

## **Improving individual and organizational performance through competency assessment**

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### **ABSTRACT**

Indian software industry had a phenomenal growth in the last decade and in spite of worldwide recessionary trends in the software industry is expected to play a much bigger role in the new millennium in the growth of Indian economy. Competencies for professionals in the performance improvement field have received considerable attention in recent years. Defining and measuring competencies is crucial to maximizing potential and unlocking superior performance. Competencies provide a clear and integrated set of dimensions against which performance can be described and measured. A well-designed competency framework provides the link between behaviors, skills and attributes required by the individual and the tasks required in a job. A framework that is used as the foundation of an organization's talent management strategy provides the link between human resources and tangible business outcomes. . In this article the data was collected from 445 employees from the top leading software companies from Chennai i.e. CTS,HCL and TCS, and their competencies were studied in depth to bridge the gap in the deficient so that it would help the employees to outperform themselves Improving individual and organizational performance through competency assessment.

**KEYWORDS :**Introduction, Review of literature, Objective of the study,Research methodology,Findings and suggestions, Conclusion.

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### **1.Introduction**

Competency management is key to aligning human capital assets with business strategy to relate value for organizations and drive their performance forward in a competitive talent market. Significant changes to the world economy in the past 20 years have made many traditional sources of competitive advantage obsolete. One important change is the transition from the Industrial Age to today's knowledge and information age where competitive advantage is most often derived from ideas, and technology. Globalization has forced companies to seek new sources of top talent. Firms used to compete for customers locally – those customers around the corner or across town – but now face the reality of competitors in every marketplace. In a global, highly competitive marketplace, companies need to continually innovate their products, services, and processes. They must be flexible and able to react quickly to new markets, and new geographic locations while maintaining unprecedented customer service. The present article deals with 20 dimensions of IT professionals working in Tata Consultancy Services (TCS), Hindustan Computers Limited (HCL) and Cognizant Technologies and Services (CTS). The dimensions include Drive for results, Process management, Functional expertise, Personal effectiveness & ability to influence, Innovation, Team effectiveness, Customer service, Self development orientation, Analytical thinking, Physical ability, Knowledge, Aptitude, Motivation, Communication, Leadership, Managerial ability, Negotiations, Personal values, Social skill, Technical competence, The study is confined to IT Professionals working with three software companies in Chennai. A well structured questionnaire after being tested for the reliability and validity was administered to extract the required information.

### **2. Review of literature**

Bradford S. Bell, Sae Won Lee and Sarah K Yeung (2006) analyzed that IT has been cited as a critical driver of HR's transition from a focus on administrative tasks to a focus on serving as a strategic

business partner, this strategic role not only adds a valuable dimension to the HR function but also changes the competencies that define the success of HR professionals. The researcher conducted interviews with HR representatives from 19 firms to examining the linkage between electronic human resource (e-resource) and the reshaping of professional competence in HRM. And based on the findings the researcher drew implication for the development of the HR competencies and identify learning strategies that hr professionals can utilize to fulfill their changing roles and responsibilities.

Judi Brownell (2006) concludes that common competencies, the fundamental knowledge and skill developed in traditional educational environments are necessary but insufficient in the preparation of global leaders. Rather human resource professional in partnership with management educators are best positioned to identify and facilitate global leadership excellence by focusing on the identification and development of key personal characteristics or distinction competencies. In particular global leaders must be men and women of sound character. This article further proposed that distinction competencies are the best assessed through experience in the field and recommendation are offered as to how competency based leadership development can be designed to address both common and distinctive competences with special attention to the individual character.

Mary E Graham and Lindsay M Tarbell (2006) in their paper found that recent specification of HR practitioners. The researcher says it is possible however to master the competences and skill under perform. This disconnect may occur because current competency work reflect the perspective of top management clients of human resource to the neglect of the employee perspective. In addition, competencies have become linked so tightly to firm outcomes that normative influences in competency development are lost. To think through these issues, they examined the credibility competency of HR professionals focus group confirms the credibility dimensions vary across stakeholders, with employee's emphasizing trust, management emphasizing on the achievement of results. The researcher concluded that more broadly defined competencies for HR professionals are necessary.

Michael J Novak, & Tom Beckman (2007) in his paper describes the concept of competencies as defined by leading sectors, presents examples of competency based management as practiced in organization and shows the benefits of competency management. The researcher presents an example of a construct that was developed to address competency based development of individual employees, work group and organization. Building on this specific approach, the paper illustrates how the model can be tailored to meet succession planning needs that is the need to identify and develop successors for key positions in a generic sense.

### 3. Objective of the study

3.1 To study the competencies in depth and to bridge the gap to suggest training measures for the deficient areas.

Table: 1 shows names of the three IT organizations selected for the present study and the number of respondents from each. The table displays the frequency distribution of the respondents based on the name of the organization. The study reveals that out of the total 445 respondents, 145 (32.6%) respondents belong to CTS, 150 (33.7%) respondents each from HCL and TCS respectively and nearly one third of the respondents are from each of the three companies.

The table: 2 provide average gaps found among the respondents of three IT companies in each one of the 20 dimensions. All statements listed in each one of the twenty dimensions are assessed using a five point Likert Scale. The averages of all the statements listed under each dimension are computed and compared for three IT companies

H0: The competency gap in each one of the 20 dimensions is same among the IT Professionals in three different companies.

H1: The competency gap in each one of the 20 dimensions is not the same among the IT Professionals in three different companies.

Null hypothesis are tested using ANOVA. The above table provides Mean gaps, Standard Errors of the means of the respondents' in all the three IT companies in the twenty dimensions considered. The table also provides F statistic and the Significance of the mean scores.

It is found that null hypothesis has to be rejected for the following 9 dimensions: Process Management(0.026), Innovation(0.011), Team Effectiveness(0.043), Customer Service(0.023),

Knowledge(0.001), Aptitude(0.000), Motivation(0.015), Personal Values(0.002), Social skills(0.014), since the significance value is less than 0.05. So it is inferred that the mean gaps are not the same among the IT professional with different companies. From the above table it is clear that Null Hypothesis are not to be rejected in the following 11 dimension : Drive for Result, Functional expertise, Personal effectiveness and ability to influence, Self Development Orientation, Analytical Thinking, Physical Ability, Communication, Leadership, Managerial Ability, Negotiations, Technical competency,

Gaps are found to be more in the respondents of HCL, whereas gaps are found to be least for the respondents of CTS and gaps found in TCS stands in between CTS and HCL. Employees of CTS are found to have least gaps in most of the dimensions. Hence we can conclude that the performance level of the respondents of CTS is far better than the respondents of HCL and TCS. A close scrutiny of the table indicates that the gaps are found to be more among the employees of HCL, whereas the respondents of both TCS & CTS have narrow gaps.

#### Findings of the study

- The mean gaps are found to be same among the IT professionals in different levels of management in the following dimension: Functional Expertise, Self Development Orientation, Physical ability, Technical Competence. The mean gaps are found to be statistically different for the following dimensions : Drive for Result, Process Management, Personal effectiveness and ability to influence, Innovation, Team effectiveness, Customer Service, Analytical Thinking, Knowledge, Aptitude, Motivation, Communication, Leadership, Managerial ability , Negotiations, Personal Values, Social skills. The mean gaps are found to be very low among the employees of lower level category and it is found that the employees of the category lower middle and upper middle have wider gaps in almost all the dimensions were the differences are found to be statistically significant.
- The mean gaps are found to be same among the IT professionals in different gender in the following dimensions : Drive for Result, Process Management, Personal effectiveness & ability to influence, Innovation, Team effectiveness, Customer service, Self development orientation, Analytical Thinking, Physical Ability, Knowledge, Communication, Leadership, Managerial Ability, Negotiations, Personal Values, Social skills, Technical Competence. The mean gaps are found to be the statistically different for the following dimensions: Functional Expertise, Aptitude and Motivation. The mean gaps are found to be high among female respondents compared to male respondents were the differences are found to be statistically significant.
- The mean gaps are found to be same among the IT professionals in different age group for the following dimension: Functional Expertise, Innovation, Self Development Orientation, Physical Ability, and Technical Competence. The mean gaps are found to be statistically different for the dimensions : Drive for Results, Process Management, Personal effectiveness and ability to influence, Team effectiveness, Customer service, Analytical Thinking, Knowledge, Aptitude, Motivation, Communication, Leadership, Managerial ability, Negotiations, Personal Values, Social Skills. . The mean gaps are found to be low among the employees of the age group < 25 years and mean values are found to be high among the employees of age group > 45. The mean gaps of the age group 26-35 and 36-45 stand in the middle between the age group > 45 years and < 25 years were the differences are found to be statistically significant.
- The mean gaps are found to be the same among the IT professional in different qualification in the following dimension: : Drive for Results, Process Management, Functional Expertise, Personal effectiveness and ability to influence, Innovation, Team Effectiveness, Self Development Orientation, Analytical Thinking, Physical Ability, Aptitude, Motivation, Communication, Leadership, Managerial ability, Negotiation, Personal values, Social skills, Technical Competence. The mean gaps are found to be statistically different among the IT professionals in the following dimension: Customer Service, Knowledge.
- The mean gaps are found to be the same among the IT Professionals in different income groups in the following dimensions: Self Development orientation, Physical Ability, Technical Competence. The mean gaps are found to be statistically different among the IT professional in the following Dimension: Drive for Result, Process Management, Functional expertise, Personal effectiveness and ability to influence, Innovation, Team effectiveness, Customer Service, Analytical Thinking, Knowledge, Aptitude, Motivation, Communication, Leadership, Managerial Ability, Negotiation(0.001), Personal Values, Social Skills. Majority of the mean gaps are found to be high among the respondents of income group 41- 60K and means gaps are low among respondent of income group < 20 k were the differences are found to be statistically significant.
- The mean gaps are found to be same among the IT professionals in different marital status in the following dimensions: Self Development Orientation, Physical Ability, Knowledge, Aptitude, Social

skills, Technical Competence. The mean gaps are found to be statistically different for the following dimensions: Drive for Result, Process Management, Functional Expertise, Personal effectiveness and ability to influence, Innovation, Team Effectiveness, Customer Service, Analytical Thinking, Motivation, Communication, Leadership, Managerial Ability, Negotiations, Personal Values. Majority of the mean gaps are found to be high among married respondents when compared to unmarried respondents were the differences are found to be statistically significant.

- The mean gaps are found to be same among the IT professionals in the different years of service in the following dimension: Innovation, Self Development Orientation, Physical Ability, and Technical Competence. The mean gaps are found to be statistically different in the following dimension: Drive for Results, Process Management, Functional expertise, Personal effectiveness and ability to influence, Team effectiveness, Customer Service, Analytical Thinking, Knowledge, Aptitude, Motivation, Communication, Leadership, Managerial Ability, Negotiation, Personal Values, Social Skills. Majority of the mean gaps are found to be high among the respondents with 11-15 years of experience and means gaps are found to be low among the respondents of <5 year of experience and the other two categories stand in the middle were the differences are found to be statistically significant.

#### 4. Suggestions

1. The IT employees working in HCL have a wider gap in process management compared to the employees of other two companies. Process Management includes managing information, making specific changes in system, maintain consistency in work, simplifying complex process and maximum utilization of available resources, So HCL may devise methods and modalities to improve the deficiencies found among their employees in the items listed above. The employees of HCL also should learn that deficiencies in Process management and enhance the level of performance for the betterment of the company.

2. The IT employees working in TCS and HCL have a wider gap in Innovation compared to the employees of CTS. Innovation includes constantly striving for improvement, creative thinking, so TCS and HCL may devise methods and modalities to improve the deficiencies found among their employees in items listed above. The employees of TCS and HCL also should learn that deficiencies in innovation and enhance the level of performance.

3. The IT employees working in HCL have a wider gap in Team Effectiveness compared to the employees of other two companies. Team Effectiveness includes: sharing knowledge with the team, Consideration of team members as prime participant, paying heed to others views, matching the employee's goal with the team's goal successfully, so HCL may devise methods and modalities to improve the deficiencies found among their employees in the above said items.

4. IT employees in HCL have a wider gap in Customer Service compared to other two companies. Customer service include knowing the customers preference, anticipating customers needs, thinking and acting customers first, Responding innovatively to customer needs and is preferred contact, flexible to cater the needs of different types of customer, So HCL may devise methods and modalities to improve the deficiencies found among their employees in the listed items above.

5. IT employees in HCL and TCS have a wider gap in knowledge compared to the employees of CTS. Knowledge includes memory retention to remember, retrieve and reveal everything and familiarity with organizational demands and functions at various levels, so HCL and TCS may devise methods and modalities to improve the deficiencies found among their employees in the listed items above.

6. IT employees in HCL and TCS have a wider gap in aptitude compared to the employees of CTS. Aptitude includes numerical ability to analyze the required calculations of the project, artistic aptitude to resolve the day today issues that arise in the organization, tackling the stiff competition of the market with business aptitude, so HCL and TCS may devise methods and modalities to improve the deficiencies found among their employees in the above said items.

7. IT employees in HCL have a wider gap in motivation compared to the employees of other two companies. Motivation includes result oriented, meeting challenges and calculating risks, seeing challenges as opportunity, doing creative and innovating things consistently, and seeing opportunities as means to learn for self development, So HCL may devise methods and modalities to improve the deficiencies found among the employees in the above said items.

8. IT employees in HCL have a wider gap in personal values compared to the employees of other two companies. Personal value includes: concern with doing things excellently, strong desire to achieve something in work life, ability to recognize ones strength and weaknesses, projecting a favorable image about the work and the organization, desire to impress a positive belief on others, respecting and encouraging others and their ideas, open and hones, higher and imaginative goals, So HCL may devise method and modalities to improve the deficiencies found among the employees in the above said items.

9. IT employees in TCS have a wider gap in social skills compared to the other two companies. Social skills includes : convince and influence others by building consensus and support, handle difficult people and difficult situations, encourage and recognize change and enlist other in its pursuit , cultivate and maintain extensive informal networks through good rapport immaterial of the status of the people, Promote friendly nature, participate with high level of spirit, So TCS may devise methods and modalities to improve the deficiencies found among the employees in the above said items.

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**Table: 1. Names of the organization and the distribution of the respondents**

Name of the organization	N	%
CTS	145	32.6
HCL	150	33.7
TCS	150	33.7
Total	445	100.0

Source: Primary Data; \*Note: N –Denotes number of respondents

**Table: 2. ANOVA for the competency gap in each one of the 20 dimensions among the IT Professionals in three different companies.**

Dimension	Name of the organization							
	CTS		HCL		TCS		ANOVA	
	Mean	SE	Mean	SE	Mean	SE	F	Sig.
Drive for results	23.59	.95	24.56	.70	22.83	.83	1.107	.332
Process management	22.57	1.01	25.47	.85	22.51	.80	3.666	<b>.026*</b>
Functional expertise	20.48	1.17	23.80	1.00	23.07	1.00	2.692	.069
Personal effectiveness & ability to influence	22.57	1.02	25.44	.91	23.09	.82	2.783	.063
Innovation	20.97	1.11	24.73	.97	25.13	1.11	4.598	<b>.011*</b>
Team effectiveness	22.93	.96	25.17	.86	22.13	.83	3.171	<b>.043*</b>
Customer service	21.68	1.04	25.44	.95	23.76	.89	3.811	<b>.023*</b>
Self development orientation	20.55	1.11	23.24	.88	22.53	.95	1.992	.138
Analytical thinking	22.00	1.32	25.67	1.10	23.33	1.11	2.472	.086
Physical ability	24.28	1.20	23.67	1.05	23.80	1.21	.076	.927
Knowledge	19.10	1.12	24.80	1.01	23.33	1.07	7.626	<b>.001*</b>
Aptitude	19.36	1.09	24.27	.82	24.18	.91	8.706	<b>.000*</b>
Motivation	21.41	.98	25.23	.90	23.23	.91	4.209	<b>.015*</b>
Communication	22.07	.99	24.80	.83	23.60	.83	2.379	.094
Leadership	22.78	1.06	25.76	.92	23.20	.88	2.868	.058
Managerial ability	21.25	.91	23.48	.78	23.41	.74	2.408	.091
Negotiations	22.21	1.07	25.51	1.00	24.18	.94	2.720	.067
Personal values	20.74	.94	25.25	.91	23.30	.82	6.402	<b>.002*</b>
Social skills	22.09	.96	24.24	.74	25.11	.87	3.229	<b>.041*</b>
Technical competence	21.45	1.20	23.00	1.04	23.53	1.24	.864	.422

Source: Primary Data \* - Indicates Significant at 5% Level.