

# Winning in Organizations and Leading Organizations to Win: The Role of Competency in Human Resource Management

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## ABSTRACT

The main objective of the business is to getting the profit and there are many driving forces effects to maximize profits: a rapidly expanding market place, diversity among customers, increasing competition, availability of new technology, new innovative methods. A skilled and committed workforce is required to compete in today's fast, global marketplace. Only those organizations that are able to engage such manpower will sustain in the market. This is possible only through the competence of the human resources. Today's workforce is better educated and more affluent. Human potential and its development are by providing a suitable and congenial environment. Competency mapping is an important resource in this environment, and is an addition to knowledge management and learning organization initiatives. Competency refers to the intellectual, managerial, social and emotional competency. Competencies are derived from specific job families within the organization and are often grouped around categories such as strategy, relationships, innovation, leadership, risk-taking, decision making, emotional intelligence, etc. Hence, this paper is concentrated on the role of competency mapping in human resource management to get the acceptable profits.

## KEYWORDS

*Competence; Workforce; Competency mapping; Training; Development.*

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## 1. Introduction

Human resource management is a process of bringing people and organizations together so that the goals of each other are met. Nowadays, it is not possible to show a good financial or operating

report unless your personnel relations are in order. Over the years, highly skilled and knowledge based jobs are increasing while low skilled jobs are decreasing. This calls for future skill mapping

through proper HRM initiatives [1]. Indian organizations are also witnessing a change in systems, management cultures and philosophy due to the global alignment of Indian organizations. There is a need for multi skill development. Competency Mapping is a process of identifying key competencies for an organization, the jobs and functions within it. Competency mapping is important and is an essential activity. Every well-managed firm should have well defined roles and list of competencies required to perform each role effectively [2]. Competency mapping identifies an individual's strengths and weaknesses in order to help them better understand themselves and to show them where career development efforts need to be directed. Competency mapping is not only done for Confirmed employees of an organization and it can also be done for contract workers or for those seeking employment to emphasize the specific skills which would make them valuable to a potential employer [1]. Competency mapping analysis individual's SWOT (Strengths, Weaknesses, Opportunities, Threats) for better understanding and this helps to improve his career growth. This identifies the gap for improving knowledge to develop. Every industry in the present scenario is trying to achieve high efficiency and effectiveness in order to survive in this cutthroat competition.

## **2. What is Competency?**

### **2.1. RANKIN (2002)**

"Competencies are definition of skills and behaviors that organizations expect their staff to practice in work."

### **2.2. MANSFIELD (1997)**

"Underlying characteristics of a person that results in effective a superior performance."

Competency may take the following forms: [3]

☉Knowledge

☉Attitude

☉Skill

Other characteristics of an individual including

☉Motives

☉Attitudes

☉Values

☉Traits

☉Self Concept

It is a process of identification of the competencies required to perform successfully a given job or role or a set of tasks at a given point of time. It consists of breaking a given role or job into its constituent tasks or activities and identifying the competencies (technical, managerial, behavioral, conceptual knowledge and attitude and skills, etc) needed to perform the same successfully.

### **2.3. Identification of Competencies**

The competencies are identified using competency mapping methods such as [4]

- ☉Interviews
- ☉Questionnaire
- ☉Group work
- ☉Task analysis workshop
- ☉Performance Appraisal Format etc.

### **3. What is Competency?**

#### **3.1. Managerial Competency (Soft Competency)**

This type of competency relates to the ability to manage job and develop interaction with other persons.

Eg: Problem solving, communication, leadership.

#### **3.2. Functional Competency (Hard Competency)**

This type of competency relates to the functional capacity of work. It mainly deals with the technical aspects of the job.

Eg: Market research, financial analysis

#### **3.3. Identification of Competencies**

This is expected that behavior competency has to be in all of employees.

- ☉Being flexible for innovations and changes
- ☉Having analytical thinking

Taking initiative and risk without hesitation

#### **3.4. Cognitive Competency**

Having cognitive competency is expected to employees who is applicant to manager

- ☉Having positive interpersonal communication
- ☉Being innovative and creative

Having planning and organizing skills

### 3.5. Technical Competency

This type is including knowledge and behaviour for doing job

- ⊗Marketing knowledge
- ⊗Solving customer problems and provide assistance
- ⊗Development of strategy
- ⊗Review the quality

## 4. Process of Competency Mapping [6]

The following steps may be followed in competency Mapping:

Decide the positions for which the competencies need to be mapped.

- ⊗Identify the location of the positions in the organizational structure.
- ⊗Identify the objectives of the function or the department or the unit where the position is located.
- ⊗Identify the objectives of the role and main purpose of the role.
- ⊗Collect the Key Performance Areas (or KRAs, Tasks, etc.) of the position holder for the last two to three years from the performance appraisal records. Alternately, collect the job descriptions of job.
- ⊗Interview the position holder to list the Tasks and activities expected to be performed by the Individual. Group them into a set of tasks.
- ⊗Interview the position holder to list the actual knowledge, attitude, skills, and other competencies required for performing the task effectively.
- ⊗Repeat the process with all the position set members.
- ⊗Consolidate the list of competencies from all the position holders' by each task.
- ⊗Edit and finalize. Present it to the supervisors of the position holder and the position holder for approval.

### 4.1. Steps in Competency Mapping

#### 4.1.1 Role competencies

- ⊗Identification of Role Competencies
- ⊗Structure and List Roles
- ⊗Definition of Roles
- ⊗Job Description

## Competency Identification

### 4.1.2 Competency assessment

- ⊗ Assessment/Development Centre

- ⊗ 360 Degree feedback

- ⊗ Role plays

- ⊗ Case study

- ⊗ Structured Experiences

- ⊗ Simulations

- ⊗ Business Games

### 4.1.3 Competency development

### 4.1.4 Competency mapping

- ⊗ Structure Role congruence

- ⊗ Vertical and horizontal role congruence

- ⊗ Ensure core competencies for each task

- ⊗ Link all the above and position to bring in competitive advantage

## 5. Objectives of Competency Mapping

Competency mapping serves a number of purposes. It is done for the following functions:

- ⊗ Gap Analysis

- ⊗ Role Clarity

- ⊗ Succession Planning

- ⊗ Growth Plans

- ⊗ Restructuring

- ⊗ Inventory of competencies for future planning

## 6. Benefits of Competency Mapping

There are some useful benefits of using Competency.

### **6.1. For the Company**

☉Support corporate Objective, Strategy, Vision and Mission.

☉Establish performance appraisal by a systematic approach for career growth which results in improved job satisfaction and better employee retention [7].

Increase the effectiveness of training and professional development programs by linking them to the success criteria.

☉Provides clear two way communication process.

☉Better understanding of Roles and responsibilities.

### **6.2. For Managers**

☉Identify performance level to improve the accuracy of selection process.

☉Provide more objective performance standards.

Provide good communication Develops Employer Employee relationship.

☉Reduces Career related issues.

### **6.3. For Employees**

☉Identify the critical Skill to perform in the organization.

☉Targets, Roles & Responsibilities are very clear.

☉Identifies the gap for improvement.

☉Provides a systematic approach to improve the skill level.

☉Improved Job Satisfaction [8].

## **7. Evolving Role of Competency Mapping in HR**

In this present world of high competition, companies are putting tremendous effort to hire competent employees and to develop relevant competencies in their existing employees. These are one of the few ways in which companies can gain competitive edge over each other. In this slowing economy where so many companies are fighting for limited resources and talent, it is very important for organizations to incessantly reassess their competencies, update it and have the courage to make the necessary changes. It is equally imperative for a firm to define a set of core

### **7.1. Steps in Competency Mapping**

☉Recruitment & Selection

☉Performance Management System

- ☉Training

- ☉Development

- ☉Compensation Management

- ☉Rewards and recognition [9]

#### 7.1.1 Recruitment & Selection

Competency-based recruitment is a process of recruitment based on the ability of candidates to produce the given competency. A competency based approach to recruitment and selection of staff can help an organization, to make it an effective and successful investment of time, money and expertise. Such an approach will help to ensure that [8-9]:

- ☉The organization is clear regarding the competencies and skill sets required by the job.

- ☉Selection processes encourage a good fit between individuals and their jobs, managers and staff has the required skills and competencies.

- ☉Individual skills and abilities are matched to the requirements of the job.

- ☉Evaluation of work demands and staffing are accurate [10].

#### 7.1.1 Performance management system

Performance management system Integrating competencies within the performance management process supports the provision of feedback to employees not only on “what” they have accomplished (i.e., performance goals), but also “how” the work was performed, using competencies for providing feedback. Integrating competency with performance management helps:

Employees in understanding performance expectations and enhancing competencies.

- ☉To provide a mechanism for providing positive feedback about an employee’s training achievements and on-the-job performance.

- ☉To provide job standards for performance appraisal.

- ☉To provide clear direction for learning new job skill.

#### 7.1.3 Training

Competency Based Training focuses on what the participant is expected to be able to do in the workplace as opposed to just having theoretical knowledge.

An important characteristic of Competency Based Training is that it is focused not only on the actual jobs that are required in the workplace, but also the ability to transfer and apply skills, knowledge and attitudes to new Situations and environments. The advantages of competency based training (CBT) are:

- ☉Participants will achieve competencies required in the performance of their jobs.
- ☉Participants build confidence as they succeed in mastering specific competencies.
- ☉Participants receive a transcript or list of the competencies they have achieved.

#### 7.1.4 Development

The main reason for an organization to create a competency-based development system that focuses on having the right people with Right skills at the right time is that it helps in accomplishing business targets [11].

The following are the advantages of competency based development

- ☉Improvement in productivity, performance and profitability.
- ☉Identify employee's capabilities for an organization's future needs.
- ☉Analyzing capability gaps.

#### 7.1.5 Compensation management

Competency-based pay fits this new environment. It provides an ongoing incentive to employees to enhance their ability to perform their jobs. Employees are rewarded with salary increases when they add new knowledge or skills or when they demonstrate higher level competence on existing capabilities.

The following are the advantages of competency based compensation

- ☉Provides a basis of deciding on the compensation.
- ☉Encourages employees to develop their competencies further.
- ☉Lead to a focus on totality of job rather than just what is achieved.
- ☉This system fits every job [12].

#### 7.1.6 Rewards and recognition

Competency linked benefits focus on the fact that employees should work hard towards developing their competencies as and when requirement arises for performing their job effectively. It rewards employees who not only work hard towards achieving their target but also who put effort in enhancing their competencies [13].

### 8. Conclusion

Competency is a set of knowledge, skills and attitudes required to perform a job effectively and efficiently. A Competency is something that describes how a job might be done excellently; a Competence only describes what has to be done, not how. Skill development by Competency mapping is one of the most accurate means in identifying the job and Behavioral competencies of an individual in an organization. Competency mapping is not only done for Confirmed employees of an organization and it can also be done for contract workers or



for those seeking employment to emphasize the specific skills which would make them valuable to a potential employer. enhancing their competencies [13].

## 9. Conflict of Interest

The author(s) report(s) no conflict(s) of interest(s). The author along are responsible for content and writing of the paper.

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NA

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