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ADDRESSING ASEAN'S MANPOWER CHALLENGE

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Governments must work closely with the private sector to produce relevant skilled labour

ASEAN-5, which consists of the five core members of the Association of Southeast Asian Nation (ASEAN) – Singapore, Malaysia, Thailand, Indonesia and the Philippines – has a combined GDP larger than that of India's. With growth expected at around five percent, the recent formation of the ASEAN Economic Community (AEC) and trade initiatives such as the Trans-Pacific Partnership (TPP) and One Belt One Road arrangement figure to boost the region further still.

However, a lack of skilled labour threatens to curb potential growth. In the recent SMU-J.P. Morgan Symposium, *"Managing Skills Challenges in ASEAN-5"* ten key challenges were identified, the top being the "inability of educational institutions to meet industry demands".

"Even if we think we know what kinds of skills we need to share with our students," explained SMU President **Arnoud De Meyer** in a panel discussion at the symposium, "we can be sure that the people who graduate in a few months from now that their skillsets will be un-adapted to the reality ten years from now. How do we enable them or give them the skill of learning new skills? That is one of the biggest challenges these days."

EDUCATING FOR SUCCESS

In a report presented at the symposium, measures proposed to address skill gaps include:

- Giving the private sector a bigger role in meeting the skills challenges;
- Provide a clear roadmap to meet skills challenges;
- Revamp curriculum to emphasise STEM (science, technology, engineering, mathematics), TVET (technical vocational education and training) and soft skills training;
- Deepen school-industry links to improve employability of graduates;
- Expand and strengthen continuous lifelong learning; and

- Policy coordination on cross-border labour flows

Close co-operation between governments and the private sector is key to addressing this issue, explained **Chauncey Lennon**, Managing Director and Head of Workforce Initiatives, Global Philanthropy at JPMorgan Chase. And while education is crucial, four-year college degrees are not the only path to success, Lennon said.

“It isn’t that college isn’t good nor is it because a college education does not provide good returns,” he said, “it’s because if we send the message to young people that this is the only path to success, we create lots of problems. We don’t allow people to see that in this complex economy there are lots of pathways to succeed.”

“The German or Swiss apprenticeship model shows you don’t have to go the four-year college path to see success. Without the necessary data to show people that they don’t have to go the four-year college route – often at high cost – we could have lots of people go that route and fail. In the U.S. it’s a huge problem right now.”

Echoing that sentiment, **Miguel Caparas** of Filipino digital technology training school NXTLVL Academy laments the perception of vocational training almost as “dirty” or inferior to a four-year college education. However, graduating from schools with a stellar academic reputation does not always translate to professional relevance.

“I’ve had friends who have expressed a desire to build a tech startup, and they were looking to hire web developers,” said Caparas recounting hiring efforts at the established Filipino universities: University of the Philippines, De La Salle University, and Ateneo de Manila University. “Which school did they end up hiring from? None of them. They hired from this little school called the Polytechnic University of the Philippines (PUP).”

“Turns out they weren’t the only ones who hired from the PUP. The reason why their students were hired was because PUP is a little newer and it has invested a little more in the programme for web development. When people go to PUP for web development they are taught in marginally newer technology, which makes them far more employable.”

EDUCATING FOR DISRUPTION

Given the speed of change and the disruption technology brings, how can ASEAN economies manage what comes next?

“The private sector drives the demand for skills,” asserts Caparas. “It’s not a ‘build it and they will come’ system. The Philippines doesn’t have the capacity to do such long-term planning to build the capability. It’s more of a ‘need it and it will get built’ situation where the private sector gets together and have a clear voice and say, ‘This is what’s necessary.’”

“And rather than complaining and asking for stuff, they could invest and help create a solution. It will take the government and private sector and existing universities to come up with a solution.”

Somkiat Tangkitvanich, President of the Thailand Development Research Institute, highlighted the need for Asian educators to cut down on its emphasis on rote learning, and focus on learning quality instead of quantity.

“I think Asian countries now use thick curriculum. You have a lot of content for teachers and students to cover. We need to make it a lean curriculum. You don’t have to remember all the facts. You just need to grab the core concepts.”

“We have to change passive learning into active learning. Curriculum has to be lean and learning has to be active.”

He concludes: "Technology is exponential. Organisations, especially in the private sector, are linear. But governments are sub-linear. Therefore, you need the private sector to lead, and for the government to support."