

SKILL DEVELOPMENT IS A NATIONAL IMPERATIVE

S RAMADORAI

About the Author



S Ramadorai in February 2011 stepped into public service when the Indian Government appointed him as the Adviser to the Prime Minister in the National Council on Skill Development in the rank of a Cabinet Minister. The Council, which is headed by the Prime Minister, seeks to develop a strategy for Skill Development at the National level with a view to address the skill deficit.

Ramadorai continues as the Vice - Chairman of Tata Consultancy Services Ltd, a company he has been associated with for the past 39 years. He is the Chairman of other Tata companies - Tata Elxsi Ltd, Tata Technologies Ltd, CMC Ltd and CRL Ltd. He is also on the Boards of a number of non Tata-companies and educational institutions - Hindustan Unilever Ltd and the MIT Sloan School of Management (EMSAB). In March 2010, he took over as the Chairman of the BSE, the oldest stock exchange in Asia.

In recognition of his commitment and dedication to the IT industry, he was awarded the Padma Bhushan (India's third highest civilian honour) in January 2006. In April 2009, he was awarded the CBE (Commander of the Order of the British Empire) by Her Majesty Queen Elizabeth II for his contribution to the Indo-British economic relations.

His academic credentials include a Bachelors degree in Physics from Delhi University, a Bachelor of Engineering degree in Electronics and Telecommunications from the Indian Institute of Science, Bangalore (India), and a Masters degree in Computer Science from the University of California – UCLA (USA). In 1993, he attended the Sloan School of Management's highly rated Senior Executive Development Program.

India is passing through a phase of unprecedented demographic change where in the proportion of the work force in the age group of 15-59 years is likely to rise from around 58 per cent in 2001 to over 64 per cent by 2021.

In 2020, the average Indian will be only 29 years old, compared with 37 in China and the US, 45 in West Europe and 48 in Japan, making India one of the young nations in the world. The age advantage, as per a World Bank study, will continue

for at least three decades till 2040. We would probably never get a chance like this to leverage our human resources to help grow our country economically.

India has a great opportunity to meet the future demands of the world. But this increased labor force will benefit India only if the population is appropriately skilled.

Today, we are operating at half our capacity and half our productivity levels. Of India's 1.2 billion people, 60 per cent is in the working age group. However, only 5 per cent of India's labor force in the age group 19-24 years is estimated to have acquired any formal training. Yet, our economy had until recently clocked an impressive growth. Imagine what is possible if we could leverage our demographic dividend fully! Quite clearly, India's potential is yet to be fully exploited.

Human resource is the single and most invaluable asset of any nation to propel itself in the paths of progress and prosperity. Despite limited natural resources, countries like Singapore and Israel leveraged their manpower to develop their economies. For instance, Singapore could manage to bring in huge foreign direct investments in the manufacturing sector between 1960s to the 1980s, leveraged its skilled man power, and achieved a high growth trajectory. Today, we see Singapore as one of the world's largest business hubs.

Skill development can be perceived as an instrument to improve labor efficiency, and aims to substantially enhance labor contribution to the overall production. Hence, skilling plays an important role in pushing the economic growth rate to a higher trajectory. It is not just for the economic benefit that India must skill its people - we must do it because peace and prosperity is a natural outcome when people have jobs, food on their table and lead a life of dignity.

Our educated youths are averse to blue-collar jobs that involve manual labor under a false influence of 'lack of dignity'. Dignity does not come from the type of work we do, rather it comes from how well it is done and the level of professionalism that is brought in. The housekeeper who keeps an office premises clean all day is capable of as much professionalism as the officer whose desk he cleans and deserves just as much respect. All of us, irrespective of the nature of our jobs, are equal partners in the growth of our economy. We must go back to advocating the Gandhian principles of dignity of labor. Towards this, a nationwide advocacy campaign is on the anvil.

When it comes to skill development, our effort is to drive an outcome-based approach where skilling must result in either self-employment or a job. National Skill Development Corporation (NSDC) has mapped skill gaps in 20 high-growth sectors and the unorganized sector till the year 2022. Labor-intensive manufacturing sectors such as textiles and garments, leather and footwear, gems and jewelry and food processing industries have been given due weightage. Amongst services, construction, hospitality and tourism, transport, information technology, and financial services are going to be major generators of employment in the 12th Plan Period.

Employment in public sector services has stagnated and there is a severe shortage of doctors, nurses, teachers, policemen, and judges. A rapidly growing economy cannot function without a simultaneous rapid expansion of such services. As this transition occurs in India in the next 10 years, a substantial improvement in higher quality jobs in public sector services may occur.

More than 90% of our workforce is in unorganized sectors with no 'formal'

training. Even so, their contribution to the economy is considerable. This segment of our workforce brings with it large scale challenges in terms of integration and inclusiveness. Designing skill development policies and implementation strategies to successfully reach and include the informal sector is one of the biggest challenges. In today's information age, Information Technology can and must play a major role to address these challenges, especially when it comes to scaling up and replicating successful models, monitoring progress, and data-based strategic decision making.

India's growth story in the IT sector has been exemplary. We have built robust and durable platforms for our Fortune 500 clients to achieve their objectives. We now need to leverage our strength to achieve the mammoth task ahead of skilling 500 million people by 2022. Information Technology solutions will enable us to scale, achieve reach, make it possible to replicate and also provide the required transparency. At a time, when the country faces a shortage of quality trainers and teachers coupled with lack of adequate infrastructure to carry out skill development programs, skill development must be elevated to "Mission mode".

Information Technology can play an important role in reaching out to the young, rural population of India. Training content and audio-visual teachings can be made available over internet at a low cost. The Government's ambitious plan to provide rural broadband connectivity to all 250,000 panchayats in the country in the next three years, together with the availability of various last mile options such as mobiles and tablets, must form the basis of new business models that we can leverage for skill development.

The day is not very far off when rural India will have greater access to information and knowledge. Towards this, we need to

plan today for collaborative IT Platforms that can serve as a market place where job seeker, job provider, training providers and government agencies can interact.

The aspiration of India's youth for white-collar jobs has led to a huge rush towards mainstream education. This herd mentality is not necessarily the best use of our talent. Combined with the fact that the vocational education system provides little opportunity for lateral and upward mobility, those who opt for vocations are perceived as 'failures'. India needs a large skill resource pool for blue-collar jobs for critical areas of our economy. Holding national debates, seminars and workshops to build public opinion in favor of skilling - that this is another route to a successful career - has become extremely important. The Government is considering a credit based skill and vocational education framework that will provide equivalence between the two streams. This will enable horizontal and vertical mobility to youth in their career path.

To meet this ambitious target and for creating a vibrant skilling ecosystem, partnerships and a large scale engagement among various stakeholders is the need of the hour. Various stakeholders include students, government, industries, academia, training providers and non-governmental organizations (NGOs). Public Private Partnership (PPP) models that engage all stakeholders in a coordinated manner and leverage each other's strengths are the need of the day. Government's reach and scale partnered with private sector's knowledge base and efficiency and the strength of NGOs of working in specific niche sectors or remote locations can yield optimal results.

Government has come up with several skill development programs, frameworks and policies in order to achieve the target of skilling 500 million people by 2022. The

skill and vocational education framework will not only enable a vocational education element into mainstream education but it will also recognise prior learning providing a mechanism to allow workforce in the informal sector enter into the formal education system.

The Government's plan to open 200 community colleges as pilot projects in the country to provide employment-oriented training to our young workforce where education will be imparted at the workplace itself is a welcome move. Industries partner with the University to design course curriculum that generate workforce that best suit the needs of businesses. The idea is to keep the cost of training low to the students by using the existing infrastructure – facilities of polytechnics available across the country - and bringing in industry partners to partner in and contribute to the effort by sharing expertise and resources. This demand-driven initiative will create skilled workers that match exact industry needs and will also boost employment.

Industries are a major beneficiary as this HR exercise helps them get skilled workers at a very small investment. This will also benefit students immensely as they will not only get the hands-on industry training, but this will also enable horizontal and vertical mobility. This model of education has been highly successful in the US and other countries like Australia and Canada.

Industries, universities and government bodies need to collaborate to make this initiative a success. Recently, Mumbai University has launched its community college programme in collaboration with Hindustan Coca-Cola Beverages (HCCB) Private Ltd in four of its colleges. This is one such example aimed at imparting job skills and developing employability amongst youth in India.

Over the past year, the interest in skill development has certainly increased exponentially. The urgency of this national task must be felt equally amongst government officials at the grassroot level, among industry which must shoulder a large part of the responsibility of training the people it will employ, among NGOs which must aim to scale up their operations and be wary of comprising on quality, and finally among youth and parents who must be made aware of the immense opportunities for exciting careers in various sectors. We need to provide national recognition to role models who have achieved success through choice of vocations that demanded skills, rather than pure academic knowledge.

This national challenge provides us a unique opportunity. It is entirely on us to leverage this opportunity to make India a sourcing hub of skilled manpower to meet the domestic as well as global skill shortage in the days to come. Indeed, this is not a choice but a national imperative.