



**A STUDY ON IMPACT OF COMPETENCY MAPPING ON
ORGANIZATIONAL EFFECTIVENESS WITH SPECIAL REFERENCE
TO IT INDUSTRY IN CHENNAI**

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ABSTRACT

Competency Mapping is a part of Human Resource Development practice, only a competent employee play a major role in determining the success of an organization. The competency mapping concept plays a vital and profound role in organizational effectiveness. It also brings out collective efforts and dynamic potential from the source of human and converts these constructive tides into a tool for development. The Competency analysis is conducted by an experienced facilitator in every organization who obtains consensus from job practitioners regarding the skills required for the job. It focuses on the general statements of competence, which are the major units of work that employees perform. This paper focus on factors influencing the competency mapping of IT companies.

Key Words: Competency Mapping, Organizational Effectiveness, Performance Appraisal, Leadership & Job Appropriateness

INTRODUCTION

Competency Mapping is a part of Human Resource Development practice, only a competent employee play a major role in determining the success of an organization. The competency mapping concept plays a vital and profound role in organizational effectiveness. It also brings out collective efforts and dynamic potential from the source of human and converts these constructive tides into a tool for development. Many industries have strived to identify valid job competencies and skill sets required for future leaders. According to

LeBoterf.G, a French expert on competence, “Competence is the combination of relevant resources that the individual mobilizes to reach a particular result”. The organization has realized that in order to carry out the business in a superior manner they need to identify what type of competencies the employee should possess further increase and practice it to increase the job performance and achieve its goals.

The Competency analysis is conducted by an experienced facilitator in every organization who obtains consensus from job practitioners regarding the skills required for the job. It focuses on the general statements of competence, which are the major units of work that employees perform. The areas of competence breakdown into the skills, knowledge, abilities and behaviors that are required for each unit of work.

NEED AND IMPORTANCE OF THE STUDY

The slowing down of the economy around the world has put new and increased pressure on an organization to get more capabilities out of the available resource they have and this often translates into pressure on the individual employees. The future success of the organization relies on the ability to manage the workforce effectively. Especially for IT industries where various projects are involved as a work schedule, there is a requirement for repeatable and rigorous approach of competency assessment to create confidence among the clients. Confidence comes from the active demonstration of both capability and competence. Even though India is in a better condition to supply graduates who could be turned into IT professionals, but yet IT firms face the challenge to convert these graduates into multi-skilled employees. Hence the study relating to Competency mapping of employee is considered as a critical issue.

The competency mapping model helps in managing and developing the standards which reflect the direction, monitor and measure skills, provide feedback and action is taken later accordingly. There is a necessity for IT industry to use a competency framework to guide the individual for development and also help employees to identify hot skills and knowledge available to them and their requirement of further skills to sustain in the competitive field. Competency mapping, measuring tools needs to be communicated to the employees so that they can understand what is being expected from them which help to develop them to their career. In order to bring an organizational change IT industry has to match competency with performance so that it fosters innovation, increases productivity of the firm and finally enriches job experience.

STATEMENT OF THE PROBLEM

Competency mapping is applied in every field of Human resource management different elements like leadership, performance appraisal, job appropriateness, Knowledge and Skill, Interpersonal Communication, Team effectiveness, Core Competencies, Innovation, Goal setting, Customer care and Negotiation considered here are positive predictors of Organizational effectiveness as it brings an organizational change and development. Hence it is essential to find out the perception of employees towards competency mapping as an indicator of Organizational effectiveness. Thus the present study aims at analyzing the impact of competency mapping on organizational effectiveness in selected IT (software) companies in Chennai.

SIGNIFICANCE OF THE STUDY

Creating Competency based culture is the need of the hour. As survival is purely knowledge-driven, IT firms hire competent people and develop the workforce with the competency framework. At the same time the need to enhance the potential of the Indian software development industry has made the industry to identify and understand the skills of people within the industry. Hence the study of competency mapping is carried out in IT industry as it is required for day to day survival.

OBJECTIVES OF THE STUDY

The major objective of the study is:

- To evaluate the factors, influencing competency mapping among the employees in IT companies.

Sampling size and design

The primary data are collected through survey method and the survey is conducted using a well formulated Questionnaire. There are almost 31 IT companies which have registered with NASSCOM in Chennai. Out of these top ten IT companies were considered for the research based on their revenue and total employees. The researcher for the research purpose has selected Tier 1 (whose revenue is more than 1 billion dollars and have more than 50, 000 employees) and Tier 2 (whose revenue is more than 100 million dollars and employees between 4000 to 10,000) IT companies.

K MEANS CLUSTER ANALYSIS

The factor analysis by principal component method derived eleven predominant factors and they are appropriately named as Performance appraisal, Leadership, Job Appropriateness, Knowledge and Skill, Interpersonal Communication, Team effectiveness, Core competence, Innovation, Goal-setting, Customer care and Negotiation. These factors act as a basis to classify the respondents into heterogeneous groups. This would reveal the perceptual difference among the respondents towards pre-dominant factors. At this juncture the 'K' means cluster analysis is applied and the following results are obtained.

I. Classification of sample unit with respect to Competency mapping factors:

The eleven factors act as a basis to classify the sample unit.

Table 1: Final Cluster Centers for factors of Competency Mapping

Factors	Cluster		
	1	2	3
Performance Appraisal	4.42	4.53	4.60
Leadership	3.13	4.20	4.53
Job Appropriateness	4.25	3.73	4.55
Knowledge and Skill	4.58	3.68	4.46
Interpersonal Communication	4.08	3.97	4.49
Team Effectiveness	3.93	3.89	4.53
Core Competence	3.62	3.68	4.19
Innovation	4.18	3.74	4.42
Goal Setting	3.63	3.99	4.51
Customer Care	4.27	3.71	4.44
Negotiation	3.65	4.00	4.38

Source: Computed Data

Table 2: Number of Cases in each Cluster for Competency Mapping

		No of Respondent	Percentage (%)
Cluster	1	120.000	19.417
	2	184.000	29.773
	3	314.000	50.809
	Valid	618.000	100.00

Source: Primary Data

From the above table it is found that the first cluster consists of 120 [19.417%] respondents who moderately agree with leadership, team effectiveness, core competence, goal setting and negotiation factors of Competency mapping. Therefore, this group of employees can be named as **“Melioration Employees” (a state of being improved)**. The second cluster consists of 184 [29.773%] respondents who disagree with job appropriateness, knowledge and skill, interpersonal communication, team effectiveness, core competence, innovation, goal setting and customer care factors of competency mapping. Therefore, this group of employees can be named as **“Univocal employees” (single sharply defined sense of nature)**. The third cluster consists of 314 [50.809%] respondents who strongly agree with performance appraisal, leadership, job appropriateness, knowledge and skill, interpersonal communication, team effectiveness, core competence, innovation, goal setting, customer care and negotiation factors of competency mapping and hence this group of employees can be named as **“Proficient employees” (Competent or skilled in doing the job)**.

- II. Classification of sample unit with respect to Organizational "Effectiveness:** The factor analysis derived three factors change management, Talent management and Organizational Development. These factors act as a basis to classify the sample unit

Table 3: Final Cluster Centers for Organizational Effectiveness

Factors	Cluster		
	1	2	3
Performance Appraisal	4.42	4.53	4.60
Leadership	3.13	4.20	4.53
Job Appropriateness	4.25	3.73	4.55

Source: Computed Data

Table 4: Number of Cases in each Cluster for Organizational Effectiveness

		No of Respondent	Percentage (%)
Cluster	1	514.000	83.171
	2	45.000	7.281
	3	59.000	9.546
	Valid	618.000	100.00

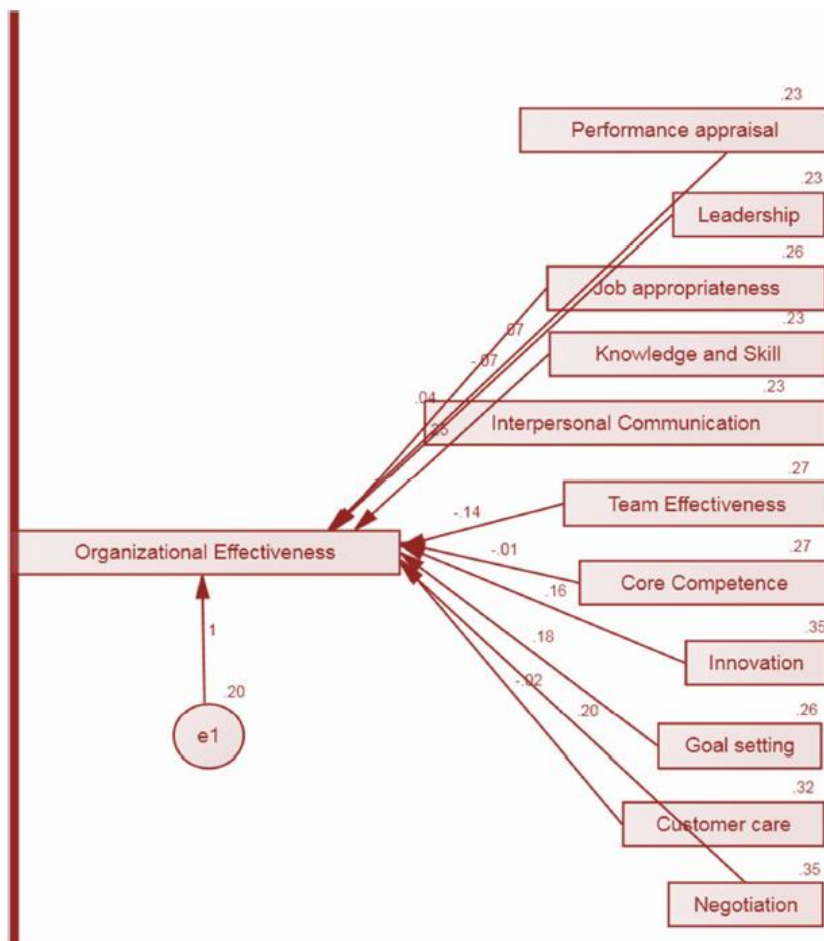
Source: Primary Data

From the above table it is found that first cluster consists of 514 [83.171%] respondents who strongly agree with change management, talent management and organizational development. Therefore, this group of employees can be named as **“Dynamic employees” (positive in attitude and new ideas)**. The second cluster consists of 45 [7.281%] respondents who disagree with talent management and organizational development. Hence this group of employees can be named as **“Improvement seekers” (seek for betterment)**. The third cluster consists of 59 [9.546%] respondents who moderately agree with change management and organizational development and therefore this group of employees can be named as **“Unambiguous employees’ (admitting of no doubt)**.

A MODEL OF RELATIONSHIP BETWEEN COMPETENCY MAPPING AND ORGANIZATIONAL EFFECTIVENESS

After reviewing National and International literature the researcher appropriately identified important elements related to competency mapping. The next research question arises with this preamble, how these core competencies create effectiveness over the organization. The research subsequently used a well-designed questionnaire to check the reliability and validity of research instrument with respect to the perception of employees in IT companies. Therefore a Structural Equation Model is developed to check the nature of the relationship between competency mapping and organizational effectiveness. With the application of AMOS and LISREL Software the researcher obtained the following model.

FIGURE 1 EMPRICAL MODEL OF RELATIONSHIP BETWEEN COMPETENCY MAPPING AND ORGANIZATIONAL EFFECTIVENESS



This model implies that competency mapping elements are well related to organizational effectiveness with the variance contribution .23, .23, .26, .23, .23, .27, .27, .35, .26, .32, .35 respectively. These variance values are highly significant in explaining the effectiveness on the organization, the model fit is identified through significant chi-square value 17.1 under the default model constructed holds good for relating competency mapping and organizational effectiveness.

Thus the relation between competency mapping and organizational effectiveness is identified in this chapter. The existence of the relation between the personal and organizational variable on competency mapping factors is also examined.

CONCLUSION

The study concludes that competent employees are the main resource of IT industry in acquiring a competitive advantage. Competency mapping is utilized by the organization to

prepare the current and future workforce, improve the conception and realization of the business vision and strategy and above all retains the skilled employees to meet the job requirements. Information technology industries implement the competency mapping effectively to improve the performance, opportunities, motivation and commitment. IT is a knowledge based industry and the practice of competency mapping is an innate fit for human resource here. This sector evaluates the present skill level of their employees to face various issues relating to recruiting the distinguished workforce, their retention, compensation, career planning and technological annihilation.

Growth and sustainability of IT organization is based totally on the development and retention of talented manpower. They have created a competency model that essentially recognizes and communicate certain behavior, skills and traits to employees. They continuously perform the process of competency mapping to enhance the knowledge, plan for manpower, develop career and sharpen the skill of the employees. These skill development fabricates responsibility create cordial relationship, encourages in retaining the best talent and employee involvement generate a proactive behavior for promotion of the firm. They avoid losing their Key performers to their competitors by caring and feeding the workforce with change management. Thus competency mapping in IT industry has formed the basis for talent management by identifying the core competence of employees, which in turn is matched with the organizational requirement. The attraction, prosperity and withholding of the talented employees through competency mapping delivers superior performance, eventually mould IT organization to grow leaps and bounds to enhance organizational effectiveness.

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