

Qualification & Employment Gap in India

1. Relationship between Academia and Corporate

There is no doubt that the education and corporate sector are inter-dependent. Educational institutes need corporate to provide employment opportunities for students. Corporate sector needs educational institutes to provide quality workforce. Together, education and corporate sectors contribute to enhancing nation's socio-economic level and improving quality of life. So, both education and corporate need each other and are equally important.

2. The problem and the context

While education and corporate sector are complementary to each other, they have certain issues with one another. The educational institutes feel that corporate prefer only top colleges and schools for recruiting fresher candidates. On the other hand, corporate says that finding talented candidates for recruitment is quite difficult. And this has been going on for quite some time.

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To put things in right context, let us examine some facts.

We are a growing country with population of 1.2+ billion. About 0.8 billion of them are in working age – implying that we have more than sufficient human capital to meet the manpower needs of the industry. These people include huge numbers of educated and qualified people in workforce looking for desired jobs. Yet, corporate faces severe shortage of required people in workforce.

The irony is that in spite of having employment opportunities available, most of workforce in India is unable to find desired jobs and struggles to remain part of active workforce.

Why is it so? Let us understand the underlying conditions leading to this irony.

3. Why the problem

The reason for the ironical situations is absence of 'Right Fit'. In most of the cases, the 'Right Fit' between what an organization needs and what a potential candidate has to offer. The Right Fit means suitability on multiple dimensions such as qualifications, skills-set, personality traits, competency profile, compensation & benefits, work culture and the job requirements.

Talent-gap among the educated class is increasing alarmingly and is expected to reach 75-80%

For organizations, the quality of workforce is more important than quantity. When they scout for potential employees, the educated and qualified pool has been found to be wanting on many of the dimensions. This hinders striking a right fit resulting into a scenario where people have knowledge that corporate do not require, and jobs for which the right candidates are not available.

Many studies are available putting varying estimates, from 20 to 60%, for employable fraction of workforce in the country. A recent study suggests that talent-gap among the educated class is increasing alarmingly and is expected to reach 75-80% for all industry sectors.

4. Effects of the problem

The problem leads to multiple negatives effects. India has an amazing 60% of the population available for working (in working age) which can positively contribute to GDP, but only 25% of the pool can be effectively used by the market.

In such scenario, people would either be without jobs or would take up jobs way below their qualification levels with high possibility of being underpaid. This is big drag on the nation's economy. This would lead to weakening in general morale of country. In extreme situations, the jobless youths get lured by anti-social elements (i.e. naxals / terrorists) posing bigger threats to safety and security of public and property.

Given the dire consequences, it is critical for all of us to improve the scenario much sooner than later.

5. Root causes contributing to the problem

The problem has deep roots in both education and corporate sectors with external elements as well. The factors contributing to the problem are discussed in Table I. Among these, lack of adequate infrastructural facilities in campus, less than required duration of industrial training and concentration on theoretical learning are major ones.

Many of the students and teachers consider industrial training a formality, needed to pass the course

While there are multiple factors to the problem, at basic level each would boil down to the root cause of huge mismatch in expectations of corporate sector and output from education sector. The mismatch has been continuing for many years and has largely remained unaddressed. Due to lack of timely action, it has now assumed demonic

proportions. There is urgent need to address the gaps for improving the results and increased contribution to national economy.

An effective and fruitful partnership can reduce the skill and talent-gap and put our country into higher growth trajectory

6. Solving the problem

To solve the problem, we need to establish greater participation between academia and the industry. There is need for better understanding of the requirements, expectations and the challenges of each other. Basis, the common understanding we need to develop appropriate solutions and implement them to bridge the gaps. Some of the elements for improvements, which need better understanding between the two, are discussed in Table I.

Amongst these, having adequate infrastructural facilities in campus, having longer duration industrial trainings and emphasis on practical aspects of learning are crucial ones for improvement.

An effective and fruitful partnership will result into readily employable workforce immediately at the end of the academic program. Together, they can reduce the skill and talent-gap and put our country into higher growth trajectory.

7. Conclusion

In spite of demand for talent and supply of qualified workforce, there is huge gap in employability, leading to unemployment or under-employment. These issues pose great challenges to nation's economy and greater threats to nation's safety and security.

To address the problem, the corporate and academia needs to engage proactively and enhance partnerships for better results. The major areas of improvement are campus infrastructure, industrial training programs and examination evaluation format. With positive changes on these elements, we're sure to take educational programs to much higher levels.

Corporate organizations need to strictly follow the Right Fit approach while recruiting

To complement the improvements in education sector, the corporate sector needs to imbibe the culture of employing fresh talent and consider training as an investment in future of the trade and nation. Additionally, corporate organizations need to strictly follow the Right Fit approach while recruiting, i.e. right balance among qualification, experience, competency and job requirements.

Combined, all these improvements would lead our nation to grow at faster pace.

Table I: Factors leading to Talent Gap

Factors	Issues	Improvements
<p>Career by chance and not by choice</p>	<p>One of the basic issues with our education system is absence of objective and informed career planning. During school and college, career planning is not given serious thought. Till end of college, one is not clear as to which career is most interesting and suitable for him / her.</p> <p>As a consequence, most of the people have particular career by chance and not by choice. Instead of basing one's decision to choose career stream on one's interest and aptitude, it is usually done on incorrect factors such as most sought after course, job opportunities, parental or societal and peer pressure. That is why we see engineers doing marketing jobs or MBAs picking up fine arts as profession.</p>	<p>Career planning needs to be all pervasive at schools and colleges. Choosing a career is one of the most critical decisions of life and needs to be given due importance. Independent and qualified career counsellors must be part of all academic and training institutions. They will help correctly assess one's aptitude and guide towards appropriate career choices.</p>
<p>Institutional infrastructure</p>	<p>There has been exponential growth in educational institutes across the country. However, most of the institutes have infrastructure which is either outdated or is in bad condition. The required facilities such as laboratories, machines, tools and apparatus are not adequately available to students. This limits the exposure that a student can have.</p> <p>As a result, the learning possibilities get dampened and the quality of education deteriorates in most of the cases.</p> <p>Consequently, corporate tend to wane away from such institutes. Probably, this makes educational institutes feel that</p>	<p>Campus infrastructure across institutes needs to be enhanced for improving education quality for students.</p> <p>Top institutes, by virtue of having quality infrastructure with necessary supporting facilities such as laboratories, tools, machines and equipment at campuses, are able to provide better exposure and learning to students.</p> <p>Owing to this, the quality of students coming out of such institutes is relatively better than their counterparts from other institutes. This leads organizations to have tendency to opt for students from top institutes.</p>

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	<p>corporate prefer only top colleges and schools for employment and are unwilling to recruit from all kinds of institutes.</p>	<p>Organizations, especially corporate companies, do not require many scientists to work at plant or site. The fraction of technocrats working as scholar / researcher or scientist in corporate companies is minimal. The expectations from a pass-out are grasp on subject, understanding of basic concepts and ability to put them in practice at work with hands on approach. When students coming out of all institutes meet these basic threshold requirements, there would be no prejudice among Corporate to recruit only from the top institutes.</p>
<p>Learning archaic systems and not latest developments</p>	<p>Usually, the curriculum and syllabus is fixed much in advance. During the program, the syllabus taught in the institutes cannot be regularly updated with the recent technological advancements and their practical implications. Students, when they become part of workforce, realize that what they were taught is no longer in practice at the industry. Instead of real-time teaching, the curriculum heavily focuses on explaining archaic systems.</p> <p>While learning about these systems could be necessary, this leads to developing a knowledge-ware not valued by the industry.</p>	<p>While learning of archaic systems does help, the content needs to remain up to date with the recent developments. However, revising the content every now and then may not be feasible. To some extent this problem can be resolved by having contents in electronic form which are easier to update and share. Though, it would need extensive IT network and infrastructure and cannot be realized in near future.</p> <p>In case, it is difficult to update syllabus, there should be provision for bringing subject domain related technological advancements or latest happenings into the classroom discussions. Teachers should encourage students' participation in discussions around these topics and explain the developments.</p>
<p>Ability in application of concepts</p>	<p>Most of our academic evaluation formats have mid-term and term-end written examinations. More often than not, the written examinations need students to memorize the concepts and answer the questions. The answers are evaluated and accordingly marks are awarded. In such a system one can</p>	<p>While learning, the focus should be more towards imbibing fundamentals and ability to apply the concepts in real life situations. More emphasis should be laid on practical aspects of learning and applications in finding solutions to problems.</p>

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	<p>simply memorize the content and score very well in the exams. Ones, who may not have understood the concepts completely but are good at cramming, shine out in such evaluations. However, in real life this does not work and such people would not be able to perform as expected when in industry, making them unemployable.</p> <p>Barring few institutes, all the schools, colleges and institutes reward the practice of cramming syllabus content instead of focusing on application of concepts</p>	<p>Case-solving methodology is one way of doing this during studies. The actual problems being faced by the industry should be picked up as cases for solving by students.</p> <p>The academic evaluation formats should also underscore this emphasis. Ideally, the course credits should be equally distributed between theoretical learning and practical applications. A proper evaluation format, which rewards students for practical aspects, would tilt the inclination towards real learning.</p>
Industrial Training	<p>Industrial training is good avenue for understanding the utility and application of concepts in real life situations. These trainings expose students not only to domain specific aspects but also to organizational behaviour in general. However, many of the students and teachers consider industrial training a formality, needed to pass the course. As a result, students go through these training programs casually without due focus on learning.</p> <p>Besides, industrial training is limited to 2-4 months period over entire course duration of 2-4 years. This is less than 10% time spent in the institute. In comparison to potential for real life learning and application of concepts, timeframe for industrial training is quite insufficient. Due to limited timeframe, the program cannot build strong foundation of future workforce.</p>	<p>Industrial training is a good avenue for understanding the utility and application of concepts in real life situations. To foster proper learning and inculcate conceptual clarity, this training should be undergone as an apprentice in the field (plant, shop floor, site or market) instead of as an officer or intern in office environment.</p> <p>Given the significance, the frequency and duration of industrial trainings need to be increased. The industrial training duration should be at least 25% of course duration i.e. for a 4 years program, industrial training should be of at least 1 year duration.</p>
Behavioural aspects	<p>Another issue with our formal education system is that we discourage students from being innovative and risk taking. Students are constantly reminded that there is only one way to</p>	<p>While domain knowledge is important, behavioural aspects are equally critical for success. Institutes should work towards inculcating traits such as innovation, improvisation and risk</p>

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	<p>learn and that only way is rewarded. Those seeking deviance or bringing novelty of ideas are reprimanded to conform to the larger group, killing the inclination for curiosity and creativity. However, when in workforce, they're expected to be innovative and creative.</p> <p>Similarly, for many of technical studies, focus is entirely upon domain knowledge with completely ignoring the soft skills. As a result, a highly qualified person finds it difficult to make steady progress in profession.</p>	<p>taking amongst students.</p> <p>The softer aspects such as communication, teamwork, managerial skills and leadership traits should also be focused upon.</p>
<p>Corporate mind-set</p>	<p>Typically, recruiters in organizations want to have experienced employees to do the job. The obvious advantages are that new-joiner can be put on the job from day one rather than spending time in training.</p> <p>This motive also drifts them towards having better qualified person, be it in terms of educational institute or academic degrees or competency profile. Such tendencies lead to skewed scenario and contribute to employment gaps. Many a time, the result is an overqualified person on the job.</p> <p>Consequently, fresher recruitment is minimal leading to skewed employment scenario.</p>	<p>One doesn't come learned from mother's womb. Similarly, a person fresh out of the educational institute just can't be put on the job very next day.</p> <p>Corporate need to understand that training a fresher is their responsibility. Given each organization has different operating philosophies and work culture, training is not only needed for fresher but also for experienced ones. Therefore, corporate have to change the perspective towards training and visualize it as serving much more meaningful purpose than being mere HR activity.</p> <p>As said by Socrates, "Education is the kindling of a flame, not the filling of a vessel", the first job is just beginning for the fresher towards a more fulfilling journey. In case of fresher, the corporate should consider the first year as training period only and accordingly groom the person. The initial period could be clubbed as part of induction / orientation program.</p>

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		<p>Another aspect is that companies need to adopt Right Fit approach while recruiting. We need to do reality check before specifying qualifications requirements for the job positions. For example:</p> <ul style="list-style-type: none"> • Data Entry Operators: Do we need a Graduate / MBA for data entry role? • Invoicing Officers: Do we need a CA just for raising invoices? • Technicians: Do we need highly qualified engineers for fixing nuts and bolts? • Documentation: Should graduation be minimum requirement for a documentation role? • Surveys: Do we need an MBA to conduct field surveys? <p>Answers to above questions in all probability is No. Yet, corporate organizations have tendency to put these as minimum qualifications requirements for the specified roles. There needs to be a deep introspection among corporate organizations to revisit such instances.</p> <p>The philosophy should be only to have Right Fit for each role. The right fit is multi-dimensional assessment including qualification, competency, experience, personality traits, and requisite domain knowledge for ability to meet the job requirements. The Right Fit approach is central theme to strike balance between available talent and employability prospects.</p>