was used to demonstrate the discriminant validity of constructs. As presented in Table 2, the square root of the AVE of each

construct (values on the diagonal displayed in bold) was higher than the correlation of the constructs with each of the other constructs. Further, HTMT ratios (Table 3) of all were well below the conservative cut off of 0.85.

Table 4: Discriminant Validity (Fornell Larcker Criterion)

	Self Reliant Enterprise Potential	Skills & Readiness	Training quality
Self Reliant Enterprise Potential	0.907		
Skills & Readiness	0.770	0.918	
Training quality	0.663	0.667	0.753

Table 5: Heterotrait Monotrait Ratio (HTMT)

	Self Reliant Enterprise Potential	Skills & Readiness	Training quality
Self Reliant Enterprise Potential			
Skills & Readiness	0.809		
Training quality	0.702	0.698	

4.2 Formative Higher Order Construct Assessment

As the construct was treated as a formative higher order model, the influence of its four dimensions—Relevance, Delivery Quality, Support Infrastructure, and Post Training Support—was assessed before estimating the structural model. The results showed that each dimension made a significant and positive contribution (Table 6). Among these, Relevance emerged as the strongest predictor ($\beta = 0.407$, $t = 21.630$, $p < 0.05$), validating H1. Delivery Quality also had a substantial impact ($\beta = 0.319$, $t = 18.186$, $p < 0.05$), supporting H2. Support Infrastructure contributed meaningfully ($\beta = 0.209$, $t = 11.882$, $p < 0.05$), confirming H3, while Post Training Support demonstrated a positive effect as well ($\beta = 0.282$, $t = 14.282$, $p < 0.05$), providing evidence for H4. Together, these findings establish the construct as a composite framework, with each dimension playing a significant role in its overall development.

Table 6: Significance of Formative Model Components

Formative Indicator	β	t value	p value	Decision
Relevance	0.407	21.630	0.000	H1 accepted
Delivery Quality	0.319	18.186	0.000	H2 accepted
Support Infrastructure	0.209	11.882	0.000	H3 accepted
Post Training Support	0.282	14.282	0.000	H4 accepted

4.3 Structural Model Assessment

The model had good explanatory and predictive power (Table 8). Training Quality accounted for 63% of the variance in Skills & Readiness ($R^2 = 0.633$, $Q^2 = 0.372$), and Training Quality combined with Skills & Readiness explained 44% of the variance in Self Reliant Enterprise Potential ($R^2 = 0.444$, $Q^2 = 0.512$). All Q^2 values were above zero indicating the model to be highly predictive particularly on enterprise potential. These findings verify that the developed model is of significant explanation power and meaningful prediction accuracy.

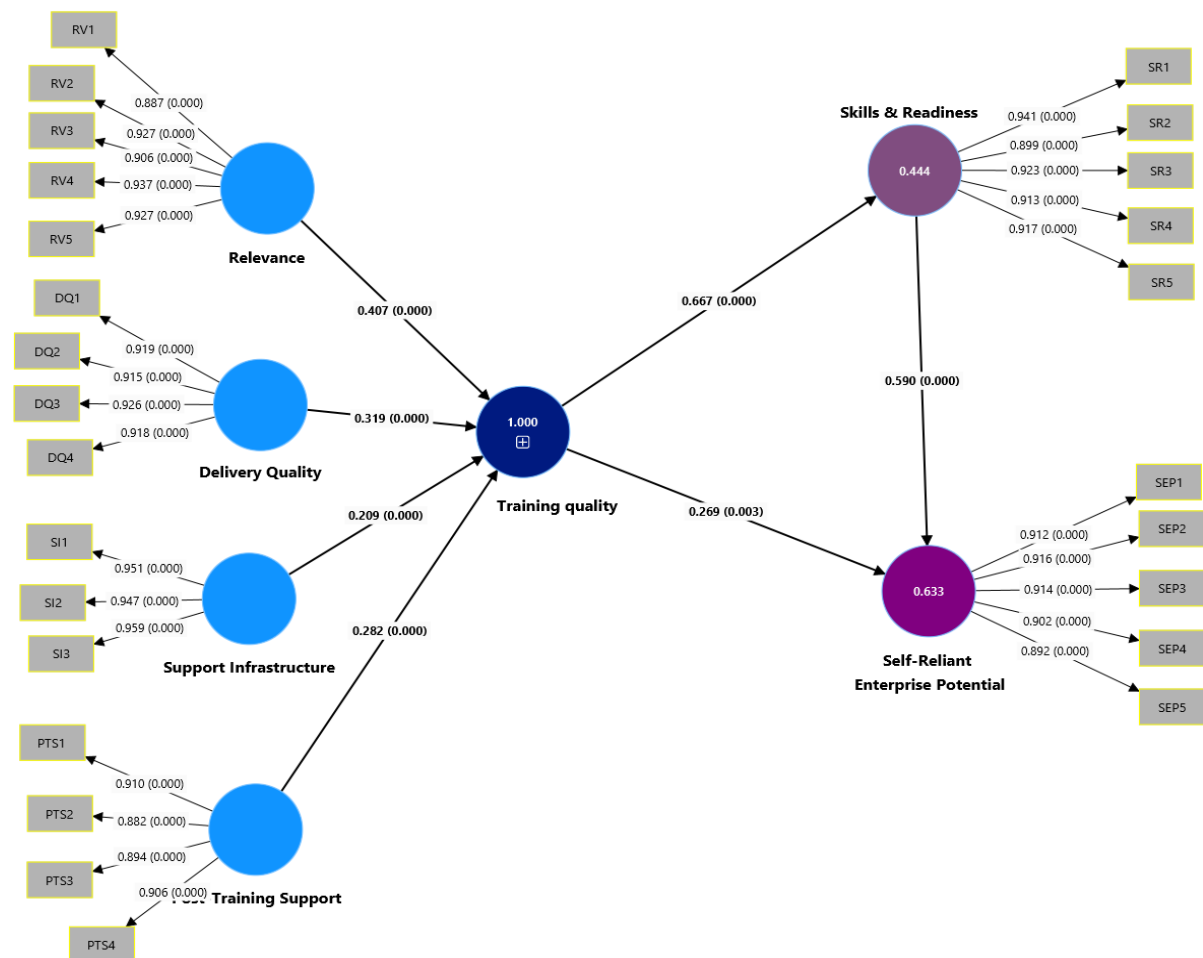


Figure 2: Structural model for Self Reliant Enterprise Potential

Table 7: Results for Hypothesis Testing (Direct Effects)

Influence path	(β)	t value	p value	Decision
Training Quality $\rightarrow$ Skills & Readiness	0.667	11.639	0.000	H5 Accepted
Skills & Readiness $\rightarrow$ Self Reliant Enterprise Potential	0.590	5.835	0.000	H6 Accepted
Training Quality $\rightarrow$ Self Reliant Enterprise Potential	0.269	2.945	0.003	

The structural model was identified to assess the proposed relations between Training Quality, Skills & Readiness, and Self Reliant Enterprise Potential. As presented in Table 7, the impact of Training Quality on Skills & Readiness (H5) was significantly positive ($\beta = 0.667$, $t = 11.639$, $p < 0.05$). This result underscores that youth

training programs, when designed intelligently, properly delivered, and backed by appropriate infrastructure and posttraining support, substantially amplify skills and preparedness of the youth towards entrepreneurship.

Further, Skills & Readiness was found to have a strong and significant impact on Self Reliant Enterprise Potential ($\beta = 0.590$, $t = 5.835$, $p < 0.05$), confirming H6. This suggests that youth who feel confident and capable as a result of quality training are more likely to pursue self reliant entrepreneurial ventures.

In addition, the direct path between Training Quality and Self Reliant Enterprise Potential was also significant ($\beta = 0.269$, $t = 2.945$, $p = 0.003$). This result indicates that beyond its indirect influence through Skills & Readiness, Training Quality has an independent and positive effect on enterprise potential. Collectively, these results demonstrate that Training Quality serves as a foundational driver, both directly and indirectly, in shaping entrepreneurial aspirations and self reliance among Indian youth.

Table 8: Model Fit and Predictive Power

Construct	R square	R square adjusted	Q square
Skills & Readiness	0.633	0.629	0.372
Self Reliant Enterprise Potential	0.444	0.441	0.512

4.4 Mediation Analysis

To test the mediating role of Skills & Readiness, a bootstrapping procedure with 5,000 resamples was conducted. The analysis revealed that the indirect effect of Training Quality on Self Reliant Enterprise Potential via Skills & Readiness was statistically significant ($\beta = 0.393$, $t = 5.632$, $p < 0.05$, CI [0.258, 0.532]) (Table 9). This confirms that H7 is supported. Importantly, since both the direct effect ($\beta = 0.269$, $p = 0.003$) and the indirect effect were significant, the mediation was established as partial.

This result suggests that Training Quality increases enterprise potential not only by providing specific opportunities and resources but also through boosting individuals' self confidence, skills and readiness for self reliant types of engagement. Accordingly, the mediating role of Skills & Readiness is empirically evident of its relevance as a crucial chain indirectly connecting training efforts to entrepreneurial results.

Table 9: Indirect Effects

Path	Indirect Effect (β)	T value	P value	95% Confidence Interval	Decision
Training Quality → Skills & Readiness → Self Reliant Enterprise Potential	0.393	5.632	0.000	[0.258, 0.532]	H7 accepted

5. Discussion

In this context, the present paper makes an empirical investigation as to how trainings are offered under national skill development programs contribute to form the level of entrepreneurial potential of Indian youth. This finding provides strong empirical support for treating Training Quality as a higher order construct in which its formative dimensions Relevance, Delivery quality, Support Infrastructure, and Post training support contribute significantly to its impact (Lamm et al., 2019; Rajeev & Jain, 2021).

Relevance was the most influential among these dimensions, indicating that content of the training being relevant to industry needs is the most critical determinant of the perceptions of youth about programme quality (OECD,

2022; Sharma & Mehta, 2023). This finding supports arguments that curriculums need to be “living” and co created with industry to remain relevant and useful in real world entrepreneurial situations (Holton, 2005).

The significant contribution of Delivery Quality underscores the importance of skilled trainers and effective pedagogy in enabling knowledge transfer and confidence building (Sharma & Gupta, 2022; Alvarez et al., 2004). Similarly, Support Infrastructure was shown to enhance perceived program quality, suggesting that modern, well equipped facilities are not just peripheral but central to skill formation (Verma & Kaur, 2023; World Bank, 2023). Post Training Support also contributes towards support, such as the transition from training to business setting, which demonstrates the utility of the capability approach in that enabling factors are as important as skills in the enterprise creation process (Sen 2000; Nabi et al. 2017).

The structural model findings confirm that Training Quality has a dual impact: a strong positive effect on Skills & Readiness and a direct effect on Self Reliant Enterprise Potential (Liñán & Chen, 2009; Martin et al., 2013). The mediation analysis adds depth by showing that Skills & Readiness partially mediates this relationship (Susanti et al., 2023; Zhou & Cheng, 2023). In practical terms, this means that while high quality training directly fosters entrepreneurial potential by providing exposure, networks, and resources, its impact is amplified when it simultaneously enhances the psychological and behavioral readiness of youth. The presence of partial rather than full mediation suggests that quality training has both intrinsic and instrumental value—its design and delivery shape readiness, while its direct ecosystem linkages contribute independently to enterprise potential.

This dual pathway finding validates Social Cognitive Theory, where mastery experiences build self efficacy (Bandura, 1986; Dwivedi et al., 2023), and aligns with the Theory of Planned Behavior, where readiness translates into intention and action (Ajzen, 1991; Goyal, Mansi, & Pandey, 2023). It also extends prior research by empirically demonstrating that in India’s policy driven context, youth entrepreneurship is not solely a function of technical skills but of holistic training ecosystems that combine competence, confidence, and continued support (Kaur & Sharma, 2023).

6. Managerial and Policy Implications

Based on the findings, several actionable recommendations can be offered to policymakers, training institutions, and ecosystem enablers to strengthen the outcomes of national skill development initiatives.

Prioritize Curriculum Relevance

As Relevance emerged as the strongest contributor to Training Quality, it is recommended that curriculum design be undertaken in close collaboration with industry experts, employers, and alumni. Such co creation ensures that the skills imparted are not only contemporary but also directly applicable in entrepreneurial contexts, thereby enhancing both readiness and market viability.

Invest in Trainer Development and Pedagogy

Since Delivery Quality was found to significantly influence Training Quality, it is advisable that training providers emphasize trainer certification, pedagogical upskilling, and exposure to entrepreneurial practices. A continuous professional development framework for trainers is suggested to maintain consistent delivery standards and enhance the confidence of trainees.

Strengthen Training Infrastructure

Given the role of Support Infrastructure, it is suggested that training centers be equipped with modern, industry standard facilities, reliable digital access, and collaborative workspaces. Such improvements are likely to enhance trainees’ perception of program value and directly build their preparedness to apply skills in real world entrepreneurial settings.

Institutionalize Post Training Support

Since Post Training Support was shown to contribute positively to Training Quality, it is recommended that structured mentorship, incubation support, and alumni tracking mechanisms be integrated into program design. This ongoing support is advisable for ensuring that acquired skills translate into sustained entrepreneurial ventures rather than fading after training completion.

Adopt Readiness Based Evaluation Metrics

As the mediation analysis highlighted the central role of Skills & Readiness, it is advisable that policymakers expand program evaluation metrics beyond placement and employment rates. It is suggested that indicators such as entrepreneurial confidence, opportunity recognition, and intention to create ventures be systematically tracked to capture the true impact of training.

Design Dual Pathway Interventions

The partial mediation finding indicates that Training Quality influences entrepreneurial potential both directly and indirectly. It is recommended that program design adopt a dual pathway approach: direct mechanisms such as networking, exposure visits, and access to funding, alongside indirect mechanisms like resilience building and self efficacy training. This balanced approach is advisable for maximizing both psychological readiness and structural opportunities for youth entrepreneurship.

7. Limitations and Future Research Directions

This study has made an important contribution to our understanding of how the quality of training impacts on entrepreneurial potential, yet it is not without limitations.

The first of these is that the study is cross sectional and therefore estimates at a point in time and is unable to capture changes through time. Future research should incorporate longitudinal designs to track the emergence of skills and readiness into entrepreneurship outcomes such as established businesses. Second, our sample consisted of adolescents attending a structured training course and may not include disadvantaged or marginalized people. Larger sampling of rural, urban, and social economic diversity is suggested to maximize generalizability and to examine for moderators (e.g., gender, context). Third, the broader contextual effects, including social capital, financing access, family support, and institutional context, were not taken into consideration by the model. It will make the study more complete on the potential of enterprise in India and may be included by further studies. Last, although Skills & Readiness was identified as a mediator, other pathways could be possible (e.g., entrepreneurial alertness, opportunity identification). These mechanisms should be explored and may be mentoring or incubation support played a moderating role in strengthen the training–entrepreneurship linkage.

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