

# EMPLOYABILITY ENHANCEMENT THROUGH SKILL FORMATION FOR GLOBAL BUSINESS CORPORATIONS

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## Abstract

*Globalization has brought tremendous changes in almost all the aspects of human life. Human resources can be considered as a source of competitive advantage in the era of globalization. It has created various opportunities in the country, but there is a wide gap between the input demand of global corporation and output product of educational institutions. The business corporations want such as category of people who are at the top end of employability scale. As a result of globalization the qualities to be expected of manpower will be the same all over the world. Educational Institutions have to generate manpower not only for the local market but also for the national and international market as well. So, students require skills of effective communication, thinking, ability, team work, optimistic attitude, good behavior, facing responsibilities, creativeness and adaptability. There are so many people in the job market but their skills are not able to meet the requirements of the current market scenario. Developing employability skills is an effort to overcome these problems. Skill development can be viewed as a tool to improve the efficiency and role of workforce. Skill development can also be seen as a means to empower the individual and improve his/her employability. Skills are considered an essential growth driver in globalised economy.*

## Demographic Dividend and Employability

Demographic dividend means increase in the share of working age of people in the population. This phenomenon arises due to declining of birth rate and the resulting shift in the age composition of the population towards an adult working age. It is also generally known as the Demographic window. India has an exclusive 20-30 year window of opportunity known as 'demographic dividend'. In the next three decades India will add about quarter of the global youth population. This would make India the leading single supplier to the incremental global labor force over the next three decades. Global economy is expected to face a skilled manpower shortage to the extent of around 56 million by 2020 (Poornima Jain, 2013). Employability enhancement is the way to reap the benefit of this dividend. The concept of employability enhancement has been gaining the attention of various policy makers, academics and researchers from developing and developed nations. Therefore, the concept of Employability enhancement has increasingly been known as a significant approach, to build up a nation, to develop one's learning capability, power and knowledge. According to Hillage and Pollar, "Employability is the capability to move self-sufficiently within the labor market to realize potential through sustainable employment." "Employability is the continuous process of fulfilling, gaining or creating of work through the use of competences in best possible manner. These competences refer to an individual's knowledge, skills, and abilities needed to adequately perform various tasks and carry

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responsibilities within a job and to their adaptability to changes in the internal and external labor market. According to Dr. Peter Hawkins "To be employed is to be at risk, to be employable is to be secure." This indicates that in this competitive economic environment, business corporations are becoming progressively more alert on what they need as human capital - being employed alone is not enough, one must be employable throughout one's career.

### **Role of Education and Skills**

Education is the process of acquiring knowledge, skills and understanding various concepts. It is concerned with generating, accumulating and keeping human capital. Human capital is related with individual knowledge, skills and competencies which are used in employment. Education is a major element of human resource development and human capital formation. It has a natural link with job market conditions, mainly because education is considered as a means of improving skills required by jobs in the labour market. Skills concerned with any job have two components: Generic skill and specific skill. Generic skill is cognitive and theoretical knowledge, which helps in finding employment, and provides a base for acquiring higher skills particular to the job. It is likely to be stable over a long period of time. On the other hand, specific skill is technology specific. It is expected to change with the change in technology. So, the life span of a specific skill is closely related to the shelf life of any technology. Generic skills can be acquired largely through formal education and training system. It is not always possible to acquire specific skill through formal education system. These skills are mostly acquired through on- the- job training and formal/informal training. Employability skills are not only required for early phase of entrance into the job but also to be sustained and development throughout the career.

### **Skill Development Practices in India**

#### **(i) Skill Development Initiatives by the Government**

Government of India has considered skill development as a national priority. There are more than 17 ministries/ departments of GOI providing and funding formal/non-formal vocational educational training. For creating an institutional base for skill development at national level, "Coordinated Action on Skill Development" has been developed.

There is three-tier institutional structure:

- (a) P.M.'s National Council
- (b) National Skill Development Coordination Board
- (c) National Skill Development Corporation

#### **(ii) Skill Development Initiatives by Industry Association**

Federation of Indian Chambers of Commerce and Industry (FICCI) performs like a "Skills Aggregator" to complement Government of India's vision of training of 500 million people by 2022. Confederation of Indian Industry (CII) has tied up with Brazil for technical education skill development and technology dissemination with Korea, to develop an E-learning module for Industrial control and The Swiss-Indian Chamber of Commerce to enhance cooperation in skill development.

(iii) Industry Initiatives

The private sector has been taking a variety of initiatives on its own and in association with the government and international entities to improve in-house training facilities and also to provide training to potential employees to make them job ready. Many large corporations like Larsen and Toubro, Bharti Group, Hero Group, Maruti, ITC, Infrastructure Leasing and Finance Services Ltd. etc. have established training facilities that offer world class training programs that create an environment of e-learning and innovation.

### **Problems**

Despite various skills-development initiatives in India there are some issues:

- **Improper Structure of Formal Education**

Indian Education system is not appropriate. The percentage of students going for vocational training is even less since most students favor the general academic stream with a view to going in for higher general education. As a result admission in general courses (General studies, humanities, etc.) is too high.

- **Education System Does Not Put Emphasis on Quality and Relevance**

Quality education means an education system which is associated with the requirement of job market. Quality of education is under constraint due to deficient physical infrastructure, shortage of qualified faculty and weak industry interaction.

- **Shortage of Teacher**

There is severe and protracted shortage of teachers and trainers. Comparatively low status related with the teaching work has been an influential factor in meeting with teacher shortages.

- **Ignorance for Training and Retraining**

Training is not considered important. There are no specific measures for imparting practical training during or after formal education. On-the-job training in Business corporations is not a general aspect because it is not recognized as important due to cost considerations.

- **Obsolescence and Less Elasticity of Skills Supply**

Obsolescence of technologies renders skills non current and immaterial. However, skill constraints in the implementation of new technologies from the side of skill accessibility are of a short-term nature and can be overcome by retraining of workers. Retraining may become complex when the basic educational level of the workforce is low.

- **Lack of Dependability and Integrity**

Dependability and integrity among the workforce is very less. Due to this they are not finding suitable and better jobs.

- **Lack of Concern for Developing Skills, Knowledge and Abilities**

There is a lack of interest among individuals to develop their skills and abilities. The main reason for this is, people are not motivated enough to improve their knowledge and skills. People are well educated but still they are not competent to find gainful employment.

### **Suggestions**

Taking into consideration the problems, we can make some recommendations:

- Evolution of versatile education and training systems to confirm quality and relevance.
- Ensure balance between psychological aspects and artful aspects of education.
- Reduction of mismatch and underutilization of workforce by strengthening mechanism for continued education and different training methods.
- Giving major importance to training teachers, training of trainers and development in working and living conditions of teachers and trainers.
- Continuous and appropriate changes in the curriculum and training methods.
- Ensuring labor elasticity to adjust to fast changes in technologies, structure style and work ethics.
- Regulation and control of an undesirable expansion in skill development corporations.
- Use of Information and Communication Technology (ICT) like e-learning, mobile-learning, basic audio-visuals as a means for skills training. Online job portals, mobile job services, freelancing platforms and social networks are some of the ICTs that help in finding employment.

### **Conclusion**

India has a demographic dividend which can provide services to not only our country but also can meet the requirement of the global economy. A demographic dividend does not indicate just people; it means skillful, knowledgeable and working people. Education system should be framed in such a way that students should be able to face challenges of globalization successfully. Education institutions should not consider students as their clients. They must be guided by the strong belief that students are the products of institutions and require molding. The challenges of the globalised business corporations must be addressed by creating a tech-savvy education and research system. For making people employable, educational planners must ensure practical experience along with employable skills. It is the time to work on Soft skills, Personality Development, Communication Skills, Research Methodology and Short Term Industrial Training Programs etc. For imparting employable skills and competencies, efforts should be made to augment general competencies and ethical values in the course. The employable skills must be directed towards eradication of gender disparities and also to significantly decrease urban-rural, inter-regional and inter-social group disparities. For growth and sustainability of corporate sector, innovative skills and attitude formation need a distinctive viewpoint.

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