



SECURING COMPETITIVE ADVANTAGE THROUGH CONTINUING EDUCATION FOR HUMAN RESOURCES IN AN ORGANISATION

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Abstract:

A company's greatest asset is its employees and if competitive success is achieved through them, then the skills of those employees is critical. Consequently, one of the most obvious implications of the changing basis of competitive advantage is growing importance of having a work place with adequate skills. Developing those employees' skills can be one of the greatest tasks. Today's knowledge management system assists the company in training, tracking, assessing and building a greater resource ----its people. One of the human resource practices is investing and continuously investing in skill, knowledge acquisition -development in its human capital. This requires administering a variety of training education aimed at increasing and maintaining each individual job-related skills and providing development opportunities for which individuals which will broaden their skill base. Management will recognise need for development and retraining when they realise that employees are an asset and not an expense and development is the core for improving the competitive advantage.

Key Words: *Competitive Advantage, Human Resource Management, Strategic Management, Selection, Reward Performance*

Introduction

In the global education industry India holds an important place. It has one of the largest networks of higher education institutions in the world. However, there is still a lot of potential for further development in the education system. Government's aim is to raise its current gross enrolment ratio to 30 per cent by 2020 will also boost the growth of the distance education in India.

India provides a great opportunity for the education sector as it has the world's largest population of about 500 million in the age bracket of 5-24 years. The education sector in India is estimated at US\$ 91.7 billion in FY18 and is expected to reach US\$ 101.1 billion in FY19. Number of colleges and universities in India reached 39,050 and 903, respectively in 2017-18. India had 36.64 million students enrolled in higher education in 2017-18. Gross Enrolment Ratio in higher education reached 25.8 per cent in 2017-18.

The country has become the second largest market for e-learning after the US. The sector is expected to reach US\$ 1.96 billion by 2021 with around 9.5 million users.

Review of Literature:

The prime purpose of imparting knowledge is the process of creating value for the firm. It can be viewed as transforming data (raw materials) into information (finished goods)¹

In building their continuing education system, most professionals have relied for guidance and models on the distinctive knowledge base and structures of their own professions. This is a dominant frame of reference used to conceptualise continuing education processes²

Statement of the problem:

The growing need for the knowledge acquisition and its application paved the way for the provision of continuing education to the employees in an organisation wherein companies have a tie up with institutions which provide for higher education for people working in organisations. One such prestigious and premier education provider in India is the Indian Institute of Management which is at Ahmadabad, Bangalore, Calcutta with its branches all over india.

¹Managing knowledge within organisations, the dualities and complexities involved. A journal of educational planning by Roopender Oberoi Vol xxix No. 1, Jan 2015

²Continuing Education for the profession... Ronald M. Cevero Pages 513 – 522 in the “ Handbook of adult and continuing education” 1991



Research Methodology

The data is mostly secondary data coupled with primary data.

Research Gap:

Its felt that so much has been done in the education sector, but not much study is focussed on providing continuity in education amongst the desirous people working in an organisation.....

Investments/ Recent developments.

The total amount of Foreign Direct Investment (FDI) inflow into the education sector in India stood at US\$ 2.47 billion from April 2000 to March 2019, according to data released by Department for Promotion of Industry and Internal Trade (DPIIT).

The education and training sector in India has witnessed some major investments and developments in the recent past. Some of them are:

- Indian education sector witnessed 18 merger and acquisition deals worth US\$ 49 million in 2017.
- Of all the startups in India, 3,500 are catering to the education space. These startups received close to US\$ 700 million funding in 2018.
- The Ministry of Human Resource Development, Government of India is also planning to raise around Rs 1 lakh crore (US\$ 15.52 billion) from private companies and high net worth individuals to finance improvement of education infrastructure in the country.
- India has signed a loan agreement with World Bank under 'Skills Acquisition and Knowledge Awareness for Livelihood Promotion' (SANKALP) Project to enhance institutional mechanisms for skills development.
- Singapore is going to open its first skill development centre in Assam, which will provide vocational training to youth in the region.

Road Ahead

In 2030, it is estimated that India's higher education will:

- Adopt transformative and innovative approaches in Higher education.
- Have an augmented Gross Enrolment Ratio (GER) of 50 per cent
- Reduce state-wise, gender based and social disparity in GER to 5 per cent.
- Emerge as a single largest provider of global talent, with one in four graduates in the world being a product of the Indian higher education system.
- Be among the top five countries in the world in terms of research output with an annual R&D spent of US\$ 140 billion.
- Have more than 20 universities among the global top 200.
- Various government initiatives are being adopted to boost the growth of distance education market, besides focusing on new education techniques, such as E-learning and M-learning.

Education sector has seen a host of reforms and improved financial outlays in recent years that could possibly transform the country into a knowledge haven. With human resource increasingly gaining significance in the overall development of the country, development of education infrastructure is expected to remain the key focus in the current decade. In this scenario, infrastructure investment in the education sector is likely to see a considerable increase in the current decade

Moreover, availability of English-speaking tech-educated talent, democratic governance and a strong legal and intellectual property protection framework are enablers for world class product development, as per Mr Amit Phadnis, President-Engineering and Site Leader for Cisco (India).

Instances.....

Pranjal Dubey, a development manager at Sap, has not gone to work in two years but is still an employee of the company. Dubey, who handles the technology team and projects for Asia Pacific and Japan, applied for a sabbatical in 2010 to launch the Sant Singaji Educational Society in his ancestral village in Madhya Pradesh.

Sap Labs has stood by Dubey in his dream to improve socio-economic conditions of youth in the village. The organisation typically offers sabbaticals from three months to two years, but Dubey plans to extend his sabbatical by another year to make his project self-sustainable. Companies like Sap Labs are re-defining sabbaticals by encouraging employees who use them for the greater good. Sabbaticals are usually long leave periods granted to employees for personal exigencies or educational pursuits. Some companies, especially in the IT sector, are increasingly using sabbaticals to retain top talent, says Kaustubh Sonalkar, director of the people and change practice at PricewaterhouseCoopers. "The practice, prevalent abroad,



is catching up in India,” he says.

Encouraging employees through sabbaticals helps in stemming attrition rates and the career rut that typically sets in after a few years. “Allowing employees to engage in social projects outside of work helps in organisational brand-building and gives employees a sense of purpose and achievement,” adds Sonalkar.

Organisations like Infosys also encourage employees to pursue sabbaticals for societal benefit apart from pursuing higher education and personal reasons. Under the community empathy policy, the company gives employees monetary support and a platform to involve themselves in development projects. Employees have the option of returning to regular work schedules after completing projects of up to a year.

“Those who return from a sabbatical display a broadened perspective of social issues and causes,” says Richard Lobo, AVP and head of employee relations at Infosys. This renewed understanding of macro issues also makes employees more productive and innovative; he adds.

About 50 employees have availed of the policy since its inception in 2008. Mohan Kadapure, a technical lead at Infosys, is one of them. This year, Kadapure applied for a sabbatical to work with Bangalore-based NGO Janaagraha to understand the different aspects of public policy.

“From being focussed on solving business problems of technical clients, the sabbatical enabled me to do my bit to improve government processes,” he says. Kadapure worked on public records of operations and finance at Janaagraha and helped compile a first-of-its-kind study, which will be released this year.

Companies are also looking at ways to keep employees engaged, post-sabbaticals. Maruti Suzuki is revising its sabbatical policy to make it more employee-friendly. Specifically, it is working on redefining the benefits of joining, post-sabbaticals. The idea is to align it to the aspirations of young talent – over 400 engineers and MBAs joining them every year – says SY Siddiqui, COO (administration) at the company.

As for the employees, sabbaticals offer greater motivation to influence change on the ground. Sap Labs’ Dubey, for instance, has additionally launched the Sant Singaji Institute of Science and Management, which provides vocation-oriented graduate degree programmes for making young people employable in and around his village of Sandalpur. Dubey’s dreams have taken on a much larger dimension, and he says it would have not been possible without his company’s support.

“Not only did I get considerable encouragement for my sabbatical, but my institute also benefitted through the CSR division of SAP, which starts computer labs in economically backward places,” he says.

The disconnect between education and industry is another important aspect. Broadly speaking, employers look for a mix of aptitude, language, personality and domain skills for various roles in their organisations. If an IT major like Infosys hiring computer science engineers from top institutes still needs to put them through months of industry training, it is not surprising that many MNCs find qualified graduates unemployable. Let alone professional qualifications, even students of commerce or management fall weak in the theoretical and conceptual knowledge of their domain.

Technology is transforming the workplace, requiring greater technical skills for a growing number of jobs, there is a need to reorient the academic programmes to help students develop necessary skills and expertise to function effectively.

Therefore, course revision is essential, with a focus on product development, project work, research, etc. and stronger connections with industry to enable not only the effective transfer of innovative technologies and product concepts, but one which can also translate into jobs and greater synergies between education and the job market.

Companies need to collaborate with academic institutions and view higher education institutions as stakeholders. Regular student internship programmes in companies should be made mandatory. It could be a win-win situation for all -- graduating students with paid or unpaid internships get an opportunity to test drive a career and acquire new skills while the interested companies get to assess the services of trained individuals without having to make a hiring commitment. Slipping standards and low academic outcomes are another factor in poor employability.



Some tips to boost employability:

- Along with studies, find out ways to brush up your vocational and cognitive skills, particularly written and verbal communication. You can start by formalising your messages from WhatsApp and Snapchat to regular written content
- Read newspapers and browse the internet to update your knowledge about the profession you are interested in
- Be tech-savvy -- everyone needs to keep abreast of IT advances, as they will shape jobs and organisations
- Learn a new language -- bilingual employees have a definite advantage
- Whenever possible, participate in college activities and be a part of the organising committee for events. These initiatives will teach you values of team work, leadership skills, and communication skills. Indulge in projects that go beyond classroom education
- Take up a summer internship while you are still studying so that you get hands-on experience of the workings of an industry. This will be taken into account by your hiring manager and will give you an edge over other candidates
- Education doesn't stop once you start working. Ongoing training and constant updating of futuristic skills will build a portfolio of strengths to maintain your employability in the new job market
- Skills that could be useful in a future technology-driven world:
- Artificial intelligence and machine learning. AI is becoming essential for acquiring, storing, transferring and managing the huge amounts of data produced today. AI and machine learning scientists can work within a variety of settings, including private companies, technology firms, production and manufacturing, healthcare, transportation, customer service, finance, construction, government agencies and defence.
- Coding an increasing number of businesses are relying on computer code, particularly those involving information technology, data analysis, design, engineering and pure science
- Digital marketing -- more and more companies are moving their marketing into the digital space for greater reach and access to the needs of customers, their usage of websites and search engines, and to optimise online marketing initiatives
- Design thinking -- accelerated rates of technological and social changes will require more workers to focus on problem-finding and problem-framing, rather than simply problem-solving. Design thinking introduces methods of problem-finding and problem-framing in the pursuit of emergent innovation.

The employability gap between the education imparted in our higher educational institutes and the requirement of the job market is huge. We can bridge this gap by relating education to the real world and assessing students on their thinking and problem-solving abilities, increasing access to education by the use of technology, improving student-teacher ratios and building stronger bridges with the industry and the job market. It is with such a changed mindset that India's demographic advantage in terms of a large young population can be converted into a dynamic economic advantage.

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Companies providing for continuing education for its employees

SAP laboratories, Intuit Technology, Intel Technology, Wipro, Hindustan Computers Limited, Bharti Airtel, Hindustan Unilever Limited.



Continuing education opportunities for your business

Benefits of continuing education and work-based learning

Many higher education or vocational training programmes can be tailor-made for your specific business or sector needs. Some courses can be held in part or in their entirety at your own business premises, or may involve substantial use of e-learning, while vocational courses may be taught at these or at specialist institutions.

Employee benefits of higher education

Higher education can allow your employees to:

- keep up to date with business and professional developments eg continuous professional development (CPD) is required in specific professions, such as teaching or accountancy
- improve their chances of progressing within your business and make a higher value contribution to your business success
- improve their earnings potential within your company and industry
- further develop their 'employability' skills - transferable skills such as numeracy, communication and information technology

Business benefits of higher education

Higher education also brings benefits to your business.

In addition to the **specialist knowledge** that a higher qualification brings, your business will have employees who have the **confidence and ability** to assess existing business practices and alternative approaches. This can help incorporate operational improvements and best practices within your business.

In addition, your business can:

- access training that realises the full potential of your staff while meeting your business' organisational needs
- use advanced training to implement your strategic plans more effectively, transfer knowledge and improve your employees' skills base
- promote your business as having a learning culture and attract new staff with attractive work-related training opportunities
- incentivise your staff through awards that link to a national framework and encourage progression
- gain accreditation for in-house programmes and enable your staff to gain credits towards higher education-level qualifications
- benefit from increased confidence and motivation among staff, reduced staff turnover rates and all-round better company performance

Improving Worker Skills

Education reimbursement programs can encourage employees to develop skills that benefit your organization. For example, by offering to pay some or all of the cost of a management training program, you can steer employees who demonstrate strong leadership skills toward a supervisory path within your company. By limiting course selection only to those that benefit your company, you can increase the chances that employees will use their training to advance their career at your company and not take their new skills to a competitor. You can also require that they stay with the company for a specific period of time to qualify for reimbursement.

Gaining Recruiting Edge

As a small employer, you may have a difficult time attracting qualified candidates who may prefer to work for larger companies offering more comprehensive benefits packages. Offering an education reimbursement program gives you one more weapon in your recruiting arsenal. Even if it isn't always enough to keep a job candidate from accepting an offer from a big company, an education reimbursement program may provide a competitive edge over rival small businesses in your area

Improving Employee Morale

Offering an educational reimbursement program can make employees feel better about working for you, as it shows you are interested and concerned about their futures. Even if they don't have immediate plans to take advantage of the program, it can make them happy knowing educational opportunities are there should they wish to pursue them later on. Happier employees are often more productive and may be less likely to leave an organization for a higher-paying job opportunity.



Lifestyle Benefits

Offering non-career-related education reimbursement programs to your employees can also benefit you. For instance, paying for courses that teach employees how to manage their weight or stop smoking can help them improve their physical health, meaning less time off from work due to illness. Financial management courses can help employees eliminate debt or save for retirement, reducing their level of stress and allowing them to focus more clearly while at work.

you want to attract and retain the cream-of-the crop of employees, you're likely already aware that offering benefits as part of a compensation package is a necessity. Due to the costs involved, small employers in particular must choose carefully among the benefits available—you want to offer the benefits that employees value most while also being affordable. Benefits that cover employee educational costs can fit that bill. If administered correctly, a program paying for your employee's education, work-related or not, is a tax-free benefit for them, and a business deduction for you.

Work Smart

Why would you want to pay for an employee's education if it isn't work-related? While providing benefits that assist employees in improving and maintaining skills for their job makes a lot of sense, it seems counter-intuitive to encourage employees to obtain education that may qualify them to leave your employ. While this reservation is valid, consider that many employees value the personal enhancement that continued education provides. Not all will see it as a chance to change careers at their employer's expense. Fulfilled employees are happier employees who perform better and have increased loyalty to the employer who made this enrichment possible. And after all, isn't that what employee benefits are all about?

Placing Conditions on Employee Educational Benefits.....

As the companies provide for continuing education, they risk spending on the employees and hence ask them to execute a bond that they will remain with them for a period of minimum five to seven years depending the organisation's policies.

Objectives of providing employees with continuing education.

1. Tackle shortcomings
2. Enhancement of Productivity
3. Updating with latest technology

Advantages of providing employees with continuing education

1. New inventory skills are developed
2. Improves the morale of the employees
3. Helps to retain star employees
4. Employee satisfaction
5. Sharing of higher knowledge
6. enhancement in performance
7. better economic usage
8. systematic usage of skills
9. provides opportunities for promotion
10. safety in industry
11. consistency
12. requires minimal supervision

Dis- advantages of providing employees with continuing education

1. Costs can be prohibitive
2. Quality depends on the qualification acquired by the employee
3. Takes time off from daily operations
4. Stress increases
5. At times a waste of time and money
6. Too much of theory to be learnt
7. Interest in acquisition of skills might be lost
8. Leaving for better opportunities on acquisition of knowledge

If an organisation choose to offer your employees educational benefits, they may place conditions on the reimbursement or payment of the expenses. Some popular options include completing coursework with a passing grade, requiring a certain



letter grade, or requiring an employee to continue to work for you for a specific length of time after you provide educational benefits.

It is tempting to impose conditions on the educational benefits you provide, particularly where they are not work-related. Exercise caution, however, because the value of an employee benefit can be diminished significantly if its use is undermined by over-severe restrictions. Keep in mind, too, that by choosing to provide educational benefits, you're sending the positive message that you consider your employees motivated and invested in bettering themselves, both personally and professionally.

Summary of findings:

Through the study conducted it was found that organisations are desirous of providing employees with opportunities to continue their education and gain knowledge which will be helpful to them as well as to the employees. Organisation gain by the knowledge that the employee acquires and that the employee stands benefitted by the promotion and pay hike he gets.

Conclusion:

This is one of the best methods to retain employees in the organisation and also at the same time to see to it that the business grows and progresses. Hence most of the companies have adopted this to keep their employees happy as well as to ensure growth for their organisation.

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