

Building the Irreplaceable Workforce: A Design Thinking Framework for Sustainable Employability in the Age of AI

Jyoti Dewan

Jaipuria Institute of Management, Lucknow, jyoti.dewan@jaipuria.ac.in
Orcid id:0009-0006-8325-1682

Abstract: AI is hollowing out entry-level work faster than management, engineering, and professional degree programmes are adapting to it. Graduates leave campuses with technical qualifications but without the confidence to translate them into a durable career path. This paper argues that Design Thinking builds exactly the capabilities AI cannot replicate and employers increasingly demand - across MBA, engineering, and professional curricula alike. It traces a pathway from Design Thinking intervention through three mediating skills - empathy and listening, iterative thinking, and creative confidence - to two job-readiness competencies: workplace adaptation and communication, which together produce sustainable employability. The paper's core contribution is conceptual: a framework integrating Sustainable Employability Theory with the Capability Approach, explaining how Design Thinking closes the graduate capability gap that technical training alone leaves open. For institutions and policymakers — particularly in India — it makes the case for embedding Design Thinking as core pedagogy across professional education, with NEP 2020 supplying the policy architecture to act on it now. As automation accelerates and entry-level roles shrink, the real question facing graduates is no longer what they know, but whether they hold the human capabilities that make them impossible to replace.

Keywords: Design Thinking, Sustainable Employability, Capability Approach, Workforce Readiness, AI-Driven Automation, NEP 2020

1. INTRODUCTION

Globally, in current times, young people have a higher propensity to attend school/ training, however the returns to education have progressively decreased, impacted by slow progression of economies. Consequently, the proportion of youth in occupations not in-line with their final degrees has increased over the years, leading to coining of term ‘*overeducation*’.

According to International Labour Organization (August, 2024) young adults in under-developed and developing nations are thrice as likely to find insecure jobs when compared to their counterparts in high income countries. Despite the coinage of terms such as ‘overeducation’ approximately 48% of youth feel underprepared to apply for entry-level positions. It is estimated that 56% graduates’ rate themselves deficient in job-specific skills (Cengage Group Report, 2025). The share of young people who find jobs in their field has reduced by 11% from 2024 to 2025. Post decades of research and deliberations employers and educators still disagree on skill prioritization for entry-level graduates. Furthermore, inculcation of job-specific skills poses another challenge as they vary from sector to sector. There appears to be an ever-widening chasm between education and employment, and the young job seeker is found to be trapped in this crosshair.

Its worthy of note that entry-level professionals are underprepared for work despite formal qualifications. This paper argues to position Design Thinking as a response to this gap. It is proposed that exposure to Design Thinking (DT) concepts, process and techniques (from empathize to prototyping and testing) may support in making the youth more receptive and adaptive to their environment thereby enhancing their employability quotient and the capability to join and sustain jobs.



To propose a workable solution, the next section explores a conceptual understanding of employability and unravelling the underlying tensions that influence graduate outcomes.

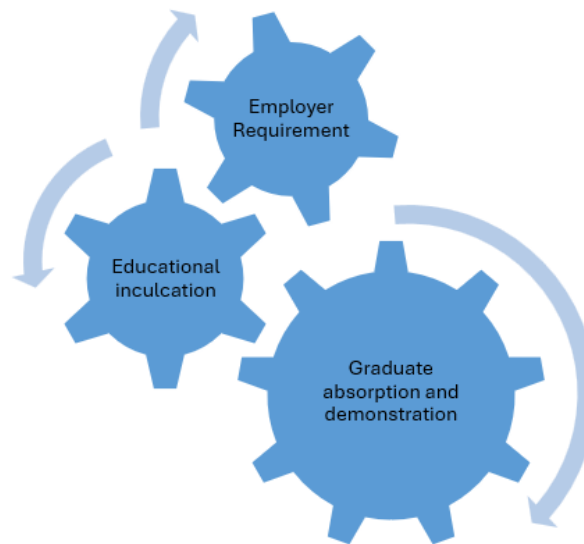
2.EMPLOYABILITY DEFINED

Employability is often described as a set of accomplishments encompassing ‘*skills, understandings and personal attributes*’- that enhance employability prospects of professionals to be employed in the sector of choice (Yorke and Knight, 2006). Thus providing multi-pronged benefits to the graduates, along with the workforce, community and the economy.

Hillage and Pollard (1998) define employability as capability to navigate self-sufficiently in the labour market to materialize potential and the ability to maintain sustainable employment. Essentially employability focusses on not only ‘*gaining initial employment*’ but being able to ‘*maintain employment*’ and when required ‘*obtain new employment*’.

Hesketh (2000) highlights that employers consistently express discontentment regards the quality of available graduates. Comparatively less discussed is the dis-satisfaction of graduates with their preparedness level for the corporate world. This dissonance between what employers ideally require of graduates joining the workforce (demand) and what educational institutions can provide (supply) remains an oft debated theme dominating discussions. Figure 1- ‘Employability Skills: An Evolving Pathway’ presents a visualization of required outcome developed by collaboration between employer, educational institutions and graduates.

FIGURE 1
EMPLOYABILITY SKILLS: AN EVOLVING PATHWAY



(Author’s own creation)

Considering the above discussions, it maybe pertinent to conclude that employability is a complex construct. It calls for an amalgamation of individualistic qualities, value system, understanding capacity, skills and the ability to learn from one’s experiences. Additionally, there is a requirement to appreciate the context and the requirements of a particular field/ area of work. One needs to possess the knack to operate in complex and ambiguous situations. An individual who works equally effectively on unfamiliar problems in unfamiliar contexts and familiar problems in familiar contexts, is defined as the ‘capable person’ Stephenson (1998).

McQuaid and Lindsay's (2005) describe employability as a complex, holistic interaction between worker traits or supply-side factors, employer needs or demand-side factors along with contextual circumstances. They subsequently amalgamate the framework with individual factors with personal circumstances and external environment. Resultantly, a skills focussed model is necessary but not sufficient.

International Labour Organization's (2025) observes that in 2024, the global unemployability rate remained steady at 5%. In spite of this, unemployment rates for youth remained high at 12.6 percent. This does not seem to be abating with low-income countries bearing greater brunt of the situation.

The demand side of the picture demonstrates a '*global skill gap*', a huge challenge for employers with about 75% struggling to find appropriate talent. Projecting this to 2030, while factoring in the rapid technological integration and demographic shifts it is possible that almost 39% of core worker skills will either transform or will become obsolete (WEF- Future of Jobs Report- 2025).

Another factor that compounds the challenge at hand is the observation by Acemoglu and Restrepo (2024) which states that- progressive integration of new technology expands the work executable by capital or automation, thereby creating a reduction in the value addition by labour. This results in depressing the overall status of wages and employment. As AI continues to eliminate entry-level routine tasks, WEF Report (2025) illustrates that 40% employers are expected to make a reduction in their workforce. Therefore, while AI is projected to add 11 million jobs, it will also displace about 9 million workers.

The projected impact of this roll-out will be that as with a reduction in entry-level roles, the expectations around salary will also change for the worse, with new hires expected to perform supportive roles to AI with lower compensation. A recent survey found that 49% of US Gen Z job aspirants think that AI has reduced the value of their college education in the job market. Also, in search of cheaper manpower, US firms are simultaneously outsourcing business operation to India to take benefit of skilled workforce available at significantly lower costs.

With reference to India Mercer-Mettl (2025) state that in 2024 there was a decline of employable graduates to 42.6 percent. This figure stood at 44.3 percent in 2023. This highlights the widening gap between what employer's need and the skills graduates have. This is particularly glaring for non-technical abilities such as communication, problem-solving, and creativity. Economic Survey 2024-25 finding reveal that India is a classic illustration of 'overeducation' where 53% graduates and 36% postgraduate students are employed at levels below their educational degrees.

Summing up the deliberations it may be concluded that it's not a knowledge gap but a capability gap. Graduates may possess the knowledge but are not proficient in application in circumstances that may be uncertain, ambiguous or collaborative. Herein it may be asserted that the process, techniques and the approach of Design thinking, which practice based methodology act as a bridge to develop this capacity in entry-level graduates. The next section defines Design Thinking and explores its applicability to enhance graduate employability (Figure 2).

3. DESIGN THINKING AS A PEDAGOGICAL PRACTICE

Design Thinking (DT), as delineated by Brown (2008), CEO and president IDEO, is a method of meeting '*needs and desires of people*' in a '*strategically viable and technologically feasible manner*'. A Design Thinker's personality profile includes – among others, a propensity towards empathy, integrative thinking, optimism, experimentalism and collaboration.

Razzouk and Shute's 2012 paper illumines DT as a '*process of analysis and creativity*' where individuals '*experiment, prototype, work on getting feedback, and iterate*'. The authors argue and assert that this mindset is vital for developing modern problem-solving skills, preparing students for real-world complexities, and building creative confidence. They further elaborate that design thinking is not merely '*an artistic pursuit, but a disciplined, iterative approach used to solve complex, ill-defined problems*'. The Design Thinking culture labels these ill-defined problems as '*wicked problems*' and sets about unfazed, to finding viable resolution for them. Key insights from the study highlights that Design Thinking is process oriented and the 'ask' is to have cycles of problem analysis before synthesizing solutions and evaluating results. The area asserts that while the 'expert' will spend more time in problem analysis and solution generation the novice is quick to reach an often-suboptimal solution. A noteworthy contribution of the paper is the proposition Design Thinking develops 'educational impact' by assisting in cultivation of critical skills like visualization, collaboration and environmental adaptation. It is observed that by integrating these DT strategies into curricula, educators can wean students away from rote memorization and help transform them into active knowledge seekers and creators.

Leidtka (2015) notes that Design Thinking is rarely connected to academic literature on individual cognition and decision-making. He advocates the practice of Design Thinking as having valuable potential for improving innovation and boosting individual creative confidence by diminishing cognitive biases. This has been as presented in Table 1.

TABLE 1
DESIGN THINKING: A TOOL TO OVERCOME COGNITIVE BIAS

Cognitive Bias	Context	Impact	How Design Thinking Overcomes It
1. Projection Bias	Issues of projecting past into the future	Prevents the generation of new and innovative ideas	The Ideate stage enforces divergent thinking through structured brainstorming, deliberately separating past experience from future possibility
2. Egocentric Empathy Gap	Projecting self-preferences on others	Limits value-creating ideas	The Empathise stage requires direct user research and observation, replacing self-assumption with evidence from real stakeholders
3. Focussing Illusion	Giving too much importance to certain aspects	Unable to create broad range of solutions and ideas	The Define stage reframes the problem using a How Might We statement, deliberately broadening the solution space beyond the initial focal point
4. Hot/Cold Gap	One's status impacts the assessment of future status	Unbalanced outcomes	Prototype and Test stages expose assumptions to real user feedback, grounding assessment in observed reality rather than emotional state
5. Say/Do Gap	The lack of ability to illustrate self-preferences	Unable to clearly state future needs and wants	The Empathise stage uses observation and contextual inquiry alongside interviews, capturing actual behaviour rather than relying on self-report
6. Planning Fallacy	Being overly positive	Siding with non-innovative ideas	The iterative-test stage introduces structured failure and revision cycles, tempering optimism with evidence from repeated low-fidelity prototypes
7. Hypothesis Confirmation Bias	Reaching an advance conclusion	Unable to incorporate data findings	The Define stage requires synthesis of all Empathise findings before conclusions are drawn, forcing openness to disconfirming evidence
8. Endowment Effect	Being partial towards the first solution	Limiting the solution set	The Ideate stage mandates generation of multiple solutions before evaluation begins, preventing premature attachment to any single idea
9. Availability Bias	Preferring to side with what may be easily imagined	Low importance to innovation	The Empathise stage surfaces unfamiliar user contexts and needs, expanding the reference set beyond what is immediately retrievable from memory

Adapted by author from Liedtka 2015

DT is essentially a structured cognitive intervention that systematically addresses the biases that make conventional professional thinking fall short. The Design Thinking approach aids individuals in overcoming a variety of cognitive bias leading to better understanding of the situation, improved communication and enhanced workplace adaptability.

It is important to highlight employability in the context of the ‘Capability approach’, pioneered by Nobel Laureate-Amartya Sen which was later adapted into education by social justice scholar Melanie Walker. This shifts the focus from ‘income generation’ to helping individuals achieve ‘real freedom’. This approach evaluates human development and well-being basis what they are able to ‘do’ and ‘be’.

Forrier et al. (2018) in their paper discuss the concept of ‘Sustainable employability’ which refers to a worker’s capability to remain gainfully employed and be effective in the entire working life. Hence employability skills must balance continuous career development and adaptability alongside personal well-being in addition to maintaining long-term health and motivation (Gürbüz et al. 2023).

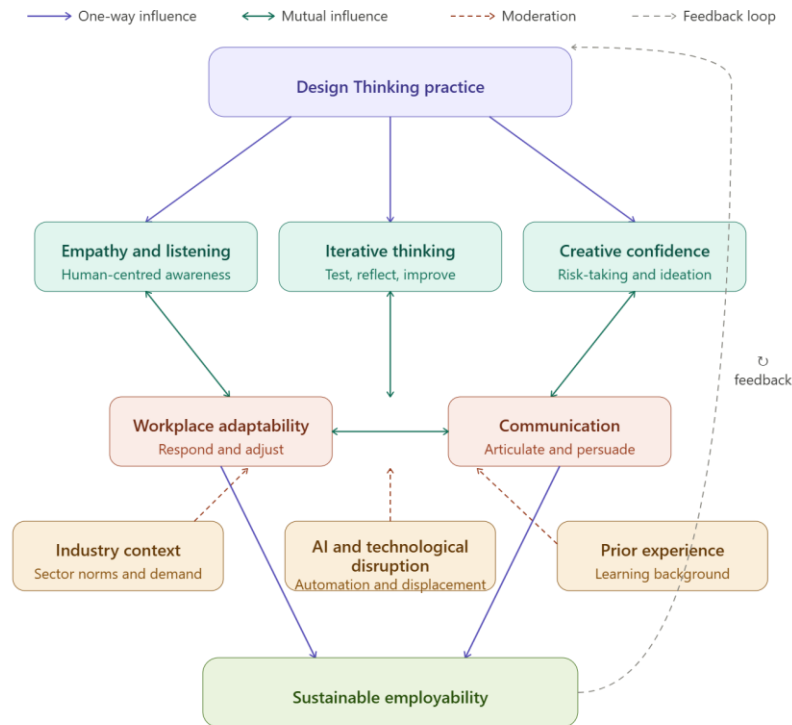
The goal of ‘*sustainable employability*’ requires a collaborative effort between individuals and organizations across several key dimensions such as *health and vitality* by preventing burnout, *work ability*- matching ability with job demands, *employability*- continuous upgradation of knowledge, skills and adaptability to remain relevant, *work engagement*-motivation to contribute meaningfully etc. This may well be the ideal situation towards which graduates, employers, education providers, governments etc. may like to progress.

However, the limiting factor of formal education is that it is designed around known problems which assume there are correct answers, individual performance, and sequential thinking. In sharp contrast the world of work is characterised by ill-defined or wicked problems, collaborative execution, and iterative decision-making under uncertainty. The gap fundamentally exists because the structure of education and the structure of work are misaligned.

Design Thinking may not be a panacea for all ills; but it replicates the structure of work in contrast to the structure of education. When a professional goes through the DT phases/stages from empathise to prototype, and test and iterate, they are not learning about work — they are doing work. This often involves interviewing stakeholders, framing ambiguous problems, generating options without guaranteed answers, building rough solutions under time constraints. These solutions are iteratively revised based on real user feedback. This typically mirrors what employers need from entry-level professionals from day one.

There exists traction for Design Thinking as a pedagogical response tool. Led by IDEO, Stanford d. school, increasing Indian institutions under National Education Policy 2020 have already started inculcating Design Thinking for professional development. The next section attempts to explain its utility through a conceptual framework which illustrates how the employability gap may be overcome. Figure 2 defines DT as an independent variable — a structured, human-centred problem-solving practice that can be taught to entry-level professionals and may well lead to development of Sustainable Employability traits.

FIGURE 2: Design Thinking as a Pathway to Sustainable Employability: A Conceptual Framework



The model components are elucidated in the forthcoming section.

4. PROFESSIONAL SKILL MEDIATORS

This section argues that the practice of Design Thinking develops three mediating skill clusters namely- empathy and listening, iterative thinking, and creative confidence — each of which has an independent role in raising employability.

A. Empathy and Listening

Empathy may be explained as the process of understanding, having awareness of and developing a sensitivity to the feelings and experiences of others. Furthermore, empathetic understanding goes beyond knowledge and highlights relatability to the user to comprehend the situation and the reasons for certain experiences having greater meaning for them (Batterbee, 2004) while keeping judgement at abeyance. It is a relation possessing an emotional connection (Battarbee and Koskinen, 2005).

In 2006 McDough expounded empathy as an intuitive ability to grasp other individual's thoughts and inner most feelings of motivation and preference along with their internal conflicts. This necessitates being in direct contact with the user and establishing active communication, using appropriate techniques to understand or simulate the thoughts and feelings of the user, thereby incorporating both the affective and cognitive components.

Daniel Goleman, leading psychologist in his groundbreaking book, explains how emotional intelligence (EQ) is the most important factor for workplace success. EQ assimilates the human ability to recognize, understand, and manage one's own feelings and alongside effectively navigating and influencing the emotions of others. In contrast to intellectual capacity, which remains static through life, emotional competence is a flexible skill set which one can actively learn and improve at any career stage. The act of empathizing and listening, facilitates empathy, leads to development of EQ which may be considered as core workplace competencies as it helps in understanding the environment and 'sense making'. As exhibited in Figure 2, this section establishes empathy and listening as core workplace competencies — and demonstrates the way DT can help in bridging employer expectations.

B. Iterative thinking

Theoretical foundation for learning is through iteration and reflection, and this connects with the prototype-test-revise cycle of Design Thinking. Similar reflection of iterative thinking have been expounded by leading thinkers of our time wherein experiential learning is described as a situation where the learner is directly interacting with the realities being studied in contrast to just reading about them or considering the possibilities of doing something with it [Keeton and Tate, 1978, p2] (Kolb 2014).

David A. Kolb's in his seminal 1984 book, *Experiential Learning: Experience as the Source of Learning and Development*, introduces the foundational framework for Experiential Learning Theory (ELT). The work elucidates that knowledge does not comprise a static component to be consigned to memory, but it is continuously created cyclical process, which is transformed by interaction with direct, real-world experiences. While a learner can enter this cycle at any point, true learning requires completing following four steps: (i) Concrete experience (feeling an activity, event or problem) (ii) Reflective observation (Watching or review, reflect or evaluate the experience) (iii) Abstract conceptualization (Thinking or analyzing- drawing conclusions to form theories or conceptual models) (iv) Active Experimentation (Doing or planning and testing the newly formed theories in practical situations).

Carol. S. Dweck in his book *Psychology of Success* opines that our beliefs about our abilities ultimately shape our success. He illustrates two distinct mindsets: Fixed Mindset or the conviction that intelligence and talent are static- such people avoid challenges, are easy to give up, and don't attach enough importance to effort. Growth Mindset: conviction that abilities can be developed through dedication and hard work. People with this thought process embrace challenges, persist through setbacks, and see effort as the path to mastery. These concepts are applicable in education, business, sports, relationships and may find applications in sustainable employability too. Growth mindset is the psychological mechanism through which iterative thinking becomes a stable disposition. The Theoretical foundation for learning through iteration and reflection — underpins the prototype-test-revise cycle.

C. Creative confidence

Kelly Brothers (2013), in their book *Creative Confidence*, demystify creativity, arguing that innovation is not a rare talent reserved only for "creative types", but a flexible, natural human capacity that anyone can reclaim and cultivate. They define creative confidence as a combination of possessing a breakthrough idea along with the courage to act, overcoming fear of failure and judgement, guided mastery by breaking big challenges into small manageable steps and focus on Human centred design with empathy- deep observation and rapid experimentation at its core. Some of the key takeaways from the book are- embrace a growth mindset, think like a traveller, fail forward and ditch the labels. The central focus is on creativity, curiosity, rapid iterative and innovation.

Amabile (1998) in 'How to kill creativity' argues that companies frequently destroy employee innovation by prioritizing productivity, efficiency, and bureaucratic control over the conditions needed for creative thought. This also highlights the fact that while an individual may be creative, there need to be organizational environment for innovation to take place. Individual creativity, opines Amabile, is inherently a function of 3 interconnected constituents namely- *Expertise* (individual's primary skills), *Creative Thinking skills* or imaginative approach and *Intrinsic Motivation* or inner passion and interest.

He identifies six general categories of managerial practices that can either support or systematically kill creativity, namely (i) existence of challenge- match the right people with the right assignment (ii) freedom-granting autonomy over processes for goal achievement (iii) resource – time and funding (iv) designing diverse, supportive teams that share information and collaboration (v) supervisor encouragement and (vi) organizational support: aligning the entire corporate structure, values, and systems to reward innovation and share information openly. It is suggested that managers must actively foster these to avoid crushing innovation.

These thoughts connect the ways in which workplace conditions affect creative output — supports why building confidence before entering work matters. The next section illustrates the concept of job readiness as a bridge to sustainable employment.

5. JOB READINESS AS THE BRIDGE TO SUSTAINABLE EMPLOYMENT

This section positions workplace adaptability and communication as the observable expressions of the skill mediators, constituting the job readiness cluster that directly precedes employability.

Fugat et al. (2004) present employability as a multidimensional, psycho-social construct that captures an individual's work-specific, proactive adaptability. In place of viewing employability as a collection of external skills

or market forces the author draws attention to the person-centred aspects. He lays the chief responsibility for career management and adaptation on the employee. Design Thinking tools help accomplish this goal, by keeping the individual deeply observant of the micro and macro environment.

Robles in the highly influential research paper on executive perceptions (2012), examines what corporate executives value most in job candidates, concluding that soft skills (interpersonal attributes) are just as critical as hard skills (technical knowledge) for professional success.

Empirical findings exhibit that 10 top soft skills attributed to business executives include Integrity (high moral standards), Communication (effective oral, written, presentation, and active listening abilities), Courtesy (proper workplace etiquette), Responsibility (accountability, reliability, resourcefulness), Social Skills (interpersonal skills, networking, friendliness), Positive Attitude (optimism, enthusiasm, confidence), Professionalism (proper attire, poise, ethical conduct, and a mature approach to tasks), Flexibility (adaptability, willingness to change, and open-mindedness to new ideas), Teamwork (collaboration, supportiveness, and working well with diverse groups) Work Ethic (diligence, dedication, loyalty, and punctuality).

Core Takeaways from the research mentions perspectives such as the '*hiring premium*', wherein hard or technical skills help a candidate secure an interview, but it is their soft skills that aid in job attainment and sustainability. The paper also highlights '*the skill gap*' a deficit that employers frequently attribute to new graduates. The skill gap in this context refers to professional communication and soft skills training. Furthermore, the paper highlights the *interconnected nature* of these skills wherein the locus points back to communication skills and integrity. Empirically too, communication and adaptability emerge as top-ranked employer needs.

Hillage and Pollard (1998), present a '*Four-Component Framework*' which talks about knowledge, skills and personal attitudes as '*Employability Assets*', career navigation skills as '*Deployment*', ability to market self as '*Presentation*' and personal and industry variables external to an individual as '*Context*'. This highlights that the path to 'sustainable employment' is constantly under construction and involves internal skill sets along with external sense-making.

6. THE MODERATING CONDITIONS

This section illustrates that the moderating factors illustrated in Figure 2 namely – '*industry context*', '*prior experience*' and '*AI and technological disruption*' impact the strength of Design Thinking in developing the employability pathway.

Wilner et al. (2019) in a comprehensive academic review of design thinking, synthesize decades of fragmented research into a clear framework of what design thinking actually looks like in practice. Design thinking essentially bridges the gap between abstract design theory and practical management execution. They present a key framework with 10 Attributes of Design Thinking, split into two categories: (i) The principal tools and methods which consist of creativity and innovation to solve 'wicked problems', user-centricity or empathy to connect deeply with the user's experience, visualization to give form to and communicate one's ideas, iterative prototyping to develop quick and economical version of ideas to test assumptions and last but not the least remaining alert and mindful of the environment. (ii) Core Mindsets and Behaviours- which involve being tolerant of ambiguity, working at interdisciplinary collaboration, use of blended logic and combining logic with intuition, using a cyclical process and evolving the solution, and keeping in mind the larger commercial viability of the solution.

Harvey (2001) mentions that employment has internal and external dimensions. Whereas internal dimensions indicate personal development, landing a job depends on external factors as well. The external factors consist of - Macro-economic factors, regional labour market conditions and demographic factors rather than educational qualification. Hence according to him employability attributes are constantly evolving and it's pertinent to measure 'educational transformation and student development'. This involves measuring the availability of developmental modules for students on campus, their individual autonomy and reflections and the value the institution can add to the developmental process from point of entry to point of exit. Thus prior learning and institutional context moderate employability.

The moderating potential of AI and Technological Disruptions, in modern times, can hardly be over-looked in a discussion on future quantity and quality of jobs (Gmyrek and Bescond, 2023). This is going to be an evolving domain as AI integration plays out across occupations, income groups and countries. The impact is anticipated to be the maximum across high-income countries with greater proportion of clerical jobs with a gendered twist against women. Additionally, this may also lead to job augmentation and need for greater skill indexing. Such studies are

possible projections and maybe used by governments and policy makers to help create fair transitions as technology makes inroads. Educational and skilling institutions may use this as a guide for labour market requirements and inculcation of requisite skills in entry-level graduates. Ability to navigate this ambiguous landscape will be an important arsenal in the job-seekers toolkit.

7. EMPLOYABILITY AS OUTCOME AND IMPLICATIONS

The current section synthesises the model, defines employability as the outcome variable, presents the feedback loop, and draws implications for educators, curriculum designers, and institutions.

Bridgstock (2009) discusses the pressure on educational institutions due to changes in education and labour policies. In context of the fast changing - knowledge intensive economy there is need for graduates to be proactive and mindfully craft their career journey. He delineates a model of desirable graduate attributes which balances self-management with long term career enhancement and management skills.

True employability in the modern job market relies on an overarching career management meta-competency, which includes: (i) Career identity: Understanding one's own values, strengths, and what one wants to achieve professionally. (ii) Self-efficacy: The confidence to take risks, navigate uncertainty, and pursue continuous learning. (iii) Proactivity: The ability to independently create opportunities, network, and self-advocate. (iv) Reflection: The ongoing evaluation of professional experiences to adapt and grow.

Desirable Graduate Attribute Model: To transition from passive learners to proactive career builders, tertiary students require an integrated framework of attributes that encompasses: (i) Human Capital: Disciplinary knowledge combined with the ability to continuously reskill and upskill. (ii) Social Capital: The development of professional networks, mentorships, and industry relationships. (iii) Employability Agency: The psychological and practical agency to proactively manage one's career narrative and self-market in a shifting labour market. Here the consideration for university prescribes a deep systemic change with career management embedded in the curriculum, experiential learning provided through work-integrated learning and career centres providing hyper-personalized coaching to aid students in identification of their strengths and accordingly create lifelong career resilience.

Liedtka et al. (2017) in their article 'Design Thinking for Greater Good', advocate an approach which is experiential and has an empathetic approach to solving challenging social problems. The focus on Innovation 2.0 which is largely human-centred, possibility driven and option-focussed (exploring multiple solutions) and iterative in process building testing and evolving prototypes to constantly learn from failure.

The Methodology of Four Questions

Liedtka illustrates a framework for non-designer to use design principles with the help of four basic questions as illustrated in Table 2:

Table 2: DESIGN PRINCIPLES FOR BEGINNERS

Question	Phase Focus	Key Activities & Tools
What is?	<i>Data-driven exploration of current reality</i>	<i>Journey mapping, ethnographic observation, and surfacing deep user needs.</i>
What if?	<i>Brainstorming and envisioning future possibilities</i>	<i>Brainstorming, concept generation, and open-ended ideation sessions.</i>
What wows?	<i>Filtering and selecting the best choices</i>	<i>Assessing choices where user needs meet organizational capabilities.</i>
What works?	<i>Low-cost testing and rapid prototyping</i>	<i>In-market experimentation and small, low-risk field testing.</i>

Thus, Design Thinking maybe be used by non-designers as well by applying the above mentioned basic questions to the relevant context.

8. LIMITATIONS AND FUTURE RESEARCH DIRECTIONS

Limitations

The primary limitation associated with the study is that the model is conceptual — no primary data tests the relationships proposed. Secondly the mediators are not exhaustive — empathy, iterative thinking, and creative confidence are three among many possible pathways. The model does not claim completeness. The India context is referred to through aggregate reports. Design Thinking is treated as a unified intervention, whereas in practice implementation quality varies enormously across institutions, facilitators, and programme duration, which the model cannot capture at the conceptual level.

Future research directions

Future research directions indicate that Empirical testing of the model using survey data from Indian entry-level professionals across multiple sectors maybe conducted. Ideally a longitudinal study tracking participants before and after a Design Thinking intervention. Comparative studies across industry contexts to test whether the moderating effect of sector is significant —across technology, manufacturing, service etc. It may also be pertinent to do a qualitative inquiry on the displacement being created by AI and consequently which mediator requires greater importance as routine tasks evaporate.

9. CONCLUSION

Entry-level professionals enter a labour market increasingly disrupted by AI with the capabilities formal education develops, lacking the confidence to navigate the path towards sustainable employability. As demonstrated in Figure 2, Design Thinking intervention builds the human capabilities that are hardest to automate and most valued by employers, creating a pathway to sustainable employability through three mediating skills (empathy and listening, iterative thinking, and creative confidence) and two job readiness competencies (workplace adaptation and communication). The paper provides the first conceptual framework integrating Sustainable Employability theory and the Capability Approach to explain how Design Thinking closes the graduate capability gap. Referring to institutions and policymakers, particularly in the Indian context, proposes embedding Design Thinking methodologies as a core pedagogical approach across professional education programmes. NEP 2020 provides the policy architecture to make this possible. In a world where jobs are scarce and automation is accelerating; the question is no longer whether graduates have qualifications but whether they have the human capabilities that make them irreplaceable.

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