



# Unlocking Potential: For A Thriving Industry

**RAJESH JAIN**, says the construction sector should emphasise on digital tools and global market standards to accelerate India's growth.

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### ABOUT THE AUTHOR

*Rajesh Jain, Chief Human Resources Officer, Welspun Enterprises, with an extensive 33-year career spanning various industries and roles is a specialist in organisation development, talent acquisition, employee relations and employer branding. He holds an MBA from ICFAI University and an Electronics Engineering degree from Government Engineering College, Ujjain.*

**T**he Indian construction industry is on the brink of a remarkable transformation, poised for an astounding 12.0 per cent growth, set to reach Rs 45,907 billion in 2023, according to 'Research and Markets'. This impressive expansion is not merely a fleeting moment, but a trajectory that is expected to continue with an estimated compound annual growth rate (CAGR) of 9.9 per cent from 2023 to 2027. This burgeoning sector fuelled by government investments in various facets of infrastructure including affordable housing, green construction, transportation and energy initiatives promises to catapult the construction output in the country to an astounding Rs 66 trillion by 2027.

However, within this promising landscape lies an ominous challenge – the construction industry's workforce skills. Inadequate skills can have profound and far-reaching consequences, posing threats to safety, quality, efficiency and ultimately the success of construction projects.

While the quantum of construction in China may currently outpace India's, it's essential to recognise that both countries face similar challenges. A McKinsey report titled 'Shanghai 2023: Accelerating Building Productivity in

China' highlights comparable challenges in China's construction and real estate industry, emphasising the need for skills, digital tools, artificial intelligence (AI) adoption and global market standards. Learning from China's experiences and mistakes, we can accelerate India's growth and its ambition to become a developed nation by 2047.

### Repercussions of an unskilled workforce

- Time and cost overruns with reduced productivity: Unskilled labour hinders project progress, leading to delays and schedule overruns incurring significant financial implications. It also amplifies rework and inefficiencies causing project costs to escalate and necessitating additional labour, materials and equipment - all of which can impact project profitability.
- Safety hazards: Inadequate skills and knowledge heighten the risk of accidents and injuries at construction sites. Workers without proper training might be unaware of safety protocols, leading to perilous practices.
- Impact on customer satisfaction and loss of competitiveness: Poor workmanship due to insufficient skills can result in



sub-par construction quality, leading to defects, structural problems and expensive rework. Inferior construction projects have the potential to damage a company's image, creating obstacles in securing future contracts and clients. Lack of skills also causes a loss of competitive advantage.

- Legal and regulatory issues: Non-compliance with industry standards due to skill deficiencies can lead to legal challenges, fines and project stoppages.
- Difficulty in attracting and retaining talent: Companies with a reputation for poor skills and quality may struggle to attract skilled workers, hindering workforce development. A workforce lacking skills can also erode morale among other project team members, exacerbating the consequences of poor work.

### Industry transformation impact on skill challenges

The construction sector, like other industries, is undergoing a profound transformation with the advent of environmental, social and governance (ESG) principles, digitisation, AI and robotic automation. Consequently, new skills are becoming pivotal for professionals in the field including:

- Sustainability and Green Building skills: Proficiency in eco-friendly materials, energy-efficient technologies and renewable energy sources is of critical importance.
- Ethical and social awareness skills: There is a growing emphasis on knowledge of ethical practices and social responsibility in



Classroom training skills in Digital Twin technology for project monitoring and cyber security acumen to safeguard digital assets in a connected construction environment, are highly sought-after.

- construction projects.
- There is a surge in demand for competencies such as digital literacy, expertise in building information modelling (BIM), proficiency in construction management software and the ability to harness AI for predictive maintenance, project optimisation and risk assessment. Furthermore, experts are expected to have hands-on experience in operating and maintaining robotic construction equipment, adeptness in remote monitoring technologies, proficiency in drone technology utilisation and expertise in integrating the Internet of Things (IoT) for real-time site monitoring and data analysis through IoT devices. Additionally, skills in Digital Twin technology for project monitoring and cyber security acumen to safeguard digital assets in a connected construction environment are highly sought-after.
- Project management with technology integration skills: Expertise in project management methodologies

that incorporate digital tools such as project management suites are essential for modern-day construction.

- Health and safety expertise: As construction sites increasingly incorporate automation, there is a growing emphasis on advanced skills to ensure health and safety. Also since sustainable procurement practices are gaining prominence, individuals with the ability to navigate these practices effectively are in high demand.
- Moreover, soft skills like adaptability and strong communication are critical as cross-functional teams and client engagement become more important.

### Comprehensive strategy

In a nutshell, to mitigate skilling-related challenges and unlock full potential, it is imperative for construction companies to institute a comprehensive workforce development strategy, comprising of the following in a systematic manner;

- Skill gap assessment - Conduct



The skill development programme for sub-contractors. In recognition of their vital role in successful project execution, the company has established on-the-job training at some sites for its workers.

a skill gap assessment to identify skills and knowledge gaps. Prioritise training needs based on the assessment and create a structured plan outlining specific training programmes and resources, including on-the-job and practical training.

- Implementation - Conduct technical training and workshops followed by hands-on and on-the-job coaching. Conduct workshops for technology use, deploy technology and remove the manual processes so that people learn faster. Ensure regular comprehensive safety training. Partnering with educational institutions for customised programmes is a very good idea.

### Cross training for versatility

In addition, invest in continuous learning and encourage certifications, use digital platforms for accessible training materials and implement mentorship programmes for knowledge transfer. Another best practice is cross-training to enhance versatility. However, it is vital to stay informed and adapt training

programmes accordingly.

- Change management - By implementing effective change management strategies and fostering a culture of learning and adaptability, construction companies can mitigate the risks associated with poor workmanship. Moreover, investments in employee development will secure the industry's long-term success and sustainability.

The company is fully prepared to confront some of the new skill challenges head-on. Its learning and development programmes are meticulously crafted after rigorous training-need assessments ensuring that it addresses specific requirements of its employees. These programmes undergo multiple iterations to reach perfection, culminating in individual development plans and action learning projects that empower employees to implement their newfound knowledge in the workplace. The company also nurtures talent through initiatives like 'Grow Your Own Timber', ensuring a steady flow of internal talent with niche skills.

The commitment to employee development extends to a minimum

of three person-days of training for every employee annually, carrying a significant weightage of 10 per cent in their annual assessment process. The company leverages both classroom and technology-based learning to meet these targets.

In recognition of the role sub-contractors play in project execution, the company has established on-the-job skill development programmes at some sites for its workers. Through these initiatives, it has already impacted the lives of over 1,000 workers. In its pursuit of innovation and excellence, it has incorporated AI bots into the hiring process and employee engagement efforts. The Engagement Bot provides the HR team with insights to address employee concerns promptly and prevent any regrettable attrition. Welspun Enterprises is excited about opportunities that await it in shaping India's infrastructure landscape and making the construction sector an attractive career choice for our young generation.

In conclusion, to overcome skilling-related challenges and unlock the full potential of the construction industry, it is imperative for companies to implement a comprehensive workforce development strategy. Collaboration with organisations like the Ministry of Skill Development and Entrepreneurship, National Skill Development Corporation (NSDC) or the Construction Industry Development Council (CIDC) in India can help in shaping a skilled and resilient construction workforce that will drive India's growth in this dynamic industry. Together, we can build a brighter future for India's construction sector.