

CEO Spotlight



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Globalization – a great opportunity for developing economies

Globalization

has transformed the services landscape, and has changed the way business is done the world over. The phenomenon has grown to such proportions that it is now impacting national economies. The developing nations in particular, where English educated, high skill resources are in abundance are standing on the brink of a revolution.

We have to just look at what India has achieved, to understand the potential. From a nation steeped in unemployment and underemployment among graduates a decade ago, India has reached a point where the world is asking of the considerable educated young population of India be enough to absorb the demand for resources. Apart from direct employment, globalization has created a huge impact through the associated support services, from infrastructure to transport to catering, training, recruiting, etc. This services led boom is now translating into consumption led retail boom. All the multiplier effects are yet to be seen and experienced.

The “India story” has given hope and direction to a number of other countries sharing a similar socio economic situation globally. Pool of educated youth, along with a legacy of colonization/western influence and dropping costs of technology, give a number of nations today, the required ingredients for emulating India’s success. The big question is what next. While the Indian revolution was kick started by the Y2K situation, which along with government support and aggressive entrepreneurship snowballed into this phenomenon, what would it take for the other aspiring nations to surge ahead?

While the essential ingredients may be there, often there is a need to energize growth factors, plug gaps, enthuse the workforce and package the potential into an irresistible proposition. The most obvious, but often the most challenging part is building a consensus among the government and industry regarding the need for a unified direction and action plan. Once consensus is achieved, it needs a dedicated high level task force comprising industry leaders, globalization experts and policy makers to create an implementation roadmap.

The starting point is identification of core strengths based on the workforce profile, infrastructure, and competitive environment. Setting aggressive but achievable targets comes next, which also lays down the expectations in terms of the impact, timeframe and the magnitude of investments. The implementation roadmap would then need to focus on the enablers like skills availability, English language proficiency, infrastructure development, incentives, capital availability and the business environment, with clear long term and short term targets to achieve the end objectives.

Creating a best of breed globalization destination would require the collective will of the nation, but with a sustained effort this has the potential to push the economy onto a high growth track.