



A BUILDING COMPETENCY MAPPING MODEL FOR HR PROFESSIONALS IN IT INDUSTRY

Prof. Lakshmi Narayana. K

Assistant Professor,

Department of MBA,

Centre for Post Graduate Studies-Bangalore Region-Muddenahalli,

Visvesvaraya Technological University-Belagavi.

Prof. Niveditha. M. U

Assistant Professor,

Department of MBA,

Centre for Post Graduate Studies-Bangalore Region-Muddenahalli,

Visvesvaraya Technological University-Belagavi.

ABSTRACT

In a knowledge economy, people are the heart of any business organization. Organizations need to build, sharpen and leverage on their competitive advantage-people. Organizations of the 21st century recognize the fact that human resources are the most valuable resource of the company and are the key differentiating factor in this competitive scenario. As the HR profession has increasingly earned its seat at the strategic table and become a business partner, the need to develop the foundational competency has become more pronounced. Every well-managed firm should have well defined roles and list of competencies required to perform each role effectively for all HR jobs. IT Industry, being a knowledge-based industry, a high intellectual capital lends competitive advantage to a firm. With a global explosion in market-opportunities in the IT sector, the shortage of manpower both in numbers and skills is a prime challenge for HR professionals. The related issues are varied indeed: recruitment of world-class workforce and their retention, compensation and career planning, technological obsolescence and employee turnover. Therefore, many IT Companies in India are interested in knowing the present skill level

of their employees so that training can be given to improve their performance. Competency mapping model helps in identification of training needs for HR professionals. This paper is an attempt to develop a competency mapping model for HR professionals in IT Industry for the purpose of Training Need Assessment. Rapid and unpredictable technological changes and the increased emphasis on quality of services are compelling IT businesses to recruit adaptable and competent employees. At the top of the competency model are five roles or lenses through which HR practitioners can view the model: Strategic partners, Administrative experts, Employee champions, Change agents and HR experts.

Key words: *Competencies, Competency Mapping, Competency Model, HR roles, IT Industry, Training Need Assessment.*

1. Introduction

Competency mapping analyzes individual's SWOT for better understanding and this helps to improve his career growth. This identifies the gap for improving knowledge to develop. Companies are vastly shifting their approach of having multi-skilled employees with knowledge of only one skill. The competence approach focuses on linking business strategies to individual performance efforts. Development of employees focuses on enhancing their competencies rather than preparing them for moving to jobs. In this way they can develop capabilities useful throughout the organization as it changes and evolves.

A competency model is a descriptive tool that identifies the competencies needed to operate in a specific role within job, occupation, organization, or industry. The fast changes happening in the demography and social systems thereof have given chance for various HR practices enhancing the employee productivity and growth. One of the most commonly used HR practice is competency mapping for development of the employees. Identifying and development of the competencies in organization enable better performance management as well as reward and recognition systems leading to career and succession planning programs.

Competency models thus not only help the organizations in providing a "Blue print" for the entire gamut of behavior that produce excellent performance but can also provide an important and useful tool to guide individual development.

2. Definitions

2.1. Competency

‘Competency’ is a skill, a personal characteristic or a motive demonstrated by various behaviors which contribute to outstanding performance in a job. Competency is a set of knowledge, skills and attitudes required to perform a job effectively and efficiently, which results in outstanding performance at work.

2.2. Competency Mapping

‘Competency mapping’ determines the extent to which the various competencies related to a job are possessed by an employee. Therefore, competency mapping is a process a HR expert uses to identify and describe competencies that are most crucial to success in a work situation.

2.3. Competency Model

A ‘Competency Model’ is a behavioral job description that must be defined by each occupational function and each job.

A ‘Competency Mapping Model’ is a valid, observable, and measurable list of the knowledge, skills, and attributes demonstrated through behaviour that results in outstanding performance in a particular work context.

Competency Mapping is a process of identifying key competencies for an organization, the jobs and functions within it. Competency mapping is one of the most accurate means in identifying the job and behavioral competencies of an individual in an organization.

2.4. IT Industry In India

The Information technology industry in India has gained a brand identity as a knowledge economy due to its IT and ITES sector. The IT–ITES industry has two major components: IT Services and business process outsourcing (BPO). The growth in the service sector in India has been led by the IT–ITES sector, contributing substantially to increase in GDP, employment, and exports. The sector has increased its contribution to India's GDP from 1.2% to 7.5%. According to NASSCOM, the IT–BPO sector in India aggregated revenues of US\$100 billion, where export and domestic revenue stood at US\$69.1 billion and US\$31.7 billion respectively, growing by over 9%. The major cities that account for about nearly 90% of this sectors exports are Bangalore, Hyderabad, Chennai, Delhi, Mumbai.

Bangalore is considered to be the Silicon Valley of India because it is the leading IT exporter. Export dominate the IT–ITES industry, and constitute about 77% of the total industry revenue. Though the IT–ITES sector is export driven, the domestic market is also significant with a robust

revenue growth. The industry's share of total Indian exports (merchandise plus services) increased from less than 4% to about 25%. According to Gartner, the "Top Five Indian IT Services Providers" are Tata Consultancy Services, Infosys, Cognizant, Wipro and HCL Technologies.

This sector has also led to massive employment generation. The industry continues to be a net employment generator - expected to add 280,000 jobs in FY2014, thus providing direct employment to about 2.8 million, and indirectly employing 8.9 million people.

The annual demand for IT Professionals in India is growing rapidly. The Indian IT industry has burgeoned, showing a nearly 50% compounded annual growth rate over the recent years.

India's growing stature in the Information Age enabled it to form close ties with both the United States of America and the European Union. However, the recent global financial crisis has deeply impacted the Indian IT companies as well as global companies. As a result hiring has dropped sharply, and employees are looking at different sectors like the financial service, telecommunications, and manufacturing industries, which have been growing phenomenally over the last few years. India's IT Services industry was born in Mumbai in 1967 with the establishment of Tata Group in partnership with Burroughs. The first software export zone SEEPZ was set up here way back in 1973, the old avatar of the modern day IT Park. More than 80 percent of the country's software exports happened out of SEEPZ, Mumbai in 80s.

2.5 Recent Changes in IT Industry In India

The economic effect of the technologically inclined services sector in India—accounting for 45% of the country's GDP and 34% of export earnings as of 2012, while employing only 27% of its workforce. The share of IT (mainly software) in total exports increased from 1 percent in 2001 to 18 percent in 2012. IT-enabled services such as back office operations, remote maintenance, accounting, public call centers, medical transcription, insurance claims, and other bulk processing are rapidly expanding. Indian companies such as HCL, TCS, Wipro, and Infosys may yet become household names around the world.

Today, Bangalore is known as the Silicon Valley of India and contributes 33% of Indian IT Exports. India's second and third largest software companies are head-quartered in Bangalore, as are many of the global SEI-CMM Level 5 Companies.

Mumbai too has its share of IT companies that are India's first and largest, like TCS and well established like Patni, Lnt Infotech, i-Flex, WNS, Shine, Naukri, Jobspert etc. are head-

quartered in Mumbai. And these IT and dot com companies are ruling the roost of Mumbai's relatively high octane industry of Information Technology.

Big Four IT Companies in India:

Firm	Revenues	Employees	Fiscal Year	Headquarters
TCS	\$10.17 billion	2,84,076	2015	Mumbai
Wipro	\$7.30 billion	1,70,569	2015	Bangalore
Infosys	\$7.00 billion	1,93,761	2015	Bangalore
HCL Technologies	\$4.3 billion	1,00,035	2015	Noida

Major IT Hubs in India are: Bangalore, Chennai, Mumbai, Delhi, The National Capital Region (comprising Delhi, Gurgaon and Noida), Pune, Kolkata, Thiruvananthapuram.

2.6 HR Challenges In the Indian IT Industry

- Retention and Motivation of personnel are major HR concerns today. It has been observed that the average tenure for an IT professional is less than three years. Further, the use of new technologies, the support of learning and training, and a challenging environment ranked higher than competitive pay structures as effective retention practices.
- Attracting the Best Talent is another challenge. In a tight job market, many organizations often experience precipitous and simultaneous demands for the same kinds of professionals. The Indian software industry suffers from a shortage of experienced people such as systems analysts and project managers, and attracting them is a key HR challenge.
- Coping with the Demand-Supply Gap: Shortage of IT professionals are global in nature and not peculiar to the Indian software industry alone. For India, it is predicted that in the year 2013 almost 4,50,000 IT professionals will be required (Strategic Review Reports, NASSCOM) Consequently, recruitment managers are exploring new sources of IT manpower from non-IT professional sectors, as well fresh, trainable science graduates.
- Compensation and Reward: Increasing demands of technology coupled with a short supply of professionals (with the requisite expertise) has increased the costs of delivering the technology.
- Integrating HR strategy with Business Strategy: The strategic HR role focuses on aligning HR practices with business strategy. The HR professional is expected to be a strategic partner contributing to the success of business plans, which to a great extent depend on HR policies pertaining to recruitment, retention, motivation, and reward.

3. Development Of Competency Model

Due to various challenges (as mentioned above) faced by HR professionals in IT Industry in India, it appears necessary to investigate if a difference exists in job competency expectations held for their employees between the required competency levels to the existing level of working. Research indicates that the closer of the employer job competency expectations i.e, the required competency level to the actual job competency level of the employees brings the better chance for productivity improvement, waste elimination, multi skill development and the higher employees will rate overall job satisfaction.

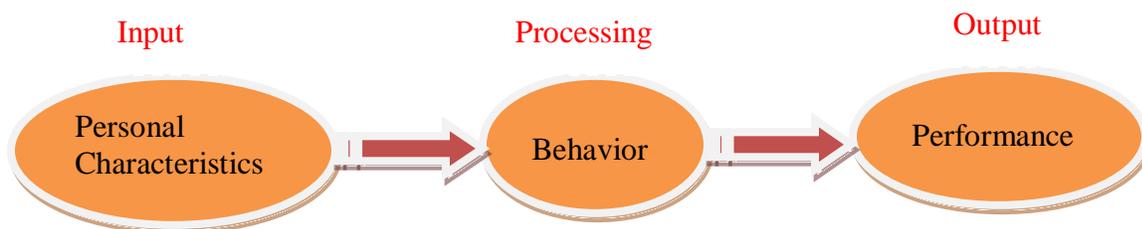
In order to ascertain accurate and current job competency expectations i.e, the required competency to work in IT industry, professionals, supervisors and production heads should be asked to rate the importance of the specific job competencies for the HR. The managers are asked to list the required competency to perform diverse HR roles and they are asked to fix the required level of competencies in the specific competency domain. Thus Competency models are developed with the outcome of training need identification.

4. Research Methodology

4.1 Objectives

- To map the competencies for HR professionals in IT Industry in India.
- To identify the training needs of HR professionals by developing a competency mapping model for HR professionals in IT industry in India.
- To find out the ranking of competencies required for different HR roles.

4.2 Conceptual Framework



Five HR Roles		Five Competency Groups		Desired Outcomes
1.	Strategic partners	1.	Analytical	Foresee future challenges
2.	Administrative experts	2.	Technical	Developing individual capabilities
3.	Employee champions	3.	Leadership	Achieving organizational
4.	Change agents	4.	Interpersonal	Increase in efficiency
5.	HR Experts	5.	Business	Training Need Assessment

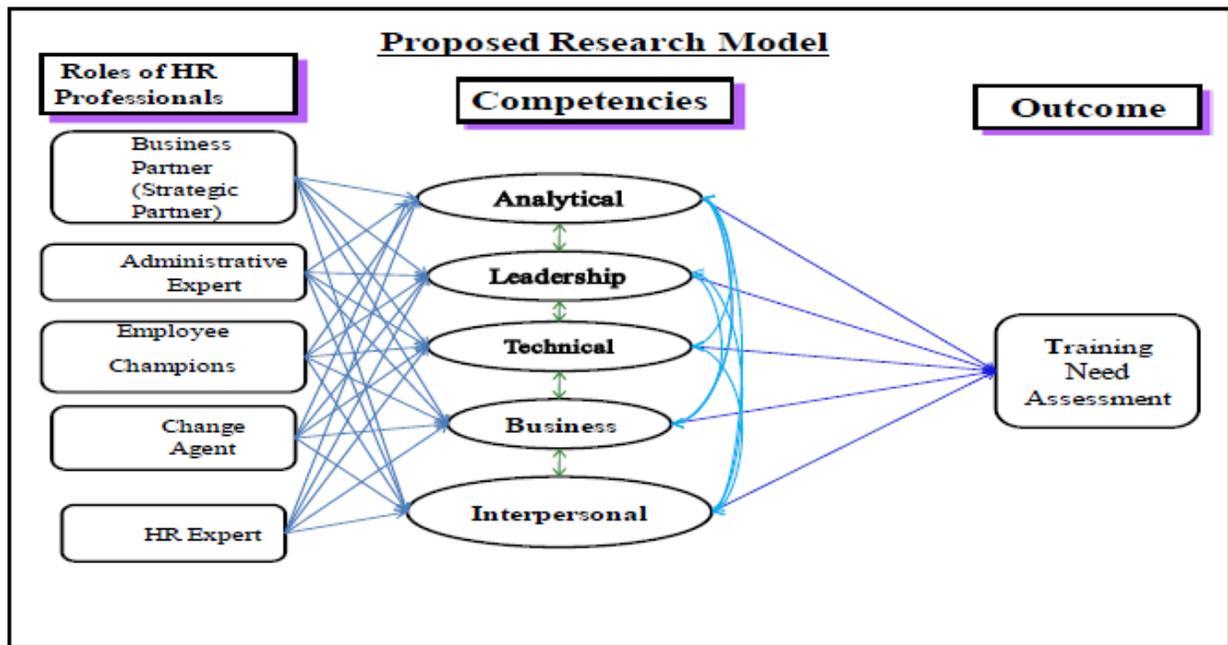
As shown in Fig., Intent should be the possession of competencies that leads to desired Actions (outstanding behavior) which, in turn, leads to Outcome (excellent performance).

HR Professionals have different role to play and each role demands different dimensions of behavior, to achieve a particular outcome.

At the top of the competency model are five **roles**, or lenses, through which HR professionals can view the model:

- Strategic partners translate business strategy into action.. Building new organizational capabilities call for performance management programs aligned with the desired outcomes.
- Administrative experts improve processes, apply the principles of reengineering business processes to human resources processes, rethink value creation, rethink how work is performed, and measure human resources results in terms of efficiency (cost) and effectiveness (quality).
- Employee champions listen and respond to employees and find the right balance between demands on employees and resources available to employees. They promote employee contributions.
- Change agents understand the theory and apply the tools of change. They serve as catalysts for change, facilitators of change, and designers of systems for change.
- HR Experts are the technical specialists and they deal in areas like recruitment, selection, training, performance appraisal etc.

To perform these roles, HR professionals must possess a set of competencies, which are divided into 5 Competency Clusters: - Analytical, Leadership, Technical, Business and Interpersonal.



Proposed Research Model for Training Need Assessment

Figure shows our proposed Research Model which demonstrates that HR professionals play five roles which require varying magnitude and form of different competencies for achieving a particular outcome i.e. Training Need Assessment.

Thus, measured & current competency levels of employees are compared with desired (expected) level of competencies. Training needs of HR professionals can be identified by determining the difference between the measured and expected level of competencies. The gap between the current & desired level can be bridged by well-designed training & re-training programmes.

Compare the Competency Assessment (Present Level) with the Competency Level of the Star Performers of the organization. In case it is difficult to identify the performance standards of Star performers, then you can create an ideal Star Performance Standards of the particular group.

The difference between the Star Performance Standards and Competency Assessment ratings can be used for the following:

- Training Need Identification
- Man-power Planning
- Retention
- Career Planning and Succession Planning
- Build up strong Group Cohesiveness

- Un-biased Comparison

Steps Involved In Competency Mapping

- Job Description from individuals and HR department.
- Preparation of Questionnaires & collecting feedback from respondents.
- Classify the required Skill list & identify the skill levels.
- Evaluate identified competencies and skill levels with immediate superiors and other heads of concerned departments.
- Find out the deviation of identified competency level from required competency level.
- Mapping of Competencies.
- Development of competency model for bridging the gap, leading to Training Need Assessment.

5. Conclusion

Competency models are a natural fit for human resources. They are position models at the heart of every competency-based HR application. Thus, competencies and competency models are a viable tool that can be utilized to prepare the current and future workforce and retain skilled incumbent workers to meet the job requirements and other needs of employers.

There is a strong and positive relationship between possession of competencies and successful job performance. This can be explained by the fact that HR jobs have different role to play and each role requires different dimensions of behavior. Thus, competencies and competency models are a viable tool that can be utilized to prepare the current and future workforce and retain skilled incumbent workers to meet the job requirements and other needs of employers.

6. Scope for further research

Future research may examine different factors of competency model for different needs of the industry and can find out that is there any consensus for the factors of competency model that we can arrive for the same industry.

7. References

- Adelaide Wilcox King, Sally Fowler W. and Carl Zeithaml P. Managing organizational competencies for competitive advantage: The middle-management edge, *The Academy of Management Executive*. (2001), Vol.15, No.2, pp.95-106.
- Adrian Furnham, a Question of Competency, *Personnel Management* (1990), Vol.22, No.6, p.37.
- Ashworth, P.D. & Saxton, J. (1990), on 'competence' *Journal of Further and Higher Education*, - 27.
- Banger, J., and Sharma, A. (2005), 'The Indian Perspective of Strategic HR Roles and Organizational Learning Capability, 'International Journal of Human Resource Management' 16, 9, 1711-1739.
- Bowden, J.A. & Masters G.N. (1993), Implications for higher education of a competency-based approach to education and training.
- Boyatzis. R-(1982), 'The Competent Manager: A model for effective Performance'. New York Wiley - 6.
- Cascio. W.F. (1998),. 'Applied Psychology in Human Resource Management'. Englefield Cliffs; N.J. Prentice Hall -9.
- Cockerels, T., Hunt, J., & Schroder, H. (1995), 'Managerial competencies: Fact or fiction?' *Business Strategy Review* -26.
- David C McClelland (1973), 'Testing for Competence Rather than for Intelligence'. *American Psychologist* -2.
- Dubois (1993), 'Competency Based performance improvement: a strategy for organizational Change'. Amherst: HRD- 12
- Dulewicz, V. (1989), 'Performance appraisal and counseling'. John Wiley & Sons. New York, pp. 645-649.
- Evarts H F (1988), 'The Competency Programme of the American Management Association'. *Journal of Management Development*.
- Fogg, CD (1994), 'Implementing your strategic plan: How to turn intent into effective action for sustainable change'. New York. American Management Association-10.

- Hase, S. & Davis L. (1999), 'From competence to capability-Implications for human resource development and management'. Association of International Management, 17th annual conference.
- Lucia, A. D., & Lepsinger, R. (1999), 'The art and science of competency models: Pinpointing critical success factors in organizations'. New York: Pfeiffer – 28
- Lucian Cernusca and Cristina Dima (2007), 'Competency and Human Resource Management'. International journal of psychology, Vol.II.
- McClelland D C (1975), 'A Competency Model for HR Management specialists to be used in the delivery of Human Resource Management Cycle', McBer, Boston.
- Michelle R Ennis (2008), 'Competency Models: A review of literature and Role of the employment and Training Administration (ETA)'. Division of Research and Evaluation -21
- Montier R. Alai D. & Kramer. D (2006), 'Measuring and Evaluating: Competency Models develop top performance'. Training and Development -17.
- Page C. and Wilson (1994), 'Management Competencies in New Zealand: On the inside looking in'. Wellington. Ministry of Commerce -5.
- Richard Montier, David Alai (2008), 'Competency Models: Develops Top Performers'. ASTD -20.
- Spencer, L.M and Spencer, S.G (1993), 'Competence at work: Models for superior performance'. New York: Wiley-7.
- William Rothwell (2004), 'Mapping the future: Shaping new workplace learning and performance competencies'. American Society for Training & Development-2.