



Human Competence and Dignity Ageing

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Asia by Kua Wongboonsin and Patcharawalai Wongboonsin

Outline



- Human Competence and dignity ageing as a key strategy for the first and second demographic dividend in the 21st century
- To sum up with key messages that by expanding from national to regional markets it is possible to take advantage of different stages of the demographic transition that countries find themselves in.

Trends of the World Situation

- Peter Drucker summarizes the trends of the world in the future as follows :
 - **In the Developing Countries**, there are dominant factors in the next society that we must pay attention to.
 - The **rapid growth in the older population** causes :
 - The pattern of traditional full-time office hours ---> temporary, part-time work.
 - In the next 25 years, older people will keep working until their mid-70s if health permitting.
 - Surviving older workers in the future will be knowledge workers.
 - The **rapid decrease of younger population** causes :
 - Immigration in developed world.
 - Youth-determined mass market ---> middle-age-determined.

Trends of the World Situation (Cont.)

- Knowledge will be key resource in the next society.
 - Three main characteristics of knowledge society will be :
 - Borderlessness.
 - Upward mobility.
 - The potential for failure as well as success.
 - Knowledge technologists are likely to become the dominant social and political force over the next decades.
- The new protectionism
 - The decline of manufacturing will trigger an explosion of manufacturing protectionism
- The future of the corporation
 - Multinational companies tend to be more dominant in the world economy.

Repositioning skill, competency and qualification

- Three components for repositioning and developing human resources :
 - 1) Labor skill development (further training)
 - 2) Education
 - 3) Health
- Two procedures in schooling :
 - 1) Teaching
 - 2) Learning

Good education should focus on **basic knowledge** and **self-adjustment capability** in developing skill, competency and qualification of the students and provide them the ability to learn and to be further trained. They should be well-prepared for training both pre-training and on the job training altogether with their life-long learning.

Four Groups of Asian Developing Economies Countries (ADEs) classified by level of labour skill development

1. Low-income ADEs countries

- Wage costs in this group of countries are still relatively low.
- The focus of this group should be on raising labor productivity.
- The focus also on labor intensive industries.
- Productivity is still low, however the potential for increasing productivity and thereby international competitiveness is large.

*Four Groups of Asian Developing Economies Countries (ADEs)
classified by level of labour skill development (Cont.)*

2. Middle-income ADEs countries

- Middle-income ADEs need a different set of human resource strategies because they need to move toward more skill-intensive activities and production.
- **Key Points of Concern :**
 - 1) Most of these countries, except Philippines, enjoy universal primary enrollment rates, while their secondary and tertiary-level enrollment rates are relatively low. Unless these rates increase substantially, they could act as a binding constraint on the countries' ability to move into higher value-added manufacturing.
 - 2) These ADEs will need to place greater emphasis on basic and applied science and technology on their tertiary-level curricula.
 - 3) This group of ADEs grossly underspends on national R&D programs. However, having a strong national R&D and technology program without having a higher education system that can produce well-trained, qualified scientists and technicians is virtually impossible.

*Four Groups of Asian Developing Economies Countries (ADEs)
classified by level of labour skill development (Cont.)*

3. Newly Industrialized Economies (Asian NIEs)

- This group of countries aspire to a position of leadership in scientific innovations and technological advances, rather than remaining as imitators.
- They emphasize on the importance of requirement for more sophisticated information infrastructure and basic scientific and technological development because they provide high technology services in finance, trade and transport.
- The pattern of development of this group of countries
 - The government must emphasize on further upgrading of tertiary education in general both in quantity and quality, and focus on science and technology in particular, by making greater investment in research in both budget for investment and implement.
 - The government must develop **management system which is flexible for research**. They need not only to make greater investments in research infrastructure in universities, but also to establish an environment to foster creativity through greater administrative flexibility and unfaltering commitment to academic and research excellence.

*Four Groups of Asian Developing Economies Countries (ADEs)
classified by level of labour skill development (Cont.)*

4. The Central Asian republics

- This group of countries are changing their economic system from socialism to transitional Economies.
- They are well endowed with skilled manpower and enjoy high rates of secondary and tertiary enrollment, and their education systems have a strong technological and scientific orientation.
- However, because they were isolated for so long, they were unable to use their trained manpower to develop international competitiveness in knowledge-based industries.
- An appropriate pattern of development for these countries requires an appropriate **identification of niche products and areas** in which they have a distinct cost advantage. They will need to make their **R&D and higher education programs more market-relevant**.

Trends of the World Situation

(Cont.)

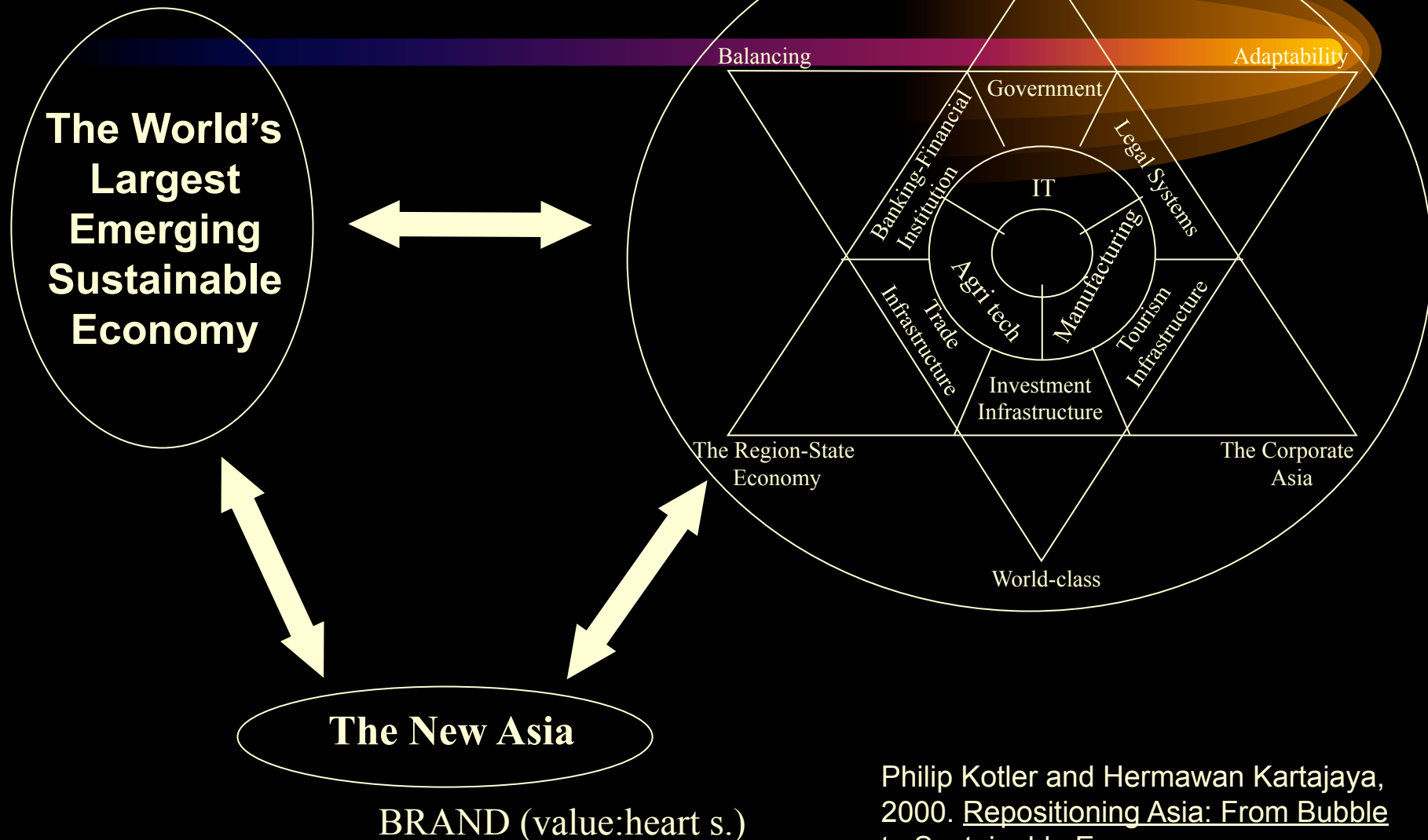
- John Naisbitt sees the eight major shifts taking place in Asia today, as follows :
 - 1. From Nation States to Networks
 - 2. From Export-led to Consumer-driven
 - 3. From Western Influence to the Asian Way
 - 4. From Government-driven to Market-driven. Central government control and direction of the economies have shifted to market economies.
 - 5. From Villages in Rural Areas to Supercities
 - 6. From Labor-intensive to High Technology
 - 7. From Male Dominance to Emergence of Women
 - 8. From Western World to the rise of the East.



The Asian Strategic Architecture

POSITIONING (strategy:mind share)

DIFFERENTIATION(tactic:marketS)



Philip Kotler and Hermawan Kartajaya, 2000. Repositioning Asia: From Bubble to Sustainable Economy.

Demographic Dividend and Asian Miracle

- “Asian Miracle” has been achieved partly on the back of Demographic Dividend.
- Compared with East Asia, education contributed less to past economic growth in Southeast Asia, including Thailand.
- Thus, there should be more room for further economic growth through HRD in Southeast Asia.

COMPETENCY vs. COMPETENCE



- **Competency:** A person- related concept that refers to the dimensions of behaviour lying behind competent performer.
- **Competence:** A work- related concept that refers to areas of work at which the person is competent
- **Competencies:** Often referred as the combination of the above two.

Source: MASTERSUN Consulting

TYPES OF COMPETENCIES

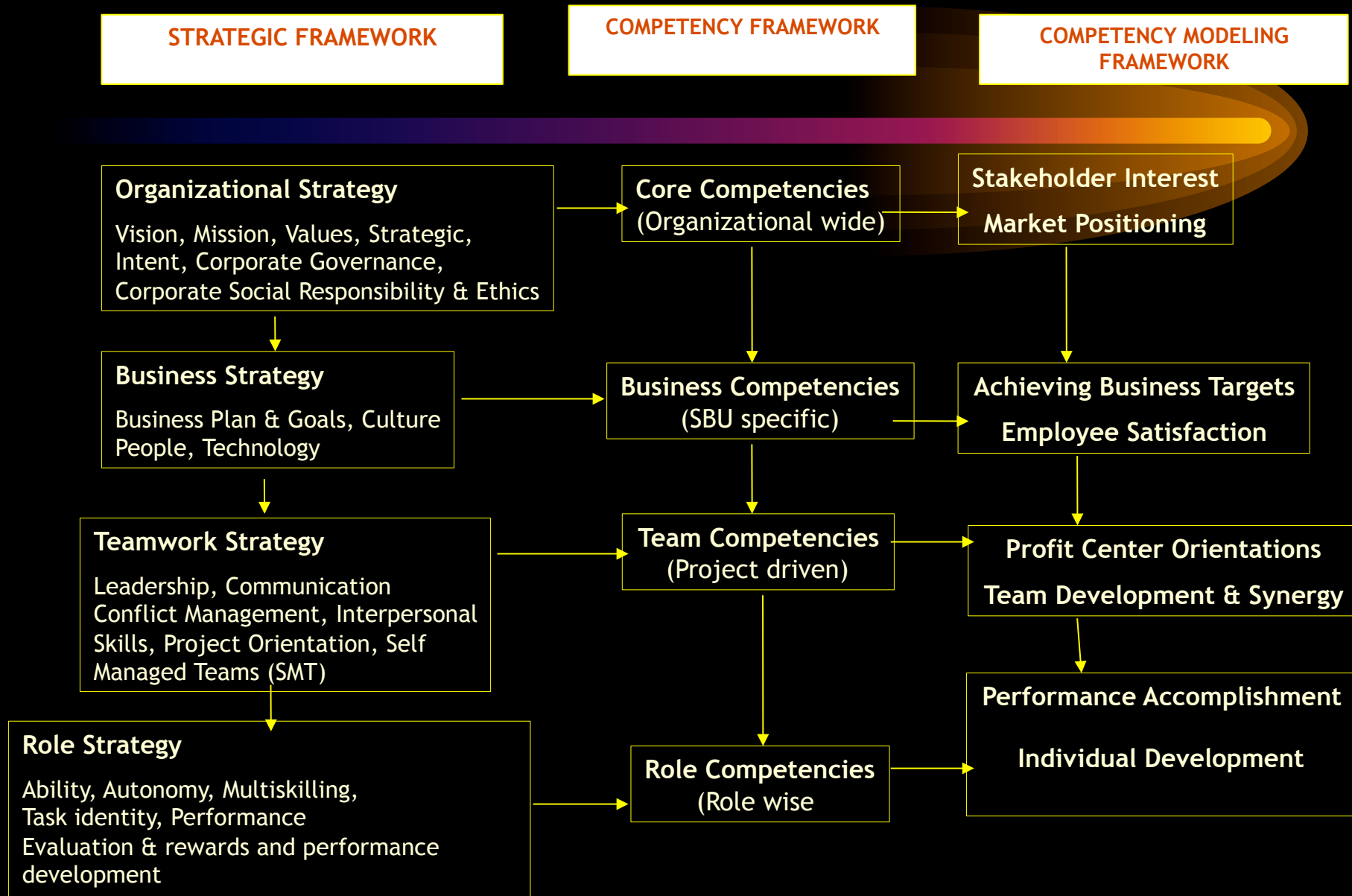


- Generic or specific:
- Threshold or performance:
 - Basic competencies required to do the job, which do not differentiate between high and low performers
 - Performance competencies are those that differentiate between high and low performers
- Differentiating Competencies:
 - Behavioral characteristics that high performers display

Source: MASTERSUN Consulting

MACRO COMPETENCY MANAGEMENT

Source: MASTERSUN Consulting



ROLE COMPETENCIES



- A set of competencies required to perform a given role
- Each competency has a skill set

Human Competence



- At the macro-level perspective:
 - Socially competent
 - Academic competent
- At the micro-level perspective:
 - Along each career path
 - Demand-driven competence development

Core Competencies

- Valuable
- Rare
- Costly to Imitate
- Non-substitutable

Competitive advantage

Competence-Productivity Nexus

- Notion of the fundamental human competence, in terms of the **ability to do what needs to be done to deal productively** with another person and their environments (Freden and Nilsson, 2003).
- Perceived as **the potential** to achieve valued accomplishments, human competence includes both technical and social abilities.
- It is noted to play an important role in the **productivity of organizations as well as the well-being at both organizational and national levels** (Jacobs and Hawley, forthcoming; Sahqvist and Jerhall, 1998; Judy and Amico, 1997).

Competence-Productivity Nexus

- Used and usable knowledge, skills and attitudes are often considered as essential parts of competence, while skills may also refer to practical knowledge.
 - The latter can be categorized into two kinds: explicit, and tacit (Nonaka, 1991; Nonaka and Takeuchi, 1995; Freden and Nilsson, 2003; Sandberg, 1994).
 - One may find skills resembling tacit knowledge once the latter is defined in terms of an individual's familiarity with his work and his ability to make judgments about performances (Freden and Nilsson, 2003; Sandberg, 1994).

Human Competence and Knowledge Creation



- Tacit vs. Explicit Knowledge (Knowledge Creation)
 - Cycle of Knowledge Creation