EMPLOYABILITY AND ENTREPRENEURSHIP

ISSUES AND CHALLENGES FOR INDIAN UNIVERSITIES

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While most of the developed world is moving towards a nation of ageing population, India is privileged to be the youngest country in the world in terms of its population. This young workforce and demographic dividend, which constitutes nearly 62 per cent of the population of India is our most valuable resource. However, a nation of young people without employment can be a drag on the economy and a threat to society. Some employers place less importance on graduates’ actual degree discipline in favour of the more generic skills, which students must acquire. They generally seek a graduate’s achievements outside the boundaries of the discipline such as extracurricular and co-curricular. Indian universities have largely become teaching and examining bodies without a productive research base and hence they are not effective to cope with the challenges of employment. Consequently, what is taught in universities is not wanted and what is wanted is not taught. There is a serious mismatch between demand and supply. Skill development is crucial to stimulate the process of economic development. In the backdrop of globalisation and open market economy, it is only through skill development, skill up-gradation and skill updation of the youth that employment can be generated, national productivity improved and sustainability of development ensured. Developing entrepreneurs among students is the answer for tackling the employability problem. Entrepreneurship is the process of designing, launching and running a new business. Indian universities need to be revamped forthwith. Every university stood start Technology Parks, Business Incubators, Venture Capital Foundations.

PRELUDE

It is well-known that Indian higher education system is the third largest in the world, next only to the United States and China. While most of the developed world is moving towards a nation of ageing population, India is proud to be the youngest country in the world in terms of its population. This young workforce and demographic dividend, which constitutes nearly 62 per cent of the population of India is our most valuable resource. Ranking 66th in the Global Innovation Index (GII) list, it is believed that India can become a global driver of innovation because of its potential, talent pool and culture of innovation.

However, in the ultimate analysis, empowering youth is all about gainful employment. A nation of young people without employment can be a drag on the economy and a threat to society. If we do not provide them the employable skills
and the jobs, then it may turn out to be the ‘demographic disaster’. Therefore, the most crucial problem before the higher education institutions and universities is how to make the youth employable. As the famous British historian Thomas Carlyle observed” “A man willing to work and unable to find work is perhaps the saddest sight that fortune’s inequality exhibits under this sun”.

It is quite disturbing to hear reports that nearly 80 per cent of engineering graduates and 90 per cent of management graduates of most Indian universities are not fit for jobs. This, of course, does not apply to graduates of IITs, IIMs and other premier institutions; reputed deemed to be universities like Manipal, BITS, VIT, Amrita; GITAM, SRM; and several reputed Central, State and Private universities, which are taking special measures to improve employability skills of students. All these years, we focused on building higher education and very little did we think of introducing the employability quotient and produce skilled manpower through skill training interventions. Despite being world’s youngest country in terms of demographic dividend, India has only a small percentage of the workforce skilled compared with 96 per cent in South Korea, 45 per cent in China, 50-55 per cent in USA and 74 per cent in Germany. In this paper, an attempt has been made to examine some of these issues and challenges and try to suggest measures for improving the situation in so far as universities are concerned. Before we examine the issues, it is useful to have a proper understanding of the skills that the employers look for.

**EMPLOYABILITY**

Employment is all about getting a job or searching for a job. Employability refers to a person’s capability of gaining initial employment. This capability is about having an effective mix of knowledge, skills and personal attitudes in order to be employed initially and function successfully in the required roles. A graduate’s employability therefore depends on:

- Her/His Knowledge (what she/he knows)
- Her/His Skills (what she/he does with what he knows)
- Her/His Attitudes (How he approaches things)

Employers are looking for people who are flexible, take the Initiative, and have the ability to undertake a variety of tasks in different environments. While certain hard skills are necessary for any position, employers necessarily look for ‘soft skills’ among job applicants. That’s because it’s generally easier for an employer to train a new employee in a hard skill (such as how to use certain computer programme) than to train an employee in a soft skill (such as patience).

Further, employers are generally demanding skills from graduates, which are outside the subject area of study in higher education. Indeed some employers place less importance on graduates’ actual degree discipline in favour of the more generic skills, which students must acquire. They generally seek a graduate’s achievements
outside the boundaries of the discipline such as extracurricular and co-curricular activities, work experience, volunteering and involvement in clubs and societies etc., are seen as having equal importance as the knowledge and experience acquired through academic study.

Types of Employability Skills
Employability skills are generally divided into following three categories:

- Transferable skills’
- Hard skills; and
- Soft skills

Transferable Skills
In order to be flexible, students need a set of transferable skills – skills that are not specific to one particular career path but are generic across all employment sectors. Employers are often looking for skills that go beyond qualifications and experience. Some career paths would involve higher order thinking skills and a good grounding in a variety of managerial skills.

Transferable skills include motivating others, dealing with obstacles and crisis, skills learned from life experience, ability to meet deadlines, multi-tasking, managing staff, problem solving, analytical skills, creative thinking, etc. These skills are further divided into two kinds of skills: soft skills and hard skills.

Hard Skills
Hard skills are teachable abilities or skill sets that are easy to quantify. Typically, students learn hard skills in the classroom, through books or other training material or on the job. Hard skills generally include:

- Proficiency in a foreign language;
- Machine operation; and
- Computer programming

Soft Skills
Soft skills, on the other hand, are subjective skills that are much harder to quantify. Also known as ‘people skills’ or ‘interpersonal skills’, soft skills reflect the way you relate to and interact with other people. They include: communication, flexibility, leadership, motivation, patience, persuasion, problem solving abilities, teamwork, time management, work ethic, etc. Unlike hard skills, it’s not easy to point to specific evidence that you possess a soft skill. If an employer is looking for someone who knows a programming language, a student can share her/his grade in a class or point to a
programme he created using the language. But how can a student show her/his work ethic or any other soft skill?

The problem of unemployability is further aggregated by the war for talent among the multinational companies. Let us briefly examine this.

**War for Talent**

There is a global war for talent going on at present. This is being fought on one side by the multinationals and on the other side by engineering and business schools and reputed universities in countries like India. Ever since the arrival of companies like Amazon, Microsoft, Google, Facebook and such other multinational companies on to the global stage, the war for talent has heated up with these companies willing to pay astronomical salaries and attractive perks to lure talented graduates.

Often, we read about how Face Book, Google, Amazon and other such companies have hired Indian graduates for annual salaries that make one’s head reel. This is the direct result of the need of these and other companies for attracting the best possible talent. Global multinationals often hunker down on their hiring strategies as they desperately want graduates from Asian business and engineering schools for their operations here and in the United States. The reason behind this is that the linkage between brainpower and corporate success has been proved repeatedly and hence, the perceptions of multinationals that the best brains can be found from Asian countries and this has made the engineering and business school graduates especially from India much sought after.

However, the war for talent in the top campuses marks a grim reality wherein the universities at the middle and bottom end of the rankings, are scarcely able to attract multinationals to hire their students. The fact that many of the multinationals complain that the quality of graduates from the universities in the bottom bracket is so poor since they do not have neither the required technical knowledge nor the much-needed soft skills for working as professionals. The moot point here is that the combination of skill, training, attitude and motivation is what sets apart the graduates from highly ranked academic institutions and universities and the bottom ones.

This means that the graduates from premier universities who are meritorious and who have the desirable traits are at a premium when compared to other graduates from universities that are in the middle and bottom rungs of rankings.

**Students with Innate Talents**

Not all of us are born geniuses or are child prodigies. Just as not all sportspersons are Christiono Ronaldos, Roger Federers or Michael Phelps or all entrepreneurs are not Bill Gates or Warren Buffets or the late Steve Jobs. But, many of us have some innate talents that need to be catalysed by nurturing, enabling and empowering thereby making us flourish and prosper in our careers and personal lives. The multinationals should also identify those who are ‘followers’, meaning that such students are better
off taking orders from others rather than giving them. Finally, these companies should not reject those who perform some skills in an outstanding manner but are poor in interpersonal relationships so that they can be placed into roles where technical competence is needed.

Skill development is crucial to stimulate the process of economic development. In the backdrop of globalisation and open market economy, it is only through skill development, skill up-gradation and skill updation of the youth that employment can be generated, national productivity improved and sustainability of development ensured. Indian Higher Education institutions and universities are producing good soldiers but not captains to lead in industry and economy. To be able to become so, many students are going abroad every year, in increasing numbers, and many do not return—a great brain drain.

There are some of the employability skills that we can easily develop in students but somehow neglecting, especially in some colleges and universities. The most important employability skills are: positive attitude, good business sense, willingness to learn, resilience, ability to work under pressure, optimism, adaptability, perseverance and motivation, and a host of similar skills.

Meaning and Importance of Employability Skills
Examining the meaning of some of the important skills and how they help the graduates for effective functioning in organizations is essential in this context are discussed here.

Willingness to Learn
Willingness to learn is the desire, wish or readiness to acquire new knowledge and develop. Employers often look for people with this skill because only such employees can produce results. They are ready to solve problems and cope with unexpected difficulties. They are self-confident, more flexible, never give up when they face challenges and always look for more effective ways to combat the difficulties.

Good Business Sense
Business sense, business acumen or being business savvy is keenness and quickness in understanding and dealing with a business situation (risks and opportunities) in a manner that is likely to lead to good outcomes. If you are someone who always has fresh ideas and think of creative ways to push your business forward, you are one step ahead of others. Along with creative thinking, you need to have problem-solving skills also.

Optimism
Optimism keeps you level-headed and positive, and can help you to get through tough times. Besides having an optimistic approach, you must also be lit with a burning
desire to get things done. This will also help you focus better and motivate people around you.

**Resilience**
This is the ability to pick yourself up and get back quickly in the game. This is one of the most important traits of a successful individual and most employers look for resilience (toughness) when recruiting fresh graduates from campuses.

**Ability to Work Under Pressure**
This relates to how you respond under stress caused by urgency of matters requiring attention, the burden of physical and mental distress and the constraints of circumstances. One has to maintain self-control and work as efficiently as possible by prioritising and organising one’s work/task. Staying calm demonstrates that you have the ability to take things in stride and complete your tasks even in the face of difficult circumstances.

**Adaptability**
This is the quality of being able to adjust to new conditions and the willingness to change to suite different situations. Adaptable people cope with unexpected disturbances in the environment. This quality makes the graduates more valuable to an organisation, to complete important assignments either independently or working well with a team.

**Perseverance**
Perseverance refers to working hard regardless of any odds or obstacles that may exist. People who persevere show steadfastness in doing things despite how hard it is or how it takes to reach the goal.

**Positive Attitude**
Positive attitude means being an optimist and looking for the good in things, rather than being a pessimist and cynical about everything and everyone. Positive attitude increases confidence in our abilities and brings hope and expectation of a brighter future. It enhances one’s motivation when carrying out difficult tasks and working on achieving goals.

**Self-Management**
Self-management refers to our abilities to control our feelings, emotions and activities. Self-managed employees are more productive since this skill helps in problem solving, resisting stress, communicating clearly, managing time and strengthening memory.

The above qualities which are well-known to many faculty members make a person more employable and secure occupations in which they can be satisfied and
successful. Some more important points are highlighted below to understand clearly how important the employability skills are.

**Getting the Most from Self and Others**

All employers will want to know that the graduate is committed to his self-development. There are many ways to demonstrate this. It might be that the graduate has overcome a difficult obstacle or he could have gone out of his way to learn a new skill. What is important is that he has pushed himself.

**Listen Actively as well as Make Oneself Heard**

Employers look for people who know how to get their point across clearly, with articulation and professionalism. Just as importantly, you should be a good listener – you will take other peoples’ opinion on board and actively seek out feedback. You also need to be comfortable talking to groups.

**Seeking Newer and Better Ways Forward**

Successful organisations are fueled by good ideas. Employers will want to know that the graduate can come up with interesting suggestions and he is always looking for better ways of doing things. Good ideas come in all sorts of shapes and sizes – and the best ideas aren’t necessarily the biggest.

**Support Others to Achieve Success**

The ability to get along with others and to lead a team to success is vital to any organisation. This means that the graduate needs to be able to demonstrate that he is a natural team player and that he can adapt his style to accommodate other if need be.

**Take Pride in Everything One Does**

Employers will expect graduates to be committed to delivering the best standards, adopting the right procedures and maintaining the highest levels of confidentiality. This means staying motivated for all tasks and upholding complete professionalism, even in conflicts or difficult conversations.

**Fix Priorities and Prepare for the Unexpected**

In most jobs, graduates are expected to take responsibility for their own workload. Employers will want to know how the graduate had managed course work and used his initiative to deal with the unexpected.

**Be Adaptable**

As an employee, it is vital that one keeps pace with a constantly evolving workplace. Graduates need to show that they respond to change positively and can adapt quickly while still working productively to achieve high standards. This is also called ‘flexibility’.
**Know How to Add Value**

Whatever sector one wants to work in, it’s important that one understands how it operates and the different issues that affect it. Look also at the skills sought by employer in your sector and think about how you will show that you can apply them to add value to their organisation.

**Look at Issues from Different Angles**

In the world of work, things don’t always go according to plan. That is why employers need to know that the graduates can analyse information, identify any potential issues and come up with effective solutions.

**Think Ahead**

In any job, one needs to be able to take initiative. Although it’s important that graduates follow the right rules and regulations, they should also be confident when it comes to suggesting new or different ways of doing things or anticipating problems and issues before they arise.

**Be Able to Use New Technologies**

Technology is involved in almost every job. It is the 21st century way of doing things and working—whether it involves keeping records of information, communicating with others, maintaining accounts or understanding a manufacturing system. Almost every job involves using technology of some sort. It is vital to be comfortable with it.

**Show Commercial Awareness**

Commercial awareness is the ability to understand what makes a business or organisation successful. It is important to know who your customers are and what’s going on in the market sector. It is also important to know the legal or regulatory changes coming in the way or does the economic situation has a larger-than-usual impact. Having commercial awareness is important to any business. All these skills may appear to be simple, but they are very important for any graduate to acquire during his studies in a college or university and improve his prospects of getting a job.

**ENTREPRENEURSHIP**

Some scholars suggest that developing entrepreneurs among students is the answer for tackling the employability problem because entrepreneurs are not “job seekers but job providers”. Entrepreneurship is the process of designing, launching and running a new business. People who create these businesses are called “Entrepreneurs”. India has provided for a nurturing ground to numerous startups in the past few years, but they were merely clones of western ideas. The lack of technical innovation in India has led to venture capitalists restricting funding, resulting in slow decay of entrepreneurship in India and increased unemployment among graduates. Due to
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high risks involved in launching a startup, a significant proportion of startup business have to close down due to “lack of funding, bad business decisions, lack of market demand or a combination of all these factors”. A report by IBM Institute for Business Value and Oxford Economics found that 90 per cent of Indian startups fail within the first five years. Lack of innovation is the main reason for this. According to a study titled ‘Entrepreneurial India’, 77 per cent of venture capitalists believe that Indian startups don’t have unique business models. Since 2015, as many as 1503 startups have closed down in India. Logistics, e-commerce and food technology have seen the most number of failures.

Importance of Research for Entrepreneurship

As Naik (2017) rightly pointed out in his article, ‘Revamping of University Education: A Challenge’, Indian universities still operate on old lines as if they were an extension of high school system, whereas universities in developed countries like USA, Germany and UK are primarily ‘Research Universities’ and research output, especially need based, is their main contribution and teaching is only a by-product. He observed that main output of universities should be research, patents, new technologies, intellectual property rights. A very clear indicator would be the number of international patents India has applied for. In 2018, India applied for 50,000 patents while, China’s count stood at 15.4 lakhs; USA at 5.09 lakhs; Japan’s 3.13 lakhs; and South Korea at 2.09 lakhs.

On the campuses of several western universities, commercial companies are flocking round. Incubators, research parks, innovation centers, patents and intellectual property rights bureaus are distinctly visible. Venture capital companies have opened offices in campuses in search of new technological ideas for commercialisation. Universities in developed countries have become like magnets that attract not only scholars but also industry entrepreneurs and Venture Capital Funding (VCF) companies from across the world. It is well realised in those countries that new knowledge and new technologies are the important sources to bring about change.

Indian universities need to be revamped forthwith. Every university stood start Technology Parks, Business Incubators, Venture Capital Foundations, which are existing from last more than 50 years in developed countries. It is on account of this that these countries have prospered. Indian Institute of Technology (IITs), Indian Institutes of Management (IIMs), and Indian Institute of Science (IISc) and several progressive deemed to be universities have started such centers in their campuses. This is good, but not enough. Many universities must also do so and take steps to become enterprising.

An industry so as to remain competitive globally needs access to first-class research in universities. So also the firstclass researchers in universities need access to the industry so as to commercialise their research findings. This is equally applicable to Indian universities at this juncture. Almost every western university has a patent and
technology licensing department engaged in technology sale. Spin-off of companies from universities is a common phenomenon, just as spin-off technologies. Yahoo, Google, Cisco and many other multi-national companies were conceived and born in universities. Every year, as many as 15-20 new technology-based firms are born in MIT, Boston. The university gives consultancy on retainer basis to as many as 3,000 companies. This is not unique with MIT only; it is true with almost all universities in the developed economies. They have created technology incubators to enable new project ideas to be innovated to marketable stages. Thereby they are earning wealth for themselves so also for the university besides credit and satisfaction and large-scale employment.

Universities in advanced countries are involved in research and finding new technologies, while on the other hand most Indian universities are engaged more in teaching as if they were an extension of schools. The vector direction of these universities is wrong. They have largely become teaching and examining bodies without a productive research base and hence they are not effective to cope with the challenges of employment.

Many Indian universities do not yet have patent and technology licensing departments. Technology parks and incubators are far too less. Most Indian universities almost have no connection with the industry and industries have no confidence in many universities. Some universities have become corporate offices—bureaucratic and political in nature. Consequently, what is taught in universities is not wanted and what is wanted is not taught. There is a serious mismatch between demand and supply.

Indian government has launched very ambitious projects like Make in India, Digital India, Startup action plans, etc. These projects require leaders with advanced knowledge in engineering, technology, commerce and industry. Success of these projects depends greatly on research, innovation, entrepreneurship in universities and colleges.

Revamping of Indian university education is a pressing need of today’s time. Redefining their scope, missions and visions in the light of worldwide changes ought to be carried out forthwith. Restructuring the organisation, methods, systems and procedures should become the first item on agenda. How fast Indian universities associate with the world’s best universities and adopt their policies and practices will decide our future, and in turn the future of Indian youth and the people of India.

MEASURES FOR BUILDING EMPLOYABILITY AND ENTREPRENEURSHIP SKILLS IN STUDENTS

No useful purpose can be served by organising skill-development courses to graduates as short-term modules for imbibing employability and Entrepreneurship skills. They at best serve as refresher courses for subject knowledge and for providing theoretical knowledge about soft skills which employers look for, but not the actual soft skills.
It is not at all difficult for colleges and universities to impart employability and Entrepreneurship skills to students. The day-to-day course-work itself can be so designed as to develop these skills and attributes. There are many role models among Indian universities especially deemed to be universities that have been doing this for decades. The other universities may take them as role models and adopt progressive teaching-learning methods. Some of the measures that the universities need to be taken by in India.

**Interactive Teaching**

A mix of various methodologies can be used for improving employability skills among students. As we know, lectures alone are generally not adequate. They must be made more interactive providing ample scope for students to interact with the faculty. This will improve communication skills of students. At the beginning of the session of a particular subject, students must be informed of the knowledge, skills and attitudes that they need to acquire at the end of the subject/course. To make learning student-centric, students are given assignments, case presentations, role-plays, mini-projects, etc. These methods provide holistic education to students, crafting a learning environment in the classroom where trust, initiative and analytical skills can be developed.

**Treating Students as Mature Individuals**

Faculty should treat their students as mature individuals, even when they are not following instructions. This develops in them a sense of responsibility and accountability.

**Student Presentations**

Students should be divided into groups and each group should be entrusted to give a classroom presentation on the topic allotted to them. Such activities help students to tailor communication styles for different audiences and also improve their listening skills.

**Role-Play exercises**

These help students to practice taking on different roles in a company and learn how to react in different situations. Assign such group exercises as frequently as possible. Such exercises give students the opportunity to speak, listen, organise and lead the groups accordingly. Keep an open mind and encourage students to develop new thoughts and ideas in groups.

**Outbound Training**

Outbound training involves taking a batch of students to a remote village and exposing them to new obstacles and situations. By organizing several events there, interpersonal skills and leadership skills can be improved.
Resilience Building Exercises
Faculty should emphasise that the same solution doesn’t necessarily work every time. Faculty must design opportunities for students to build and demonstrate toughness in odd circumstances and adverse conditions. Faculty should also create opportunities for students to innovate both on their own and in groups and come up with novel ideas and solutions. Faculty should frequently reward students who are willing to admit that they need improvement.

Internship in Industry
By undergoing internship in the industry for at least a period of three months, students are exposed to the working of the industry and the day-to-day problems they face. This helps students to become industry-ready who can be straightaway employed in different roles.

ICT-Enabled Flexible Teaching
All faculty members should use ‘blended learning’ by using a number of e-learning resources, providing e-learning facilities like open source learning platform etc.

Self-Directed Learning (SDL)
This is a process through which the student takes initiative to diagnose his/her learning needs; formulates learning goals; identifies the resources for learning; chooses and implements appropriate learning strategies; and evaluates the outcomes. Self-improvement, personal development and development of character can be achieved through SDL. Students learn to develop alternative paths to content mastery.

Problem-Based Learning (PBL)
This is a student-centered pedagogy in which students learn about a subject through the experience of solving an open-ended problem. Problems are identified and allocated to students to work out solutions. This helps students in developing enhanced group collaboration and communication skills. It enhances critical appraisal and encourages ongoing learning within a team environment.

Mini Projects
Students are encouraged to identify topics that are socially and economically relevant in the present-day context. Students then prepare their project reports by collecting the information, designing and making presentations, which are evaluated by the faculty concerned. Further, students are to be provided financial support for attending seminars and conferences.

Major Projects
Student projects must be made an integral part of the curriculum, so that they are deputed to reputed industries/premier research institutes to study various matters,
collect information and design their project reports. Faculty members should help students as guides and help them in preparation of project reports. Necessary facilities required by the students need to be provided by the department in consultation with the organization where the project work is being done.

**Continuous Assessment**

As a part of continuous assessment, students should be given several activities, such as assignments, presentations, seminars, quizzes, etc., that extend their learning activity beyond the classroom and convert the campus into a 24X7 learning place for students and research scholars. This builds students interpersonal skills and work ethics through an environment of humility and respect. The faculty should teach the ‘whole person’ not just the ‘student’. This helps students build motivation besides inculcating self-reliance.

**Venture Capital Fund**

Each university should create a fund to provide venture capital for startups so that students having entrepreneur capabilities are not discouraged for want of capital. They should be actively helped by the faculty in various stages of the startup so that it can be effectively managed and its products reach the market.

**CONCLUSION**

Training for employability skills should be in-built into the curriculum of the academic programs, and should not be imparted as a separate short-term skill development course after graduation. Such short-term courses may at the best serve as refresher courses, but definitely not help the graduates to acquire those skills in the first place. There are many successful universities in our country as well which must be taken as role models by other universities to improve the employability of graduates in their universities.

**References**


The Biography of the Author

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K Siva Rama Krishna is Vice Chancellor, GITAM (Gandhi Institute of Technology and Management) deemed to be university, Visakhapatnam. He served as Chairman, National Institute of Personnel Management (NIPM) Visakha Chapter; Chairman, Indian Society for Training and Development (ISTD) Visakha Chapter. He has been responsible for the initiation of several innovative management courses, MOUs with renowned international universities and has organized over 50 national and international seminars and conferences. He has authored twelve books and numerous scholarly articles. He received NIPM Fellowship in recognition of his exemplary services. In 2017, he received Educational Leadership Award by Dewang Mehta National Education Awards.