

SUSTAINABLE GROWTH OF EMERGING ECONOMIES AND HUMAN RESOURCE IN INDIAN PERSPECTIVE

Priyanka Sabharwal*
Sanchit Sabharwal**

Abstract

The greatest wealth of a nation is its **Human Resource** (not just population) in general and youths who possess specific job skills in particular. Indian economy has been recognized as Emerging Economy in the world. Though its Gross Domestic Product (GDP) growth rate has come down from 8% pa to 6.5% pa during the year 2017-2018, still the rate of growth remained as second highest in the global economy. It is projected by the world economists including Indian experts that Indian economy will emerge as second largest economy in few decades. All this could be possible just because of growing number of working hands and creative mind of Indian youths. The Indian Economy has been growing continuously but this growth has resulted in to imbalanced growth and inclusiveness in missing in the present growth. Only around 1/3rd of the total economy (urban economy) has been growing at a faster rate whereas 2/3rd of the total economy (rural economy) has yet take off towards growth. When both the economies grow simultaneously the total economy will reach to its destination of developed economy. To achieve a level of developed economy there is an urgent need of developing more number youths as human resource with certain work skills to take up some productive jobs to accelerate the growth rate of economy at double digit. And the institutes of higher education have to play a vital role in converting young population into workforce by providing quality education to the deserving candidates at affordable cost. Special efforts are required to be taken for developing the rural youths due to wide disparity in educational standards in the educational institutes of rural and urban areas.

Keywords: Human Resource, Global Economy, Gross Domestic Product (GDP).

Introduction

What is most important element or resource responsible for sustainable growth of emerging economy? Obvious answer is Human Resource is most crucial among the all resources for sustainable economic growth of a nation. Physical and material resources which

* Former Assistant Professor, Shobhit University, Gangoh, U.P., Former Assistant Professor, Stallion College of Technology, Saharanpur, U.P., and Former Lecturer, Dev Bhoomi Institute of Technology, Dehradun, Uttarakhand, India.

** Former Assistant Professor, Disha Bharti College of Management & Education, Saharanpur, U.P., and Former Assistant Professor, Dev Bhoomi Institute of Technology, Dehradun, Uttarakhand, India.

are scares in quantity will be useless if human resource with desired skills and in required number do not exist in the country. Non-human resources can be created and can be used for economic growth only when good human resource is available. The countries which are at the helm of industrialization and acting in present days as leaders in the world economy are mainly due to innovative and create human resource of those countries. A survey report of 200 countries in the words revealed that 'economic development of the nation depends 20% on natural resources, 30% on physical resources and 67% on human resources'. Thus third world countries including India have realized the importance of human resources in economic prosperity and have been making systematic efforts to develop more and more human resources and are being recognized today as emerging economies.

Emerging economies are the countries having low-income, rapid growth potentials and using economic liberalization as their primary engine of growth. Emerging economies can be defined as a country that satisfies two criteria: 'A rapid pace of economic development and government policies favoring economic liberalization and adoption of free market system' (Arnold & Queich 1998). Both the private and public sectors have to develop unique strategies to exploit the benefits of emerging economies. India has initiated steps like liberalization, privatization and globalization one & half decade back and has become as a country of emerging economy with GDP growth rate of 6.5% during the year 2017-18. This has been possible due to human resources of low cost with technical skills.

Higher Education in India

Higher education in India had a rich tradition during ancient period, educational centers like Taksasila, Nalanda were considered well-structured universities during those days. The system of education of that period was considered much more effective than the present system of higher education. The curriculum was choice based and the pupils were free to learn any subject based on their interest and capability. Educated people from these educational centers were considered most knowledgeable persons and were able to take up certain jobs for the welfare of the society. India was considered as developed country in those days.

Present Scenario

Indian higher education system today is the largest system in the world in terms of number of institutes of higher learning and third largest in terms of enrollment of candidates. The system is working with unique objective of creating knowledgeable human resource with certain skills. The higher education system was involved with 634 universities including 43 central universities, 297 state universities, 100 private universities, 129 deemed universities and 65 institutes of national importance by the end 2017. There were 33023 affiliated colleges with total enrollment of 17 million students. The numbers of students pursuing post graduates, professional and research education were around 2.2 million which constituted 12% of the total students enrolled for university education and bulk of the students, 86% were enrolled for undergraduate courses.

However, the scenario in higher education and in the process of human resource development has been showing unsatisfactory performance. Dr. Goverdhan Mehta, a member of

Prime Minister's Scientific Advisory Council, made a statement 'The government is looking for increasing enrollment due to which we will produce more than 6 million general graduates with no disciplinary capabilities and skills. Do we empower them to create a future for themselves? Somebody has to bring about a complete change and reengineer the system'. Quality of education at all levels from elementary education to professional education has been continuously deteriorating which eventually resulted in creation of unemployable and under employable degree holders. Research reports reveal that there is wide gap between the type of human resource developed by the present system of higher education and the type of workforce being demanded by the present job market. The institutes of higher education have been facing challenges which have become more complex in respect of equity, relevance of education, quality of education and governance. The following are certain examples in this regard.

- More than 2.2 lac candidates crack each year for CAT, MBA entrance examination for just **5000 seats** in 13 IIMs and for some approved autonomous and affiliated institutes.
- Around 3650 MBA institutes from private sector with 370000 intake approved by AICTE were involved in management education. Around 35% of the combined intake in these institutes went vacant during the year 2017-18 for non-availability of eligible candidates for admission.
- Around 5 lac candidates have appeared for II CET during the year 2017**for just 7536seats** in 15 colleges, IITs.
- Around 15 lac students were pursuing engineering education in 3400 engineering colleges approved by AICTE during the year 2017-18,**around 35% of the seats were vacant due to shortage of candidates for admission.**
- Around 220 seats went vacant in all IITs together during the year 2017-18 for want of quality students for admission.
- As per the ASSCOM report only around 20% to 25% of the engineering graduates were employable.
- AICTE report said that only around 25% of MBA candidates from approved institutes are employable.
- Millions of Indian students spend millions of dollar for acquiring higher education from the universities of developed countries considering high quality education.
- Not a single institute of higher education from India included in top colleges of the world.
- Around 90% of graduates and post graduates from traditional courses remain unemployable due to **lack of employability skills.**
- Enrolment for traditional courses in the colleges located in rural areas and sub urban areas is less than their admission capacity.
- Thousands of teaching posts remain vacant in the institutes of higher & professional education including IIMs & IITs due to shortage of well qualified & eligible candidates.

- The retirement age of Professors and Principals/Directors of certain institutes of professional education has increased from 60 years to 65 years due to paucity of quality manpower.
- Many posts of officers in defense are vacant due to shortage of good candidates eligible for admission.
- Almost all good institutes of higher education are located in metros and urban areas, the candidates from rural areas, from underprivileged community, from economically weak group unable to get admission due to high cost and admission criteria.
- Union Government has planned to increase Gross Enrolment Rate (GER) from 12 % to 15 % by 2017 for which resources are used to establish new universities and colleges whereas around 35% of seats in existing colleges and institutes remain vacant for non-availability of candidates.
- There is wide disparity in quality of students among the institutes of rural and urban areas, among the institutes located in same geographical areas and among the institutes public funded and self-financed.

Thus there is urgent need to make strategies to change the above scenario and bring certain improvements in quality of higher and professional education in India. The institutes of higher education need to improve & develop employability skills of the candidates should enhance the level of their self-confidence. The percentage of employable youths if increased from the present level of 25% to 40%, huge skilled manpower will be available which would help for sustainable growth of emerging economy and India can become a developed economy within few decades, as it projected.

Strategies

Institutes of higher education and the development of human resource are so closely interrelated and interdependent that one affects the other and vice-versa. But the present system has created a gap in what is expected from them & what actually they are performing. The institutes need improve their performance by developing human resource which will be capable to contribute towards sustainability of second largest growing economy. The following strategies would help in resolving the issues in higher education system.

Quality and Quantity

The decision of central government to open more number of public funded universities and colleges all over the country as role models of good institutes and to increase Gross Enrolment Ratio (GER) will not help in quality improvement in the existing institutes. Priority should be given to upgrade and enhance the quality of education in existing institutes of higher education instead of opening new institutes. There have been less admissions in existing institutes during last few years due to lack of quality education in those institutes and there will be no sense in increasing the number of institutes without quality improvement. Quality assessment and quality improvement activities in all the institutes of higher education should be made mandatory. Continuation of approval of the institutions by the regulatory bodies should be based on the quality enhancement programs implemented by the institutions. The number of Government agencies like NAAC & NBA be increased for timely assessment & accreditation of the institutes.

Equity

Quality education needs to be made available to all the deserving candidates, irrespective of caste, region, religion, level of income, sex and so on. Education should be easily accessible to the candidates who have capability and desire of getting good higher education. The present system discriminates certain education for the candidates from elite society. Though the union government has taken initiative by reserving certain seats in premier institutes, it has accommodated more number of deserving candidates from underprivileged society, but reserved quota is not being completed fully due to lack of eligible candidates.

Incentives for Quality Enhancement

Motivational schemes must be introduced by the HRD Ministry to the institutes from private sector for taking initiatives and for effective implementation of programs on quality enhancement. Incentives should be based on noticeable changes in employability skills and overall development of youth rather than just producing the degree holders. The present schemes and assistance provided by the UGC & AICTE for quality enhancement is limited to only certain colleges and institutes and large number of institutes in private sector are not eligible for such schemes.

Governance

A good culture and conducive environment within an institute of higher education can be built with the help of good governance, framing code of conduct and ethical and fair practices followed in the institutes create a feeling of self-responsibility among the stakeholders which eventually results in better use of resources for improved results. Good governance helps in building trust among the individuals within the institutes by means of caring and respecting each other. It creates a sense of belongingness which promotes stability among the human resource and stability helps in conducting the activities for developing employable human resource. Good governance helps in creating institute brand image.

Industry Sponsorship

The institutes of higher education if supported by the corporate sector by means of providing visiting faculty, training and development of students, providing opportunity to the candidates to learn by practically doing and providing final placement after completion of the course, helps in human resource development. Industry-institute relationship will help in improving the employability skills of candidates and faculty members will understand the job requirements of corporate sector. Industry can also make use of institute's resources for training and developing their present human resource. Thus there will be sharing of resources among institutes and industry which ultimately results in optimization of resources.

Change in Attitude

Attitude of stakeholders of higher and professional education matters more in the present era to bring changes and improvements in it. Both private and public sector institutes are involved in it, but private sector has a dominating role in implementation of education system. Educational entrepreneurs from private sector should think higher education is of

money making venture through quality education instead of just money making. The candidates pursuing higher and professional education should learn by doing and studying and should concentrate gaining of knowledge instead of just getting the formal degree. The parents of candidates aspiring higher education should be ready to share additional cost, if any for improved and good quality of education. The faculty members of the institutes should adopt fair practices in teaching learning process, should involve in research and innovations. And the government regulatory bodies should promote activities and programs on quality enhancement. The regulatory bodies should give autonomy to the institutes to certain extent for effective functioning and miss-utilization of autonomy should be strictly regulated.

Joint Programs

There is wide disparity in educational standards among the various types of educational institutes of higher education and that brings variation in employability skills of the students of those institutes. IIMs and IITs are considered highly standard institutes in management education and in engineering education respectively, and the candidates from these institutes are highly respected by the job market by offering high profile jobs with very high remuneration as compared with the candidates from other MBA institutes and engineering colleges. Certain joint programs between premier institutes and regional level institutes will help in developing educational standards of the latter institutes.

Non-Profit Approach

Institutes of higher and professional education need to provide quality education service at affordable cost to the deserving candidate. Institutes should not become profit generating centers like commercial organizations. Moderate income generation is essential for upgrading the institutes and for adopting the changes. Certain fee consideration and or loan facilities are provided to the deserving candidates who cannot afford to pay full fees.

Conclusion

An important and urgent task of the institute of higher education is to work effectively for developing human resource with certain values and skills which will be a basic and fundamental input for growth of emerging economy. Very few institutes of higher education have been doing this task and very less number of candidates has compared with the total enrolment has been contributing towards development of the country. More number of candidates with employability skills is required to accelerate the transformation process. It is the joint responsibility of all the stake holders of higher and professional education to insist for developing value based employable human resource. The educational entrepreneurs from private sector need to give up profiteering approach from this venture and should work on imparting quality education at cost affordable to all deserving candidates and sustainability of the institutes. The candidates should become learners by self-doing, parents should prepare themselves to contribute additional cost for the activities to add values to human resource, the faculty members should accept this profession by choice not by compulsion and help more in innovate & creative activities and the regulatory bodies need to become facilitator to the institutes for developing human resource.

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