



**THOUGHT LEADERSHIP**

**INDUSTRY & ACADEMIA – THE COLLABORATION CONUNDRUM**

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**THE BLAME GAME**

The story is old, rehashed, and has become archaic in the minds of most professionals today pursuing globalized careers. Academic institutions have – for long – pursued with a sense of purity the dissemination of “holistic” knowledge, across a wide variety of sectors - Engineering, Medicine, Management, Arts, Economics, Commerce, Social Sciences, Technology and many others. Applicability of such learning as opposed to learning the “pure” knowledge has always taken a back-seat. Students were left to their own ends to pursue applicability, while institutions concerned (and limited) themselves only to pure academic pursuits where learning was placed – and still is – on a higher pedestal, with promises that such learning opened doors, and paved the way for a better quality of life. Cultural inhibitions and inclinations have added further to this emphasis, resulting in a continuous churn of “knowledge-enabled” young individuals all over the world. So who is responsible for the current conundrum where young graduates are seemingly considered unemployable by the industry, while academia blames industry for not working closely with them.

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## RELEVANCE OF EDUCATION

What were the objectives of education in the first place? Lant Pritchett<sup>1</sup> argued clearly that the definition of education is to “equip people with the range of competencies, which includes both cognitive and non-cognitive skills, knowledge and attitudes, necessary to lead productive, fulfilling lives fully integrated into their societies and communities”. Lant further states that targets for universal education and universal enrollments were built around not just getting and keeping children in school, but in using education as a means to the more fundamental objective of sustained livelihoods. Hence lack of education poses a challenge manifesting itself in lack of competencies or a learning environment.

Lant’s emphasis on holistic education, focus on creating an enabling environment where systemic school reforms and increased accountability are at the core of his recommendations, have as much bearing today as they did during the days he presented his incisive perspective paper. Recommendations around physical expansion of school systems, quality of delivery, expanding demand for school expansions through increased incomes for parents and reducing cost of schooling to make it more inclusive are all key ingredients for effective policy action. What I did find missing however is the emphasis on the “usability” of content one would derive from Education? While Lant’s emphasis covered the entire spectrum of education, an area that is way beyond mere professionals like me, I do find his emphasis valid today, in the context of tertiary education systems prevalent around the world.

Personally I like Lant’s stance that current education systems are purely *input oriented*, and any systemic reforms shall have to enable *performance orientation* among stakeholders – institutions, universities, policy-makers et al. Agreed that systemic changes are the realm of policy makers and relevant stakeholders, who must view the entire system in light of the incisive recommendations revealed in (among many other expert recommendations) the Copenhagen consensus - where it is not just about poverty alleviation but goes beyond, to create accountable and inclusive education systems aimed at nurturing cognitive abilities, with the end goal of creating productive citizens globally. Contextually, restricting our discussion to the globalized marketplace today, one key ingredient missing seems to be lack of producer autonomy and accountability to manage for results/ business outcomes. So what do we mean by this? From an academic institution’s standpoint, they are creating productive citizens, who will be employed by the formal industrial sector (private or public is not consequential at this point, though one may want to argue the effectiveness of private-sector being higher than the public-sector, notwithstanding academic

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inputs being leveraged). Such employees in turn are expected to contribute to the productive economy, with autonomy and accountability for outcomes – both commercial and social.

Interestingly, this is the very argument that has been upturned in the past two decades. Exponential and seismic shifts in innovation, fueled by new technologies, discoveries and the general evolution in democratization of technology with enhanced mobility has disrupted the way of life globally. No one has been spared in terms of their ability to deal with these changes. One can easily trace a sequential path to where we are today (mobility, convergence, ubiquitous communications et al), from the beginning of the computing sector (some can still remember the large rooms full of diodes that processed data I guess), in a matter of a little over a generation.<sup>2</sup> In this context, people – their behavior, expectations, goals, pursuits - have become completely delineated from the traditional expectations of following the footsteps of parents, or confirming to expectations of their local civil societies. The upturning of expectations on the one end, complimented by a clear and present uncertainty of the future<sup>3</sup> is calling for pulling out all stops, pushing the corporate sector to make do quickly, with warp speeds, before irrelevance sets in.

To discern the irrelevance of what one has learned is not an easy task. Convoluted is the term I think best describes the current nature of confusion, frustration (and consequently increasing sense of entitlement) amongst the youth of today. Since the advent of the internet, knowledge as we tend to describe it has become increasingly ubiquitous as the years went by. While I will not diminish the primordial importance of global trade pacts, GATT, bilateral and multilateral treaties, globalization of knowledge has perhaps paved the path – more than anything else – for information to move across borders in a manner never envisaged before. Boundary conditions presented by local economics no longer holds sway over an individual's abilities to create or contribute – well so it seems in a very general context. Meanwhile, the abilities of productive citizens employed across the planet by a myriad of industry sectors continued to either languish in status quo, or dilute continuously, at paces that one didn't envisage or prepare for.

Two decades ago, one would hear discussions surrounding employment in a two-fold context: (a) real unemployment within a nation/ sector, and (b) unemployed – those who have chosen to relinquish their search for jobs, but either set out on their own, or become a drain on the social systems (no wonder many nations on the planet in today's day and age continue to grapple with informal sectors, some of which are to the tune of over 70% of all economic activities within). In the past decade, and particularly in the past 5 years, an additional factor has begun to take up mainstream conversations – that of unemployment. Discussions around availability of knowledge to engage in productive capacities has been replaced by

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<sup>2</sup> Usually a generation in government-speak is considered 25 years, tied to productive capacities of an endowed individual.

<sup>3</sup> This “future” as termed by the baby-boomers would usually be considered a reasonable time-frame of 20-25 years, while in today's day and age, the term refers to time-spans perhaps no longer than 18-24 months.

discussions around the lack of utility value such knowledge brought to the table. Businesses were – and continue to be – impacted by this key issue. The double-whammy is that a lack of utility value with knowledge has been complimented by the increasing obsolescence of such knowledge as well. I think that today's definition of a generation (in the context of productive abilities) has reduced from the yesteryears' definition of 25 years to little less than 2 years.

A corporate chieftain running a global / regional business now has to contend with the disastrous impacts presented by obsolescence of knowledge (which manifests into his products or services), on the face of an increasingly discerning and demanding customer-base. In turn these impacts are dragging his employee base to transform its competencies within unimaginably compressed time-frames, consequently becoming a significant drain on his depleting resources –both financial and otherwise. The past five years alone has seen as many busts in businesses (if not more), as there have been breakthrough innovations in business models and consequent products/ services/ solutions. Now to throw the last spanner in the works, businesses have moved increasingly away from traditional brick-and-mortar ones (that if I may daresay employed labor with limited skills, trainable and sustainable over longer periods of time, but depended largely on material, plant, machinery etc), to online, service-aligned and sophisticated models (where employed labor's competencies became the crucial ingredient for success/ failure).

This dependence on people has become mainstay, and will continue to define not just sector performances but the very existence of many of them going forward into the next two-three decades. Scientific discoveries and innovations, where pure knowledge was the only respected pursuit is being increasingly replaced with expectations of utility in today's context.

Turning to the plight of the industry, their lament has been increasing – and incessantly so, with a crescendo – about the irrelevance of young qualified individuals in the context of business realities, particularly as it related to revenue generation. Their focal grouse seems to be that young individuals completing their tertiary education are not just employable, given that they don't come with any skills that could be gainfully – and may I say immediately – put into revenue generation activities, and neither does their knowledge have any grounding in business and sector realities of today. The blame is apportioned squarely on the academic institutions these youngsters have graduated from, much to the chagrin of the academics themselves who opine that their domain – and of course undisputed expertise – in imparting holistic education is being questioned. It is nevertheless true that the academic institutions have rallied around industry needs quite significantly over the course of the past decade, creating curricula and programs that are more industry-aligned, and reflective of local realities. There has also been significant progress in teaming/ twinning programs with other reputed regional/ global universities and institutions of higher learning, where counter-party courses are offered, thereby providing students to gain much-needed visibility and exposure to a global environment and cultural diaspora that has come to be the norm in most forward-looking institutions.

Industry meanwhile has also been quite forthcoming in participating in such a transformatory endeavor. Many large multinational firms like IBM, Intel, Microsoft, Cisco, GE, Telefonica etc have created programs aimed at including academic institutions – that come with a prowess to undertake research and development activities under the guidance of these corporations – into their own growth strategies. The common stance adopted has been to reduce their R&D timelines in a manner that permits them to remain competitive with their own products/ services, while also being ahead of the innovation curve as it is generally spoken of. To the credit of these institutions, many ideas have been translated into research projects and subsequently into entrepreneurial ventures. Governments – at least some of the more forward-looking ones – have supported such initiatives by creating programs aimed at supporting such entrepreneurial ventures from their inception through seed funding and commercialization programs. While many ideas haven't been as widely successful as was made out to be, in a distorted manner, the core thinking seems to have changed in a few institutions (at least) where tertiary students have begun to aim high, and aim right. I see a concerted – though inexperienced – effort at taking an idea to market without the fear of failure all the time. Commercial entities and the private sector have been quite forthcoming in supporting such initiatives, though the utility value may be restricted to their own businesses. However I believe such an emphasis and participatory endeavor is not just necessary, but crucial if we are to create tomorrow's leaders and drivers of economic transformation in developing nations. Unfortunately these examples are few, far in-between and quite exclusive.

Not all is rosy however. The larger industry continues to contend with the irrelevance of knowledge gained by youngsters in institutions of higher learning. Neither is there an inclusive participatory environment where academia and the corporate sector cohabitate and create learning programs that have applicability as the principal goal. Many institutions continue to hold guard to the old ways of imparting knowledge – claiming their distinct (and perhaps undisputed) right over the knowledge itself, never mind that most information is quite easily and affordably available on the web. While knowledge has become democratic and boundary-less, institutions continue to hold sway of the ability to translate such knowledge into actionable outcomes. Ask any youngster in most academic institutions today and he would contend that he perhaps knows as much, if not more, than his professors. Warped, but perhaps true in most instances?

The third keystone in the wheel here is the students themselves. What is their opinion of academic institutions? What do they perceive the new-age courses will do to their careers? What do their parents think in the first place? These are equally significant questions that need to be addressed. I see a distinct confusion among youngsters. On the one end, their connected lives thanks to the web and cheap hand-held devices has left them sifting through reams of information and becoming more confused than ever, given their inherent inability to determine what will work for them and what may not. On the other end, local economics – read sectors – does contribute to the visibility a young student has about his/ her career, given a multitude of choices one is presented with. Encountering these choices with reason has become an uphill challenge for

the youngsters for two principal reasons: (a) the longevity of a particular career of choice is seen as a function of the relevance of their current educational pursuits (read qualifications gained), and (b) the ability to continually increase their income potential without being tied to any particular sector thereby leading to an increasing sense of being discarded (read expectations of loyalty).

I have been witness to deliberations amongst C-level executives who continue to reinforce the fact that educational qualifications have a direct bearing on the nature of jobs a youngster can pursue, never mind their interests, or affiliations or non-academic pursuits. I agree that relevance of the “right” education cannot be downplayed in the context of many jobs like engineering, medicine, pharmacology, etc. However it is right to make this a holistic rule? I have been witness to individuals from the hospitality sector (read hotels) that have gone on to become extremely successful senior executives in the world of global sourcing, handling complex banking assignments and process improvement aspects. There are many such examples of skills being deployed across seemingly disparate and disconnected sectors. What is interesting is that most skills themselves are becoming ubiquitous for most sectors, barring a few specialized ones that sit at the top end of the complexity spectrum (for e.g. drug discovery, molecular distillation, genome sequencing, aero engine design et al).

This is where industry seems to have perhaps failed to appreciate the ability of today’s young generation. The constant blame-fixing attitude witnessed where the academic institutions are at the receiving end is both shortsighted, and frustrating. Most citizens from emerging nations continue to study in academic environments where the nature and kind of knowledge imparted is quite insufficient, and most times outdated. This is what Lant has aptly described in his seminal paper on Education, questioning the very delivery mechanism starting from primary through to tertiary school systems. Such individuals will almost always become immediately unemployable. The developing world has been witness to the mushrooming of tertiary bridge institutions – typically built around profit motives by some enterprising individuals – that has taken the responsibility to bridge such gaps. Technology courses have seen the highest uptake over the past two decades. Just take a walk around cities and towns in India, Brazil, Bangladesh etc to gain a sense of the magnitude of the impact these institutions are intending to create. Of course, employment or employability isn’t given much consideration given the mad rush to be a part of the “modern” generation, where the only yardstick seems to be a certificate or discrete knowledge with modern information. While these individuals have made education perhaps the most rewarding business ever seen (excluding those that form the crux of internet e-commerce), there are more shattered dreams than fulfilled ones. I think the principal reason for such disappointing results lies in an unstructured approach toward (a) gaining quick skills, and (b) lack of opportunities to employ such discrete skills. Hence the argument by industry that they find individuals from both formal academic institutions and tertiary private bridge institutions as equally unemployable is not quite a difficult or complex logic to appreciate.

Well, while the blame-game continues, two key issues have become mainstay. One, increasing unemployment of individuals with “new-age” knowledge has pushed them back to old-school ways of pursuing traditional courses, just to gain a job. Accounting, HR, Economics, Construction, Literature, Pharmacy and many other traditional courses are back in the reckoning (having lost to IT and fancy Science-related courses in the past decade). Parents are willing to pull their kids back to old realities (that were always their realities) instead of taking the leap of faith and reposing trust on new-age knowledge that could potentially result in meaningful careers for their progeny. Two, industry continues to see a decline in fresh supply of talent (however immature or inapplicable they may be), leading to a massive pressure on supply.

Current resources with meaningful skills are increasingly in demand, pushing not just wage allocations within organizations, but the eventual impact on business growth and sustenance for the not-so-fortunate firms. Retaining skilled individuals has become perhaps the most difficult challenge for C-level executives today. While governments continue to work toward easing the supply crunch, lack of experience and irrelevance of existing skills (gained either from formal institutions or from tertiary bridge institutions) is biting at employability, and consequently jobs. I have been witness to jobs being created but filled by expatriate labor most times, a model that’s neither sustainable not desirable, especially in countries that are vying to become developed nations in the next few decades, which can only be undertaken if the intellectual capital of their entire citizenry is enhanced. Current endeavors at bridging gaps through easy flow of expatriate labor are just a stop-gap arrangement. There is a lot that has to be undertaken in a concerted and cohesive manner by various stakeholders to address current challenges, and prepare for a more tumultuous future.

Instead of lamenting about academia’s inabilities, or private sector’s grouse around employability (or lack of it), or ineffectiveness of government programs in provisioning much-needed skills in the immediate short-term, I think the time has come to determine what will work in the longer-term, and what needs to become obsolete now. For one, governments should stop positioning themselves as the “trainers of the last resort” because they have invariably become the “trainers of the only resort” today where industry plies its miseries time and again, to which governments respond positively without much consideration for the damage they are inflicting upon the industry. Governments have become “crutches” for industry to hang their inabilities on, resulting in mediocre companies that continue to struggle with relevance. Instead, industry should be taking responsibility for its own growth by competing effectively on the basis of competence, not on the back of government largesse. Investing in their own competencies is a corporate mandate many choose to ignore given sovereign alternatives. This can only be attained if governments chose to do what their primary role is – Enable, not intervene. Support, not lead. Enabling and supporting industry has to take the form of strategic interventions, not operational. Sustainability is just that – the ability of the private sector to nimbly navigate around ever-changing business environments through

deploying, modulating, re-training, re-skilling and re-aligning its entire workforce around future business cycles.

Governments can support such sustainability measures by taking the strategic bull by the horns, which manifests in supporting private sector initiatives at growth while continually indulging in benchmarking their local firms against global standards of excellence. Deploying tax-payer dollars to support operational current day laments of the industry is not the forte of many nations (most developing ones suffer from very low tax revenues and in many of them there are hardly more than 3-4 core economic sectors that contribute to GDP growth in the first place). While some companies will survive, others will face an eventual demise, which I firmly believe is the way it has got to be. Enabling all and sundry is to institute mediocrity, which is conveniently renamed “locally endorsed” excellence.

Industry on the other hand has no other option but to work hand-in-glove with the academic institutions. The need for holistic education is necessary – that will not go away and neither is it desirable. However, creating courses alongside the academic institutions that can deploy a well-oiled delivery machinery needs to be leveraged in a manner that permits imparting employable skills. Industry needs to stop lamenting that any of its endeavors at creating its own supply shall become immediately available to competition. That is a fact, and the sooner it sinks into Boardrooms the better. Cost containment and effective deployment of capital is as much a function of sound business decisions (and consumer alignment) as it is about creating competitive advantages constantly. Employees have to be a part and parcel of such alignment, which can only happen if industry owns up to its own growth and that of its employees. Else, the danger is that a sense of entitlement shall continue to increase amongst employees who believe their contributions are only important so long as they generate revenues, but can be discarded at the whims of a disparate, unwilling and mediocre leadership. Inculcating and institutionalizing ownership for corporate growth is no longer the forte of the Board or senior management, but that of all employees within an organization. In turn, people shall have to be enabled, supported and constantly challenged to create, innovate, and pursue growth competitively, without the largesse of a magnanimous government, or some other soul-savior. If this means building a pipeline for the sector itself, industry – and players within – have to collaborate and commit.

Academic institutions on the other hand will have to shed their old ways of protecting their learning environments. It's a foregone conclusion that private sector participation in academics has almost always resulted in increased employability among participating students. This needs to be enhanced, through creating new curricula, new structures, new programs, where industry is embedded into the learning process. Only then will application of knowledge become a ground reality, shaping young minds to become thinking and contributing individuals. After all, these young people are expected to take on the mantle of growth in another two decades. Should we not prepare them now, discarding them for their current inabilities, these very industries that seem to be the darlings of many countries will, in two decades look like relics from the past. An apocalypse is waiting to happen. Academic institutions would be best advised to



discard their old school thinking and embrace new age realities – it’s about skills and about continually gaining skills. After all, with knowledge going through cycles of obsolescence every 24 months, an average 21-year old fresh out of college/ university will perhaps – in 34 years of his / her productive capacity<sup>4</sup> – have to learn, unlearn and relearn skills at least 17 times. Are we preparing our youth for this kind of upheaval? Our children are a part of these youth as well, a poignant point that could perhaps drive the private sector and academia to work together. We can fix the blame to kingdom come, or lament about a lost opportunity when the apocalypse hit our children.

## ABOUT THE AUTHOR



Bobby is one of the top 25 most powerful leaders in the global sourcing space, and the [founding] **Chairman & CEO** of **Matryzel Consulting Inc**, a strategy consulting, sourcing advisory and management firm headquartered in New York. Matryzel advises corporations and governments worldwide adopt concerted strategies aimed at enhancing competitiveness while focusing on their core competencies. He advises federal governments across four continents on ICT sector development with particular emphasis on policy development, industry-government partnerships aimed at creating GDP growth and enabling positive economic impacts. Bobby has advised Fortune 500 customer organizations on Strategic Planning, Mergers & Acquisitions, JVs, Private Capital Investment Evaluations, Process Reengineering, Pricing Strategies, Sourcing Relationships, Business & Financial Modeling et al, contributing immensely to global sourcing for clients. He is a sought-after speaker in conferences and round-tables worldwide where he moderates panels and presents content on thought leadership. He has been quoted and published in Forbes, fDi, Economist, The Outsourcing, ZDNet, CIO Africa, Brazil Exportati, Times of India, Business Week, New Straits Times, Malaysian Business, Technology Inquirer, Logicall Wordpress etc.

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<sup>4</sup> A general reference made in the context of “active and productive labor” is between the age of 18 and 45.