



NATIONAL WORKFORCE PLAN (2016-22)

Tourism, Construction & Production Sector

CONCEPT PAPER



1. INTRODUCTION

His Majesty's very recent address during the Graduate Convocation (March 2015) was, "the greatest and the most valuable wealth we have in Bhutan is our people. We can never go wrong if we invest in human resources – no matter how much it cost, that investment will give our Nation rich dividends and what we lack in number, we must make up in talent".

This sentiment has resonated throughout Bhutan's development process since the inception of the first five year planning process wherein high level of priority was placed on Human Resource Development through consistent development efforts in Education, and Technical and Vocational Education and Training (TVET).

Bhutan's Human Resource Development (HRD) plans and program were initially geared towards meeting the human resource requirements in the Civil Service Sector, which was the largest employing sector and had almost 90% of its workforce filled by foreign expatriate during the 1960s and 1970s. With careful planning and HRD interventions over the years, this figure has now successfully come down to 2.72% (Civil Service Statistic June 2013) of the total workforce in civil service. The Royal Civil Service Commission (RCSC), the apex agency for formulating HRD plans, programs and policies for the civil service sector has recently initiated various civil service reforms to maintain small, compact and efficient civil service. In achieving this objective, the overall size has grown by only 5.7% in the 9th FYP period, taking into account the average annual intake of 7.34% and 1.46% attrition rate (Civil Service Statistic June 2013). The same trend can be seen in the 11th FYP period.

Simultaneously, the Government has been placing a lot of emphasis on the private sector growth and development. The Bhutan 2020 document has laid down various policies and strategies for private sector growth and development, some of which are; making private sector attractive for young people, simplifying licencing arrangements, business sustainability, encouraging direct foreign investment, and building partnerships within the sector. These strategies still holds relevancy today. In 1980, the Bhutan Chamber of Commerce and Industry (BCCI) was established to represent and nurture the private sector. Further, Human Resource Development for the sector also received increasing attention with the initiation of the 6th FYP. The Royal Government started taking a holistic approach to HRD planning for the whole nation including both the civil service sector and the private sector. During the 9th FYP, the Royal Government took yet another initiative by separating the HRD of the private sectors from that of the civil service sector and committing 50% of the total Ninth HRD Budget outlay for private sector HRD. These HRD interventions has been with the objective that the sector grows and generates employment in the economy. Over the year, the share of private sector employment has been increasing. The Labour Force Survey (LFS) 2013 indicates that private sector is the second largest employing sector (19.8%) of the national workforce after agriculture.

Bhutan has always been guided by the overarching development philosophy of Gross National Happiness (GNH), which has had positive impact on Bhutan's socio-economic development. The

Royal Government has taken careful consideration of balancing economic development complemented by good governance and environmental and cultural wellbeing of people. Any Human Resource Development effort is conducive to happiness and prosperity of people (NHRDP 2010). Therefore, the National Workforce Plan (NWFP) is a resolve to put planning and development of human resource at the center of development.

2. WHY A NATIONAL WORKFORCE PLAN FOR BHUTAN?

‘Workforce planning is a process of taking stock of the current workforce, forecasting future workforce requirements and identifying gaps or issues. Workforce development related to the strategies and activities that bridge those gaps’.

Wendy Perry, Workforce Blueprint, Australia

‘Workforce planning is a process which enable evidence-based decision making about workforce supply and demand. It assist in aligning the needs of a business with those of its workforce, seeking a balance between both’.

Julie Sloan, Workforce Planning Global, Australia

Bhutan is undergoing labour market transition, wherein job generation is seeing a visible shift from the civil service sector to the private sector. This require careful and systematic reforms within our HRD institutions, which largely consist of Education (primary to secondary), tertiary/higher education and the TVET to evolve with the labour market transition and dynamics.

Therefore, NWFP is becoming an urgent priority for Bhutan with complex labour market challenges, among which, at the heart of everyone is the rising unemployment, high underemployment and increasing youth unemployment in the country.

The National Human Resource Development Policy (NHRDP) 2010 of the Ministry of Labour and Human Resources (MoLHR) was the first national level effort in terms of drawing attention to the need for a coordinated and collaborative Human Resource Development effort in the country. The NHRDP was developed with the objective to bring concurrence and cohesion among different human resource development activities in the country and to align the Economic Development Policy with the workforce development aspect. The policy has highlighted the need for MoLHR to identify future HRD challenges and trends in the different sectors of the economy.

Since the development of the NHRDP, the MoLHR has initiated and developed various short-term and medium term HRD planning process through the HRD Masterplan (which is aligned with the FYP of the Government) and the annual National HRD Advisory series. Further, most of MoLHR programs are with the objective to align young job seekers into the world of work. The MoLHR also closely work with the employing sectors, industries and the key sector association/council on

various short-term and medium term solution to effectively engage young job seeker in the labour market.

The NWFP will be a strategic workforce planning solution to address some of the existing workforce issues, such as, mismatch in the supply and demand within the labour market, lack of workforce development strategy, low productivity, and low employment generation, among many others. The workforce plan will enable evidence-based decision making in workforce development strategy and assist in aligning Bhutan's workforce to the economic growth and development. Bhutan's strength in being a small country (His Majesty 2015) allows us to embark on development of a workforce Plan at a national level. While the overall objective of the National Workforce plan is to have a workforce development strategy to foster youth employment in the country, the specific objectives are to:

1. Ensure that the economic sectors (as identified in the Economic Development Policy) have access to appropriate and adequate workforce for its growth and productivity.
2. Guide and Inform on the demand (critical jobs) in the economic sectors for appropriate intervention from the tertiary education and TVET institution.
3. Identify appropriate workforce development strategies and interventions that leads to employment generation and addressing the mismatch in the labour market.

3. SCOPE OF NATIONAL WORKFORCE PLAN

The NWFP will be a guide on the workforce demand requirements in three economic sectors; **construction** (hydro and non-hydro), **production** and manufacturing and **tourism** and hospitality. These sectors are considered one of the five jewels and are identified as a priority sector in the 11th FYP Document as well as the Economic Development Policy.

Further, the focus will be in identifying the Critical Jobs and Critical Capabilities within these sectors from 2016-18 (short-term) and 2019 to 22 (long-term). Critical job are those jobs which the industry has difficulty sourcing people and which requires long-term HRD intervention. Critical capabilities are those skills which are required across all level in the sector and can be addressed through training and development intervention.

It is also important to note that various HRD institutions within the country are also in process of developing their own action plans. The tertiary education roadmap is being developed by the Department of Adult and Higher Education (DAHE) and the TVET Blueprint is being developed by the Department of Human Resources (DHR). Both these documents will provide a strategic guide in bringing guided intervention and reforms within the tertiary education and the TVET institutions. The focus will be more on the supply aspect of it through increasing relevance (social and economic), effectiveness (training and management) and internal efficiency (cost and sustainability).

The NWFP will focus on assessing critical jobs and critical capabilities in the three economic sectors. As assessment will be made on current and future workforce of the sector in following areas:

1. Mission critical jobs: jobs that are required as per the mandate and objective of the business;
2. Critical jobs: jobs that has real skills shortage in Bhutan and there are simply not enough people with qualification and experience required to undertake the available job;
3. Hard-to-fill job: job where there are qualified people to perform the job but they are not interested in taking up the job due to wide range of reasons, which may include the geographical location, working condition, wage rage, nature of work among others; and
4. Critical capabilities: skills required for the current workforce to raise their productivity and performance.

4. WORKFORCE PLANNING MODEL

The NWFP will be guided by two models or frameworks; TAKE ACTION and 5-STEP model. These models are used globally for development of workforce plan at organization, sectorial or regional level. Both models will guide in the workforce planning (supply and demand assessment of national workforce) and workforce development strategy (addressing the gap).

5. PLAN OF ACTION

Month	Activities
July 2015	(i) Concept paper developed and endorsed, (ii) Executive and Working Group (EC and WG) identified, (iii) TOR for sector assessment study, HR planning and forecasting and workforce assessment developed, and (iv) workforce assessment tool developed.
August	(i) Identify partner to carry out sector assessment study, (ii) identify partner to build capacity of identified sectors in HR planning and forecasting, and (iii) carry out current labour market assessment and industry assessment
September	(i) Commence sector assessment study, capacity development in HR planning and forecasting, (ii) identify partner for carrying workforce assessment
October	(i) carry out workforce assessment survey, and (ii) conduct stakeholder validation meetings
November	(i) analysis of workforce assessment survey, (ii) supply demand gap assessment, and (iii) develop workforce development strategy
December	Preparation of 1 st draft
January 2016	Presentation of draft to stakeholder, WG, EC, MoLHR (ii) process endorsement of NWFP
February	Launch of NWFP

6. KEY STAKEHOLDERS

The National Workforce Plan will be a cross-cutting document involving many stakeholders in the government, non-government agencies, industries, industry/sector body, youth, job-seekers and the society. Some of the key stakeholders in development of the NWFP are:

1. Bhutan Chamber of Commerce and Industry
2. Royal Civil Service Commission
3. Royal University of Bhutan
4. Ministry of Education
5. Ministry of Works and Human Settlement
6. Ministry of Economic Affairs
7. Gross National Happiness Commission
8. Ministry of Finance
9. Relevant Industry/Sector Association/ Council/Body
10. Registered Training Providers