

Reviving the Employability Magic of Professional Education

The private engineering colleges and b-schools are going through another bad phase. The overcapacity, because of which many colleges are reeling under significant financial stress, is intriguing when seen against the backdrop of a modest Gross Enrollment Ratio. The reasons are quite simple; students enrol into professional education for jobs. For almost 20 years, starting from the mid-1990s, riding on an economy growing at a fast clip with the promise of dollar jobs students thronged the higher education professional courses. When the global economies plateaued and the Indian growth rate isn't much better, job creation is poor and so also is the demand to join professional courses. The professional education institutes must know that the role they need to play is to create industry worthy professionals. That needs to be the focus.

For the past 20 years, institutes have focused on two areas – infrastructure and admission network. This strategy worked, when large organized businesses had the business growth to hire half-baked professionals and train them to be client ready. Today, with the base of educational institutes so high, even on a good year large companies alone will not be able to provide bumper year for a majority of colleges. On a gloomy year, even the best of colleges will have a modest placement year.

Today institutes have to proactively address the needs of the industry, especially smaller organizations. Many such companies may be having the intrinsic strength to grow their business (and create jobs) but maybe cautious, because they are not sure of the human resources they can get to execute their strategies and projects. Also, they are not likely to have a margin cushion to undertake massive training on their own. There lies the opportunity for institutes, who need to move away from infrastructure and admissions to deep engagement with industry to understand their pain points and solve them by providing job ready students with well baked skills when they pass out.

In this way the placement scene in the colleges will improve, also the students who miss the placement boat in college will find it easier to get jobs outside the campus because of the specific skills they acquired in the institute. The companies on their part will have better resources and hence contribute to solve the competitive edge of the country and tide over the related country's problems of slow export growth, current account deficit, currency depreciation and other related macro-economic indicators. Every institute needs to probably have a list of 50 companies for whom they create specific skills and provide 3-5 resources per year. Institutes will also be able to create a longer term relationship for such companies and hence will tide over a bad year better. Institutes which adopt this approach will always. Similar programmes can also be thought of for alumni for on-line re-skilling, this increases the revenue share of the institute, the career growth of the alumni and the strike power of the company.

The crux then is that the institutes need to demonstrate innovation and industry in creating jobs. They need to proactively enhance the strike power of both prospective employers and employees by deeper engagement. Thus improving the competitive edge of the country and expanding the pie. Instead of them lagging the companies fortunes, how can they shape them – inevitably through team work and win-win collaboration.

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