

COMPETENCY MAPPING –A DRIVE FOR HR EXCELLENCE IN IT INDUSTRY

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Abstract: As the HR Experts 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 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 provides competitive advantage to a firm. With the globalisation in IT sector, the shortage of manpower both in numbers and skills is a major challenge for HR Experts. The related issues are: recruitment of high-class workforce and their retention, compensation and career planning, technological advancements 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 Experts.

This paper is an attempt to develop a competency mapping model for HR Experts in IT Industry for the purpose of Training Need Assessment. Rapid and uncertain 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, 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

INTRODUCTION

Today, international business has become a highly competitive environment as it continues to move toward globalization. As comparative advantage theory argue that competitive strength is driven by the ability to maximize profit at a lower cost. Since there is much uncertainty over comparative advantages in today's world economy (Kogut, 1999), human resources management has been viewed as a key strategy to low the cost of human capital and improve an organization's economic growth (Ibrahimkhan, 2006). Current trends in human resource management place emphasis on the development and application of the term competency, particularly the important role it plays in improving job performance,

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which in turn achieves heightened organizational competitiveness (Velde, 2001; Cardy & Selvarajan, 2006). Facing new challenges, it is necessary to reevaluate what set of knowledge, skills, and attitudes that a professional needs in order to succeed in the rapidly changing global economy. Increasing the competitiveness of an enterprise's workforce represents increasing its opportunities to be successful. This study presents a literature review on job competency in business settings to consider relevant definitions categorization, and models of competency

DEFINITION OF COMPETENCY

Early in the 1970s, David McClelland (1973), a professor of Harvard University, proposed the idea of competency as a term used to challenge traditional criteria of assessment which had emphasized intelligence evaluation in the higher education system. His theme provided a conceptual framework that led to many subsequent studies in other fields such as teacher education, vocational education, business management, and human resource management (Spencer & Spencer, 1993).

Hoffmann (1999) analyzed past literature and summarized three key points in defining a competency: (a) underlying qualification and attributes of a person, (b) observable behaviors, and (c) standard of individual performance outcomes. The most general and detailed definition was proposed by Parry. Parry's definition has been accepted by numerous scholars (Lucia & Lepsinger, 1999):

A competency is a cluster of related knowledge, skills, and attitudes that affects a major part of one's job (a role or responsibility), that correlates with performance on the job, that can be measure against well-accepted standards, and that can be improved via training and development (as cited by Lucia & Lepsinger,

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 behavior 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.

IT INDUSTRY IN INDIA

As per **India Brand Equity Foundation**

Introduction

Information Technology (IT) has made possible information access at gigabit speeds. It has created a level playing field among nations and has a positive impact on the lives of millions.

Today, a country's IT potential is paramount for its march towards global competitiveness, healthy gross domestic product (GDP) and meeting up energy and environmental challenges.

The Indian IT and Information Technology enabled Services (ITeS) sectors go hand-in-hand in every aspect. The industry has not only transformed India's image on the global platform, but also fuelled economic growth by energising the higher education sector (especially in engineering and computer science). The industry has employed almost 10 million Indians and, hence, has contributed significantly to social transformation in the country.

India is one of the fastest-growing IT services markets in the world. It is also the world's largest sourcing destination, accounting for approximately 52 per cent of the US\$ 124-130 billion market. The country's cost competitiveness in providing IT services continues to be its USP in the global sourcing market.

India has the potential to build a US\$ 100 billion software product industry by 2025, according to Indian Software Product Industry Roundtable (iSPIRT). The software products market in India, which includes accounting software and cloud computing-based telephony services, is expected to grow at 14 per cent in 2014.

Indian IT's Core Competencies and Strengths have Placed it on the International Canvas, Attracting Investments from Major Countries

According to data released by the Department of Industrial Policy and Promotion (DIPP), the computer software and hardware sector attracted foreign direct investment (FDI) worth US\$ 13,238.58 million between April 2000 and September 2014.

Some of the major investments in the Indian IT and ITeS sector are as follows:

- **Microsoft** plans to offer its commercial and cloud services-Azure and Office 365-from three local data centres by the end of 2015, making it the first technology company to set up cloud data centres in India.
- **Infosys** plans to invest Rs 1,400 crore (US\$ 228.04 million) in a campus proposed to be built in Noida, Uttar Pradesh. The project is estimated to generate 35,000 direct and indirect jobs.
- **Cognizant** has acquired US-based digital marketing agency Cadient Group. The latter is expected to boost Cognizant's presence in the healthcare segment.

- **Visa** plans to set up a technology centre in India in 2014 and join a host of global system players who have established technology centres in the country to access its software and engineering talent.
- **Genpact Ltd** has signed an agreement with the US-based Automation Anywhere to provide automated business processes for its clients.
- **Nielsen India** has acquired Indicus Analytics. This acquisition will add to Nielsen's capabilities for macro and microeconomic research for the public and private sectors.

Recent Developments in IT Sector (Wikipedia)

The economic effect of the technologically inclined services sector in India – accounting for 40% of the country's GDP and 30% of export earnings as of 2006, while employing only 25% of its workforce – is summarized by Sharma (2006): "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 headquartered in Bangalore, as are many of the global SEI-CMM Level 100 Companies."^[citation needed] Numerous IT companies are based in Mumbai, such as TCS (among India's first and largest), Reliance, Patni, Lnt Infotech, Myzornis Corporation and i-Flex.

Thiruvananthapuram (Trivandrum), the capital of Kerala state, is the foremost among the Tier II cities that is rapidly growing in terms of IT infrastructure. As the software hub of Kerala, more than 80% of the state's software exports are from here.^[2] Major campuses and headquarters of companies such as Infosys, Oracle Corporation, IBS Software Services and UST Global are located in the city. India's biggest IT company Tata Consultancy Services is building the country's largest IT training facility in Trivandrum – the project is worth INR10 billion and will have a capacity of 10,000 seats. The completion of the facility is expected in 2014 or 2015.

Future Outlook

The Indian IT market currently focuses on providing low cost solution in the services business of global IT. Presence of Indian companies in the product development business of global IT is very meagre, however, this number is slowly on the raise. US giants that outsource work to India, do not allocate the high end SDLC (Software Development Life Cycle) processes like requirement analysis, high level design and architectural design, although some Indian IT players have enough competency to take up and successfully complete these high level software jobs. The other prominent trend is, IT jobs, that were earlier confined to Bangalore, are slowly starting to experience a geographical diffuse into other cities like Chennai, Hyderabad and Pune. The growth is not fast paced, this, can be largely attributed

to the lethargic attitude of the government in providing proper telecommunication infrastructure. The penetration levels are higher for mobile, but, the speed at which the backbone infrastructure works (network speed) and the coverage it offers are far below what other countries of the world have currently in offer.

HR CHALLENGES FOR THE IT INDUSTRY

We are now living in knowledge society. We have also welcomed the new millenium with great fanfare and hope. We have to face broad challenges in this new millenium. We have experienced the growth of the manufacturing sector, ford assembly lines to the present emphasis on quality system. This millenium will certainly belong to convergence of IT, organisations have to leverage IT to get advantage in a highly competitive environment. We are having fast moving IT companies in this arena, they have shown their business excellence through optimum utilization of IT. This IT boom has introduced great challenges for this companies.

Now the question is how to put in place & processes that should be in tune with IT revolution, how to strategize, compete with globalization. Perhaps this is the prime challenges for HR in the IT industry. The IT industry is a service industry. Here we have to provide quality service to individuals and organization. The IT companies have to be creative, innovative knowledgeable. This can be achieved through human capital. This will also determine the success of your organization. We have to manage through HR whose intellectual applications that will drive your business.

Challenges for IT industry(Major Consulting Services India)

1. Recruitment planning
2. Performance management
3. Training and development
4. Compensation management
5. HRM as whole

1. Recruitment Planning : Recruitment planning is most important component in new people management with special reference to IT industry. We have to deal with human assets so it becomes important and have good quality of people in the organization. We have to take the recruitment planning in very serious manner to ensure that we can get best talent in the organization.

2. Performance management : Now the challenges how to manage the performance of your employees. You have to get right person in a organization to manage your business. The challenge should be to create a performance culture where you can provide opportunities for enhance performance, where optimum performance becomes a way life.

3. Training and development : This is another challenging area in IT industry. We have to chalk out a suitable strategy for training & development so that employees are well equipped to handle the challenges in advance.

4. Compensation management : The IT industry is one of the high paying industry. This is very competitive industry, we have to attract best talent, offer best possible compensation package to the employees. Now IT companies are having ESOP with the compensation package.

But the really challenge should be how we are able to incorporate all the subsystems in HR. Ultimately this would help the organization for achieving exceptional performance. People have to be groomed to get in with the performance culture. We have to create an environment that stimulates the creation of knowledge, its sustenance will be the challenge for IT companies in the future. HR department can not function with traditional systems. Now the role will shift to HR facilitator, to facilitate change process. HR facilitator will have to involve the whole organization in this process and act as a guide, coach, counselor and facilitator. Any organization in the IT industry will have to face these challenges like **Infosys, Satyam, Pent four, DSQ Software, Micro soft India, Intel India.** These IT companies are leaders in their own stride. They have excellent recruitment policies, huge data bank, placement agencies. They are also having rigorous tests to ensure that they can get high profile talent that will fit in their culture. They have best performance system that evaluates the organization as whole. They have been able to tackle the quantum of performance with fairly efficient manner. The prime tasks for these IT companies is to build corporate culture. They are diverting all the efforts to build performance driven culture.

The major issue for these companies to get right man for right job. We have to find person with the required skills, experiences, mind sets, and also he must be suitable for these organizations.

Attrition and Retention :- IT companies are having high degree of attrition. The challenges for these companies is to keep this attrition rate as low as possible. Various companies adopt different techniques to retain their employees like high pay packets, ESOP, other benefits. So we have to keep this attrition rate as low as possible to retain super achievers.

Development of Competency Model

Due to various challenges (discussed above) faced by HR experts in IT Industry in India, it appears necessary to check, 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 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 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

RESEARCH METHODOLOGY

Main Objectives of the Study

1. To identify the competencies required for HR professionals in IT Industry in India.
2. To identify the training needs of HR professionals by developing a competency mapping model for HR professionals in IT industry in India.
3. To check the level of competencies required for different HR roles.

Conceptual Framework (International Journal of Management)

Intent
[PERSONAL CHARACTER]
Action
[BEHAVIOR]
Outcome
[PERFORMANCE]

<i>Five HR Roles</i>	<i>Five Competency Groups</i>	<i>Desired Outcomes</i>
1 Strategic Partners	Analytical	Foresee future challenges
2. Administrative Experts	Technical	Developing Individual Capabilities
3. Employee champions	leadership	Achieving organizational goals
4. Change Agents	Interpersonal	Increase in efficiency
5. HR Exoerts	Business	Training need Identification

HR Professionals have different roles 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**, through which HR professionals can view the model:

1. Strategic partners translate business strategy into action.. Building new organizational capabilities call for performance management programs aligned with the desired outcomes.
2. 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).
3. 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.
4. 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.
5. 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.

Thus, 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:

- a. Training Need Identification
- b. Man-power Planning
- c. Retention
- d. Career Planning and Succession Planning
- e. Build up strong Group Cohesiveness
- f. Un-biased Comparison

Steps involved in Competency Mapping:

The Steps involved in competency mapping with an end result of job evaluation include the following (Slideshare-Khan Mohammad Mahmud Hasan):

Step 1 : Identify departments for competency profiling.

Step 2: Identifying hierarchy within the organization and selection of levels.

Step 3: Obtain the job descriptions:

Step 4: Preparation of semi structured interview:

Step 5: Recording of interview details:

Step 6: Preparation of a list of Skills:.

Step 7: Indicate proficiency levels:

Step 8: Validate identified competencies and proficiency levels with immediate superiors and other heads of the concerned department:

Step 9: Preparation of competency dictionary

Step 10: Mapping of competencies

CONCLUSION

Competency Models are considered as Best Fit for human resources. It has an important place in the heart of every competency based HR applications. Thus, competencies and competency models are taken as important tool that can be utilized to prepare the current and future workforce and retain skilled employees 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

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