Employee Development through Competency Mapping: A way ahead for Organizational Growth

Shraddha Awasthi[1]

Prof. Dr. R C Sharma[2]

Abstract

According to Human Relational Approach, the objectives of high organizational productivity, efficiency and effectiveness can be achieved through development of employee. Employee Development can be enhanced by improving the employee's skills. Requisite employee skills development is dependent on competency mapping. The aim of this paper is to know the effectiveness of Competency Mapping on Employee Development. On the basis of the results and findings based on the data analysis, it was concluded that the Competency Mapping has positive and significant relationship with Employee Development. The study further established that there was positive and significant relationship between Employee Development and Organizational Growth.There are certain factors which can support the organization to grow and develop; on the contrary, there are reasons which can hamper the working of the organization. Employee Development is one of the key factors for the achievement of organizational goals and also for the overall growth and development of organization.

Keywords: Competency Mapping, Employee Development, Employee Performance, Employee competencies, Organizational Growth.

INTRODUCTION

Satisfaction of basic needs is not a problem for the contemporary man; rather he has become taste, choice, comfort and luxury-oriented. Consequently, the world market is increasingly becoming a difficult place to address the complex and diverse demands of customers, because every human being has a different set of choices and tastes. Running business and earning profit have become very difficult in the age of frequently changing tastes and choices of customers and speedy technological advancement. Present day entrepreneur is struggling very hard by practicing all the possible business strategies to enhance customer satisfaction for increasing sales volume and ultimately to maximize the organizational productivity and profit. In such a volatile state of business, practicing of creativity, innovativeness and value inculcation in all the business processes and operations including human resource management may be a remedy. This complexity of managing business may be tackled by considering and developing employees as an asset not a resource and employee needs to be nourished, guarded and developed. Procurement, development and maintenance of intellectually resourceful employees in the form of human capital have emerged as successful practices in the overall gamut of efficient business resources management.

According to UNIDO (2002), competency is a set of skills, related knowledge and attributes that allow an individual to successfully perform a task or an activity within a specific function or a job.

Boyatzis' (1982) definition of competency states that "a job competency is an underlying characteristic of an employee--i.e., motive, trait, skill, aspects of one's self-image, social role, or a body of knowledge which results in effective and/or superior performance in a job." Employees can be developed and

[1] Assistant professor, Amity Business School (ABS) , Amity University Haryana, Gurgaon India

[2] Professor Emeritus, Amity Business School (ABS), Amity University Haryana, Advisor to Addl. President, RBEF; (Former Vice Chancellor, Amity University Haryana), Gurgaon India

maintained as most useful asset for organization by developing appropriate work environment and practicing the policies of employee well-being and growth, which ultimately results in job satisfaction (Evans & Lindsay, 1999). This shift in approach towards employees has also been reflected in the move from personnel administration/ management to human resource management (HRM). According to this new approach, the objective of high organizational growth, effectiveness and efficiency may be achieved through development of employees.

At the heart of any successful business process, operation or activity lays the skills or competencies of its employees (Sanghi, 2007). To sustain and grow in present day's business is the biggest challenge is to compete for which it is essential to identify and know the requisite competencies for effective conduction of business. Management of an organization should be more critical towards business strategy than its planning. Strategies can be effectively implemented only when organizations have competent work force of employees. Effective human resource provides ample scope to manage productivity and profit maximization in an orderly manner. This is possible with the help of competency mapping and identification of each job incumbent (Sanghi S, 2009).

An organization should value, develop and retain its human resource for its effective functioning. Organizations which have ample financial resources, requisite infrastructure, best possible technology and most effective business strategies cannot function efficiently without talented, developed and skilled human resource. Human Resource is considered as one of the key factors of organizational working which is responsible not only for effective self-management but also for the management, mobilization and proper use of other resources. Understanding the value of this useful resource, organizations should employ best possible workforce as per need and its worth. Employed personnel should be trained and developed properly by evaluating their abilities and sensing the change in the business environment to check the employee obsolescence. Now a day the change factors like technological advancement, competition, changing taste of consumers, multiplicity of product choices, computer based automatic production system; frequently changing business strategies and other factors of business environment, invite continuous training and development of human resource. Human Resource Development is a combined and synchronized process of knowledge, skill, abilities, and attitude upgrading and updating among current employees of organization as per its needs.

Employee Development can lead to organizational, professional and personal growth which can help employee to develop strategic leadership, effective work culture, responsible job performance, effective interpersonal relationship and communication, cordial and workable workplace relationships and also the peaceful and pleasurable personal, family and work life. Employee Development involves individual employee and the overall growth of the employee. When employees of the organization would develop, the organization, would be more flourished and the performance of the employees would increases (Elena P. 2000).

LITERATURE REVIEW

Dubois, David D (1993) in his book focuses on actual practitioner's experiences and summaries a systematic approach for organization change to improving individual worker's performance as part of an overall strategy. Outlines are given to conceptualize and implement exemplary training practices. A model for creating competency based performance improvement in organizations was developed in his book. Needs analysis, assessment, and planning in a competency-based format and the concepts and methods for developing competency models are also well explained. The writer creates a competency - based curriculum plan; designing and developing competency-based learning interventions; tracking the

performance of the subsystems and competency-based training for Tektronix, Inc., The managers-of managers program, competency-based leadership development at the Defense Mapping Intervention and competency based management development for superiors at the New England Telephone Company.

V S Chauhan and Dr. Sandeep Srivastava (2012) explain that people are more critical than the plan. Strategies are effectively implemented when the organizations have a competent force of being employees. Effective HR strategy gives the direction to change in an orderly fashion. This is done by developing a competency model and mapping each job on these competencies. The paper attempted to shed some additional light on the field of competencies and competency models in addition to the applications of the competency model in an organization.

B R Celia and M Karthick (2010) had a view of measuring the competency level of employees in the power sector. It gave a broad description of the employee's competencies attributes, different departmental competencies and suggestions given to improve their competency level. The competency assessment focused on 6 behavioral sections: Knowledge, communication, development of people, team orientation, achievement orientation and client orientation. Samples of 300 employees were selected from a population using stratified random sampling. Analysis and interpretation of data was through the statistical tools namely, Percentage analysis method, spearmen's rank correlation, ANOVA.

Eskildsen, J. K and Nussler, M. L. (2000) have constructed a structural model that describes the causal linkage among the subsystems of human resource management, employee satisfaction and loyalty as well as corporate performance based on theoretical considerations. The analysis shows that the theoretical model relates with the mental models of the managers and also discloses the areas in which organization need to improve their performance regarding human resource management.

Dubois (1993) explains competency as to ''provide the adhesion or ''glue'' that is necessary among the elements of an organization's human resource management system. Competency models help organizations take a unified and coordinated approach to crafting the human resource management system, together with job design, hiring, performance improvement, employee development, career planning, succession planning, performance appraisals, and the selection and compensation systems for a job. Therefore, it has benefits beyond the usefulness of the results for HRD purposes for investment an organization makes in competency model development work.''

According to Ronald Jacobs and Christopher Washington (2003) employee development makes positive impact on the organizational performance. From an HRD viewpoint, research on employee development is an area of high importance.

Chay Hoon Lee and Norman T. Bruvold (2003) relying on a social exchange theory that examines the relationships among perceived investment in employees' development (PIED), job satisfaction, organizational commitment and purpose to leave. Analysis at Individual-level from a sample of 405 nurses from two countries point out that PIED is positively connected with job satisfaction and effective

commitment but not with persistent commitment. Job satisfaction and affective commitment fully mediate the relationship between PIED and intent to leave. The research shows support for partial measurement equivalence and equivalent structural parameters across both samples.

Elena P. Antonacopoulou (2000) stresses upon the motives and expectations that strengthen the employee development programmes, and the underlying assumptions which helps to decide, how these initiatives can be practiced in the organizations. The findings demonstrate the impact of employee development initiatives on employee's willingness to learn and to be responsible for their development.

George S. Benson (2006) studied the participation among three development activities of salaried employees of an organization that significantly increased access to development after a chain of layoffs in the late 1990s. Analysis of survey and archival data representing 667 employees show that the job training was positively associated to organizational commitment and negatively related to intention to turnover. The studies showed that the participation in tuition-reimbursement provided a more general or marketable skills and was positively related to intention to turnover. This turnover was reduced after earning a degree through tuition-reimbursement if employees were consequently promoted.

Bernard Marr, Giovanni Schiuma and Andy Neely (2004) highlighted the importance of visual representations in order to understand how organizational resources are intangible assets and intellectual capital is used to create value. The paper provides a classification of organizational value drivers. It also highlighted the shortcomings in the strategy map method which is based on balanced scorecard. The paper introduced the value creation map which utilized both direct and indirect dependences to measure value creation. This approach suggested the strategy map method by covering its view of value creation from both direct and indirect dependencies. The paper also presented a case study on value creation map that was applied to comprehend the new product development process in a leading furniture manufacturing firm.

The Romans practiced competency profiling to detail the qualities of a "good Roman Soldier". David McClelland (1973) introduced competency mapping into the Human resource area to support the United States Information Agency to improve its selection criteria. In the research he found that competencies such as interpersonal sensitivity, cross cultural differences and management skills distinguished superiors from average information officers.

Mily Velayudhan, T. K. (2011) explains that competency mapping in any industry is not complicated as it may appear to be. At the core of any successful activity lies a competence. Whatever happens to the future of software in India, the employee who are outstanding in their performance will continue to be in demand and will keep rising and the human resource of each organization will develop the competencies in order to compete in the competitive environment. In this paper the researcher has collected data from 295 software employees. Wherein 145 employees where from Cognizant Technology Solutions (CTS) and the rest 150 respondents were form Hindustan Technology Limited (HCL) and their competencies were studied in depth to bridge the gap of the missing competency which help the employees to outshine in the organization to achieve the goal.

RESEARCH METHODOLOGY

In order to find out the relationship between employee development and competency mapping, researcher has used a tool Competency Mapping Measuring Scale. To measure the competency mapping, there are 15 factor, which are significant to measure competency in an organization. The Competency Mapping tendency of selected sample for this research was measured by using the Competency Mapping Measuring Scale. This test includes Six sub-constructs which were validated by the researchers. The Competency Mapping Measuring Scale consists of 15 items on a 5point scale, these items covered six constructs of Competency Mapping (with their reliabilities) like: Intellectual, Personal, Communication, Interpersonal, Leadership, and Result Oriented. This scale has both the positive and negative items to be responded on a five-point rating scale. Every statement has got five options like: Strongly Agree, Agree, Can't Say, Disagree and Strongly Disagree.

The sample of 296 respondents has been taken from simple random sampling. The data has been processed through SPSS for the analysis. The factor analysis has been used to find the effective factor out of all 15 factors.

ANALYSIS OF PRIMARY DATA

The main focus of the paper is competency mapping, which is a potential tool for enhancing the performance of the employee in the organization. The date has been collected from 200 respondents from various organizations. The date has been collected on 15attributes on Likert scale on five scale as Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree. As data is based on Likert scale, so factor analysis has been used for the analysis.

Factor Analysis

Table1: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.561
Bartlett's Test of Sphericity	Approx. Chi-Square	149.897
	d.f.	105
	Sig.	.003

Although this paper has qualitative data on competency mapping and the data has been collected on Likert Scale but factor analysis can be used if we have sufficient sample size and all the factors have some correlation. To test the adequacy of sample the KMO test is applied. As the past research has shown that the value of KMO test must be more than 0.5 for sampling adequacy. The present work the value of KMO Test is 0.561. On the basis of KMO test, it can be said that the sample size is adequate to proceed with Factor Analysis.

One more condition to use Factor Analysis is that all the factors must have some correlation. To check the correlation among all the factors the Bartlett's Test of Sphericity can be used. Based on the Bartlett's Test of Sphericity the Chi-Square value is 149.897 and this value is significant on 5 per-cent level of significance. On the basis of this test it can be said that all the factors in this study have correlation among them and factor analysis can be used for the analysis.

Table2: Communalities

	Initial	Extraction
For the effective accomplishment of job, I always collect ample information necessary to do the work.	1.000	.631
I am satisfied with my capabilities to solve my job related problem.	1.000	.566
I am confident with my numerical solving ability which is required to execute my work effectively.	1.000	.382
I always make right decisions because of my good judgment and decision making capability.	1.000	.487
I think and plan effectively for organizing the activities required to achieve a desired goal.	1.000	.752
I am very alert about the local, national and international policies and trends that may affect my organization's business.	1.000	.632
I am an expert and have knowledge of current technology required to perform my job.	1.000	.563
My decisions are not as much effective as of my fellow employee have.	1.000	.556
I take short time to adjust and adapt with the changed environment in my organization.	1.000	.610
I can think and decide independently	1.000	.470
I am honest and practice strong moral principles, so in my organization no-one doubts my integrity.	1.000	.665
In difficult situation and stressful events, I stay relaxed and composed.	1.000	.537
I have effective written communication skill.	1.000	.647
I can accurately receive and interpret messages due to my effective listening ability.	1.000	.635
To share my project, I always feel confident in using presentation skills.	1.000	.442

(*Extraction Method: Principal Component Analysis*.)

The above table 2 shows the communities between the various factors itself. Each factor has correlation equal to one in itself. If we see in the above table, we can say that the factor 'I think and plan effectively for organizing the activities required to achieve a desired goal' has the maximum value of extraction which is 0.752 and on the basis of this value it can be said that this factor is highly effective in competency mapping. Similarly, another factor 'I am honest and practice strong moral principles, so in my organization no-one doubts my integrity' also plays the significant role in competency mapping. The extraction value of this factor is 0.665.

Table 3: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.717	11.447	11.447	1.717	11.447	11.447	1.355	9.033	9.033
2	1.351	9.008	20.455	1.351	9.008	20.455	1.295	8.631	17.664
3	1.233	8.223	28.678	1.233	8.223	28.678	1.271	8.476	26.141
4	1.130	7.535	36.214	1.130	7.535	36.214	1.222	8.148	34.289
5	1.111	7.408	43.622	1.111	7.408	43.622	1.220	8.133	42.422
6	1.019	6.793	50.415	1.019	6.793	50.415	1.128	7.520	49.942
7	1.012	6.747	57.162	1.012	6.747	57.162	1.083	7.220	57.162
8	.966	6.442	63.604						
9	.922	6.148	69.752						
10	.887	5.913	75.665						
11	.837	5.583	81.247						
12	.740	4.932	86.180						
13	.719	4.796	90.976						
14	.697	4.648	95.623						
15	.657	4.377	100.000						

(*Extraction Method: Principal Component Analysis*.)

The above table 3 shows the amount of variance of all the factors, which is essential for competency mapping. A factor can be extracted on the basis of Eigenvalue. To have an effective factor, the Eigenvalue should be more than one. In the above table 7 factors have Eigenvalues more than one. All of these factors are able to extract sums of square loadings around 57 percent of the total. Based on this we can say that 7 factors are very effective in the competency mapping in an organization.

Table 4: Component Matrix[a]

	Component						
	1	2	3	4	5	6	7
I am an expert and have knowledge of current technology required to perform my job.	.501	.314	-.011	-.068	.420	-.125	.125
I take short time to adjust and adapt with the changed environment in my organization.	.474	.220	.200	-.318	-.262	-.136	-.330
To share my project, I always feel confident in using presentation skills.	.352	-.165	-.256	.146	.198	-.338	-.223
I have effective written communication skill.	.195	-.559	.373	-.002	.374	-.063	-.116
In difficult situation and stressful events, I stay relaxed and composed.	.321	.499	.116	-.284	.300	-.012	.023
My decisions are not as much effective as of my fellow employee have.	-.338	.458	.146	.212	.346	.206	-.065
I am very alert about the local, national and international policies and trends that may affect my organization's business.	.302	.418	.101	.345	-.405	-.263	.056
I am satisfied with my capabilities to solve my job related problem.	.378	-.064	-.543	-.292	.175	.011	.092
I always make right decisions because of my good judgment and decision making capability.	.299	-.178	-.450	.285	.099	.229	.142
I can accurately receive and interpret messages due to my effective listening ability.	.265	-.324	.404	-.341	-.250	-.118	.321
For the effective accomplishment of job, I always collect ample information necessary to do the work.	.333	-.199	.155	.566	.025	-.165	-.328
I am honest and practice strong moral principles, so in my organization no-one doubts my integrity.	.272	-.095	.331	-.071	.146	.624	-.237
I can think and decide independently	.341	.156	-.036	.142	-.298	.413	-.220
I am confident with my numerical solving ability which is required to execute my work effectively.	.307	-.122	-.229	-.022	-.297	.310	.189
I think and plan effectively for organizing the activities required to achieve a desired goal.	.269	.048	.308	.359	.107	.071	.660

(*Extraction Method: Principal Component Analysis*.)

a. 7 components extracted

The above table 4 shows the loading of various factors in extracted factor. There are 7 factors, which are extracted by the factor analysis. This table explains the loadings of various factors in extracted factors. High the loading in a factor explains the high correlation between factors and extracted factors. In the above table we are not able to make clear picture about the loading of various factor (s) in the particular extracted factor. According to research a factor should have at least 0.4 loading in the extracted factor. The high loading of one factor should be with one extracted factor. We are not able to find out the expected loadings of factor (s) in the extracted factors. This problem can be solved with the help of rotated component matrix.

Table 5: Rotated Component Matrix[a]

	Component						
	1	2	3	4	5	6	7
In difficult situation and stressful events, I stay relaxed and composed.	.710	-.073	-.047	-.119	.060	.091	-.001
I am an expert and have knowledge of current technology required to perform my job.	.699	.148	-.028	.155	.014	-.029	.162
I always make right decisions because of my good judgment and decision making capability.	-.056	.631	-.135	.183	-.021	.080	.165
I am satisfied with my capabilities to solve my job related problem.	.320	.624	.103	-.028	-.115	-.105	-.196
I am confident with my numerical solving ability which is required to execute my work effectively.	-.103	.466	.217	-.123	.149	.252	.081
I can accurately receive and interpret messages due to my effective listening ability.	.027	-.107	.750	-.089	-.079	.034	.210
My decisions are not as much effective as of my fellow employee have.	.143	-.311	-.624	-.145	-.030	.083	.143
I take short time to adjust and adapt with the changed environment in my organization.	.378	-.140	.386	.112	.311	.273	-.338
For the effective accomplishment of job, I always collect ample information necessary to do the work.	-.100	-.048	-.030	.751	.129	.162	.107
To share my project, I always feel confident in using presentation skills.	.168	.250	.028	.540	-.019	-.178	-.164
I am very alert about the local, national and international policies and trends that may affect my organization's business.	.108	-.088	.060	.187	.738	-.005	.168
I have effective written communication skill.	.026	-.144	.277	.446	-.565	.108	.138

I am honest and practice strong moral principles, so in my organization no-one doubts my integrity.	.113	-.031	.014	.025	-.286	.752	.058
I can think and decide independently	-.013	.195	-.030	.047	.323	.566	-.064
I think and plan effectively for organizing the activities required to achieve a desired goal.	.135	.052	.092	.026	.094	.015	.844

(*Extraction Method: Principal Component Analysis*.)

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 11 iterations.

The above table 5 shows the rotated component matrix, which shows the loading of various factors in the extracted factors. Now it is clear from the above table that one factor has high loading only with the one extracted factor. The factor 1 has high loadings of 'In difficult situation and stressful events, I stay relaxed and composed.', and 'I am an expert and have knowledge of current technology required to perform my job.' The loading of these factors are 0.710 and 0.699 respectively with the factor 1. The factor 2 has high loadings of 'I always make right decisions because of my good judgment and decision making capability.', 'I am satisfied with my capabilities to solve my job related problem.' and 'I am confident with my numerical solving ability which is required to execute my work effectively.' The loading of these factor in factor 2 are 0.631, 0.624 and 0.466 respectively and so on.

CONCLUSION

Human Resource Management in the organization has to give importance to the process of competency mapping although competency defines the organization's effort to compete with quantity and quality in every aspect of the organization. To sustain in a dynamic business environment, organizations have to adopt competency based human resource management practices, which are necessary for the productivity and performance excellence. Employees are more concerned about their advancement in their career. The competency mapping is considered by the Human Resource managers in the individual planning level too. Career based and competency based approaches of Human Resource Management have prolific results in the productivity and business surplus in many organizations. The analysis of primary data also reveals that an organization can use tools for competency mapping, which is very helpful to develop the employees. The valuable resource of the organization is the employee. The performance of the employee is directly associated with the success or failure of the organization. Therefore, it is necessary for the organizations to invest huge amount of money on developing the employees. This paper examined and investigated the review of literature on competency mapping and its effect on employee development. The significant variables are related to employee development and organization growth. The paper presented the importance of the competency mapping in employee development and overall growth of organization.

REFERENCES

Antonacopoulou, E. P. (2000). Employee development through self-development in three retail banks. *Personnel Review*, 29(4), 491-508.

Awasthi S. and Kumar S (2016). Competency Mapping: A Strategic tool in Managing Employee Performance. *The International Research Journal of Social Science and Management*, 2(1), 57-65

Benson, G. S. (2006). Employee development, commitment and intention to turnover: a test of 'employability' policies in action. *Human Resource Management Journal*, 16(2), 173-192.

Celia, M., & Karthick, M. (2012). Competency mapping of employees in the power sector with special reference to Chennai. Competency, 2(1).

Chouhan, V. S., & Srivastava, S. (2012). Competencies and Competency Models: Development and Applications. *International Journal of Research in Management, Economics and Commerce*, 2(11), 575-583.

Dubois, D. D. (1993). Competency-Based Performance Improvement: A Strategy for Organizational Change. HRD Press, Inc., 22 Amherst Road, Amherst, MA 01002.

Eskildsen, J. K., & Nussler, M. L. (2000). The managerial drivers of employee satisfaction and loyalty. Total Quality Management, 11(4-6), 581-588.

Evans, J. R., & Lindsay, W. M. (1999). The management and control of quality.

Jacobs, R., & Washington, C. (2003). Employee development and organizational performance: a review of literature and directions for future research. *Human Resource Development International*, 6(3), 343-354.

Lee, C. H., & Bruvold, N. T. (2003). Creating value for employees: investment in employee development. *The International Journal of Human Resource Management*, 14(6), 981- 1000.

Marr, B., Schiuma, G., & Neely, A. (2004). The dynamics of value creation: mapping your intellectual performance drivers. *Journal of Intellectual Capital*,5(2), 312-325.

McClelland, D.C. (1973). "Testing for competence rather than intelligence", American

Mily Velayudhan, T. K. (2011). Competency Mapping of the Employees-A Study. In 2011 *International Conference on Information Communication and Management* IPCSIT (Vol. 16). Psychologist, 28(1), 1-4.

Richard E. Boyatzis. (1982). The competent manager: A model for effective performance. John Wiley & Sons.

Rishipal, Awasthi S (2015) Employee Development: A Tool to Check Counter Productive Work Behaviour. International Journal of Research in Management, Economics & Commerce, 5(12), 28-37

Sanghi, S. (2007). The handbook of competency mapping: understanding, designing and implementing competency models in organizations. *SAGE Publications India*.

Sanghi, S. (2009). Building Competencies. Industrial Management, 51(3).

Sharma R C, Rishipal & Awasthi, S (2016). Competency Mapping Measuring Scale.

UNIDO. (2002). Industrial Development Report 2002/2003 – Completing through Innovation and Learning.