

NASSCOM White Paper

INDIA: THE 'RISING TALENT CAPITAL OF THE WORLD

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How has India fared in developing her human capital?

India is poised to become the 'talent capital of the world' with an uninterrupted economic growth. But how well has the country fared in developing her human capital?¹ India ranked 103 out of 130 countries in the Global Human Capital Report 2017 (an Index that measures the preparedness of a nation's talent to contribute to economic growth and productivity)². To top it, according to the World Bank³, **automation threatens 69% of the jobs in India and the country has a time window of two to three years, to bring about large-scale reskilling reforms.**

This paper attempts to understand how the Industry, Government, Academia and the Citizens, can join hands to optimally leverage the opportunities presented by technological disruption and act expeditiously to provide cost-effective, focused programmes to upskill and reskill workers and identify formerly untapped segments of the potential talent pool.



International Lessons: Governments are stepping up to catalyse the training of their workforce

As digitization, automation and advances in artificial intelligence disrupt the world of work, there are rising levels of anxieties among people, resulting in 'confidence crises' and lower levels of public trust. Resultantly, governments across the globe are working hand-in-hand with public and private associations on

initiatives that can tackle the growing skills shortage by developing the right skills infrastructure and thus driving the future prosperity of their workforce⁴.

There are three core areas of focus:

STUDENTS



To advise them in making informed decisions about their educational or job-related choices through various schemes involving partnerships with key stakeholders.

JOB-SEEKERS



To provide them essential skills and give them the power to acquire professional qualifications that will ultimately boost their employability.

EMPLOYEES



To upskill them for augmenting their career development opportunities.

For example, Singapore, through both public and private sector initiatives has provided Singaporeans access to a variety of opportunities for continuous learning and reskilling. SkillsFuture Singapore (SSG), a statutory board under the Ministry of Education provides an array of lifelong learning and workforce development programmes for people of all

ages⁵. In DENMARK, in 2017, the Danish Ministry of Employment established the Disruption Council, comprising a broad group of representatives from public and private sectors and Academia. The Council meets periodically to deliberate over future skills, international partnerships, new business models, tomorrow's technology and lifelong learning⁶.

Does India have the right reskilling infrastructure in place?

Government has planned and implemented several initiatives for upskilling the current workforce, such as:

01

DIGITAL INDIA

India doubled its budget allocation for 'Digital India' programme to \$480 Mn in 2018-19, which includes training in new technologies, like, 3D Printing, AI, Big Data Intelligence and Quantum Communications

02

NITI AYOOG

NITI Aayog partnered with Google to develop AI-based solutions aimed at improving the overall economic productivity of the nation. This partnership will also unlock massive training initiatives, support start-ups and encourage research[7]

03

ATAL TINKERING LABS

initiative which aims to create 1 million neoteric child innovators in India by 2020, has covered over 5,400 schools across the country[8]

Nonetheless, **the enormity of the challenge, India is confronted with, on the reskilling front is daunting.** On average, 4.75 million people join the labour force in India per year⁹. Additionally, the total employee base of the IT-BPM Industry is around 3.9 million¹⁰. Further,

over the next decade, about 250 million young people will be joining the workforce as they graduate from colleges. These people may soon have the skills that the industry won't need, making reskilling even more critical in the Indian landscape¹¹.



The roadmap to becoming 'the talent capital of the world'

The **solution to India's 'reskilling challenge' resides in: 'Life-long learning, reskilling, upskilling, and retraining'**, and requires four key parties to join hands to make 'India's reskilling story', a success.

A Citizens

Citizens, who are currently facing 'information' and 'financial' challenges while keeping-up with the pace at which technological advances are creating new employment opportunities and displacing

other jobs, must engage in 'life-long learning' if they are to remain not just employable but to achieve fulfilling and rewarding careers that allow them to maximize their employment opportunities.

B Employers

On the one hand, they have incentive to train their employees for meeting the growing skill needs, on the other, they are concerned that these newly trained employees may be hired away. They must be prepared to 'reskill',

'retrain' and 'upskill' their employees, which will help them find the talent they need and contribute to 'socially responsible approaches' of the future of work¹².

C Government

As the country aims to increase the turnover of its digital and the Information Technology industry to \$1 trillion by 2022 (from a current value of \$270 billion), through start-ups, financial technology and new-age technologies, a major push will be given to services and offerings in the digital space with a focus on; new-age IT solutions, financial technologies, start-ups and cyber security¹³. Resultantly, 'reskilling' and 'retraining' the existing workforce are

essential levers that can drive future economic growth, enhance social resilience in the face of technological change and pave the way for future-ready education systems for the next generation of workers. Government will play a crucial role through its campaigns, such as, 'Digital India', 'Make in India' and 'Start-up India' and propel the reskilling revolution by investing in policies for 'Life-long learning', 'reskilling', 'upskilling' and 'retraining'.

D Academia

The 'Indian Education Predicament' is that the things that were taught earlier, have now become easy to digitize and automate (e.g., rote-learning versus critical thinking). There is a dire need to shift our focus from 'what we know' to 'what we can do with what we know'. The academic system must enable

people to become 'lifelong learners', which includes continual 'learning', 'unlearning' and 'relearning' when the circumstances change, combines both, 'practical world of work' with 'theoretical world of learning' and stresses on coupling automation with the intellectual, social and emotional skills of human beings.



Concluding Thoughts

To be the 'talent capital of the world', an important ingredient is 'large scale upgrading of the digital skills of Indian workers', which will enable them to keep up with the pace of technological progress. Reskilling is the collective responsibility of the Government, Industry, Academia and the Citizens.

This includes;

- Accurate recognition of future job roles,
- Scaling learning platforms that deploy digital technology, and
- Encourage more public-private partnerships that enable broader

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