

CHALLENGES FACING INDIA IN THE 21ST CENTURY: AN HRD PERSPECTIVE

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Abstract: India is poised to become the fastest growing economy in the world in 2015 yet it continues to face key development challenges. This paper lists some of the key challenges that India faces and suggests practical, qualitative and philosophical changes that policy makers, educational institutions and businesses need to make in order to overcome the challenges. The paper argues that India's ability to develop its human capital will play a key role in building a sustainable competitive advantage in the global economy of the 21st century, which needs India's leadership to help build a new inclusive global order. Some of the key challenges discussed in the paper are: Accessibility of skilled labour, human capital development and access to quality education in English; role of information technology in human capital development; skills development and the importance of competency-based teaching and assessment writing in primary, secondary, tertiary and vocational education in India. Finally, the paper asserts that by addressing social evils like corruption and discrimination, leveraging technology to bridge the skills-gap, and incorporating philosophical improvements in policy-making to build a culture of leadership and excellence, India can effectively prepare for its new global leadership role, thereby leveraging the potential of its vast and unique human resource.

Key words: Human capital development, Contemporary issues in Human Resource Development in India; Human Resource Development; Leadership Through Excellence; Leveraging Technology For Human Capital Development

THE INDIA GROWTH STORY

In the past decade the Indian economy continued to grow at around eight percent per annum, attracting global attention, admiration and scrutiny. In 2010, the economy grew at 10.3%¹ and it seemed that India was unstoppable. However, over the next three years there was a significant drop eventually leading to adverse electoral consequences for the governing party. During the past year there seems to be renewed hope based on recent positive outcomes,² and it is estimated that in 2015 the Indian economic performance will rival that of China, making India the fastest growing economy in the world.³ However, according to a recent UN report (which also forecasts that the Indian economic growth will surpass that of China in 2015-16) the key developmental challenges that face South Asia's economies

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include energy shortages, infrastructure deficits, and political and social unrest.⁴ While each of these is likely to affect India in varying degrees, they can be overcome by proactive researched-based strategic planning, resource allocation and effective implementation and control. This paper attempts to highlight importance of focussing on human capital development in India and lists some of the key challenges that this endeavour faces. It also aims to suggest some qualitative and philosophical changes that policy makers, educationists and business leaders need to consider to enhance India's competitiveness in a globalized economy.

While it is good that the Indian economy seems to be bouncing back, we need to look at the sources of the growth in order to better comprehend the nature and sustainability of this growth. An analysis of India's growth between 1960 and 2004 revealed that the bulk of the growth was in the services sector while there were only modest levels of human and physical capital accumulation.⁵ Continued analysis during the last decade of India's economic performance and potential seems to have culminated in a consensus of sorts among experts and policy makers that India needs to spruce up its manufacturing sector. This was evident in the pre-election pitch of the two major national political parties, and seems to have manifested in the Prime Minister's 'Make in India' campaign, which attempts to invite Indian and foreign companies to invest in India's development.

The academic and business communities seem to have received this call to 'make in India' with much enthusiasm for they expect the new policies of the government to facilitate and enhance the global competitiveness of Indian businesses. To quote Cyrus Mistry, "This program (make in India) offers a unique and timely opportunity to make India truly global." Mukesh Ambani, resonating this view, said that the main task was to enhance the global competitiveness of Indian businesses.⁶ Continuing its thrust to develop the manufacturing sector, India recently secured \$ 22 billion worth of Chinese investment in the infrastructure and telecommunications sectors.⁷

BUILDING AND SUSTAINING COMPETITIVE ADVANTAGE

Whether India achieves its economic objectives through the growth in its manufacturing sector or service sector, or both (as is most likely), it will need a dynamic work force that has the technical and soft skills required to sustain its growth in the highly competitive global economy of the 21st century. Thus, the key to the sustainability of India's growth story lies in India's ability to develop its human capital at least at the same rate at which it intends to grow. In fact, the human capital needs to develop at a much faster rate because India is also a significant exporter of its human resources. Currently, 65% of the Indian population is below the age of 35 and, as per the Prime Minister, the government can exploit the potential of this valuable human resource by investing in education and skills development.⁸

Successive Indian governments over the years have continued to invest in education and this is one of the reasons why India seems to have done rather well. Further, the private sector has also made significant contribution to the development of human capital in the country. For example, it is estimated that there are 1.4 million schools in India and over 35000 higher education institutions. In addition, the online education market is expected to cross \$40bn by the year 2017.⁹ As per the University Grants Commission: "During the year 2013-14 there were 666 Universities (45 Central, 129 Deemed, 313 State, 175 State Private and 4 Institutions under Special State Legislature Act) and 39671 Colleges, thus registering an increase of 16% in the number of Universities and 11.63% increase in colleges during the 2nd year of the XIIth plan in comparison to the figures at the end of XIth plan."¹⁰ The total number of students in the country during the same period was 23.6 million (237.65 lakhs), while the population was 1.27 billion.¹¹ As of now, we have a total of 723 universities, 35539 colleges and 29 million enrolled students in these institutions,¹² while the country's population is 1.28 billion.

From these figures, we can clearly see that in spite of the growth in the education sector, barely one fourth of India's population currently has access to education, whereas at least 65% of the population are potentially employable youth who need to be educated and made employable (as seen above). Further, a significant number of those who do have access to education probably do not get the quality that would result in the development of employable skills within India itself, leave alone in a globalized economy. To quote the University Grants Commission (UGC): "73% of the colleges and 68% of universities in our country are transacting teaching-learning processes which are of medium or low quality."¹³ On the positive side, if India has managed to achieve and sustain phenomenal growth over several years in spite of its record of falling short on human capital development then one can imagine what more its people could achieve if the government (and the private sector) embark on a mission to improve the quality of education (both vocational and academic) available within the country.

When competing in the global economy (whether in India or overseas) organizations can build lasting competitive advantage using innovative strategies that include offering products and services with better features, at competitive prices, through a range of channels leveraging technology to ensure unmatched delivery and quality exceeding customers' expectations. However, the problem is that no matter how ingenious or unbeatable an organization's strategy, in the globalized economy dominated by conglomerates with superior resources and muscle power, it doesn't take long for the competition to catch up and nullify whatever advantages Indian organizations might try to build up. For example, we can see a feverish race, across sectors, wherein organizations are constantly challenging each other with better (and sometimes unimaginable) product features, at a variety of pricing options to suit different markets and segments, promoted

and distributed using a variety of ingenious communications and channels. (A case in point: The UAE Government is currently experimenting with using drones for delivering government documents,¹⁴ while feasibility studies are underway for using the gadgets for commercial purposes, like delivering pizzas in high-rise apartments, etc.¹⁵)

KEY HUMAN RESOURCE DEVELOPMENT CHALLENGES IN INDIA

So far, Indian organizations have successfully leveraged the availability of cheaper skilled labor (mainly English speaking professionals and workers) to make a mark in the global economy. However, this advantage has been constantly eroding as several other countries have been investing heavily in training and development (including English language learning) in their attempt to emulate the India story. For example, as per a recent study, China today, in stark contrast to a decade ago, is the largest buyer of digital English language learning products not only in Asia but the world.¹⁶ Similarly, the Philippines has improved its ranking to 35 (out of 163 countries), on English language skills (based on TOEFL scores) while India is ranked 19th; Netherlands, Denmark and Singapore being the top three countries, respectively.¹⁷

While a rank of 19 out of 163 countries might seem like a good achievement, it is, in fact, far from one. This rank is based on TOEFL scores, and usually, the Indian students who sit for a TOEFL test are those who plan to study abroad, as these scores are generally not a requirement for enrolment to any Indian undergraduate or graduate program. Obviously, Indian TOEFL test takers come from a relatively affluent section of the society and their scores are not representative of the entire student population. As seen earlier, only 29 million Indians have access to education out of a pool of 70 to 80 million who are aged 35 or less. Further, a very small part of this pool of 29 million has access to quality education in English. In addition, a large number of even those who have access to quality education in English may not have the skills required to succeed in a globally competitive market. In fact, according to a recent UGC study, 70-80% of the colleges and universities in India fail to provide the quality of education that is expected of them.¹⁸ This could be one of the reasons why the online education market is growing in India and will continue to grow further (possibly exponentially).

An increasing number of working professionals and students will be forced to turn to the internet to seek education and training, or meet mandatory certification requirements. This will happen because India's increasing levels of integration with the global economy will make it necessary for existing and prospective employees to acquire the skill sets that global organizations expect their employees to have. The internet can play a key role, albeit inadvertently, in India's human capital development. It is imperative, therefore, that the principle of net neutrality¹⁹

be fiercely defended by both, Indian consumers and policy makers to ensure access. Free, easy or affordable access to the internet will be a key determinant of the pace at which Indian learners manage to acquire the skills needed to compete in the global economy of the 21st Century. The government needs to consider recognizing self-teaching as a viable and effective method of educating the masses. New policies and standards for measuring learning, assessing learners and rating achievement levels need to be conceptualized, contextualized and developed to meet the nation's requirements.

Another challenge that India faces is its lacklustre performance in attracting substantial foreign direct investment (FDI). FDI in China reached a whopping \$ 444.9 billion by April 2015, while India only managed to attract \$ 27 billion by March 2015.²⁰ One of the reasons for the stark difference in the volume of FDI attracted by India and China is the fact that China's growth is powered by its exports while India's growth is mainly a result of the growth in its domestic consumption and production.²¹ In fact, India's reliance on its domestic consumption also puts it at a major risk while opening up new opportunities for China, which is well established as a manufacturing powerhouse. While India is yet to make its manufacturing sector globally competitive, China established itself as the world's largest manufacturer by 2010. In 2013, it generated a manufacturing output worth \$ 2.9 trillion widening its lead over the United States, which produced goods worth \$ 2.43 trillion during the same period.²²

Once again, we have to reiterate that the government's 'Make in India' campaign seems to be headed in the right direction, however, it is unlikely that this campaign will result in meaningful positive outcomes unless there are conscious and deliberate changes made in the manner in which we impart education and vocational training to generate the human resource capital needed to 'make in India'. To begin with, we need to more than double the number of institutions that we currently have. Obviously, such massive infrastructural development cannot happen overnight. This is another reason why we need to leverage the power of the internet to try to reach each and every one of the '65% potentially valuable human resource' that the Prime Minister talks about. This cannot be done unless policy makers reorient themselves and are open to an entirely new way of imparting education in India.

Secondly, even while we leverage technology to increase our reach and improve our ability to swiftly disseminate knowledge and information to develop skills and educate the masses, we need to reconsider the manner in which we currently impart education at all levels - primary, secondary, tertiary, vocational, etc. We need to focus on skills development by encouraging schools and colleges to develop outcomes based curricula and programs that incorporate novel multi-modal content delivery and diversified assessment tools and methods, which include competency-based assessments.

Yet another challenge (which is perhaps even more daunting than fostering a culture of excellence) that India needs to face is the 'lack of inclusiveness' in contemporary Indian society. To borrow a quote from a public-private partnership aimed at promoting entrepreneurship and growth in Pittsburgh, USA: "We believe that a successful innovation economy can drive economic growth, but lasting regional progress only happens when all communities are connected to wealth generators."²³ Every Indian needs to realize that all Indians must be a part of India's success story, irrespective of their faith, cast, ethnicity, etc. If Indians fail to resolve antiquated prejudices and issues related to religious, ethnic, linguistic, social and gender discrimination within India itself they will never be able to export the globally relevant Indian values of non-violence, tolerance, peace and brotherhood that have the potential of helping create a better and sustainable new global order. This message created a lot of flutter and debate within India when President Barack Obama delivered it in Delhi in January this year: "India will succeed so long as it is not splintered along religious lines, or other lines." However, we need to stop being so touchy because of a misplaced sense of national pride and start acknowledging and addressing the challenges that we face from both within and outside.

The following is a list of challenges that India faces, as per the Central Intelligence Agency of the United States: "... India has many challenges that it has yet to fully address, including poverty, corruption, violence and discrimination against women and girls, an inefficient power generation and distribution system, ineffective enforcement of intellectual property rights, decades-long civil litigation dockets, inadequate transport and agricultural infrastructure, limited non-agricultural employment opportunities, high spending and poorly-targeted subsidies, inadequate availability of quality basic and higher education, and accommodating rural-to-urban migration."²⁴ We may or may not agree with every item in this list but it will be very unwise to disregard the list, as this is what the world thinks bogs us down; and there is little evidence to suggest otherwise.

SOME POSITIVES

Some positive steps have already been taken in the direction of skills development. For example, the Central Board of Secondary Education (CBSE) curriculum includes skills development even at the primary level and schools are asked to focus on developing skills and understanding among students rather than on learning by rote. However, modes of teaching and assessing (including the quality of assessment writing) still need to be improved to ensure that course and program learning outcomes are effectively met. While the CBSE secondary school curriculum for 2015-16 provides an excellent list of 10 core competences and outcomes that need to be achieved in order to accomplish the 10 listed curriculum goals, (Refer:http://cbseacademic.in/web_material/Curriculum/Secondary/2015-

2016_Secondary%20School%20Curriculum%20Volume%201.pdf),²⁵ there is one major emphasis that still needs to be made: First of all, at every level (primary, secondary and tertiary) there needs to be a major emphasis on application of knowledge. Though the current secondary school curriculum does include 'encouraging application of knowledge (in outcome number 9),' and acquisition of 'knowledge and attitude related to livelihood skills (in outcome number 7),' the whole purpose of these skills is meant out to make the students 'employable' and 'productive.' This is not enough.

PHILOSOPHICAL CHANGES NEEDED

Indian students do not just need to be 'productive,' they need to be able to produce at a level of excellence that can meet and surpass the levels of the competition in the global economy. CBSE, and the University Grants Commission, therefore need to incorporate this philosophy (of leadership through excellence) in all their curricula, and ensure that teaching and assessment methods are suitably modified and improved to ensure that every school knows how to achieve and generate evidence of the achievement of this goal.

Every Indian student needs to aim to lead the global competition, not merely function and make positive contributions in a global economy. The world needs India's leadership, now more than ever before. There are chaotic seemingly irreconcilable diverse global social, economic and political forces that threaten the very existence of the species and 'life' as we know it. The average Indian has inherited an evolved set of implicit skills and knowledge that make her (or him) uniquely positioned to be an agent of reconciliation, collaboration and harmony in a world that sometimes seems irredeemable. Policy makers need to recognize this and build on this to provide the world with authentic leaders who can serve the global community through genuine, non-discriminatory and self-less contributions. In order to make this possible we need to reorient the Indian mind in certain deliberate ways.

While we strive to achieve all the noble outcomes listed by the CBSE in their primary and secondary school curricula we need to simultaneously foster a culture excellence. We do not need a major overhaul, as some might call for. Even simple steps can lead to phenomenal outcomes. To begin with, educational institutions and governments need to promote a new kind of work ethic. Work needs to be looked upon as an opportunity to achieve excellence and global relevance, not just as a means of livelihood. For example, if educational institutions begin by insisting that every teacher and student must focus on paying 'attention to detail' in everything they do, and as a way of life, by and by the quality of work within the organizations and communities will be transformed, and so will the global competitiveness of the students.

CONCLUSION

To sum up, India has a wealth of potential human resource that it needs to tap in order to ensure that it will continue to be the fastest growing economy in the world for decades to come. It can exploit this resource by investing heavily in education and training and development through public-private partnership. By addressing social evils like rampant corruption, discrimination, inequities, etc.; leveraging technology to impart skills at a war footing; and making the necessary philosophical and policy improvements to develop a culture of leadership and excellence, we can hope to effectively overcome the challenges that bog India down, and prepare for our new leadership role in the global economy of the 21st century.

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