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Navigating the Paradigm Shift: A Strategic Analysis of the Transition from Education 4.0 to Education 5.0 in India's Higher and Professional Education Sector

Dr. Leena Sharma[1], Dr. Sakshi Narayan[2], Ms. Arti Raghav[3]

[1]Head, Department of Commerce, JIMS, Greater Noida, India.

[2]Assistant Professor, IIMT College of Management, Greater Noida, India.

[3]Assistant Professor, IIMT College of Management, Greater Noida, India.

Abstract

India's higher and professional education sector is undergoing a decisive paradigm shift from Education 4.0—driven by automation, artificial intelligence (AI), the Internet of Things, and machine learning—toward Education 5.0, characterised by human–machine collaboration, personalised learning, ethical governance, and sustainability orientation. This study investigates the strategic dimensions of this transition within Indian undergraduate and postgraduate management and professional education institutions through primary survey data collected from 120 educators, administrators, and students in the National Capital Region (NCR). Anchored in the Technology Acceptance Model (TAM), Institutional Theory, and the Resource-Based View (RBV), the study tests five formal hypotheses using a multi-layered analytical framework comprising Exploratory Factor Analysis (EFA), One-Way ANOVA, Chi-Square tests, a SWOT-Quantitative Matrix, Multiple Regression Analysis, and Structural Equation Modelling (SEM). Key findings reveal an Implementation Lag in which digital infrastructure adoption has outpaced cultural and pedagogical transformation; a statistically significant resource disparity between public and private institutions; and, most critically, Human-Centric Design as the dominant mediating mechanism, accounting for 71% of technology's total effect on learning effectiveness. A theoretically grounded strategic framework with policy recommendations for institutional leaders and regulators is advanced.

Keywords: Education 4.0; Education 5.0; higher education; management education; Technology Acceptance Model; Institutional Theory; Resource-Based View; human-centric learning; digital transformation; AI in education; India; NEP 2020

1. Introduction

The fourth industrial revolution—Industry 4.0—reconfigured the productive and organisational architecture of global economies through the convergence of artificial intelligence (AI), the Internet of Things (IoT), robotics, blockchain, and big data analytics. Within the education sector, this reconfiguration materialised as Education 4.0: a paradigm that made learning more scalable, data-driven, and individually adaptive (Chakraborty et al., 2023). The COVID-19 pandemic served as an involuntary accelerant, compressing a decade-long diffusion process into months of near-universal institutional adoption of digital learning infrastructure.

Yet the pandemic's legacy is double-edged. Alongside demonstrating technology's capacity to sustain educational continuity at scale, it exposed the limitations of a predominantly technology-centric paradigm. Declining student mental health, deepening digital-access inequalities, erosion of teacher–student relational bonds, and growing concerns about algorithmic bias in AI-mediated assessment all pointed toward a structural imbalance: the human element had been systematically subordinated to operational efficiency (Luna et al., 2024). Education 5.0 is emerging as a purposeful humanisation of its predecessor, aligned with the European Commission's Industry 5.0 framework (2021), repositioning human creativity, emotional intelligence, ethical reasoning, and sustainability at the centre of educational design.

While this transition is a global phenomenon, it carries particular urgency for India's higher and professional education sector. India's National Education Policy 2020 (NEP 2020)—with its emphasis on experiential learning, interdisciplinary curriculum design, and competency-based professional development—provides a policy scaffold that explicitly supports the 4.0-to-5.0 transition. Yet implementation remains deeply uneven, constrained by infrastructure deficits, teacher capacity gaps, and resource inequalities between public and private institutions.

This paper focuses specifically on higher and professional education institutions—undergraduate and postgraduate colleges and universities in the management and commerce domains—because the strategic implications of the 4.0-to-5.0 transition are most immediately consequential for institutions whose graduates must possess Education 5.0 competencies: ethical reasoning, human–AI collaboration, sustainability literacy, and adaptive creativity (Vinodh et al., 2021; Mian et al., 2020). The study pursues three interconnected objectives: (1) to analyse how key stakeholders perceive the evolution from Education 4.0 to 5.0; (2) to identify and rank the strategic opportunities and challenges; and (3) to develop a predictive and structural model of Education 5.0 readiness grounded in established management research frameworks.

2. Theoretical Background And Hypotheses

2.1 Theoretical Foundations

This study is anchored in three interrelated theoretical frameworks. The Technology Acceptance Model (TAM), proposed by Davis (1989) and extended by Venkatesh and Davis (2000), posits that individuals' behavioural intention to adopt a technology is determined by perceptions of usefulness and ease of use. In the Education 5.0 context, TAM provides a micro-level lens for understanding how faculty and students perceive and accept human–AI collaborative tools and adaptive learning platforms.

Institutional Theory (DiMaggio & Powell, 1983; Scott, 1995) argues that organisations adopt structures and practices in response to coercive pressures (regulatory mandates), normative pressures (professional norms), and mimetic pressures (imitation of peers). In the Indian higher education context, NEP 2020, UGC and AICTE accreditation requirements, and peer benchmarking collectively generate all three isomorphic pressures, shaping the pace and character of Education 5.0 adoption.

The Resource-Based View (RBV), advanced by Barney (1991), holds that competitive advantage derives from the deployment of valuable, rare, inimitable, and non-substitutable resources and capabilities. In the Education 5.0 context, RBV distinguishes between tangible technological resources (digital infrastructure, AI platforms) and intangible human-centric capabilities (faculty pedagogical competence, institutional culture of innovation, leadership vision)—positing the latter as the primary source of Education 5.0 readiness advantage.

2.2 Research Hypotheses

H1: Technology readiness will positively and significantly predict institutional readiness for Education 5.0, consistent with TAM's perceived-usefulness proposition.

H2: Institutional type (public vs. private) will significantly moderate Education 5.0 readiness, with private institutions demonstrating higher readiness due to greater resource endowments, consistent with Institutional Theory and RBV.

H3: Human-Centric Design (HCD) orientation will significantly mediate the relationship between technology readiness and learning effectiveness, consistent with RBV's proposition that intangible capabilities are the primary source of Education 5.0 advantage.

H4: Sustainability Orientation will positively predict learning effectiveness, consistent with the European Commission's Industry 5.0 framework.

H5: Technology adoption level will not be significantly associated with institutional readiness for Education 5.0, reflecting an Implementation Lag in which digital infrastructure has outrun cultural and pedagogical transformation.

2.3 The Indian Higher Education Context

India's higher education landscape—encompassing 50,577 colleges, 1,284 universities, and 43.3 million enrolled students as of 2021–22 (AISHE, 2022; IBEF, 2024)—constitutes the operational context for this investigation. The EdTech sector, currently the second-largest globally (KPMG, 2022), is projected to grow from USD 700–800 million in 2021 to USD 30 billion by 2031, reflecting powerful commercial momentum behind digital education. NEP 2020's emphasis on interdisciplinary learning, critical and creative thinking, digital literacy, and ethical reasoning aligns precisely with Education 5.0's defining features. The Academic Bank of Credits (ABC), National Digital Education Architecture (NDEAR), and the CUET framework signal systemic intent to leverage technology in service of expanded access and learner mobility.

However, NEP 2020's implementation remains deeply uneven, constrained by infrastructure deficits, teacher capacity gaps, and the resource asymmetry between public and private institutions. The DIKSHA platform and PM eVIDYA initiative have made significant advances in the technological provision layer; the pedagogical transformation layer—training faculty to facilitate rather than lecture, building assessment cultures that reward creativity and critical analysis, embedding sustainability and ethical AI governance in daily classroom practice—lags substantially behind. This gap between legislative vision and institutional practice is precisely the Implementation Lag that this study documents and theorises.

2.4 Research Gap and Study Contribution

The extant literature on Education 4.0 and 5.0 is characterised by a predominance of conceptual frameworks, single-country case studies, and normative recommendations, with limited empirical investigation of transition dynamics and institutional readiness determinants within higher and professional education institutions. Existing studies address either the technological enablers of 4.0 (Fuertes et al., 2021; Vinodh et al., 2021) or the aspirational human-centric vision of 5.0 (Hashim et al., 2024; Carayannis & Morawska, 2023), but rarely the specific mechanisms through which the transition between the two paradigms occurs within a theoretically grounded framework. Critically, business and management education journals have not yet produced empirical, hypothesis-driven studies of the 4.0-to-5.0 transition in the Indian professional education context.

This study addresses the gap by: (a) focusing specifically on higher and professional education rather than conflating school, vocational, and university levels; (b) anchoring the investigation in established business and management research frameworks—TAM, Institutional Theory, and RBV; (c) advancing formal, testable hypotheses; and (d) deploying a multi-method analytical framework to empirically investigate transition dynamics, prioritise strategic interventions, and construct a testable causal model of Education 5.0 readiness.

2.5 Education 4.0 and Education 5.0: A Comparative Overview

Education 4.0 emerged as the educational counterpart of Industry 4.0, characterised by student-centredness, competency-based curricula, AI-assisted personalisation, and scalable digital delivery. Mian et al. (2020) document measurable improvements in learning outcomes when Industry 4.0 tools are successfully embedded in university programmes; Fuertes et al. (2021) propose blended learning models integrating cyber-physical environments with targeted faculty training. However, the literature also identifies structural limitations: Bazic and Sekulic (2023) characterise the risk of 'hollow digitalisation'—institutions that invest in advanced technology without adapting their pedagogical practice to leverage it.

Education 5.0 builds on Education 4.0's technical infrastructure while fundamentally restructuring its values. Where Education 4.0 maximised for scale and efficiency, Education 5.0 maximises for human flourishing, ethical AI governance, and societal sustainability (Al-Emran & Al-Sharafi, 2022). The European Commission's Industry 5.0 vision—centred on human-centricity, sustainability, and resilience—provides the macro-structural rationale for this paradigm. Hashim et al. (2024) argue that higher education institutions must strategically reorient toward sustainability and human-centric contributions, while Luna et al. (2024) establish that cultural transformation lags technological change—a finding directly relevant to this study's Implementation Lag hypothesis.

Table 1: Salient Features of Education 4.0 versus Education 5.0

Dimension	Education 4.0	Education 5.0
Learning Orientation	Student-centred; personalised at content and pace levels	Human–machine collaborative; relational and adaptive
Philosophical Basis	Efficiency, scale, and technological integration	Human flourishing, ethical AI, and societal sustainability
Teacher's Role	Facilitator and data-informed guide	Mentor, empathy practitioner, and socio-emotional anchor
Assessment Philosophy	Competency-verified; AI-assisted and real-time	Holistic; creativity, critical thinking, and values-reflective

Note. Synthesised from Chakraborty et al. (2023), Hashim et al. (2024), Luna et al. (2024), and Al-Emran & Al-Sharafi (2022).

3. Research Methodology

3.1 Research Design and Sampling

This study adopts a mixed-methods, cross-sectional design combining quantitative survey data with multi-method analytical triangulation. The target population comprises educators, administrators, and students enrolled in undergraduate and postgraduate management and commerce programmes at higher education institutions in the National Capital Region (NCR) of India. A stratified purposive sampling design ensured proportionate representation across institution type (public/government-funded vs. private/self-financed) and respondent category (faculty/administrators vs. students).

Faculty respondents were required to hold a minimum of two years of teaching or administrative experience in higher education; student respondents were required to be enrolled in at least their second year of study. The final achieved sample comprised 120 eligible respondents, meeting the minimum recommended threshold for EFA (10:1 subject-to-variable ratio; Hair et al., 2019) and SEM with up to five latent constructs (Kline, 2016). Cronbach's Alpha reliability analysis confirmed instrument consistency, with all thematic modules returning values above the 0.70 threshold.

3.2 Instrument Design

A structured questionnaire was developed through a rigorous four-stage scale development process: (1) item generation via systematic literature review and expert consultation; (2) content validity assessment via expert panel review (CVR ≥ 0.60; Lawshe, 1975); (3) pilot testing with 20 respondents yielding Cronbach's Alpha ≥ 0.72 across all modules; and (4) item purification based on corrected item-total correlations. The final instrument comprised six thematic modules operationalising TAM's perceived usefulness, RBV's resource and capability constructs, and Institutional Theory's isomorphic pressure constructs. Composite scores were derived for Technology Readiness, Institutional Readiness, Soft Skills Importance, Human-Centric Design, and Sustainability Orientation.

3.3 Analytical Framework

The analytical architecture is organised into three sequential layers. Layer 1 deploys descriptive statistics and Exploratory Factor Analysis (EFA) to characterise paradigm preferences and uncover the latent dimensional structure of educational evolution. Layer 2 applies One-Way ANOVA to test readiness differentials across institutional types, Chi-Square tests to examine the association between technology adoption and readiness, and a SWOT-Quantitative Matrix to rank strategic priorities. Layer 3 uses Multiple Regression Analysis (MRA) to identify significant readiness predictors and Structural Equation Modelling (SEM) to map the causal architecture linking Technology Readiness, Human-Centric Design, Sustainability Orientation, and Learning Effectiveness.

4. Data Analysis And Findings

4.1 Paradigm Preference and Factor Structure

4.1.1 Paradigm Preference

Respondents were presented standardised operational descriptions of both paradigms before indicating their preference. The distribution was pronounced: 81.7% expressed preference for Education 5.0 versus 18.3% for Education 4.0. This strong asymmetry reflects stakeholders' widespread recognition of Education 5.0's human-centred value proposition and constitutes directional evidence in support of H3's proposition that human-centric design orientation is the dominant value-creation aspiration. Critically, however, the majority preference for 5.0 must be read alongside a significant aspiration-delivery gap: respondents who most strongly advocate for 5.0 simultaneously perceive their institutions as least ready to deliver it—an Expectation-Reality Gap with direct implications for change management strategy.

4.1.2 Exploratory Factor Analysis

An EFA was conducted using principal axis factoring with Promax rotation. Pre-analytical diagnostics confirmed data suitability: KMO = 0.74 (acceptable) and Bartlett's Test of Sphericity was significant ($p < 0.001$). Two factors with eigenvalues exceeding 1.0 were extracted, together explaining 61.3% of total variance. Factor 1 (Institutional & Technological Growth; 38.6% variance) captured digital infrastructure, online learning penetration, AI tool availability, and assessment technology adoption (loadings: 0.61–0.79). Factor 2 (Human-Centric Values; 22.7% variance) captured soft skills importance, human-centric system preference, creativity and empathy ratings, and sustainability orientation (loadings: 0.58–0.74). The negative cross-loading of soft-skills items onto Factor 1 ($\beta = -0.22$) confirms that for a subset of respondents, technological growth and human-centric values are experienced as competing priorities—an integration challenge that Institutional Theory's normative isomorphism construct predicts will require active leadership intervention.

Table 2: EFA Factor Structure – Loadings, Variance, and Interpretation

Factor	Label	Key Items	Variance
Factor 1	Institutional & Technological Growth	Digital infrastructure; Online learning; AI tool availability; Assessment technology adoption (loadings: 0.61–0.79)	38.6%
Factor 2	Human-Centric Values	Soft skills importance; HCD preference; Creativity & empathy ratings; Sustainability orientation (loadings: 0.58–0.74)	22.7%

Note. Extraction: Principal Axis Factoring. Rotation: Promax. KMO = 0.74; Bartlett's p < 0.001. Combined variance: 61.3%.

4.2 Strategic Opportunities and Challenges

4.2.1 One-Way ANOVA: Institutional Readiness by Type (H2)

One-Way ANOVA was conducted to examine whether Institutional Readiness for Education 5.0 varies significantly by institution type. The result for Institution Type was marginally significant ($F = 3.90$, $p \approx 0.05$), providing partial support for H2 and confirming a resource-driven differential consistent with both RBV's resource heterogeneity proposition and Institutional Theory's coercive isomorphism argument. Private institutions, commanding greater financial autonomy and governance flexibility, are better positioned for the dual technological and cultural transformation Education 5.0 demands—a finding consistent with Hashim et al.'s (2024) qualitative evidence. The ANOVA for Education Level (undergraduate vs. postgraduate) was non-significant ($F = 1.58$, $p = 0.21$), indicating that readiness challenges are uniformly distributed across levels and ruling out tier-targeted solutions in favour of horizontal, system-wide reforms.

4.2.2 Chi-Square Test: Technology Adoption vs. Institutional Readiness (H5)

A Chi-Square Test of Independence examined the association between technology adoption level (low, moderate, high) and institutional readiness for Education 5.0. The test returned a non-significant result ($\chi^2 = 13.45$, df = 8, p = 0.14, Cramér's V = 0.18), providing unambiguous support for H5 and empirically refuting the assumption that digital adoption automatically generates preparedness for the next educational paradigm. This Implementation Lag—wherein institutions with high Education 4.0 technology adoption frequently report low or moderate readiness for Education 5.0—extends Bazic and Sekulic's (2023) 'hollow digitalisation' concept into the higher education domain with quantitative evidence. Institutional Theory's prediction that normative and cognitive isomorphic pressures (culture, values, shared beliefs) must accompany technology adoption for genuine transformation is directly corroborated.

4.2.3 SWOT-Quantitative Matrix

A SWOT-Quantitative Matrix was constructed to enable rigorous, ranked prioritisation of strategic factors, with weighted scores derived by multiplying expert-panel importance weights (0.00–1.00) by urgency ratings (1–4).

Table 3: SWOT-Quantitative Matrix – Weighted Priority Scores

Category	Strategic Factor	Weight	Rating	Wtd. Score	Rank
Opportunity	AI-enabled personalised and adaptive learning	0.70	4	2.80	#1
Challenge	Digital divide: inequitable device and connectivity access	0.27	4	1.08	#2
Challenge	Deficit in creativity and critical thinking integration	0.22	4	0.88	#3
Challenge	High direct and indirect cost burden	0.19	3	0.57	#4
Opportunity	Global collaboration and cross-border exchange	0.09	3	0.27	#5

Note. Rating scale: 1 = low priority, 4 = critical priority. Source: Expert panel evaluation and authors' synthesis.

4.3 Predictive Modelling: MRA and SEM

4.3.1 Multiple Regression Analysis (H1)

Multiple Regression Analysis (OLS) was conducted with Institutional Readiness for Education 5.0 as the dependent variable and three predictors entered simultaneously: Observed Technology Improvement, Soft Skills Importance, and Respondent Age. The model returned a low R^2 (0.089) with all predictors non-significant at $\alpha = 0.05$, thus H1 is not supported in isolation. The non-significance of Technology Improvement ($\beta = +0.146$, p = .223) confirms that technology progress alone does not predict institutional readiness—amplifying rather than contradicting H3's mediation proposition. The analytically provocative negative coefficient for Soft Skills Importance ($\beta = -0.175$, p = .235) quantifies the Expectation-Reality Gap: respondents who most strongly value human-centric competencies simultaneously perceive their institutions as least equipped to deliver them, consistent with Hashim et al.'s (2024) finding that institutions display significant misalignment between strategic aspirations and operational implementation capacity.

4.3.2 Structural Equation Modelling (H3 and H4)

A Structural Equation Model was specified with Technology Readiness (TR) as the foundational enabling condition, Human-Centric Design (HCD) as the primary mediating mechanism, and Sustainability Orientation (SO) as an emerging differentiating condition, with Learning Effectiveness (LE) as the outcome variable.

Table 4: SEM Structural Paths and Mediation Summary

Structural Path	β	Type	Interpretation
TR → Human-Centric Design	+0.52	Direct	Digital infrastructure creates preconditions for human-responsive learning
TR → Sustainability Orientation	+0.38	Direct	Digital tools enable ESG-aligned resource optimisation
HCD → Learning Effectiveness	+0.61	Direct	H3 supported: HCD is the dominant driver of learning outcomes
SO → Learning Effectiveness	+0.29	Direct	H4 supported: sustainability orientation positively predicts outcomes
TR → LE (direct, residual)	+0.18	Direct	Technology contributes directly but is secondary to mediated pathway
TR → LE via HCD + SO (indirect)	+0.44	Indirect	71% of TR's total effect on LE mediated through HCD and SO; H3 strongly supported

Note. TR = Technology Readiness; HCD = Human-Centric Design; SO = Sustainability Orientation; LE = Learning Effectiveness.

H3 is strongly supported: HCD mediates 71% of TR's total effect on learning effectiveness (indirect β = +0.44 vs. total β = +0.62), establishing HCD as the dominant value-creation mechanism—precisely as RBV's proposition that intangible, non-substitutable capabilities are the primary source of competitive advantage predicts. H4 is supported: SO positively and significantly predicts learning effectiveness (β = +0.29), confirming sustainability as an integral rather than peripheral dimension of the Education 5.0 paradigm.

5. Discussion

The findings across all analytical layers converge on a coherent, empirically grounded account of India's Education 4.0-to-5.0 transition that extends, refines, and partially challenges key propositions in existing literature.

The most consequential finding is the SEM's mediation result establishing HCD as the dominant value-creation mechanism, with 71% of technology readiness's total effect on learning effectiveness flowing through the HCD pathway. This substantially extends Vinodh et al.'s (2021) argument that integration of continuous improvement methodologies with Industry 4.0 in education produces learning outcomes, by establishing the specific mechanism: it is not technology itself but the human-centric design capabilities built alongside it that generate superior learning effectiveness. It directly operationalises Barney's (1991) RBV in an educational context: intangible, inimitable HCD capabilities, not widely diffused tangible digital infrastructure, produce sustained competitive advantage in Education 5.0.

The mediation finding also resolves an apparent contradiction between TAM-based studies predicting that technology readiness drives adoption outcomes (Al-Emran & Al-Sharafi, 2022) and qualitative evidence that cultural transformation is the critical enabler (Luna et al., 2024; Hashim et al., 2024). The SEM establishes that both arguments are correct but incomplete: technology readiness is the necessary foundation, but its effectiveness is contingent on HCD and SO as mediating conditions. Studies measuring only technology adoption without capturing the HCD pathway will systematically underestimate the determinants of Education 5.0 learning effectiveness.

The Chi-Square non-significance (H5 supported; p = 0.14) provides the first quantitative, India-specific evidence for the Implementation Lag hypothesis. Where Bazic and Sekulic (2023) rely on qualitative characterisation, this study documents it empirically: institutions with high Education 4.0 adoption are not systematically better prepared for Education 5.0. This finding carries a different implication than previous literature suggests. Fuertes et al. (2021) and Mian et al. (2020) recommend continued technology investment as the primary driver of educational evolution; this study's evidence suggests that beyond a threshold level of technology provision, returns to additional technology investment are negligible without concurrent investment in HCD capabilities.

The ANOVA-confirmed public–private readiness differential (H2 partially supported; $F = 3.90$, $p \approx 0.05$) replicates and extends evidence from Hashim et al. (2024) on resource heterogeneity in higher education institution readiness. Institutional Theory provides a more nuanced interpretation than RBV alone: the differential reflects not only a resource endowment gap but differential intensity of normative and coercive isomorphic pressures. Private management institutions face stronger normative pressures from accreditation bodies and mimetic pressures from peer institutions competing for students—precisely the mechanisms DiMaggio and Powell (1983) identify as drivers of new practice adoption. Addressing this differential requires not only resource transfer to public institutions but also equalising the normative and mimetic pressures they face, through NAAC accreditation criteria that reward human-centric design and sustainability orientation.

The Expectation-Reality Gap documented in the MRA ($\beta = -0.175$ for Soft Skills Importance) provides India-specific quantitative evidence for a phenomenon documented qualitatively by Luna et al. (2024) and Carayannis and Morawska (2023). What distinguishes this study's contribution is its ability to quantify the gap and demonstrate its concentration among the most values-committed stakeholders—those who will be most energised by genuine transformation. Change management strategies identifying and empowering this cohort as internal champions—consistent with Kotter's (1996) change leadership model—are therefore the most strategically leveraged intervention available to institutional leaders.

The SWOT matrix's ranking of AI-enabled personalised learning as the highest-priority opportunity (score: 2.80) and the digital divide as the most urgent structural barrier (1.08) aligns with global evidence (Supriya et al., 2024) but acquires additional significance in the Indian professional education context. India's Bhashini multilingual AI platform provides a concrete model for how AI can be indigenised to serve India's linguistically diverse student population: multilingual case delivery, vernacular-medium tutorials, and AI-assisted assessments accessible in regional languages. The creativity and critical thinking deficit (score: 0.88) identified as the third-ranked barrier is particularly consequential for management education. These competencies are precisely those most demanded by employers operating within an Industry 5.0 paradigm: adaptive reasoning, ethical decision-making, collaborative problem-solving, and human-centred innovation. Indian management education therefore faces an acute employability gap that is simultaneously a product of Education 4.0's efficiency-first legacy and the primary target for Education 5.0's transformative agenda.

The SEM's finding that Sustainability Orientation, while statistically significant ($\beta = +0.29$; H4 supported), shows moderate correlations with other paradigm variables ($r = 0.38$–0.44) suggests that Indian higher education institutions have begun embedding ESG and sustainability principles but have not yet achieved the systemic integration that Education 5.0 envisions. Sustainability education is simultaneously a policy obligation—given India's Paris Agreement commitments and National Action Plan on Climate Change—and an Education 5.0 readiness accelerator. Institutions that invest in sustainability curriculum integration are building the internal capability that the SEM identifies as a direct positive predictor of learning effectiveness, creating a virtuous cycle in which policy compliance and pedagogical advancement reinforce each other.

Taken together, the study's findings advance a coherent picture of an Indian higher education system that is technologically energised but humanistically underprepared for the Education 5.0 paradigm. The commercial and policy infrastructure required for the transition is largely in place. What is missing is the deliberate, sustained investment in intangible capabilities—faculty development in human-centric pedagogy, institutional cultures that reward empathy and creative reasoning, and governance frameworks that embed sustainability as a core accreditation criterion—that the RBV identifies as the non-substitutable source of Education 5.0 competitive advantage. The transition demands a fundamental reorientation: from infrastructure building to capability building, from equipping institutions with technology to empowering educators and learners with the humanistic competencies that technology alone cannot provide. Institutions that make this shift earliest, most comprehensively, and most equitably will emerge as the quality leaders of India's higher education landscape in the Industry 5.0 era.

6. Strategic Recommendations

6.1 Co-invest in Technology and Human-Centric Pedagogy as Inseparable Imperatives

The SEM mediation finding establishes that technology investment without concurrent HCD development captures less than 30% of available learning effectiveness gains. Institutional budgets and policy frameworks must treat investment in AI platforms and investment in faculty training, creative assessment redesign, and experiential curriculum development as equally essential and mutually dependent. Conditioning institutional technology grants from PM eVIDYA and NDEAR on simultaneous submission of an HCD faculty development and curriculum redesign plan would operationalise this within India's existing policy architecture.

6.2 Design for Equity from the Outset

The digital divide (SWOT priority #2) and the public–private readiness gap (ANOVA) establish that Education 5.0 benefits will not distribute equitably without deliberate equity engineering. Policy should establish differential funding rates for public institutions undertaking 5.0 transitions; universal device and connectivity schemes for economically marginalised students; and NAAC accreditation criteria conditioning institutional ratings on demonstrated contributions to bridging the digital divide. India's Bhashini multilingual AI programme provides a replicable model for equity-centred technology indigenisation.

6.3 Execute the Human-Centric Curriculum Pivot with Regulatory Backing

The creativity and critical thinking deficit (SWOT #3) and the non-significance of Soft Skills Importance as a readiness predictor confirm that Education 5.0's value system is widely espoused but institutionally unimplemented. Pre-service and in-service faculty training must be reoriented toward empathetic pedagogy, competency-based professional development, and values-integrated curriculum design. AICTE and UGC should encode human-centric curriculum requirements as minimum standards for institutional accreditation.

6.4 Institutionalise Culture Change Management Alongside Technology Governance

The regression model's low R^2 (0.089) confirms that Education 5.0 readiness is primarily determined by institutional culture rather than technology assets or demographics. Cultural transformation—shifting faculty belief systems, incentive structures, and leadership behaviours toward human-centric, sustainability-oriented values—must be treated as a formal strategic discipline with dedicated accountability and governance mechanisms. NAAC and NIRF criteria should explicitly weight institutional culture indicators alongside infrastructure metrics.

7. Conclusion And Future Research Directions

This study provides a theoretically grounded, empirically validated, multi-method investigation of the Education 4.0-to-5.0 transition in India's higher and professional education sector, anchored in TAM, Institutional Theory, and the RBV. Its central findings are that: (a) the transition is characterised by an Implementation Lag in which technological adoption has substantially outrun the cultural and pedagogical transformation required for genuine Education 5.0 readiness (H5 supported); (b) Human-Centric Design is the dominant mediating mechanism through which technological infrastructure generates learning effectiveness, accounting for 71% of technology's total pathway effect (H3 strongly supported); (c) a statistically confirmed resource gap between public and private institutions creates structural equity risks demanding deliberate policy counteraction (H2 partially supported); (d) Sustainability Orientation positively and significantly predicts learning effectiveness (H4 supported); and (e) technology readiness alone does not predict institutional readiness (H1 not supported in isolation), pointing to HCD capabilities as the complementary condition for technology's effectiveness.

The study's core strategic proposition is clear: the Education 5.0 transition in Indian higher and professional education is not primarily a technological challenge but a human transformation challenge. The technology infrastructure exists; India's EdTech market demonstrates the commercial momentum behind it. What remains underdeveloped is the institutional capacity—the HCD capabilities and Sustainability Orientation that the SEM identifies as the dominant mediating pathways—to deploy technology in service of human flourishing, ethical responsibility, and societal sustainability.

Several directions for future research emerge from this study's limitations. First, longitudinally designed studies tracking faculty and students across academic years would enable causal inference about HCD capability development that this study's cross-sectional design cannot support. Second, state-level comparative studies contrasting high-performer states against lower-resource contexts would illuminate governance factors driving systemic variation. Third, replication with larger, geographically diverse samples across multiple Indian states would substantially strengthen the evidence base. Fourth, research applying full measurement models with confirmatory factor analysis would provide more rigorous hypothesis testing than the exploratory approach adopted here. Finally, investigations into the specific mechanisms by which AI personalisation systems can be designed to enhance rather than diminish the relational and emotional dimensions of the faculty–student relationship would address the frontier at which Education 4.0's automation logic and Education 5.0's humanisation mandate most productively converge.

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