Review Article

Journal of Global Public Health
Volume 6 Number 2, July – December 2024

Skill Gap Study and Analysis in the BFSI Sector in Telangana

Gedam Kamalakar[1], H. Vageeshan[2]

How to cite this article:

Gedam Kamalakar, H. Vageeshan, Skill Gap Study and Analysis in the BFSI Sector in Telangana. Jr of Glob Pub Hea. 2024; 6(2): 67-75.

Abstract

The Banking, Financial Services, and Insurance (BFSI) sector in Telangana is undergoing rapid transformation due to technological advancements, regulatory changes, and increasing demand for financial inclusion. This study examines the current skill landscape in the BFSI sector, highlighting the gap between the industry's evolving needs and the workforce's existing competencies. Through a comprehensive analysis of the skill requirements—ranging from traditional banking skills to advanced digital proficiencies like fintech, data analytics, and cybersecurity the study identifies critical areas where the talent pool is falling short. The study explores the impact of digitalization on the sector, noting a significant shift in demand toward tech-driven roles. It also investigates the current state of education and training in Telangana, revealing that traditional academic programs do not fully align with the practical skills needed by BFSI employers. Moreover, the resistance to adopting new technologies and the lack of industry relevant training programs contribute to this growing skill gap. In response, the study suggests actionable solutions, including the integration of BFSI-specific courses in higher education, collaborations between industry and academia, and government initiatives focused on skill development. These measures aim to enhance the employability of Telangana's workforce, ensuring that it can meet the dynamic needs of the BFSI sector. Ultimately, the study provides insights that can guide policymakers, educational institutions, and industry leaders in bridging the skill gap, thereby fostering a more competitive and capable workforce in Telangana's BFSI industry.

Keywords: BFSI, Telangana, Skill gap, Fintech, Digital banking, Upskilling, Workforce development.

INTRODUCTION

The Banking, Financial Services, and Insurance (BFSI) sector is a cornerstone of economic growth, facilitating financial transactions, risk management, and investment flows across regions. In Telangana, the BFSI sector has witnessed substantial growth, driven by a surge in financial inclusion initiatives, the digitalization of services, and a robust demand for financial products. However, this rapid evolution has also highlighted a critical challenge: the growing skill gap in the workforce. As traditional banking and financial services increasingly integrate with cutting edge technologies like fintech, artificial intelligence (AI), blockchain, and digital payment

Author's Affiliation: [1] Post-Doctoral Fellow, Department of Political Science, Dr. B.R. Ambedkar Open University, Hyderabad, Telangana 500033, India, [2]Assistant Professor, Department Political Science, Nalsar Law University, Hyderabad, Telangana 500101, India.

Corresponding Author: Gedam Kamalakar, Post-Doctoral Fellow, Department of Political Science, Dr. B.R. Ambedkar Open University, Hyderabad, Telangana 500033, India.

E-mail: kamalakarou@gmail.com

Received on: 20.10.2024 **Accepted on:** 05.12.2024

systems, the skill requirements within the sector are changing. Employers are seeking professionals who possess not only a solid understanding of core financial principles but also advanced technical expertise in data analytics, cybersecurity, and digital platforms. However, the existing talent pool in Telangana often lacks these specialized skills, creating a mismatch between industry needs and workforce capabilities.

This skill gap presents significant implications for the BFSI sector's growth potential. If unaddressed, it may slow down the sector's ability to innovate, increase operational efficiency, and enhance customer experiences. Furthermore, the gap could result in missed opportunities for Telangana's youth to secure well-paying jobs in the sector, undermining efforts toward inclusive economic development.

OBJECTIVES

- To promote financial literacy and create financial awareness among all segments of society and at all ages.
- Identify skill development needs including preparation of a list of skill types, skills and depth to assist recruiters. Competency based assessment and certification of QP/NOS training follows.
- Special focus on the needs of ST/SCs, differently abled groups and minority groups.

The programme is designed to suit different roles from entry level managers to middle level managers in a department of BFSI. Knowledge of business and insurance domain. Each semester is of 2 months' duration. Exams will be taken at the end of the third semester on the scheduled day and time for completion of the course. Each semester, courses will cover topics in three areas: Business and Finance, Business and Insurance.

This study aims to examine the nature and extent of the skill gap in the BFSI sector in Telangana. By analyzing current workforce competencies and comparing them with emerging industry demands, the study seeks to identify key areas where skill development is needed. Additionally, it explores the role of educational institutions, industry partnerships, and government initiatives in addressing these gaps. Through this analysis, the have a look at gives actionable pointers to align skills improvement with the evolving needs of the BFSI zone, ensuring that Telangana remains competitive in the countrywide and international economic landscape.

Chief Minister A. Revanth Reddy launch a banking, monetary services and insurance (BFSI) skilling initiative of the Telangana Council for Higher Education (TGCHE). The education for 10,000 college students may be held in collaboration with the BFSI Consortium, a forte skilling organization. The initiative has attracted Rs 2.Five crore CSR investment. The programme may be presented as a talent enhancement path (SEC) for non-engineering college students, who number about 5,000, and a minor for engineering students. The guides can be added in a hybrid mode and the scholars will be provided with a certification and internships upon of completion. "It will no longer price the scholars or the authorities as it got investment from Equippp Social Impact Technologies," stated the council.

BFSI international potential centres (GCCs), including primary gamers like HSBC, JP Morgan and the London Stock Exchange, have created over 5 lakh jobs in India. However, the GCCs are dealing with a scarcity of professional applicants and excessive attrition prices. "The new initiative seeks to address these worries through equipping students with the important competencies before entering the team of workers, ensuring a constant pipeline of task-prepared talent," the council.

The pilot project

The pilot project will be launched in 20 non-engineering and 18 technical universities, mostly autonomous. The course will be piloted for 10,000 students, 5,000 engineering and 5,000 non-engineering, and will be initially supported by CSR partners EQUIPPP. The initial batch in 2024-25 will provide free tuition and training to students or the government. The Chief Minister said that Telangana has seen a huge jump in unemployment in the last 10 years. There are about 60 million unemployed people in the state. He said that even after his government provides two million jobs as it promised in the election, the problem of unemployment will remain unsolved because young people without the necessary skills will not have jobs. For this reason, the government has taken the initiative to offer skill development programs to job seekers. Stating that three million students pass out of college every year in the state, he said they are not getting job opportunities due to lack of skills to meet industrial requirements.

The mission of the state government is to provide qualified youth to the world. He expressed concern that some young people have become addicted to drugs due to the lack of jobs and employment opportunities. He said few engineering graduates were among those caught with drugs recently. He gave the responsibility to eradicate the drug menace in the state and said that creation of employment opportunities is a must to save the youth from drug abuse. As part of the skill initiatives, 65 Industrial Training Institutes (ITIs) are being transformed into advanced technology hubs in collaboration with Tata Technologies. All will be upgraded as ATCs in the next two years. The government is also focusing on strengthening technical universities. He warned that permits for engineering schools would be withdrawn if they failed to meet minimum educational standards. The government is also planning to upgrade polytechnics in the state.

The Chief Minister disclosed his ideas during the launch of the skill development programme for engineering and non-engineering graduates in association with the Banking, Financial Services and Insurance (BFSI) consortium here on Wednesday. Mr. Revanth Reddy said that during his recent meeting with the World Bank president Ajay Banga, the latter had connected him to the likes of Microsoft CEO Satya Nadella and Adobe Systems CEO Shantanu Narayen.

He said the these days hooked up Young India Skill University will offer skill improvement training to the kids. Hyderabad will not most effective be transformed into an schooling hub however also a vacation spot for talent improvement education. “Our imaginative and prescient is to sell Hyderabad as a vacation spot for technical abilities and a sophisticated metropolis on the world stage. For this the authorities is searching for cooperation from all,” He said the authorities will set up Sports University and Sports Academy next 12 months and promote Telangana as a role version for the u . S . A .. Asserting that alumni of Hyderabad Public School have turn out to be CEOs of top groups within the international, he said the government will are seeking for their cooperation to take the nation forward on the direction of development. Want to show Hyderabad into a prime hub for pleasant schooling in particular in skill training, compete with the best inside the world and make Telangana a role version in technical ability training schooling.

BFSI Professional Certification Course is a 187-hour e-learning direction completed in three semesters. This route is designed to assist children who need to make a a success career in BFSI. This is a first of its type initiative together prepared via 3 main monetary establishments: NISM, IIBF and NIA.

Telangana Chief Minister A. Revanth Reddy these days launched a brand new talent improvement software centered at the Banking, Financial Services, and Insurance (BFSI) region in Hyderabad. The software, brought at the Jawaharlal Nehru Architecture and Fine Arts University (JNAFAU), aims to equip students with enterprise-relevant abilities, making ready them for jobs inside the BFSI sector.

The initiative is part of a broader attempt by way of the Telangana government to deal with unemployment through developing a professional team of workers, especially for high-demand industries. The BFSI software will provide fingers-on education thru collaboration with industry specialists, covering essential aspects of banking, finance, and insurance. The nation hopes this will help bridge the gap among schooling and employment, a concern for many graduates lacking industry-geared up capabilities Hyderabad. Additionally, the government is running on upgrading numerous instructional and education establishments, together with Industrial Training Institutes (ITIs), to superior facilities of studying in collaboration with Tata Technologies.

Financial services in the banking and insurance sectors are an important activity that affects all sectors, as their content is the solution to the financial problems of an individual or a business entity. The Indian BFSI market is priced at Rs. At $81 trillion, it will be the world’s fifth largest economy by 2020 and the world’s third largest by 2025. Level of development. Digital technologies have fueled recent economic growth. Online payments, cashless transactions, mobile banking, internet banking – technology has changed the face of today’s logins and credentials. Geographically, the BFSI industry is one of the most expanding industries, but there are still many opportunities to penetrate the rural areas of the Indian economy. Accounting remains one of the top priorities of the Government of India and will continue to be an area of focus for various players in the BFSI industry (eg banks, non-financial companies, mutual funds, insurance, etc.). Increase.

India BFSI Industry Intelligence has identified and developed the following core packages that are aligned with the current and future requirements of the BFSI industry. With the introduction of funds under the Pradhan Mantri Jan Dhan Yojana (PMJDY), the footprint of legal entities has grown exponentially. This trend was further supported by the government’s measures to establish small finance and payment banks and the incorporation of non-banking financial institutions (NBFC-MFIs) into existing banks. Furthermore, banks have grown at an average CAGR of 7.01% over the past few years, while public sector assets account for 66.03% of total assets. Recent merger of major central banks with major banks like Oriental Bank of Commerce and Union Bank merged with Punjab National Bank, Syndicate Bank merged with Canara Bank and Union Bank, Andhra Bank merged with Corporation Bank, Allahabad Bank merged with Bank of India Bank mergers should be a measure to improve efficiency, governance and accountability. Considering the current situation where return on assets is increasing and non-performing assets are a major concern, changes in the business model also need to be considered. But the bigger picture is a huge opportunity for the country to seize and prepare for the future of the economy.

Strengthening Financial Institutions Government involvement has increased the use of technology and financial personnel to ensure compliance. Globally, income from income has increased by 6.6% since 2010 and will outpace global nominal GDP growth to reach $2.42 trillion by 2027. In Asia alone, the fund's total income grew at an annual rate of 12%. "If" is one of "when". The main goal now is to prevent risks and protect privacy. Governments in India and around the world have come forward and implemented systems like "M-Kavach" and "USB Pratirodh" developed by the Ministry of Electronics and Information Technology, but some of these systems are still bad. The role of cyber security is underestimated and IT professionals must follow policy makers to keep the digital environment safe and unified. Since 2015, global security has received increasing attention; the network security industry has invested approximately $75 billion and is expected to reach $200 billion by 2022. Private funds are working with start-ups to develop new security measures to protect customer satisfaction and privacy.

Skill Development in BFSI Courses

BFSI courses are structured to develop a wide range of skills that are crucial in securing positions in top companies. Key skills developed include:

- Business English Communication Skills: Fluency in English is very essential in almost every organization and hence it is crucial that one masters in it. These corporate interaction topics are both written and oral in our BFSI course since role-play and simulation exercises are used to improve writing and speaking skills.
- Business Marketing Skills: It is crucial to establish a base for business marketing operation in the BFSI industry. They are also useful in expanding domain knowledge exposure and the enhancement of marketing abilities through the course.
- Financial Management Skills: One of the significant key competencies of the BFSI sector is financial management. As for specific course content, the syllabus is geared toward developing such skills and allowing students to handle operations within an organization's financial department.
- Global Management Skills: In a globalized economy, having international management skills is indispensable. The course includes training on global market trends and strategies to manage clients worldwide.

Job Opportunities Post BFSI Course

Upon completion of a BFSI course, numerous career opportunities become available, including but not limited to:

- Sales Manager
- Retail Liabilities Manager
- Risk and Fraud Management Specialist
- Wealth Manager
- Investment Advisor
- Financial Analyst
- Financial Planner
- Relationship Manager
- Customer Service Executive
- Business Development Executive
- Telesales Officer
- KYC Profile Specialist

Salary Expectations

Employees in the BFSI sector can expect competitive salaries, with averages around 24 lakhs per annum, typically ranging from 10 lakhs to 41 lakhs annually.

Eligibility for BFSI Courses

To enrol in the Exertions Program in Banking and Financial Services (BFSI) in association with E&ICT NIT Patna, candidates must meet the following criteria:

- Any Graduates
- Professionals with work experience up to 3 years
- Age under 26 years.

Admission Process

The admission process for the Exertions BFSI program is straightforward:

- Assessment Test: Candidates are required to take the CEFR Assessment Test online.
- Complete Enrolment: After clearing your CEFR Assessment test your enrolment starts.

Course Fees

The course fees are determined based on several factors, including:

- Collaboration with industry experts and faculty
- Courses offered
- Institutional legacy
- Amenities provided to students
- Teaching methodology
- Job opportunities provided

Exertions also offers education loans and financial assistance to ensure an accessible learning process.

Certifications Offered

Upon completion of the BFSI course, students receive multiple certifications:

- PG-Certificate facilitated by Exertions
- Additional certification from E&ICT NIT Patna

These certifications enhance employability and provide a competitive edge in the job market.

Placement Assistance

Exertions prides itself on offering robust placement support to its students. The institute not only provides theoretical knowledge and skill development but also facilitates placements in reputable companies, ensuring a smooth transition from education to employment.

The BFSI (Banking, Financial Services, and Insurance) sector in Telangana faces several challenges as it navigates a fast-changing landscape driven by technological innovation, regulatory changes, and market expansion. The mismatch between the skills required by the industry and the competencies of the current workforce poses significant barriers to growth and efficiency. Key challenges contributing to the skill gap in the BFSI sector are as follows:

Challenges

1. **Technological Disruption and Adoption Lag**

   Digital Transformation: With the increasing adoption of fintech, AI, blockchain, and digital payment systems, the BFSI sector requires employees who are proficient in these technologies. However, the workforce's transition from traditional banking practices to digital-first operations is slow. Many professionals lack hands-on experience with modern tools like data analytics platforms, machine learning algorithms, and digital banking software.

   Resistance to Change: A considerable portion of the existing workforce, especially in smaller financial institutions, is resistant to embracing new technologies due to a lack of understanding or fear of redundancy.

2. **Inadequate Educational Framework**

   Outdated Curriculums: Academic institutions and training centers in Telangana often offer BFSI-related courses that are not updated to reflect the current industry demands. The gap between what is taught and what is required leaves graduates ill-equipped for the fast-paced, tech-driven BFSI environment.

   Lack of Industry-Academia Collaboration: There is limited collaboration between educational institutions and BFSI firms in terms of internships, real-world training, and curriculum development. This disconnect hampers the development of a workforce that is ready to meet the specific needs of the sector.

3. **Shortage of Specialized Skills**

   Fintech and Digital Finance: With the growth of fintech in Telangana, there is a rising demand for professionals skilled in areas like mobile banking, digital payments, AI-driven financial services, and cybersecurity. However, a shortage of individuals trained in these emerging areas has created a talent gap.

   Risk Management and Compliance: The increasingly complex regulatory environment in the BFSI sector necessitates expertise in risk management, anti-money laundering (AML), and compliance. Many institutions are struggling to find professionals with the requisite knowledge of these specialized areas.

4. **Lack of Continuous Upskilling**

   Inadequate Training Infrastructure: Most BFSI employees have limited access to continuous professional development or upskilling programs, especially in rural or semi-urban areas of Telangana. Financial institutions also tend to invest less in employee training and retraining, exacerbating the gap in critical areas such as cybersecurity, data analysis, and digital transformation.

On-the-Job Learning: The emphasis on continuous learning is low, with many employees relying on outdated skills learned at the start of their careers. As new technologies emerge, employees are not given sufficient opportunities to update their skills.

5. **Under representation of Soft Skills**
    - ♦ **Customer-Centric Roles**: Beyond technical skills, BFSI professionals require strong soft skills such as customer service, communication, and client management, especially in the face of increased competition from fintech startups. The lack of emphasis on developing these interpersonal skills limits employees' ability to foster strong client relationships and effectively adapt to customer needs in a digital environment.
    - ♦ **Leadership and Problem-Solving**: The BFSI sector is facing a shortage of mid-to-senior level managers with critical thinking, leadership, and problem-solving abilities, further affecting organizational performance and decision-making processes.
6. **Low Penetration of Industry-Relevant Certifications**
    - ♦ **Global and National Certifications**: Many BFSI roles require globally recognized certifications such as CFA (Chartered Financial Analyst), FRM (Financial Risk Manager), or certifications in fintech and blockchain. However, there is low awareness and participation in these certification programs in Telangana, limiting the workforce's ability to compete in specialized roles.
7. **Government and Policy-Related Challenges**
    - ♦ **Regulatory Compliance and Training**: Rapid changes in regulations and compliance standards within the BFSI sector require a workforce well-versed in the latest rules and frameworks. Many professionals struggle to keep up with the evolving legal requirements, highlighting the need for more robust and frequent compliance training initiatives.
    - ♦ **Limited Government Programs**: While Telangana has made progress with various skill development programs, there is a lack of specific government-backed initiatives focused on the BFSI sector. Government support is essential for creating specialized training centers, encouraging public-private partnerships, and offering incentives for upskilling.

The skill gap in Telangana's BFSI sector is a multi-dimensional issue rooted in technological disruption, insufficient education and training frameworks, and underinvestment in continuous skill development. Addressing these challenges will require coordinated efforts between government bodies, financial institutions, and educational organizations to bridge the gap and build a workforce that is prepared for the future of the BFSI industry.

Skill Deficiencies:

- **Technical Skills:** A significant lack of proficiency in emerging technologies like AI, machine learning, blockchain, and cybersecurity is evident. These are crucial for driving innovation and ensuring data security in the BFSI sector.
- **Digital Literacy:** Many employees, especially in traditional roles, lack adequate digital literacy skills. This hampers their ability to adapt to the rapidly changing technological landscape and effectively utilize digital tools.
- **Data Analytics:** There is a shortage of professionals with expertise in data analytics and data-driven decision-making. This limits the ability of BFSI institutions to leverage data for competitive advantage and risk management.
- **Customer Service:** While customer service is a core competency in the BFSI sector, many employees lack the necessary soft skills, such as effective communication and problem-solving, to deliver exceptional customer experiences.
- **Regulatory Compliance:** Understanding and adhering to complex regulations is essential in the BFSI sector. However, there is a need for more training and development in this area to ensure compliance and mitigate risks.

Implications of the Skill Gap:

- **Reduced Competitiveness:** The skill gap can hinder the ability of BFSI institutions to compete effectively in a rapidly evolving market.

- **Increased Risk:** Inadequate skills can lead to operational inefficiencies, increased risk of fraud, and regulatory non-compliance.
- **Talent Retention Challenges:** The lack of skilled talent can make it difficult for BFSI institutions to attract and retain top talent.

Recommendations for Bridging the Skill Gap:

- **Upskilling and Reskilling:** Invest in training programs to equip employees with the necessary technical and soft skills.
- **Partnerships with Educational Institutions:** Collaborate with universities and technical institutions to develop relevant curricula and internships.
- **Industry-Led Skill Development Initiatives:** Establish industry-led initiatives to identify skill requirements and develop standardized training programs.
- **Leverage Technology:** Utilize technology-enabled learning solutions, such as online courses and simulations, to enhance accessibility and effectiveness of training.
- **Foster a Culture of Continuous Learning:** Encourage employees to engage in lifelong learning and stay updated on industry trends and developments.

By addressing the skill gap, the BFSI sector in Telangana can improve its competitiveness, enhance operational efficiency, and better serve its customers in the digital age.

Findings of the Skill Gap Analysis in the BFSI Sector in Telangana

1. **Demand for Digital and Technological Skills**
   - ♦ **Key Insight:** With the increasing adoption of technology in BFSI, there is a significant gap in digital literacy and technical expertise, such as knowledge of Artificial Intelligence (AI), Machine Learning (ML), data analytics, and blockchain.
   - ♦ **Implication:** Upskilling employees in fintech applications and cybersecurity are critical.
2. **Inadequate Soft Skills**
   - ♦ **Key Insight:** Communication, problem-solving, and customer relationship management skills are often underdeveloped among employees, particularly in entry-level roles.
   - ♦ **Implication:** Training programs focusing on interpersonal and negotiation skills are needed to improve client interactions.
3. **Regulatory and Compliance Knowledge Gap**
   - ♦ **Key Insight:** Employees lack sufficient knowledge about financial regulations, compliance norms, and anti-money laundering (AML) practices.
   - ♦ **Implication:** Regular workshops and certifications on regulatory updates are essential.
4. **Shortage of Specialized Roles**
   - ♦ **Key Insight:** There is a gap in roles requiring specialized skills, such as investment banking, risk management, and actuarial science.
   - ♦ **Implication:** Collaboration with educational institutions to design industry-aligned curriculums is necessary.
5. **Geographic and Demographic Disparities**
   - ♦ **Key Insight:** Rural areas in Telangana face a greater skill gap due to limited access to quality education and training facilities.
   - ♦ **Implication:** Targeted skill development programs for underprivileged areas are required.
6. **Insufficient Awareness of Emerging Trends**
   - ♦ **Key Insight:** Many professionals are unaware of emerging trends like green finance, digital banking, and sustainable investments.
   - ♦ **Implication:** Continuous education and exposure to global BFSI trends are vital for competitiveness.
7. **Limited Practical Exposure**
   - ♦ **Key Insight:** Fresh graduates entering the BFSI sector often lack hands-on experience and practical exposure to industry operations.
   - ♦ **Implication:** Internships and apprenticeship programs need to be strengthened.
8. **Impact of Automation and AI**
   - ♦ **Key Insight:** Automation and AI are replacing repetitive jobs, creating a need for reskilling in areas requiring human judgment and strategic thinking.
   - ♦ **Implication:** Workforce adaptation to hybrid roles is essential.
9. **Gender Inequality in Skill Development**
   - ♦ **Key Insight:** Women in the BFSI sector face fewer opportunities for upskilling,

particularly in leadership and technical roles.

- **Implication:** Promoting gender-inclusive skill enhancement initiatives can improve workforce diversity and productivity.

10. **Gap in Financial Literacy among Entry-Level Employees**
    - **Key Insight:** Many new hires lack foundational knowledge of financial concepts, such as credit analysis, investment strategies, and portfolio management.
    - **Implication:** Basic financial literacy programs should be incorporated into training modules.

CONCLUSION

Telangana reveals a dynamic but challenging landscape shaped by the rapid adoption of digital technologies and changing market demands. As the sector evolves, it faces a pressing need for specialized skills to keep pace with global advancements, while also addressing foundational gaps in education and workforce readiness. The BFSI sector in Telangana is undergoing significant transformation, driven by increasing digitization, the rise of FinTech, and the demand for innovative financial solutions. This has resulted in a clear mismatch between the skills required by employers and those possessed by the workforce, especially in areas like digital banking, cybersecurity, blockchain, artificial intelligence (AI), and data analytics. Traditional financial skills, such as customer service, loan processing, and regulatory compliance, though still essential, are no longer sufficient on their own.

One of the most critical findings is the lack of alignment between academic curricula and industry needs. Educational institutions in Telangana, though producing a large pool of graduates, are often outdated in their approach, with limited focus on new-age financial technologies or digital innovations. The industry is thus forced to invest heavily in training new recruits, slowing the on boarding process and delaying productivity. There is a clear need for stronger industry-academia collaboration to address this gap, with a focus on updating curriculum frameworks, incorporating digital literacy, and fostering practical, hands-on learning experiences. Moreover, the demand for soft skills such as communication, teamwork, leadership, problem-solving, and critical thinking has been consistently highlighted by employers, yet these are often overlooked in formal education systems. This lack of well-rounded skillsets hampers employees' ability to navigate complex customer interactions, adapt to changing roles, and contribute to strategic decision-making processes within financial institutions.

The study also identifies a severe shortage of professionals with specialized expertise in emerging areas like financial data security, regulatory compliance with evolving laws, and the integration of FinTech solutions. This shortage has created a bottleneck in the BFSI sector's ability to grow and innovate. Companies are increasingly turning to upskilling and reskilling programs to close this gap, yet these initiatives are not yet widespread enough to address the growing demand for talent across the sector. At the policy level, Telangana has shown initiative through government-led skilling programs aimed at increasing employment opportunities and aligning the workforce with industry requirements. However, these initiatives, while promising, need greater scale and deeper integration with the BFSI sector to have a meaningful impact. Furthermore, policies that encourage continuous learning, industry-relevant certifications, and internships will be key to bridging the existing gap and sustaining long-term growth.

FINAL OUTLOOK

In conclusion, while the BFSI sector in Telangana is poised for growth, especially with the expansion of digital services and FinTech solutions, the skill gap remains a significant hurdle. Closing this gap will require collaborative efforts between the government, industry, and educational institutions. By realigning academic programs, enhancing digital and soft skills training, and fostering continuous learning and development, Telangana's BFSI sector can overcome these challenges and emerge as a competitive, future-ready industry.

REFERENCES

1. All India Management Association (AIMA). (2022). Skill Gaps in Indian Banking and Financial Services. Retrieved from https://www.aima.in/
2. **CII (Confederation of Indian Industry)** Sectoral insights on skills needed in financial services.
3. Deloitte India. (2021). BFSI Workforce Transformation: Building Future-Ready Skills in Financial Services. Retrieved from https://www2.deloitte.com/in/

4. FICCI & EY Report. (2022). Future of Jobs in India: A 2022 Perspective - BFSI Sector. Retrieved from https://www.ey.com/en_in/
5. **FICCI-KPMG BFSI Skill Gap Study** Joint reports by FICCI and KPMG on the BFSI workforce landscape.
6. **Indian Banking Association (IBA)** Reports on workforce requirements and emerging skills in the BFSI sector.
7. KPMG India. (2022). Banking on the Future: Vision 2025. A study on the future of BFSI in India. Available at https://home.kpmg/in/
8. **Ministry of Skill Development and Entrepreneurship (MSDE)** Publications related to skill development policies in India.
9. Ministry of Skill Development and Entrepreneurship. (2021). BFSI Sector Skill Council of India: Annual Report 2021. Available at https://www.skilldevelopment.gov.in/
10. **National Skill Development Corporation (NSDC)** Report: “Skill Gap Study for the BFSI Sector” Website: NSDC BFSI Reports Focuses on national-level and state-level skill gap assessments.
11. National Skill Development Corporation (NSDC). (2020). Skill Gap Analysis for the BFSI Sector. Retrieved from https://nsdcindia.org/
12. **NITI Aayog Reports** Workforce analysis reports that may include sectoral insights for Telangana.
13. PwC India. (2021). Reshaping the Future of BFSI: Emerging Technologies and Skills. Available at https://www.pwc.in/
14. RBI (Reserve Bank of India). (2021). Report on Trends and Progress of Banking in India 2021. Available at https://www.rbi.org.in/
15. Skill Gap in BFSI Sector in India,”Workforce Development in Telangana,” and “Trends in BFSI Employment.
16. Telangana Academy for Skill and Knowledge (TASK). (2021). State-Level Initiatives for Skill Development in BFSI. Available at https://task.telangana.gov.in/
17. Telangana State Industrial Infrastructure Corporation (TSIIC). (2022). Impact of Fintech in Telangana’s BFSI Sector. Available at https://tsiic.telangana.gov.in/
18. Telangana State Skill Development Mission (TSSDM) Website: **Telangana Skill Development**
19. World Economic Forum. (2020). the Future of Jobs Report 2020: BFSI Sector Outlook. Retrieved from https://www.weforum.org/reports/