

## COMPETENCY MAPPING – A TOOL TO BOOST PROFITABILITY OF AN ORGANIZATION

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### ABSTRACT

In Recent times organizations started giving importance of human resource. It is the backbone of any organization to survive in very volatile environment. Today each and everything is changing very fast, so companies are giving importance to good people and competent people. So, organization needs to understand how to identify right people for right job. It is essential for an Organization to measure its effectiveness, efficiency and productiveness. There are many techniques of judging effectiveness of an organization, one among them is competency mapping. The present paper has focused on several tools of competency mapping, which contribute to effectiveness and productivity of an organization by managing employee's performance. Employee's competencies depend on various factors like skills, knowledge, attitude, traits etc. Researcher has used primary data of 300 respondents of many organizations. The data was collected on 15 variables, which impact the competency level of employees on Likert Scale. Researcher processed the data on the basis of factor analysis, which is one of the important statistics tool and used SPSS 20.0 for analysis.

**KEYWORDS:** Competency, Competency Mapping, Organization Effectiveness, Efficiency, Productivity

Competency mapping is a process of identification of the competencies of employees (Tijdens, K., & Steijn, B; 2005) in an organization to perform stated goals (Bowler, W. M.; 2006) of an organization effectively at given point of time, situation and circumstances. It can be done through breaking jobs into its small tasks/activities on the basis of functionality of a job and identifying the right skills (Pennington et al.; 2010) related with that particular job. The Right skill set of an individual depends on function and the level of job he holds. Therefore the skills of a different level of employees like technical, managerial, behavioral, conceptual knowledge, and an attitude varies on Job holder's position (O'Reilly III et al.; 1980). The person holding higher position require managerial skills more than technical skills (Analoui F; 1995). Competency mapping is used in later stage for competency evaluation. The Evaluation of competencies of employee depends on the role of employee in the organization (Fleisher; 2014).

As per the view of Dr. Murlidhar Chandekar, Sunetra Khatod Jain, 2015 that the outcome of a competency mapping plays a very vital role for directory with required competencies skills. The Definitions given on Competency mapping by United Nations Industrial Development Organization (2002) – “Competency is skill set of individual who performs the activities successfully with in particular function. The concept of competences are defined by Rankin (2002) –“Competencies of employees are the set of skills and behaviors that organizations expect from their practice in work”. According to Mansfield; 1997

about competencies (Martina et al.; 2012) (Chouhan et al.; 2014) is that the effective performance depends on the characteristics of a person. Today as we know that the challenging before HR person is hiring the Right kind of people for right jobs. It is a vital thing for an organization. Wrong selection of an employees will lead to low productivity (Hauser et al; 1997) of the company, high turnover, impact on morality of employees, wastage of training cost and increase in total cost of training .As per the concept given by David McClelland 1973 on Competencies (McClelland, D. C.; 1998) (McClelland, D. C.; 1973) (McClelland, D. C. et al.; 1980), Competency at work can take responsibility of right personnel through systematic providing a job for the task.

The term Employees competencies are elaborated in the some authentic websites on performance evaluation and competency mapping are based on knowledge in which information are collected for the competencies of an employees in various domains of work area are accounting, selling, servicing, management, marketing. Skills refer the ability to do effectively. The Machine's performance depends on the Excellency of an employee (Evans, 2013) which determines the performance of an organization. As we know that Objectives of an organization are to increase effectiveness of a work, productivity and reducing the cost so that competent in the market and set a new targets for the next year. The Organization's Outcome does not depend on Human asset only but also the blend of right match of competencies level with requisite level of Competencies

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required for particular job. If the organization provides right set of job for right competent employee, Employee get motivated.

**LITERATURE REVIEWS**

There are various ways through which organization can improve the level of performance of an organization which are- goal settings, incentives, performance appraisal, career planning and succession planning. Human Asset (Johnston; 2015) is identified on the competency mapping. There is ample proof which gives causal relationship between non financial assets and performance by authors Rucci et al., 1998, Ittner and Larcker, 1998. In the year 2000, 2003, Norreklit, established the relationship between balanced score card are rational views rather than causal. Ittner and Larcker 2013 described in their research article on focusing on actual practitioners experiences, and summarized a systematic approach for the organizational change, to improve the individuals work performance as part of an overall strategy.

As per the concept given by authors Bernard Marr, Giovanni Schiuma, Andy Neely (2004), who highlighted the importance of visual associations in order to understand that the value organizational assets are intangible assets and intellectual assets to create value base in the organization. It also explained problem areas of strategy map method which is based on Score card method.

As per the views of Wellins Richard. S, et.al. (2006) and MilyVelayudhan, T. K. (2011) the competency

mapping is not complex process as it seems to be. The core of success, is the competencies of employees in the organization. In Indian IT industry, as we see that employees who are outstanding in their performance, continue their demand in the competitive market. They rise in terms scale and post they hold in the organization.

As per the views of Vukica Jovanovic, Mileta Tomovic (2008), the new type of challenges in Global work environment are the product design and process of making, which are changing very quickly. The efficient employees are necessary to the companies who give weightage to competitiveness. The writers Claudia Ogreaan, Mihaela Herciu and Lucian Belascu (2009), who explained the resource based approach of the firm and its capabilities and competencies for survival of the companies.

**RESEARCH METHODOLOGY**

The present research article is based on descriptive research (Nassaji, H.; 2015). Researcher has collected the preliminary data (Howrey, E. P; 1978) from manufacturing sector of automobile industry in Pune. The respondents chosen for this research are HR professionals working in various organizations in automobile sector. Researcher used convenience sampling (Etikan, 2016) for collecting preliminary data. Structured questionnaire (Joffe, M.; 1992) was made for this study. Total 13 questions were asked in the questionnaire, which were divided into three parts to fulfil the objectives and Hypothesis (Farrugia; 2010).

**ANALYSIS OF PRIMARY DATA**

**Table 1: Opinion of HR professionals regarding anticipating & managing Future Competencies for Productivity of an Organization**

Factors	Strongly agree	Agree	Disagree	Total	% overall Agreement
Significance of forecasting competencies for productivity of an Organization	15	36	9	60	85
Managing the speed and ability to adapt change in the organization for productivity of an Organization	2	51	7	60	88
Succession Planning plays very Vital role for Productivity of an Organization	1	56	3	60	95
Time Plays very Vital role for forecasting	2	54	4	60	93
Competencies for productivity of an Organization					
Contingency plan for mishap in forecasting competencies for Organizational benefits	-	55	5	60	91

Researcher asked 60 HR professionals, several questions about the role of future competency and anticipation in terms of organizational benefits. The questions were asked on three parameters, strongly agree, agree and disagree. The Factors which impact on Significance of forecasting competencies, Managing the speed and ability to adapt change , Succession Planning, Time and .Contingency plan for mishap in forecasting competencies .

When Researcher asked about Significance of forecasting competencies for productivity of an Organization, the 51 Respondents agree with the statement and only 9 respondents do not agree with the statement. It refers that Forecasting is one of the vital element for productivity of an organization because 85% favours the statement. Researcher asked the question to the HR

professionals about Managing the speed and ability to adapt change in the organization for productivity of an Organization. Among 60 students 53 students agreed about the statement.

It means 88% favours that Managing the speed and ability to adapt change in the organization for productivity of an Organization. Succession planning is one of the important elements for productivity of an organization. Researcher 88% favours that Succession Planning plays very vital role for Productivity of an Organization. Time Play very vital role for forecasting competencies for Productivity of an Organization as per the opinion of HR professionals. 93% of respondents accepted the opinion. In terms of Contingency plan for mishap in forecasting competencies for Organizational benefits, 91 % respondents agree with the statements.

**Table 2: Component of competency mapping which impact on the HR Deliverables for Organizational productivity**

Deliverables		Level of Impact		Total	Chi Square Value
		High	Low		
Performance Evaluation		53	7	60	0.15
	%	88	12	100	
Appropriate Selection Method in the Organization		41	19	60	
	%	68	32	100	
Future Business Needs for Organizational Growth		47	13	60	
	%	78	22	100	

Researcher has circulated the questionnaires to 100 respondents. Among 100 respondents, 60 respondents give the answers of questions. Researcher asked the for the Components of competency mapping, which impact the HR Deliverables for Organizational productivity. The options given were Performance Evaluation, Appropriate Selection Method in the Organization, and Future Business Needs for Organizational Growth. Among 60 respondents, 53 says that Performance is one of the element which impact high, only 7 respondents say that the impact of performance is low. It means 88% are convinced with the statement that Performance evaluation impact high on productivity of an organization.

The importance of selection method in Organizational productivity is immense. Among 60 respondents 41 respondents say that the impacts of selection

method are immense on productivity of an organization. Only 19 respondents among 60 respondents that impact factor are low in terms of selection method of employees.

It refers that 68 % favours the concept that appropriate selection method impact high on productivity. Identification of Future needs play very vital role in Organizational growth. Among 60 respondents, 47 respondents say that future needs are very necessary for Organizational growth. It means that 78 % favours the view that Future business needs impacts on Organizational productivity and growth.

The table value at the significance level of 5% at 3 degree of freedom is 7.8 which is greater than calculated value of 0.15. It means competency mapping has impact on the HR Deliverables for Organizational productivity.

**Table 3: Elements of Competency Mapping and its impact on organizational productivity**

Factors		Strongly agree	Agree	Disagree	Strongly disagree	Total
	Employee Recognition		5	37	18	-
%		8	62	30		100
Fair & Transparent Assessment		10	41	8	1	60
	%	17	68	13	2	100
Particular Feedback		5	52	2	1	60
	%	8	87	3	2	100
Method of Reward Management		4	47	7	1	60
	%	7	79	12	2	100
Future Roles of an Employee for effectiveness of an organization		8	49	3	-	60
	%	13	82	5		100
Behavioural Interviewing contribute to Organizational Benefit		2	57	1	-	60
	%	3	95	2		100
Personalized training needs for an Organization		5	50	5	-	60
	%	8	84	8		100

Researcher asked 60 respondents regarding Elements of Competency Mapping and its impact on Organizational productivity in terms of Likert Scale (Boone et al.; 2012) on the basis of strongly agree, Agree, Disagree, Strongly disagree. On the basis of Competency mapping factors, Employee Recognition, Fair & Transparent, Method of Reward management, Particular Feedback, Future Roles of an Employee for effectiveness of an Organization, Behavioral Interviewing contribute for Organizational benefit, Personalized training needs for an Organization, researcher has drawn inferences. 70% respondents agree that Employee Recognition play very significant role as a competency mapping for organizational

effective and efficiency. 85% of respondents believe that Fair & Transparent Assessment is one of the important criteria of competency mapping for organizational efficiency. 95% of the respondents believe that the importance of Particular Feedback for the development of an employees and organizational productivity. 86% perceives that Method of Reward management play very significant role in organizational efficiency. 95% respondents perceives that Future Roles of an Employee for effectiveness of an Organization. 98 % respondents believes that Behavioural Interviewing contribute to Organizational benefit. 92% perceives that Personalized training is needed for Organizational development.

**Table 4: Age vs. Competency mapping contribution to Organizational benefit**

Age	Contribution of Competency Mapping in terms of Productivity of an Organization		Total	Chi Square Value
	High	Low		
Below 40	38	2	40	4.73
	95 %	5 %	100%	
Above 40	15	5	20	
	75%	25%	100%	
Total	53	7	60	
	88%	12%	100%	

Researcher asked 60 respondents regarding impact of Competency Mapping in terms of Productivity of an Organization on the basis age factor. 88% respondents perceive that the Contribution of Competency Mapping in terms of Productivity of an Organization. Researcher also found that there is significant difference while using age as factor. 95% favour that below 40 years age group contribute highly in productivity of an organization and 75% respondents agree that the age group above than 40 years highly impact on productivity of an organization. The calculated value of Chi square is 4.73 which are higher than the critical value at freedom level of 1 at 5% significance level i.e. 3.84. It means hypothesis rejected. It means age is not criteria to determine the Contribution of Competency Mapping in terms of Productivity of an Organization

### FINDINGS OF THE STUDY

1. Opinion of HR professionals regarding anticipating & managing future Competencies for Productivity of an Organization plays significant importance. Almost maximum number of respondents agree with all the factors which impact on Significance of forecasting competencies, Managing the speed and ability to adapt change, Succession Planning, Time and .Contingency plan for mishap in forecasting competencies for the productivity of an Organization. Succession planning among these factors, play prominent role in productivity of an Organization as per the opinion HR professionals.
2. The Component of competency mapping, which impact the HR Deliverables and plays significant role in Organizational productivity, is the performance evaluation which, plays very important role in comparison with other factors in terms of deliverables.
3. Elements of Competency Mapping and its impact on Organizational productivity play very significant role in Organizational development. Majority of respondents perceive that all the factors such as Employee Recognition, Fair & Transparent, Method of Reward management ,Particular Feedback, Future Roles of an Employee for effectiveness of an Organization, Behavioural Interviewing contribute for Organizational benefit, Personalized training needs for an Organization plays significant role for the organizational productivity
4. Age of an employee is one of the significant factor, which impact Competency Mapping for Organizational

productivity and contribute to Organizational benefits

### CONCLUSION

The Study shows the importance of competency mapping for Organizational development and productivity of an organization. The study discusses several variables of competency mapping which influence the organization. The present study has collected the primary data using structured questionnaire from HR professionals of manufacturing Industry, specially automobile Industry in Pune. Researcher achieved all the hypothesises and objectives satisfactorily by using chi square method and Proportionate method. From the Data analysis, researcher found that Competency mapping contributes in terms of productivity of an organization.

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