

THE IMPORTANCE OF RESKILLING AND UPSKILLING IN POST COVID ECONOMY - A CRITICAL STUDY

Dr SYED YASEEN*

Associate Professor, School of Commerce Studies, Jain University, Bangalore
*(Corresponding Author)

R. RAVICHANDRAN

Assistant Professor, School of Commerce Studies, Jain University, Bangalore

Dr RESHMA SULTAN PH

Assistant professor

Dr RAJIRAJAN

Assistant professor

ABSTRACT

The growth of industry and economy – in current post pandemic times has been adversely affected by the economic issues and considerable loss of output , GDP and dip in valuations for corporates .Employees and wage earners have to take a leap into the new economy skills, going digital. The digital mode of working thus is going to be crucial and hybrid working models are here to stay and it is time that employees in services and manufacturing get used to it. This calls for new skills to be developed which cannot be ignored and are likely to put the economy in peril, in form of loss of output, GDP, unemployment and the like. It therefore becomes imperative to explore the various aspects of up skilling and re-skilling which are likely required. Re-skilling and Up-skilling will have to be done. That would take in our journey to make the economic development more sustainable and beneficial to various sectors of industry and also for maintaining sustainable living possible.

Key Words: Reskilling, Up skilling, AI, Sustainable-growth, Economic development, digital technologies, Cost reduction, Jobs, Retention.

1. INTRODUCTION:

The recent Pandemic has also brought into focus the importance relevance of reskilling and up skilling in the post pandemic context. The Pandemic had its implications in terms of affecting the business climate, the economic growth, credit available to the industrial units, consumption by households and imposed higher burden of health care costs on the society. These in turn all the more make it imperative for us to focus on effective use and adoption of new skill sets, digital technologies, virtual platforms, AI technologies for development of the skill sets of employees and workers in various sectors and improve the effectiveness of use of resources at our disposal. Investment in skill development is crucial and the economy needs the same, failing which there is high risk of our graduates being rendered irrelevant

The authors here propose to the examiner past literature in this regard and the way the society and economy is going to be shaped up by need for up skilling and reskilling in a continuously improving environment, necessitated due to advent of digital technologies and increasing role played by AI in today's economy. The likely impact of the same in the future, as well as the sectors that are likely to be affected are also outlined in brief.

The Study essentially aim at the right opportunities for the force by the organizations to prepare themselves with needed talents within the era of fashionable technology which can bring tremendous edges to each staff the staff} And businesses in future by creating an investment on reskilling and up skilling that is a smaller amount than recruiting and coaching new workers. Reskilling or up skilling the force by a corporation creates a totally developed and well-trained force that helps in enhancing its employees' capabilities. It does not solely increase the organization's financial gain, however conjointly improves worker retention, and maintain market share for organization survival.

2. REVIEW OF LITERATURE:

Shobha, C. V., & Johnson, B. (2021), in their study have investigated theoretical notions and models of employability in order to determine the disparity between information and skill provided by various educational and training institutions and their absorption. The literature review focuses on two aspects: existing pre-Covid-19 literature and growing post-Covid-19 conceptions of employability. Various approaches to employability have been examined, ranging from studies by Gazier (1998), Hillage and Pollard (1999) to more recent ones such as the 'organisation approach,' employability in terms of individual transferrable skills, career management, perceived employability, and so on. Learning through experience / issue based learning, innovation and creativity, Competency, career resilience, flexibility and sustainability are more prevalent themes in literature related to the evolving concept of employability post-Covid-19. Based on Ken Wilber's Four Quadrant Model of Human Knowledge, an employability framework has been constructed and suggested. Employability, Labour Market, Resilience, and Sustainability are all words that come to mind while thinking about Covid-19.

Taylor, A., Green, A., & Hassan, S. (2021), mention regarding the conclusions of a study project evaluating the impact of universities in ability development and regional economic development that specifies major short- and medium-term priorities for the up-skilling and re-skilling of West Midlands faculty leavers, graduates, and existing staff. It examines universities' existing and potential future roles during this, exercise.

Through developing future sectoral skills, piloting new ways in which learning, enables, supporting graduate employability, addressing access to pedagogy (HE) barriers, developing pathways between additional education (FE) and HE, introducing applied higher-level skills development initiatives, and dealing with regional governance stakeholders, universities and faculties contribute considerably to up-skilling and re-skilling. Universities recruit and generate talent, facilitate data transfer, and assist within the shifting of business models and have found out variety of programmes and institutes

to support up-skilling and re-skilling sector wise. Over future decade, strengthening partnerships between universities and regional stakeholders is predicted to be vital to effective up-skilling and re-skilling. The difficulty in getting employment opportunities forces universities to do an analysis of skills wanted in different areas, and provide mechanism for support to graduates in the post pandemic times. Also higher linking skills to innovation and developing higher level skills through regional investment and R&D and innovation activities with all key skills-focused partnership opportunities for universities will help greatly. They mention that universities should play a bigger role in up-skilling and re-skilling. For universities and other key stakeholders, the study highlights twelve vital short- and long-run targets. They embody creating the transition to HE easier.

Raimi, L. (2021, December), in their paper discusses three human capital development strategies of reinventing, retooling, and reskilling (3Rs) as effective ways of stimulating the economy, including saving jobs and keeping businesses afloat, in order to mitigate the devastating effects of the COVID-19 pandemic on the economic interests of employees, employers, and governments. Because of the pandemic's existential threat, there is no better moment for employees, businesses, and governments to adopt 3Rs than now. The long-term implementation of the 3Rs necessitates three-way engagement from key stakeholders, namely governments, businesses, and employees. Governments' responsibility in enacting the 3Rs is to design policies that promote and accelerate people's development of new competences and skills in order to meet changing labour market demands and strengthen their resilience. Employees can help activate the 3Rs by charting their own professional pathways, embracing self-development, and upgrading themselves as vital "brands" for companies. Employers must undertake a skills inventory and business need assessment, invest in human resources to cover skills and knowledge gaps, remove impediments to employee development, and update employees' capabilities to keep up with technological changes if they are to embrace the 3Rs. The paper contributes to policy enrichments by sharing transferrable skills and competencies from twenty (20) multiple cases on the applications of 3Rs for saving existing jobs, creating new jobs, and ensuring business continuity in the Post Pandemic Era.

Various studies that have been conducted in the past have already established the importance, relevance and linkage between Up skilling, Reskilling in the post pandemic economy, and for sustainable growth, and studies have impressed on exploring linkage between the reskilling, needed by the economy and its growth in the new context. This will also impact new business models for a more effective, and efficient use of human resources towards sustainable growth.

Benton and Shelton Gregorian, (2020) in their papers says that Human re-skilling is a crucial Key issue that facilitate the organization and worker towards organization mission and vision. In Today's competitive Economy the world cannot reduce the speed of technological advancement. In today's world the most important driven is digitisation, Automation and computer science that has reshape whole organizations growth. Thus within the limits of this the organization ought to try and adopt the reskilling or up skilling that not only will increase the worker potency by enhancing their skills but additionally

stay competitive for the longer term. A unique ability brings the opportunities for organizations yet as staff to perform during an improved manner and stay competitive throughout the journey, and to resist the pressure within the market- place the organization or staff must invest a lot of resources in coaching and development.

From the previous studies and from the views of various experts it's ascertained that to form a internationally competitive entity, and to spice up economic process additionally, talented hands is important. The more one progresses towards the data economy, it becomes more and more necessary for it to target advancement of the abilities and these skills will have to be aligned to be relevant to the rising economic atmosphere. So Human reskilling is extremely necessary for worker similarly as organization continue to vie with each other on this difficult and dynamic world. It directly relates to worker, though its final impact goes to organizations growth, as the top user of resource is organization itself. The Govt of India has setup numerous talent and skill development centres each at the state and central level, which aim at improving the quality of human resources in the long term and create suitable capacity for the upgrade to next levels. If properly implemented and considered, the Indian talent pool will widen sufficiently enough to upgrade the economic capacity and gdp growth rate to a new high.

3. DISCUSSION:

The authors after having reviewed the above literature review, the current economic and global conditions, believes that given the current dimensions of problems in the world we are in, it is essential for us to accept that Upskilling and Reskilling are closely linked to economic growth and in the post pandemic stage this link becomes crucial for Sustainable economic growth, is growing and if applied properly can be of good help to emerging economies and countries to take the industries in the country on the path of growth and development, albeit in a sustainable manner. The inability to handle the skills sets will necessarily result in lower output and high level of unemployment, productivity losses and waste of precious human capital, in addition to causing social unrest.

1. The importance of learning and development in the post pandemic economic scenario is crucial and suitable efforts need to be made to ensure proper budgeting for reskilling and upskilling is done, by suitable budgetary allocation both on part of Govt – Central and State – in a structured manner
2. Skills development institutions based on a certain framework are already in place in certain states and more are on the anvil. Finishing schools as these are called are helpful in shaping the graduates qualifying out of the university system each year.
3. Universities need to introspect and make more investment in training for both the students and faculties – which the authors believe is not really done, with the result the outcomes in terms of deliverables to industry are falling far short of expectations, and this is clearly reflected in the higher number of graduates who are unable to find employment, despite their qualifying degree being of some

standard approved at national level in economies. These may perhaps indicate that it is time for revisiting the course curriculum of universities by the powers that be and make structural changes accordingly. The NEP 2020, appears to be a positive signal in this direction.

4. Faculties at universities appear to have been overworked, at various levels and this is reflected in the form of lower quality of research papers emanating from institutions, and a national study has mentioned that the plague of plagiarism is high in research output of Indian university system. All these are likely to dent the long term intellectual property of India as a country and cause higher drain out of royalty for purchase from abroad – the technology investment, education cost for the students going for masters abroad, involving huge forex outgo.
5. The Future of Jobs report 2018 released by WEF mentions India as ranking 5th in the world that needs to spend at least 1 month to 12months for re-skilling , and will entail huge costs .Estimate has that 100days is required for India to reskill and keep being relevant to market changes. As time goes by this number is likely to increase and cause a sizable chunk of investments to be made in making students job ready.
6. All these will put pressure further on the faculty and the universities for adverse outcomes, though at present it is not clear as to how the future will unfold.
7. With flexible and online education beginning with NEP 2020 will make universities more nimble, effective and those that do not meet the changed needs will die a natural death. It is therefore time for UGC and Govt to bring out possible mergers or takeovers in the education sector as it happens in corporates, to benefit the students as otherwise they will be ones who will have to fund higher education, which is an ill-conceived approach.
8. Higher investments in digital technologies, educational mooc platforms and open source code based ICT technologies are called for and this will reduce the cost of education for students, making the GER go up as envisioned in the NEP 2020.By Implication the 40% online content for courses incorporates the new dimension of technology change happening in the post pandemic era.
9. More collaborative efforts between industry and universities are needed , as at present the universities are treating the industry as end customers with no commitment on quality of product (student) being able to meet their specific thresholds in terms of skill sets and competencies. This forces industry to set up separate chain of skill centre where they push the industry graduates to be honed up and upgrade their skills for a few months – 3 -6 months depending on sectors, level of recruits,roles expected to be played. In a capital crunch and time inadequate situation, not all industries are expected to be generous and this will put pressure on students for readiness to employment. Students will have to go for short term courses etc in skill development institutes at their own costs lest they become irrelevant. A tripartite arrangement and framework involving universities, industry and Govt need to be put in place with prime objective of being student centric – with NEP 2020 trying to incorporate the same.

10. As per 2018a labour market study in the US it is found that of the \$34 billion reskilling cost, 86% will fall on the government for reskilling nearly 1.4 million “stranded workers” displaced by the Fourth Industrial Revolution and other factors over the next ten years.
11. An audit by NASSCOM has claimed that 40 percent of India’s total workforce will need reskilling over the upcoming five years. The new technologies, including artificial intelligence, machine learning, Internet of Things (IoT) and blockchain, are creeping into every walk of life.
12. The budget 2019 has an explicit place for AI-driven literacy. It announced the introduction of the National Artificial Intelligence Center and National AI portal. The union budget also echoed for building skill sets in ultramodern technologies, such as AI, Big Data and Robotics.
13. According to the Gartner Talent Neuron report, new skills are replacing old ones, making one-third of the skills required for a job in 2022 obsolete. Moreover, the Covid-19 pandemic expedited this process of digitization dramatically. Thus, reducing the shelf-life of technological skills and significantly increasing the risk of becoming redundant.
14. Ability to work seamlessly on interfaces between disruptive technologies, understand the nuances and manipulate the technologies can happen only if reskilling is done and this will certainly involve considerable investment in manpower, for which a separate Govt /State sponsored fund is crucial.
15. Govt could give tax incentive for reskilling and upskilling costs on a weighted basis so that incentive to the industry and trade is there to implement the same and reduce burden on state /Centre.

4. LIMITATIONS OF STUDY:

The study does not consider the empirical studies done in this regard in the past and how it will link up with future scenario in post covid world.

5. CONCLUSION:

Imperative of reskilling and upskilling has to be increased by 70% by investing on manpower in enhancing the skill needed to remain competitive in the near future as for as upskilling is required you have to get savvy with the technology, so that there is smooth level of work which can be carried on keeping in view of the organizational goals. A clearly defined approach with suitable Govt intervention is urgently called for to ensure that the intangible human resources is not rendered wasteful, with attendant loss of learning costs, cost of not getting reskilled, and upskilled, and getting into gainful value added employees which benefits both the economy and organization. This is a crucial subject, the authors feel on which not much thought has been given by the Govt and the respective authorities.

In the recent study conducted by Mckinsey estimated that around 400 million employees or likely to switch occupation compulsorily due to the pressure from Automation ,Machine learning and Artificial Intelligence, therefore the gap has to be filled by necessary upskilling and Reskilling efforts which are likely to vary across the sectors in the context of Indian Economy therefore the Government of India should constitute a high powered committee with experts from various discipline thereby necessary recommendations be examined for the final Implementation.

REFERENCES:

- Shobha, C. V., & Johnson, B. (2021). Employability Framework in the Post-Covid Scenario-A Literature Review. *Abhigyan*, 39(2), 28-37.
- Alcidi, C., Baiocco, S., & Corti, F. A renewed EU approach for Jobs and Skills.
- Taylor, A., Green, A., & Hassan, S. (2021). Priorities for up-skilling and re-skilling: what role can and should universities play?.
- Raimi, L. (2021, December). Human Capital Development through Reinventing, Retooling and Reskilling Strategies. In Conference towards ASEAN Chairmanship 2023 (TAC 23 2021) (pp. 22-29). Atlantis Press.
- Shobha, C. V., & Johnson, B. (2021). Employability Framework in the Post-Covid Scenario-A Literature Review. *Abhigyan*, 39(2), 28-37.
- Koli, M., & Saxena, S. (2020). Education System Post COVID-19 in India. *International Journal of Advance Research and Innovation*, 8(4), 302-305.
- Mckinsey Global Institute, Article 7th May 2020, "To Emerge stronger from Covid -19 crisis , Companies should start reskilling their workforce now"