

Role of Industries in Bridging the Challenge of Skill Gaps

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ABSTRACT

The developing industries demand for employees with portfolio of skills is growing in a globalized market scenario. The skill gap is further aggravated by multinational through outsourcing the skill human resources.

The fast growing industries are not constrained by capital, technology and entrepreneur capabilities but by human resources of talents and skills. In a growing problem of skill gap the industries must collaborate with academic institutions in their classical and operant conditioning of learning. The industries should focus their skill gap in different forums of professional institutions. The industries can also develop their own institutions of skill formation and development. The industries should follow HR Strategy to attract, train and develop employees. The HR management should follow open dialogue during performance assessment, career progression on merit transparency in promotion and competitive compensation package.

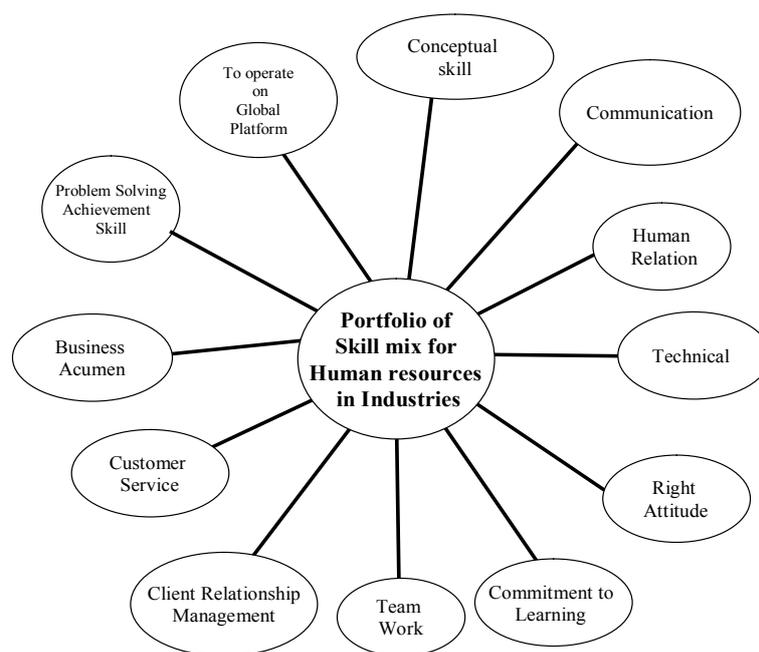
Role of Industries in bridging the challenge of skill gap

Prior to 1956, we had management hypothesis that the 'Managers are Born'. During this period of time industries had less significance of human resources of skill. The capital and technology had the highest priority in industries. In 1991, our government has introduced the economic reforms, viz. Liberalizations, Privatization and globalization (LPG). All controls on industries have been removed. The Private Sector has been given priority role to play in the economy development. Our economy is integrated to global market. As a result industries have growing opportunities, for their products, services and funds from national to global market. In a market focus competitive environment the management is sensitized for quality, productivity, performance, cost and customer service. In a highly competitive market the performance of industries mainly dependent on the quality, talent and skill of human resources. As a result of this, demand for human resources of skill, talent and quality has exceeded the supply of human resources of skill. This has resulted into skill gap for industries.

During post economic reforms, our industries made significant contributions for achieving 9% rate of growth of economy. This high growth performance of economy along with global demonstration effect provided the big push to our industrial development. This has aggravated problem of human resources of skill. The multinational companies also entered into Indian market of human resources of talent, quality and skill. As a consequence of composite demand for human resources of skill, the problem of skill gap has become more serious.

The fast developing industries in our country are not constrained by capital, technology and entrepreneur abilities but the industries are now constrained by human resources of skill. Existing skill gap is an obstacle to the development of our industries.

The collapsed of Lehman Brothers in U.S.A. resulted into a global financial crisis. Indian industries also had an adverse effect due to economic slow down. But the fundamental of our economy in general and industries in particular are very strong. We had 7% rate of growth of economy. Since, recovery, now our rate of growth is now 8.8%. This has provided big push to the development of industries. However this performance is mainly due to the



performance of human resources. The new human resources management (HRM) mantra is employee is a king because employee is a source of revenue provider.

The demand for human resources of skill is greater than supply. As a consequence the attrition rate is very high in industries. Therefore industries should make perspective planning of bridging skill gap. The human resource management should under take the task of analysis of identifying and quantifying the sectoral skill gap and accordingly plan to fill up the skill gaps in industries. The degree of utilization of skill depends upon the level of management and task assigned to them. The portfolio of skills required for human resources in industries are shown in the exhibit I.

Following exhibit I

- In a high growth performance of industries in a globalized market scenario the skill gap is a critical challenge for industrial performance. Therefore through provoking suggestions have given bellow to bridge the skill gap of industries.
- The employer should develop the preference to skill human resources. For this employer should invest in building “Employer Brand”. The employer should identify the emerging needs of employees. Accordingly he should care concern satisfy and make them comfortable at work, because happy employee will be an appreciable asset and he will ensure the happy customers.
- In a situation of skill gap the employers have to change their attitude and outlook. The employer always consider human resource as cost hut now they should consider human resources as revenue provider and every attempt should be made to retain them.
- The industries have less time to develop human resources with portfolio of skills. So, they are in search of human resources, talents and skills. The human resource management (HRM) of industries is in search of potential employees who can hit the ground running.
- Due to skill gap the industries are experiencing a high attrition rate. The findings of various research studies have shown that the employees leave the jobs not only for money but for career development opportunities, development of skills, training and talents.

- India is emerging as a global industrial leader. As a result India has become the global platform for corporate to hunt for human resource of talents and skills. The human resource management (HRM) of industries has to design the human resource strategy to retain the human resources of skills and talents. The focus areas of HR strategy are as follow :
 - To attract train and develop employees
 - Open discussion during performance assessment
 - Career Progression on merits
 - Transparency in Promotion
 - Competitive remuneration structure
- To meet the challenges of skill gap the industries must collaborate with academic institutions which are engaged in classical conditioning and operant conditioning of learning. In order to over come the skill gap, the industries can adopt the following methods.
 - Participating in designing the need base academic courses.
 - Organizing guest lectures of Professional
 - Organizing workshops, seminars and conferences on portfolio of skills management

Conclusion:

Indian industries are emerging as a global industrial leader. The future development of industries will not be constrained by capital, technology and entrepreneurs capabilities but by human resources of quality skills and talents. Therefore the academic institutions of professional learning must develop industry interface. The industries should also develop their own institutions of training and development of human resources, mainly focusing on the development of human resources of required skills. The consultancy firms should evolve a new approach of corporate skill management. The corporate skill management approach of corporate consultancy firms will help to minimize the problem of skill gap of industries. The academic institutions, industries and new approach of corporate consultancy training and skill development of human resources can over come the existing skill gap of Indian industries.