



SKILL GAP AND DEFICIENCY – THE ROLE OF EDUCATORS IN INDIA FOR 21ST CENTURY

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ABSTRACT

India is thriving with its growth rate 7.3% and is expected to be a notable country in 2020 where the working age is only 0.8 billion out of the population of 1.3 billion. It is very crucial to note that only 34% of were found as employable out of 100,000 candidates as per the First India Skills Report 2014. It is an alarming sound that lack of job opportunities suppress the growth of India, however the reality is two out of three job seekers does not match with the Job provider's requirements. Skill Gap is an important reality today the job market face. The gigantic talent team of our country is mournful about the lack of job opportunities, two out of three job seekers do not meet the Job provider's requirements and hence are not considered fit for the jobs available. Thus, the current job freeze across industry sectors is not the only reason for unemployment of the skill group of India. The deficiency in the required employability skills needs embryonic attention which needs to be address by the educators in India. The role of educators plays a vital role in molding the students as the industry requirements. An attempt is made through this study to find out the skill gap in professional educated graduates and its reasons. Identifying the real facts by reflect on approaches of Employer-Employees, Graduates and Educators on skill gap deficiency. It is also studied to formulate strategies for reducing this skill gap.

Key Words:-Skill Gap, Growth Rate, Job market, Employability skill, Job Role

1.1 Introduction

One of the direct ways for any organization to achieve crowning performance is through a systematic evaluation of your workforce skills in relation to business operations. Developing skill gap analysis in general involves defining the skills and knowledge required to complete a task and then comparing a person's current level to that prerequisite. After identifying the gap between the two, training professionals work with personnel to create a plan to curative position. Determining the required skill levels usually includes defining the job responsibilities when companies introduce new technology or process. To stay behind competitive, small business usually necessitate to sustain a skilled work force. Assessing the critical skills required by an Organization allows the company to ensure current and future employees seize the right skill to enable optimal business performance. Skills gaps are self-defined by employers when they perceive that an employee lacks certain skills preventing them from being fully proficient in their job role. Skills gaps can occur at an individual, departmental or organizational level at any time because staff lack critical skills (required to complete a task successfully), or non-critical skills (skills that are not essential but would enable a task to be completed more quickly or efficiently) due to changes in the working environment. These skills gaps can have momentous inference for companies as they will be unable to attain their probable productivity and profitability.

1.2 Literature Review

- *India Labour and Employment Report 2014*

The first report—India Labour and Employment Report 2014—provides analyses of the changes in the labour market and employment since the inception of economic reform. It explores the dynamics of these changes, by looking at labour-market institutions, different types of employment, and labour market policies. It also outlines the emerging agenda for policies and action that emerge from such analyses.

- *Indian skills report 2014*

People want to utilize the supply chain techniques to ensure constant talent supply and meet the job demand. The research also shows that most of the companies that are satisfied with their access to talent are those which manage talent according to the Supply chain principle.

From the Talent Acquisition strategy perspective, it is important to have the best of available talent, but it is equally important to acquire this talent at the right time and right cost. Geographic focus is an important factor that can help in making these right choices. With this in mind the test takers were also asked about their preferred work locations. As per the data captured it seems that those days when job seekers had any location preferences are gone. Be it male or female candidates; job seekers are ready to go anywhere the job takes them. Amongst the male and female candidates there is not much difference in the preference of cities as well. Another interesting finding was presence of non-metro cities like Cuttack, Chandigarh etc. in the preferred areas of work.

- ✓ According to a recent study conducted on 5,000 students from across 15 city colleges, 75% students rated the education system of the country either three or below on a scale of one to five . As per the report “Engineers, Commerce, Science or Arts, whatever be their streams, had one common thought about the Indian education system, which is that... (it) needs to change”. This finding a week after no Indian institute made it to the top 200 in the world on the latest QS World University rankings does raise some doubts on our education system. Indian education system has been widely criticized for quite some time now for the content as well as its delivery to students. The view point of the student fraternity on this issue is not different. They feel that the major issue with Indian curriculum is, that its archaic. Sakshi, an engineering graduate we spoke to says“Though industrial training has been made a part of the course, real impact would be visible only when the course curriculum includes recent technological advancements and their practical implications. At times when you have industry interactions you realize that what you are being taught was written off long back by the industry ” –*Sakshi, Indian skills report 2014*
- ✓ “Rising unemployment among well-qualified youth population is a big concern and indicates three possible reasons; a) Demand-supply mismatch b) Expectation mismatch and c) Skill mismatch. This problem can be fixed by the players within the ecosystem i.e. academia and corporateS. The initiative like ISR (India Skill Report) should be helpful for every player to understand the marketplace and contribute towards development of a sustainable, pragmatic and scalable framework. “ - *Mr. PramodMaheshwari, CMD, Career Point Ltd.*

- ✓ “The lack of adequate skills and high attrition rates, has a huge impact in terms of India’s ability to absorb new technologies and new solutions. The deep insights into the skill reservoir and the skill gap of the country as captured in the India Skills Report, will be crucial for developing actionable steps for reaching the next level of growth in India!” - *Mr. Poul Jensen, Director , European Business and Technology Centre (EBTC)*
- ✓ “Matchmaking between the skill supply and demand is imperative to resolve the ‘Talent’ crisis. The India Skills Report with a holistic picture of both sides seems like an information base for the same. It is great to see how matchmaking between the two ends can be done. “ - *Captain Gopinath – Founder, Air Deccan*
- ✓ “Demand-Supply gap for Talent has been challenge for some time now. The India Skills Report with a holistic picture involving both sides seems like an information base which can help to bridge these gaps. It will be great to see how matchmaking between the two ends can be done.” - *Mr. SaurabhGovil, Sr. Vice President – Human Resources, Wipro Technologies*
- *Estimation of Skill Gaps An Analysis of the State-wise vis-à-vis Sector-wise Reports published by NSDC*

Based on the analysis conducted during this evaluative study, the following key findings were made:

The sector-wise skill gap studies have reported only the incremental manpower requirement and not the skill gap in the respective sectors (and they were designed to do so) The district-wise skill gap reports for various states have reported the net skill gap as the difference between the incremental manpower requirement and incremental manpower supply for a particular time period. Key issues identified were the non-factoring of employability in incremental manpower supply calculations, inconsistency in break-up of skill gaps into different levels across states and variations in approaches used by different consulting firms. Based on the reported skill gaps in the state-wise reports, and data derived from the sector-wise reports (assumptions made while deriving this data are included in the report), there is a 33% difference between the incremental manpower requirement estimations of the state-wise skill gap reports and state-specific breakups of the same derived from the sector-wise reports. In light of these findings, any agency involved in skill development planning should clearly understand the specific context of

each report and not aggregate the quantitative skill gap numbers mentioned in them for using them as holistic benchmarks. Specifically, aggregating the state-wise skill gaps would not result in a true picture of the skill gap prevailing at the national level.

- *The Critical Role of Skills in the Labor Market*

There is no denying the extraordinary rise in the incomes of the top 1% of American households over the past three decades. Between 1979 and 2012, the share of all household income accruing to the top percentile of U.S. households rose from 10.0% to 22.5%. To get a sense of how much money that is, consider the conceptual experiment of redistributing the gains of the top 1% between 1979 and 2012 to the bottom 99% of households. How much would this redistribution raise household incomes of the bottom 99%? The answer is \$7107 per household—a substantial gain, equal to 14% of the income of the median U.S. household in 2012. (I focus on the median because it reflects the earnings of the typical worker and thus excludes the earnings of the top 1%.)

Now consider a different dimension of inequality: the earnings gap between U.S. workers with a 4-year college degree and those with only a high school diploma. Economists frequently use this college/high school earnings gap as a summary measure of the “return to skill”—that is, the gain in earnings a worker can expect to receive from investing in a college education. The earnings gap between the median college-educated and median high school-educated among U.S. males working full-time in year-round jobs was \$17,411 in 1979, measured in constant 2012 dollars. Thirty-three years later, in 2012, this gap had risen to \$34,969, almost exactly double its 1979 level. Also seen is a comparable trend among U.S. female workers, with the full-time, full-year college/high school median earnings gap nearly doubling from \$12,887 to \$23,280 between 1979 and 2012. The economic payoff to college education rose steadily throughout the 1980s and 1990s and was barely affected by the Great Recession starting in 2007.

- *Jobs and Education Requirements through 2018*

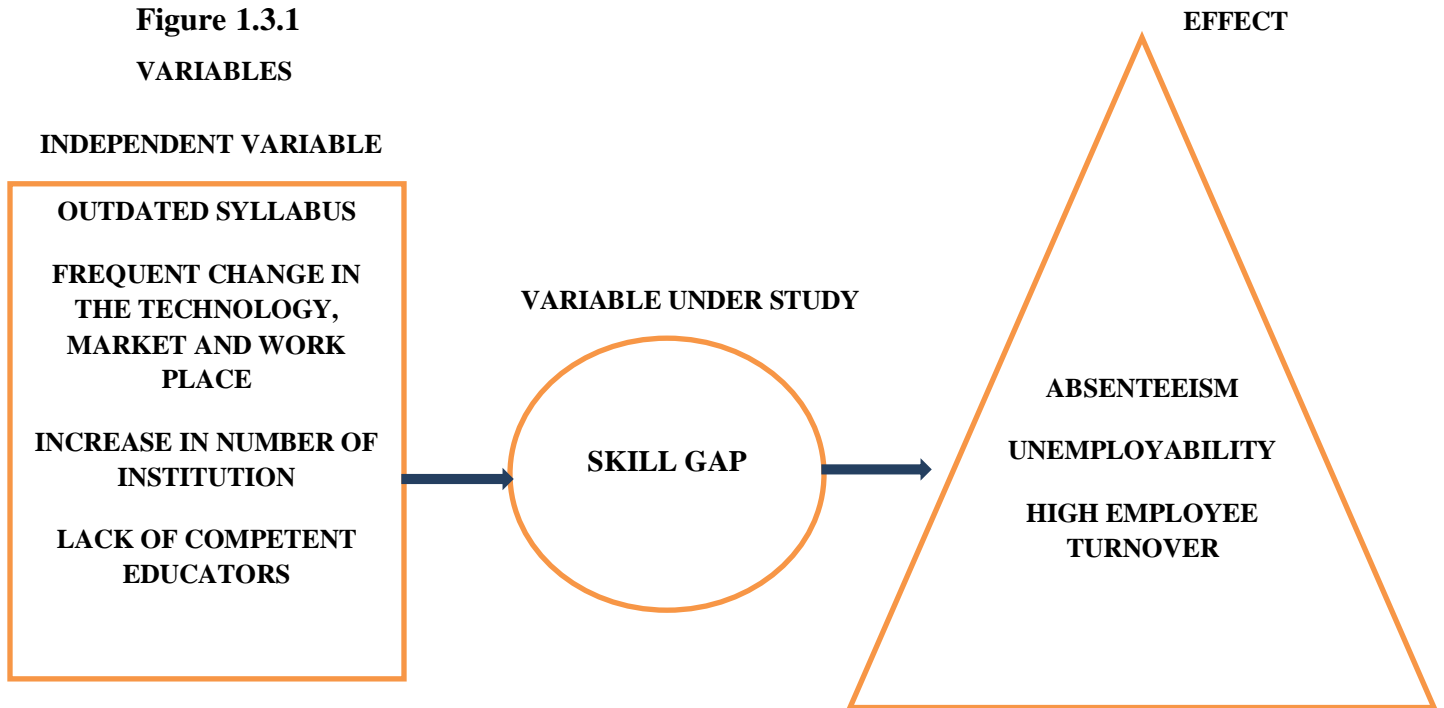
- There is a growing mismatch between the jobs that will be created over the next decade and the education and training of our adult workers. More than 60 million of our prime-age workforces who are 25–54 years old are still working in jobs that require high school or less. That economy is receding fast and those workers will be left behind: unemployed, underemployed, or likely stuck in jobs that don't provide middle-class wages.

- The postsecondary education and training system will fall short by 3 million or more postsecondary degrees. Economic demand will not be met, denying numerous Americans access to middle-class career pathways.
- Hundreds of thousands of Manufacturing and Natural Resources jobs in farming, fishing, and forestry have been destroyed in the recession and will not be coming back. And we will lose another 1.4 million jobs in these industries over the next decade. The new jobs that replace them will look nothing like the old ones and will require employees with postsecondary skills and preparation.
- The U.S. economy will create 46.8 million job openings by 2018, including 13.8 newly created jobs and 33 million “replacement” positions produced when workers retire.
- Employers filling these jobs, overwhelmingly, will require college degrees or other postsecondary preparation of 63 percent of their new hires.
- Postsecondary education and training is quickly becoming the only viable path to the American middle class.
- Education and training connects directly to occupations and less directly to industries, which can complicate economic development effort

1.3 Conceptual Framework

CONCEPTUAL FRAMEWORK

Figure 1.3.1
VARIABLES



(Source:-Developed by self-based on various literatures)

1.4 Methodology

The methodology adopted for the study is descriptive in nature and 30 samples were chosen from candidates who attended many interview and did not get through and employees who are working for past 2 to 3 years in various companies. An interview conducted with 6 company officials who conducted job fairs in various colleges during the current year. The sampling method used in convenience sampling as this is a primary attempt to do a pilot study for further detailed study. Percentage method and ANOVA has been performed to analyse the data for synthesizing and authenticating the findings.

1.5 Need for the study

Today in the volatile environment the growth of the economy is very vital for the development of the nation. Due to LPG (Liberalisation, Privatisation and Globalisation) the completion is very high. Even though many companies struggle to get the talented people for performing the challenging roles in the companies. Hence this study give an eye opening thought for finding the reason and providing a way for solutions.

1.6 Scope of the study

The study incorporates various factors reasoning for the poor quality of people and lack of employability skills. It also studies the skill gap and organizational requirement in the challenging business environment.

1.7 Data Analysis

The collected data has been analysed with Mean, ANOVA and Friedman Test for synthesizing the findings to lead to a conclusion. The data analysis is described in the following tables 1.7.1, 1.7.2 and 1.7.3. The corresponding findings and discussions are given with each table for better understanding. To get a close glance with the data.

Table 1.7.1 **Means**

Factors/Types of Respondents	Employer	Candidates/Employees	Educators
Outdated Syllabus	2.5	3.3	3.8
Frequent Change in Technology	2.8	3.0	3.6
Frequent Change in Market	3.2	2.4	1.6
Change in Work place	4.5	4.2	4.8
Increase in Number of Institutions	4.3	4.2	1.5
Lack of Competent Educators	4.0	3.7	5.5

Source: Primary Data

Table 1.7.2**Friedman Test**

Factors	Mean Rank	RANK
Outdated Syllabus	3.24	3
Frequent Change in Technology	3.06	2
Frequent Change in Market	2.45	1
Change in Work place	4.36	6
Increase in Number of Institutions	3.85	4
Lack of Competent Educators	4.05	5

Source: Primary Data

Table 1.7.3**ANOVA**

		Sum of Squares	df	Mean Square	F	Sig.
Outdated Syllabus	Between Groups	5.486	2	2.743	1.327	.277
	Within Groups	80.633	39	2.068		
	Total	86.119	41			
Frequent Change in Technology	Between Groups	2.619	2	1.310	.554	.579
	Within Groups	92.167	39	2.363		
	Total	94.786	41			
Frequent Change in Market	Between Groups	6.771	2	3.386	1.701	.196
	Within Groups	77.633	39	1.991		
	Total	84.405	41			
Change in Work place	Between Groups	1.943	2	.971	.560	.576
	Within Groups	67.700	39	1.736		
	Total	69.643	41			
Increase in Number of Institutions	Between Groups	38.943	2	19.471	8.061	.001
	Within Groups	94.200	39	2.415		
	Total	133.143	41			
Lack of Competent Educators	Between Groups	15.038	2	7.519	2.024	.146
	Within Groups	144.867	39	3.715		
	Total	159.905	41			

Source: Primary Data

1.8 Findings and Discussions

1. It is very evident from the table 1.7.1 that the Employers opined that the outdated syllabus and frequent change in technology are the most influencing factors for the

deficiency in skills and lack of employability. They also view that frequent change in market is another relatively influencing factor and the increase in number of institutions and change in workplace are least influencing factors for increase in the skill gap.

2. The table 1.7.2 shows that as per the mean rank of Friedman Test, the respondents felt that the frequent change in market is the most influencing factor of increase in skill gap which lead to lack of employability among the graduates. The frequent change in the technology and outdated syllabus are also relatively influencing factors. However the increase in number of education institutions and the lack of competent educators are least influencing factors. However due to thorough perusal it is evident that the candidates and company officials opined that the number of increase in education institutions lead to poor quality of intake of students which lead to low quality candidates presented for campus recruitments.
3. It is interesting to note that based on the ANOVA there is no significant difference in the opinion of the respondents based on their type/ category, as the significance value of the F value are greater than 0.05 except the increase in number of institutions. As the educators opined that the increase in number of institutions leads to poor quality of students in-take result in poor quality of outgoing students for professional courses. This is very notable factor as many of the researchers found that the number of unemployed engineering graduates is very high now days in India

Role of Educators

From the findings it is very evident problem that there is a frequent change in market and technology which makes the out-going students has a skill gap as required by the companies. It is also noted that there is huge number of institutions makes all the available candidates qualify for the professional courses like engineering and other social science courses. It is a vicious circle and there has to be a break through somewhere to overcome this problem. Hence it is suggested that the educators need to be trained well to improve the quality of students which may produce outstanding qualified students to cater to the needs of the industry requirements. The education institutions shall introduce innovative practical oriented coaching to the students and the updated syllabus will help in reduce the gap in skill requirements. This will lead to better employability skills and hence the employees will be able to stay back in the companies with high performance.

1.9 Conclusion

It is concluded with the strong conviction that the role of educators is very vital in filling the gap of skill requirements and skill availability in the job market as we shall not be able to stop the change in the external environment and the steps can be taken in the internal environment to solve the problem.

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