



India and China, key to Global Talent needs

By: Prakash Menon, President, NIIT China

The 21st century clearly belongs to India and China. These two nations are not just the two most populous countries – making up for over two-thirds of the global population – but are also crucial manufacturing and offshoring hubs to the world. With most Western countries facing acute manpower shortages owing to their ageing population, both these nations have the potential to emerge as a reservoir of skilled manpower.

Early days in China

NIIT ventured into China in 1997, through an association with the Municipal Education Arm of Pudong. A decade back, it was not easy for an Indian company to scale the Great Wall of China and enter its vast education market. But the fact that the Chinese government was aware of our credentials helped. NIIT made a quiet entry into China and began operations by understanding its education market and the ways in which it could be addressed.

During its initial three years in China, NIIT focused on marketing its courses and on recruiting, training and updating its faculty, thereby running a successful business out of its centres. We focused on building the NIIT brand in China and gaining the mindshare of the student community, the Chinese IT industry and the government. Those were tough and challenging times. Our China team had to grapple with issues such as language and cultural differences. But the fact that we had entered the market early gave us a head start. It also helped us build a cordial relationship with the Chinese government.

NIIT's endeavour was to embed our curriculum and training methodology across China's higher education institutions, a task we successfully accomplished through our "NIIT Inside" model. Today, NIIT offers high-quality state-of-the-art IT courses through this unique model in 129 Universities and Colleges across the country.

Seize the opportunity in the Land of the Dragon

The world has changed dramatically, over the last decade. Today, we live in a global village, where developed and developing nations rely on one another. The 21st century is often referred to as the 'century of the mind' – an era where economic growth will be driven by an economy's manpower resource, as opposed to machines. India entered this century riding the offshoring boom. And, most developing countries, including China, are trying to emulate India's successful IT-ITES model. As a result, there is a growing demand for IT-ITES skills in China.



The IT training market in China is expected to grow at 24 per cent CAGR, in the next two years. Therefore, the potential for growth for a company like NIIT is tremendous. In order to create a more balanced and robust economy, the services sector of China will have to make a much larger contribution to its GDP than the current 30 per cent. Skilled human minds can help China achieve that goal. Gradually, the Chinese economy too will have to move to a model of consumption-led growth, as opposed to the current model where growth is driven by exports and FDI.

Sectors like IT-ITES, BPO, healthcare, retail, banking and financial services are set to witness massive growth in China as well. And herein lies the problem – where will the skilled manpower needed to fuel growth in these sectors come from?

China is likely to witness the largest shortage of skills in the next five to 10 years. This scenario is quite similar to the one in India. For instance, India's IT and ITES industry will need 850,000 additional skilled manpower by 2010. Similarly, looking at China's goals in the IT outsourcing industry alone, there is a need to create about 5 million software engineers by 2015.

Most students in China hope to find employment on completion of an NIIT programme, which is enabled by our collaboration with both Indian and multinational IT companies in China for placements. We also offer niche courses, such as a gaming curriculum (introduced in partnership with Sun Microsystems) to churn out professionals for China's booming gaming industry.

Indo-Chinese populace: a solution to global manpower needs

Earlier, India and China were viewed as rivals. Today, there is talk of cooperation and collaboration. The growing equation between India and China – the two emerging super powers – is now becoming a popular topic for boardroom discussions. Indeed, the world's two largest markets can come together to leverage their strengths and attain common goals.

Both India and China have one common advantage over the others – its people. As per a recent report, the developed world will have a shortage of 40 million working people by 2020, owing to its ageing population. Since manpower shortages pose a serious threat to economic growth, these nations will have little choice but to rely on countries like China and India, where there is surplus manpower.



Ironically, these two most populous nations of the world have a large chunk of unskilled, unemployable populace. These can be converted to skilled manpower through innovations in the field of education.

NIIT's new focus on 'global talent development' is riding on innovation in the field of education. Today NIIT, which has operations spread across 32 countries - is looking beyond information technology. The company has already begun to move up the value chain -- from imparting knowledge and skills in the IT arena to creating talent across geographies for global requirements, and in multiple fields of activity. Our global talent development strategy will help the Chinese find jobs both within and outside of their homeland, just as in India.

Way forward for China

Education in China needs to be made more market-driven. There is need to introduce methodologies that increase learning effectiveness and encourage the mind to innovate. The Chinese government will have to consciously encourage private education to play a much larger role in contributing to skill development. As against a society-propelled form of education, China needs an education model that is more market-driven, led by reputed private players in the business.

China also needs hybrid education delivery methods that include instructor -led delivery, e-learning, and synchronous learning platforms. As an immediate measure, "finishing schools" will need to be introduced in the last term in universities that make students more industry ready.

The fact that NIIT understands Western thinking, and at the same time, is well entrenched in the Chinese market, has proved to be a significant edge for us. NIIT will continue to focus on developing talent for global needs, leveraging the manpower resources these two leading Asian economies offer.

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