

10 Bridges to a Competitive Workforce

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Introduction

J.E. Austin Associates originally produced the “10 Bridges Methodology to Developing a Competitive Workforce” for a Competitiveness Council to contribute to education reform by presenting practical, and actionable areas where the Council or its member firms could build stronger business-education linkages and thereby contribute to the country’s competitive workforce.

There are many reasons for the business-academic divide, but it is essential that competitive countries span that distance so new graduates have the opportunity to find high-wage employment in their home country and contribute to the continuing growth of the economy. To bridge the divide requires enhancing productivity by designing educational curricula that is both rigorous and relevant to the needs of the demands of the market.

A “competitive” workforce must not be confused with a low-cost workforce; rather it is a highly trained, highly paid workforce with the ability to respond to the productivity and strategic demands of industries that generate products and services which command a higher return in the global marketplace. The goal is to develop a world-class educational system coupled with specialized training institutes and research in fields directly related to the country’s leading industries.

Bridge 1: Human Resources Department and University Placement Offices

The first bridge is that between the corporate human resources or personnel department and the placement offices of the universities, technical institutes and vocational schools. This bridge is where the private sector can signal its needs and its feedback and where the education and training providers are able to get a good reading on the needs of the private sector and the extent to which their institutions are meeting the expectations. Education and training providers should assist students not only by posting job opportunities but by offering workshops on preparing a curriculum vitae and handling a job interview. They can also offer on-site interviews during the months prior to graduation. Unfortunately, most education and training providers see their job as ending just prior to the student seeking and getting a job. This is like building a bridge that stops just short of one of the shores. Companies can help placement offices improve their services by being explicit in their expectations and feedback.

Bridge 2: Training Needs Assessment and “Gap Analysis” Surveys

Private sector leadership groups in other countries have organized training needs assessments, evaluation of future skills gaps and evaluations of the strengths and weaknesses of existing education and training that serves their industry. This can be done on a broad global level. It can be even more effective when done by industry. The tourism industry can evaluate the specialized schools that serve it. Agribusinesses can evaluate the agricultural schools. The chamber of commerce or employers associations can evaluate the economics and management schools. The purpose of these surveys is to identify the gaps between the needs of the industry and the incoming workforce and to communicate this to the educational authorities.

Bridge 3: Executive Education and Certificate Programs

Companies often have similar needs to strengthen middle management, upgrade accounting staff, and improve technical skills. Many technical, economic and management faculties have had success in offering executive education programs. Faculties that can organize executive or ongoing education find that these courses can contribute to the financial health of their institution if well crafted and responsive to demand. They often help to cross-subsidize and improve the quality of the undergraduate degree programs. They have other advantages as well. They put professors in direct contact with the private sector exposing them to the practical needs of business. These courses help professors to adapt their teaching methods and teaching content. Once these have been upgraded to meet the needs of a more challenging audience they are often used to the benefit of the regular students. For example, case studies taught in executive education programs are often also used at the undergraduate level. Executive education can improve the communication and the feedback between the two sectors.

Bridge 4: Funded Research

The private sector can contribute to the modernization and relevance of the academic sector by providing contracts for specific research projects. The immediate utility of the results may not be seen as being high by businesses at first. But over time, funded research will help to focus the efforts of professors on practical problems and priorities of the industry, either in technical research and development or in areas related to management. The financial needs of professors and students for research are normally quite modest. By supporting and even helping direct research teams to areas of industry priority, the private sector can build closer linkages to the education and training providers that serve it. There is an additional bonus. Professors tend to teach what they research. By helping to direct research to areas of priority, the private sector may help to ensure that future students are being taught things that are relevant to industry.

Bridge 5: Consulting

Industries that routinely hire university professors to consult with them on various technical or management problems find that this improves the relationship between industry and academia. Professors have the time, expertise, methodology and the discipline to study problems in greater depth than is often the case at the firm level. Consulting also provides benefits to the university in that it helps the professors to stay in touch with the latest problems and maintain their relevance. Surprisingly, some universities do not make it easy for their professors to engage in private consulting, fearing it will detract from teaching and research functions. Others encourage it and even specify the days per year, which may be devoted to it recognizing that this helps to subsidize professor income, encourages relevancy and fosters university-business linkages.

Bridge 6: Curriculum Review and Advisory Committees

Educational institutions, when modernizing, updating or upgrading their curriculum pedagogy, often seek to involve private sector leaders in this process through curriculum review committees. Most universities now have advisory committees that include private sector leaders. However, a more institutional approach could involve a formal role for key business associations in helping to set the priorities and to implement specific initiatives.

Bridge 7: Competitiveness Strategy and Articulation of Skills Needs

Specific industry clusters come together to develop a competitiveness strategy. This begins with a benchmarking exercise and proceeds with gap analysis, strategies and specific action initiatives to build the competitive advantage of the industry and to address common constraints. As part of this process, the industry cluster then analyzes the workforce development needs of the industry cluster to be able to achieve the goals of its competitiveness strategy. This process often leads to the identification of particular areas of technical and managerial skill that may have gone unnoticed by both academia and by the industry. For example, in Sri Lanka the tourism cluster is seeking to expand into higher-income niches but lacks professionals who are experienced in eco-tourism, adventure tourism and conference tourism.

Bridge 8: Definition and Measurement of Skills Standards

Industry clusters can focus the attention of the education and training providers on industry needs by defining and measuring standards for specific skills and even by developing industry measures of skill attainment. Certain professions already do this. The Bar Associations and Medical Associations in most countries have their own entry level competency examinations and licensing mechanisms that are often quite rigorous. By developing these, they have set the agenda for the universities and faculties who must target their training to these examinations if they are to have a good reputation for turning out quality graduates. In South Africa, the government has required nearly 30 industry clusters to prepare standardized skill categories and to quantify skills-based competency levels as a means to improve the workforce of that country and to recognize the skills of those who may not have received the benefit of formal secondary or university education. This approach makes skills more portable while lowering the risk of hiring and improving the responsiveness of the labor market.

Bridge 9: Internships and Apprenticeships

Internships and apprenticeships are widely used even in countries where business-academic linkages are weak. Institutionalizing them in cases where they are very informal can reinforce such programs. Internships and apprenticeships can help students gain needed experience while providing a low-cost and low-risk method for companies to assess potential new hires. The combination of education and practical workforce involvement helps students learn the culture of business and prepares them for entry into the workforce.

Bridge 10: Adopt Practical Principles and Action Initiatives

The private sector can begin to bridge the business-academia divide by adopting some practical principles and launching one or more specific initiatives that build trust between the private sector and academia. For example:

- Workforce development must be analyzed in the context of industry competitiveness.
- Quantifying training needs (supply and demand) is not enough.
- The industry must first assess its own competitive positioning and strategy to properly identify its critical human resources priorities.
- If the education and training industries are not responsive to these priorities, they will either become increasingly irrelevant as firms conduct more training in-house and non-certified vocational institutes start to serve unmet needs in areas like language, computer programming, and business.
- Internet-based skills certification is also growing and threatens the position of traditional education and training providers.
- A greater dialogue is needed among government ministries, between government and industry, and between educators and business leaders if the divide is to be bridged.
- Coordination mechanisms include not only apprenticeships and internships but also placement programs, curriculum review committees, continuing education, funded research, consulting and industry initiatives whereby the private sector contributes to special training programs but also influences the content and nature of that training to ensure it remains relevant to the market.