# SAMSUNG

Galaxy Z Flip3 5G



Get ready to Flip at ₹ 59999\*



Top News

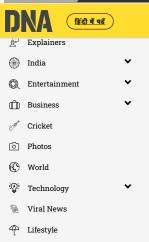
Education

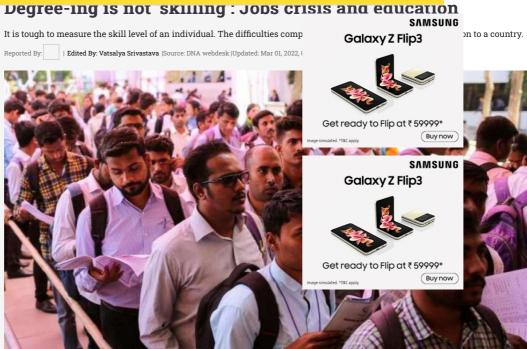
Health

Videos

Massive price drop on Apple iPhone 12, iPhone 11 – Check rates on Amazon, Flipkart HERE

4 III Þ







You May Like Promoted Links
Personalized 1:1 Coding class

'Mahabharata' actor Nitish Bhardwaj announces divorce with wife Smita after 12 years of...

Get a free Public Speaking Class for your Child!

PlanetSpark

WhiteHat Jr

Learn More

Railway Recruitment 2022: New vacancies announced in Northern Railway, apply at...

Born Between 1965-1990? Get ₹1 Cr Term Life Plan @...

Term Life Insurance Plans Get Quote

CBSE Class 10, 12 Board Exams 2022: Know latest update on...

Want to Improve Your Programming Skills?

Scaler Academy

Sign Up

Shruti Haasan's beau Santanu Hazarika opens up about their live-in relationship, marriage As difficult as the last two years have been, the pandemic will eventually subside, the economy will recover, and life will be as it once was. But what of those who were still in the process of learning what life is all about? A lot has been said about the potential consequences of students not attending schools or meeting their friends and peers. As somebody who has only been able to teach online since April 2020, I am concerned about the potential impact of pandemic induced school closures. But I do not think virtual vs physical classrooms is where the conversation on education in India should be centred.

### What is the promise?

In the epic Mahabharat, the Pandavs and Kauravs left their palace to live and learn at their Guru's ashram. Ram and his brothers did the same in the Ramayan. The modern idea of education is not very different. Young children spend a large part of their lives in schools and colleges, giving up some of their familial and social responsibilities. These institutions, in turn, are expected to prepare them for their lives to come. The trade-off any society makes in educating their young is to take away a part of their social responsibilities in return for better-informed citizens and better-skilled professionals.

# What are the challenges?

The literacy rate in India was 12% in 1947. Over the last 75 years India, like many other developing countries, has struggled with improving the quality of its human resources. The challenge has two dimensions: increasing access and skilling those who have access. Today, the literacy rate is about 74% showing that there has been some progress in improving access. But whether this has translated into building competencies of students who have made it to school is questionable. Pratham has been tracing

#### Transform your Career with Great Lakes PGPM

Great Lakes Institute of Management, Gurgaon

Swara Bhasker slams Twitter

user who mocked her opinion o..

by Taboola

Learn More

the learning outcomes of students in India since 2006 in their ASER surveys and their findings are very disappointing. But you do not have to believe Pratham, low skill levels manifest in the form of a paradox: industries cannot find enough skilled people to hire, while many youths with degrees cannot find gainful employment.

### Fixing the measure, not the problem

It is tough to measure the skill level of an individual. The difficulties compound as the scale increases from a person to a country. Therefore, we typically rely on a wide array of proxy measures to estimate the quality of human resources. The human development index, for instance, uses the "mean of years of schooling for adults aged 25 years and more and expected years of schooling for children of school entering age" to estimate the level of education in a country. These are useful measures and it is relatively simple to get the data on them. But, I suppose most of you can already see the problems with them, these are all measures of quantity, not quality. If you wanted to improve your scores on these measures, you had to ensure that more people spend more years in school. That by itself would not be an issue if spending more time at school improved educational attainment. But it does not. Some studies have even found a negative correlation between student enrolment (and government spending on education), and learning outcomes at the school level. There is nothing wrong with targeting high enrolment. But, for instance, if dropout rates are reduced by promoting everyone to the next grade irrespective of their skill level, then the long-run outcomes are not likely to be desirable.

# Degrees as a Public Good

Consider a situation where a person needs to have at least Rs. 100 to get a certificate but has only Rs. 20. One way to address the gap is to earn more or borrow the difference. The other is to redefine every rupee as being equivalent to 5. Voila! The problem is solved. Now, most individuals cannot perform such magic. But governments and private schools and colleges can. They can lower the evaluation standards to ensure that more students graduate from school or get higher degrees. It is simple, if it gets easier to get something, more people will get it. However, while this approach might make it seem that education standards are improving, it creates new problems. Students and parents do not get an honest assessment of their skills which compromises their ability to make decisions about their future. A father recently said to me that her daughter scores in the high 90s in math, but he is not sure if she is good enough to study economics at the university level.

Perhaps even more importantly, this devalues the value of these certifications/degrees, as they cannot distinguish between the competent and the not so competent. This makes it difficult for employers to identify the right talent fuelling the paradox referred to earlier. On the other side, it penalizes the best and the brightest students, forcing them to look for alternative ways to signal their quality. This increases the reliance on few trusted education 'brands' for quality assurance. So it is not enough to be an engineer, you must be an engineer from IIT. Whether it is raising funds from an investor or convincing customers of the bonafide of a startup, IIT/IIM acts as a proxy for quality. Do not get me wrong, IITs and IIMs are wonderful institutions. But the over-reliance on them as some of the few reliable signals of quality has

fostered a culture where the trajectory of someone's career can depend on one or two exams. The thriving coaching industry stands testament to how important these exams are perceived to be. I am sure nobody needs me to point out the repercussions of having an education system that aims to certify a person's ability to take exams rather than their competence in specific areas.

### **Failed Promise of Education**



There are many thousands for whom the opportunity cost of going to school or college is very high, but they still take it on, in expectations of high returns. They might, of course, appreciate the innate benefits of an education, but it is likely not the final goal, only the means to one. But as the standards for certifying someone as educated are diluted or are not good estimates of a person's skills, the promise of education to deliver a bright future is also compromised. Not only does this create social unrest among the youth who feel cheated, but it also ends up undermining the incentives of future generations to get an education. After all, why would you want to send your child to a school or college whose former students have not been able to get a job? Even if a child does attend such an institution, it is unlikely that she will be motivated to put in the hours of work required to improve her skills. This might or maybe already has created a vicious cycle where students (and their parents) are not as keen on investing in education. But they are lured in with promises of even easier to get higher degrees, which will purportedly help them

mey are rarea in vitin promises or even easier to get ingher aegrees, vimon vin parporteary nerp mem secure a job. But this new higher degree is unlikely to help either. The only possible next step is to hand out jobs, creating another vicious cycle of a race to the bottom.

# What can be done?

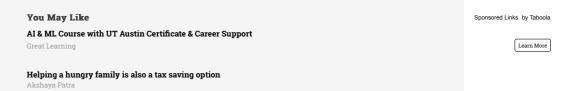
A lot of things. But in this article, I intend to focus on the expected end product of education, jobs.

A large talent pool can turn out to be a bane if the institutional structure to assess and match talent does not exist. Consider the case of Indian cricket. Everybody in cricket circles has acknowledged the vast reserves of talent in the country. But it is only in recent times, courtesy of the IPL, that we have started to identify and fastrack talent from the hinterland. Today, it matters less which city you live in or which coaching academy you join. What matters more is how well you can play. Something similar is required to fix the fundamental incentive problem in education.

Degrees were always meant to be a proxy for skills. With the increase in information and data available, it's time that we ditch the proxy and focus on skills. This will require two related and complementary changes in the job market. We need a better mapping of skills required for jobs. This would mean that if you want to hire someone to draft reports, you are more concerned about their ability to draft reports, not about whether they have a degree in economics, engineering or development studies. Second, we need better methods of assessing skills. There are some models in the tech industry, where it is easy and cheap to assess specific competencies. But it is not obvious how these can be extended to other sectors and professions. I do not have a readymade solution on how to accomplish this. But I do believe that it can be done. If there are any smart and persistent entrepreneurs looking for a big impact problem. Here is it.

Read | DNA Money Guide: Financial planning in 2022 for the cautious professional

There are, of course, many other things that can be done, and there are many who are trying. But many small and targeted technical interventions will not have a lasting impact if the fundamental problem is not addressed. People respond to incentives, not speeches and moral sermons. Fixing the hiring problem will give students the incentive to skill up and become more competent rather than focussing on getting a degree (or passing an exam) by hook or by crook. Perhaps then, the promise of education can be restored. By students motivated to learn and better themselves.



The author is an assistant professor of economics at the Jindal School of Government and Public Policy.

(Disclaimer: The views expressed above are the author's own and do not reflect those of DNA.)

