

Publication: The Bangkok Post Online
Date: 01 Nov 2016
Headline: Study: Thais short on skills



Cultural bias hinders vocational training.

Thailand faces a chronic and pervasive shortage of qualified technical and vocational workers across all industries, due to the challenges faced by both public and private tertiary education in keeping pace with industry demands, as well as a cultural bias towards a more academic education.

These are among the key findings from a year-long study conducted by the Singapore Management University (SMU), in partnership with global financial services firm JP Morgan, on the skills challenges faced by the Asean economies of Singapore, Malaysia, Indonesia, the Philippines and Thailand.

The shortage of skilled workers is especially pronounced in Thailand's key growth industries like the automotive, information communications and technology (ICT) and tourism sectors, the study shows.

Addressing this shortfall is necessary if the country is to raise its productivity and realise its ambition of becoming a high income economy by 2027.

Currently, about 35% of Thai students are enrolled in vocational institutions, and of this group, a large number of graduates are found not to be industry-ready, the study shows.

This suggests a need to improve the Technical and Vocational Education and Training (TVET) education in the country, especially in the face of a cultural bias against the field.

According to the study, the challenge is compounded by the fact curricula in both public and private tertiary education institutions do not reflect the progressive needs of industry, such as research and development work in the automotive industry or the fast-changing skills requirements of ICT.

Low proficiency among the Thai workforce in foreign languages, especially English, poses a challenge for competing effectively internationally.

"Thailand enjoys near full employment, but there is an urgency for the country to adopt a more technology-driven and less labour-dependent growth strategy to attain its goal of becoming a high income economy in the next 10 years.

"Education and training programs need to be accelerated to equip the workforce with the necessary skill sets and communication skills, such as proficiency in the English language," said SMU president Arnoud De Meyer.

The study recommends policy incentives at the national level to attract more talent to train in technical and vocational schools, helping to mitigate demonstrated skills challenges. This needs to be accompanied by a concerted effort by all stakeholders to improve the teaching of science, technology, engineering and mathematics programs in schools.

The government should also explore more innovative ways to incentivise the private sector to take lead in skills training programmes, either in collaboration with the government or with educational institutions, the study says.

Finally, the government can provide incentives to private education service providers to work with the formal sector to play a larger role in strengthening soft skills and the English language.

In response to the findings, JP Morgan and global non-profit research and development organisation Education Development Center (EDC) are launching a workforce readiness programme today that aims to bridge the skills gap.

The Accelerated Work Achievement and Readiness for Employment 2 project is an innovative programme that helps young people in Thailand, Indonesia and the Philippines gain technical and employable skills that employers require.

"EDC's goal is to develop a new model for demand-driven education that will prepare Asean youth for lifelong careers in the digital economy," said David Offensend, EDC president and CEO.

"We know that technology will create new jobs as well as replace them through automation. By preparing students with higher-level cognitive skills such as creativity, design thinking and applied analysis and problem solving we can ensure they will have the adaptive ability to anticipate and respond to the shifts in demand in the evolving technology sector."

The programme in Thailand will work with the AmCham Thailand's ICT committee and the director of Thai Institute of Vocational Education to adapt the curriculum with a focus on app development and jewellery design.

The Thai tech sector is undergoing strong growth due in large measure to rapid expansion of tech-enabled or tech-focused small and medium-sized enterprises.

Accordingly, the EDC will be developing models and tools for integration of industry skills training into the education sector, beginning with an emphasis on specific ICT roles related to mobile application development.

"Thailand has the ambition of becoming a key technology and knowledge-intensive production base for the region and JP Morgan is fully supportive of this goal.

"Clearly, a highly productive workforce is crucial to this end and JP Morgan is backing 14 workforce-readiness programs across the Asia Pacific region focused on ICT, including in Thailand," said Chayotid Kridakon, senior country officer for Thailand with JP Morgan.

The study also shows that a shortage of industry-ready skilled workers presents one of the biggest challenges for the five core member countries of the Association of Southeast Asian Nations, Asean-5, as they strive to realise their economic visions.

With an estimated gross domestic product (GDP) growth of close to 5% a year and a combined GDP larger than that of India, the group comprising Singapore, Malaysia, Thailand, Indonesia and the Philippines represents one of the most dynamic and promising growth regions in the world today.

Blessed with a rich endowment of natural resources and a young and dynamic workforce, the five core economies of the 10-member Asean group have the potential not only to raise their own income levels significantly in the medium term, but also to become a major growth engine in the region and help maintain East Asia's pivotal position in the global economy.

Regional economic integration and urbanisation could further boost Asean-5's growth momentum.

Continued urbanisation in the Asean-5 region will create demand for infrastructure investment and many services industries especially education, healthcare, logistics, transportation, and telecommunication.

However, whether the Asean-5 can successfully achieve robust and sustainable growth depends crucially on their abilities to equip their workforce with general and job-specific skills needed by the growth industries they are promoting.