

GOVERNMENT SKILLING

GoI, Go Build Thy Capital


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Rajiv Gandhi had famously stunned the nation when he said that only 15 paise of every rupee earmarked for the poor actually reach them. With Aadhaar and digitisation, things may have ameliorated, but no one knows for sure. Imagine the possibilities if 100% reach the final beneficiary.

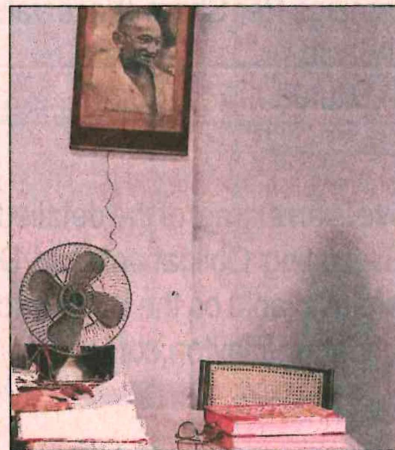
Here's another one for the imagination: you walk into a sarkari office with dread for a certificate and get treated as if you're in a luxury car showroom. Every government servant you encounter truly service-oriented? Far-fetched?

Not necessarily. It is plausible if GoI develops its human capital akin to the private sector, and aligns it to the vision and mission. Government must invest in constituting 'government capital' (GC): a bundle of intangible assets that includes human capital, information capital (such as the Aadhaar, PAN and other systems), leadership capital, innovation and education ecosystems, the Centre and state brands, culture of meritocracy and fairness, execution capabilities and so on.

To do this, the government folks — including the policymakers — must

get trained and skilled. Almost all the intangible assets that form GC will be driven by one: human capital. Yet, government hardly thinks about building and growing this most critical capital. Bureaucrats elbow their way through to be sent to the best universities across the world for additional training. But training must be contextual to the policies of the elected governments for it to derive value.

Worse, the training of the-less-than-1,700 IAS officers at Ivy Leagues at huge costs has poor returns on investment since most of them use it for personal benefits. This amount could have been better utilised had there been training for other employees for such normal things as communication, citizen-centricity, service quality, productivity, risk-taking, leadership, etc. How many Harvard-


Skilling them softly

trained bureaucrats resort to training their subordinates? Productivity suffers from there itself with top-down communication and no two-way discussions.

Historically, countries with large GC have succeeded in creating far bigger per-capita GDP growth. Countries like Saudi Arabia, Nigeria and Venezuela have high natural resources, but made poor investments in their people and systems, creating far less output per person and experiencing much slower growth rates than countries like Singapore, Israel and South Korea, which have few natural resources but invested heavily in human and other capital. GC creates value at both macro and micro economic levels.

GoI instituted the Skill India programme based on an OECD report arguing for developing countries to build their skilled labour for economic progress. The fact that India was way behind — at 10% skilled human capital in comparison to the 50-92% of developed nations — prompted GoI to drive Skill India without applying further thought. The report didn't specify that the skilling should begin at home, and that it is very much the government's business to skill its employees.

Had that happened first, the Skill India mission would have delivered wonders. Currently, it is a breeding ground for profiteering and nepotism. This is also a classic case of overdependence on external consultants when one's own employees have irre-

levant skills. A bureaucracy driven by rules and regulations will always float a tender and use the consultant to mandate everything else. If developed well, government employees would be the torchbearers in driving ecosystems so needed for the future of job-creation, innovation, education and just about everything else.

Exactly how many people are employed in government? According to the Seventh Pay Commission, no one really knows! And how about productivity? There is no data on this either, but it is much lower than in the developed world and certainly dismally lower than in the private sector.

With the global economy looking bleak, government will have to stick to an austerity drive and get its employees to do more with less, and differently. It should get employees to 'own' its many initiatives. Also, urgently needed is a system to develop the capability and capacity to redesign GoI's service, become 'human capital architects' by providing evidence-based, innovative thinking. This should include emboldening and expediting fraternisation, co-designing across public services, and creating enabling frameworks.

If the human capital is aligned to the mission, significant outcomes can be triggered. And with equitable natural resources and intangible assets, India could leapfrog on growth rates if action is taken quickly today.

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