CHAPTER-8

ISSUES AND EXPERIENCE IN

SOFT COMPETENCY IN SAMPLE UNITS
Competencies form the basis of an individual’s consistent thinking and behaviour in a variety of situations. It may be mentioned that competencies exist at both the surface as also at the core personality level. The surface level competencies of knowledge and skills are visible in one’s behaviour or performance and can be developed with appropriate training and development. The competencies laying deep within can be developed over a longer period of time by appropriate job placement of the employee which will offer him/her opportunities to develop these competencies for future senior roles. It has been often observed that one’s best performance is driven by core competencies rather than task related skills and knowledge, which goes to show that selection on the basis of qualifications or skills will not ensure a candidate’s best performance. Basing on this back drop in this chapter one humble attempt has been made to describe the issues and experience regarding the assessment of the soft competencies in the sample IT industries in India.

It has been observed, during the course of research that all the sample industries have adopted the technique of assessment centres for assessing the soft competencies of their workforce. In competency based assessment, an individual’s knowledge, skills, attitudes and values are assessed on the basis of their demonstrations in the assessment centre. Competencies which are assessed during the assessment centre will obviously relate to the competency requirement of the job. A review of the assessment centre approach as used by the sample IT industries and other Indian IT industries reveals that the latter differ in both rigour and approach. The difference is largely related to the objectives for which this approach is being used.

The objectives may be any one of the following:

- Strategic alignment of competencies with business growth;
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· Selection for job or culture fit;
· Career planning or succession planning;
· Training and development; and
· Individual and organisational growth.

The competencies are assessed through their demonstration in behaviour. The behaviours can be shown as follows.

· Oral communication
· Planning
· Organising
· Delegation
· Control
· Decisiveness
· Initiative
· Tolerance for stress
· Adaptability
· Tenacity

AN EXPERIENCE AT TCS

A new approach for training soft skills-Experience at TCS

It is well recognized by the industries that the range of skills that successful entry-level employees bring to the workplace has two categories:

· Technical skill and
· Soft skills.
“Soft skills” are those that are crucial to an employee’s ability to work “smarter”. A survey of employers has revealed that some of the skills that are essential for the entry level employees include:

- articulation,
- competence in reading,
- writing,
- effective listening and
- oral communication skills;
- adaptability to cross cultural environment through thinking and
- problem solving;
- personal management with assertiveness and initiative;
- interpersonal skills;
- the ability to work in teams.

Enterprises define the entrants to be “Industry ready” when they possess these soft skills. IT industry in particular, is facing critical need to bridge the soft skill gap.

TCS under Campus Connect initiative has soft skill training program for the partnering colleges. Learning these soft skills just got easier. This workshop is a one-stop solution for soft skills training needs. CDS is the alliance partner to conduct these programs.

The soft skills program is designed to be a multi-topic facilitated training session. The researcher after prolonged interview with the training heads of the TCS learnt about CDS and their support staff who are carrying out the training work at TCS. The pattern of training at TCS imparted by the CDS is as follows; it is rather a comprehensive package as described below:
The five modules covered under this program include:

1. Adapting to Corporate life
2. The Art of Communication
3. The Hidden Data of Communication
4. In The World of Teams

Leadership and Talent Development

Effective talent management requires organizations to define key roles and their requirements, identify potential candidates, assess their readiness for those roles, and provide training and development to fill the gap.

CDS help organizations effectively manage their talent so that they can fill the demand for future leadership positions, create a culture of excellence and retain their top performers. Their approach draws on their understanding of competencies because research shows that competencies account for more than 85% of what differentiates top performers from their counterparts.

Their work with their clients is truly collaborative to ensure a proper fit with their strategies, goals and culture. They first draw on their expertise and research to jointly define behavior expectations (competencies) of these roles. Then they help to design an accurate and objective assessment process that fits within an organization’s culture. Finally they design and deliver a development curriculum to help future leaders achieve their full potential.

Individual & Team Assessments

Learning how they are perceived and the impact of their behaviour, is critical information for leaders who want to be more effective. It is also information that is seldom offered freely by either peers or followers, leaving individuals
to guess and interpret through their own lens. In addition, employees can become more aware of the impact of their style, communication and behaviour through various management and leadership assessment instruments and questionnaires.

They offer processes for assessment and feedback through a variety of structured tools for both the individual and for teams. These processes can include the use of assessment instruments for the individual, leader, feedback from selected individuals and “360 degree” participants. Feedback for individuals is handled in a confidential, personalized session which provides opportunities for review, questions and ultimately integration of the feedback into the individual’s self awareness. Team feedback is usually a part of a larger team development initiative and may be included in the design for a Leadership Team off-site.

**Team Development: Outbound Facilitation**

Teams have critical and significant influence on the productivity and outcomes of any organization. High performance teams model what is important and provide the connections and links that mobilize individual units to perform together and accomplish key results. Teams often need a more relaxed time away from the time demands of the workplace to focus their concentration and build their team effectiveness.

Newly formed teams or teams with new leaders or new members will work together more effectively and achieve higher performance if they take time to build relationships, create a common purpose, define their roles and responsibilities and agree on how they will work together.

CDS offers planning, design and facilitation consultation for team development and team off-sites focused on:

- review and change in vision, strategy or priorities
- planning and problem solving
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· building new teams
· congruence in team communication and behavior
· effective team performance

Executive Coaching
· CDS coaches work on a confidential basis with executives to make a real and lasting difference in their performance. They take coaching beyond traditional development programs to get to the heart of individual success. Although the focus of their coaching is always work-related environment, personal matters often come into play. Concerns about work-life balance, dreams, fears and insecurities, the ongoing influence of past experience - all these have an impact on performance. The coaching relationship is flexible enough to handle this blurring of personal and professional issues and to help individuals grow in a safe and confidential setting.

· They use researched and diagnostic development methodologies to help client focus on the changes that will have most impact on performance. Self-assessment questionnaires, 360-degree performance reviews and other statistically validated tools are often used.

Training Services
· They know that individuals develop skills through a combination of methods: personal growth and self-awareness, understanding leadership concepts, getting feedback on their performance, skill-building, and on-the-job experiences.

· They develop and facilitate training that is business-focused, practical, interactive and enjoyable. Click the title of the training category below for more detailed information.
Managing Oneself
sharpen interpersonal communication skills and helps participants
develop effective time management and delegation skills.

Leading Individuals
shifts to an outward focus on how to more effectively work with others as
a means to improve overall organizational effectiveness.

Leading Teams
develops participants’ leadership skills for achieving business results and
improving employee satisfaction and retention.

Managing Customers
help clients get a better view of the needs of the customers they serve, and
help align their organization to respond to these needs.

Retail Consulting
The retail sector in India is undergoing enormous change, creating many
challenges and opportunities. CDS helps clients to manage the challenge of
improved customer service, channel complexity and introducing new
technology, while reducing costs and prices. Their experts have strong retail
experience and expertise, covering specialist areas such as retail pricing, in-
store innovation and consumer insight generation in retailing, as well as the
broader challenges faced by retailers today. Some of the specific areas CDS
can help are the following:

· Store launch promotion and development strategy

· Layout and Planning

· Vendor Management - Identification, Negotiation and Development

· Skill development - Training and coaching of management and staff
  of retail outlets
- Product Knowledge Training - front end and back end

- Setting up Merchandising process

- Category Management which includes
  - Range/Assortment Planning
  - Sales and Margin strategies
  - Promotional Strategy

- Customer development and retention strategy

- Operations and store management

**Engineering Consulting**

To survive in today’s competitive market the ‘mantra’ is Automation. CDS can contribute to client’s control automation needs using the state-of-art technologies and hardware. CDS with its associates also provide consultancy support in Civil, Structural, electrical and Composite component design.

CDS is fully equipped with workstations and a group of highly experienced engineers.

Some of the services offered are

1. System Study and preparation of Design Specification
2. Preparation of equipment specification also vendor selection
3. Configuration and layout drawings
4. Detailed engineering including software
5. Project implementation
6. Site support
TCS is taking the steps to train its employees at regular intervals by the help of CDS and the HR department is quite happy and satisfied with the training systems as well as with CDS peoples. They were pretty sure that after undergoing the training there will be a definite improvement of their employees’ so far different skill development is concerned. As it is very

INFOSYS EXPERIENCE

Infosys is an organisation whose primary source of revenue is from software application development and maintenance services. The company of late is moving up the value chain by providing higher-end services such as technology infrastructure management, system integration, customised industry vertical solutions, etc. However, since the primary revenue source is still from software application development and maintenance, there is tremendous competition from both offshore vendors providing similar services from India and global services providers with a large India base such as IBM Global Services, Accenture, and CSC. There is pressure on the company to move to value-added (higher margin) services to protect the current levels of profitability. In this sub-section of the chapter the survey work regarding the 360 degree feedback process and its implementation has been explained at the Infosys. It has been detected that at Infosys they have adopted a competency based leadership development model and hence their 360 Degree Feedback instrument is also based on leadership competencies. Since this is an expensive proposition, most organizations have a generic instrument addressing the needs of a set of roles. The effectiveness of the instrument as a development tool is to a large extent dependent on how well the competencies are defined for the set of roles for which it is administered.

In this section of the chapter we use the Infosys Leadership Development processes as the context to explain the challenges and complexities of designing 360 Degree Feedback instruments for Tier-1 and Tier-2 leaders within the Leadership Development Framework of the company. The lessons learnt in this research are likely to be generic enough to be applied to the design of 360 Degree Feedback instruments in similar situations.
The plan of the study is that:

- In the beginning we will define the tier wise leadership competencies.
- Then we will describe the methodology of designing a 360 Degree Feedback instrument.
- Next we will describe the work needed for its refinement and
- Finally we will conclude with the lessons learnt in this issue.

**TIER WISE SYSTEM AT INFOSYS**

Infosys uses a stratified three-tiered approach to leadership development.

- Tier-1 of the Independent Business Unit Heads, Practice Heads, Vice President Sales and Function Heads.
- Tier-2 comprises of members who have the potential to occupy Tier-1 positions in 3 years and
- Tier-3 has members who can serve as the pipeline for Tier-2 in 3-5 years.

The pool for each tier accordingly is from different levels of the organisation. The rationale for adopting a stratified leadership development process is because we believe that the leadership needs of the three tiers are different and it is essential to make this distinction to ensure that the leadership development services are focused and well delivered.

**LEADERSHIP COMPETENCIES**

In order to ensure that leadership development is effective, the first step was to identify the leadership competencies that are relevant to Infosys. The aim of this understanding was to ensure that the 360 Degree Feedback instrument was customized for each tier. In this section of this chapter we want to focus on the challenges of creating a customized 360 Degree Feedback instrument for each tier. It also deals with the challenges faced in
understanding the meaning and / or implication of the manifested behaviours of leadership across multiple tiers. The challenges are exemplified by using two roles viz., Vice President-Sales (Tier-1) and Delivery Manager (Tier-2). We have outlined the key components of these roles in the following paragraphs.

VICE PRESIDENT SALES (TIER-1)

The Vice President-Sales is responsible for the revenue growth and client acquisition of a particular geographic region where Infosys operates. He is supported by a frontline sales force and interfaces with multiple groups:

- Marketing
- Software
- Delivery teams
- Technology and
- Industry specialists.

The key components of his role are as follows:

- Contribution to the sales strategy
- Planning and execution for sales targets
- Planning and execution for client acquisition
- Ensuring good client relationship

DELIVERY MANAGER (TIER-2)

The Delivery Manager manages 200 to 250 software professionals across multiple levels and is responsible for client deliveries. The key components of this role are as follows:
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· Delivery of software solutions
· Management of the teams in the unit
· Optimal people utilisation

To sum up the statements in the respective 360 Degree Feedback instruments for this attribute are as follows:

· Tier-1: Converts organisation vision into unit specific goals. Creates innovative action plans that drive the business.

· Tier-2: Translates the department / unit vision into team specific goals.

It is thus evident that the V.P.Sales clearly has a higher degree of organisational impact and this is reflected in the statements in the respective 360 Degree Feedback instruments.

METHODOLOGY OF SURVEY

The key task was to create a 360 Degree Feedback instruments for each tier that reflects the complexity of multiple roles in that tier. In order to do this effectively, we evolved the following methodology:

Competency definition and designing the instrument

Select a set of roles in a tier for the competency definition of the Tier.

For each role in a tier:

· Gets an understanding of the role using the job description for the role.

· Describe each leadership attribute in operational terms
· Verify with the role holders and the concerned managers

· Abstract an operational definition for each attribute based on the description of that attribute for various roles in each tier.

· Design a draft 360 Degree Feedback instrument.

· Validate the draft 360 Degree Feedback instruments with relevant sample Tier-1 and Tier-2 members.

THE STATISTICAL ANALYSIS

We have performed a simple statistical correlation analysis, the objective of which was to reduce the number of statements in the final instrument. We wanted to see how closely each statement was related to the overall competency group scores. After plotting the data, we did a correlation analysis of the competency average score with the individual statement scores (for each statement in the competency). To illustrate we did a correlation between \((x_1, x_2, x_3, \ldots, x_{28}, x_{29}, x_{30})\) and \((y^1, y^2, y^3, \ldots, y^1_{28}, y^1_{29}, y^1_{30})\); \((x'_1, x'_2, x'_3, \ldots, x'_{30})\) and \((y^2_{1}, y^2_{2}, y^2_{3}, \ldots, y^2_{29}, y^2_{30})\) and so on. Since there are 60 statements in all, 60 such correlation coefficients were computed. Given the small sample size, it was essential to select statements that had a high correlation coefficient with the competency. We therefore looked at a cut-off 0.7. Those that were subsumed were dropped. There were 8 such statements that were dropped in the process leaving 52 statements in the Tier-1 instrument.

Refinement has been made later on in the following manner. Look at statements with correlation coefficients in the following ranges:

\[
\begin{align*}
&>0.7 \\
&0.6-0.7 \\
&0.4-0.6 \\
&<0.4
\end{align*}
\]
Statements having a correlation coefficient greater than 0.7 will be automatically selected for the next roll out.

For statements with correlation coefficient in the range 0.4-0.6 and 0.6-0.7, it is proposed to do an expert panel discussion with the supervisors of the members and see if these statements are relevant for measuring the respective competencies and then either include or reject, based on the response. Statements with correlation coefficient less than 0.4 will be dropped from the next iteration of the instrument.

**SUMMARY**

Let us list the key facts of this study for the use of the industry designing competency based 360 Degree Feedback instruments.

It is important to be exhaustive while defining a competency, whereas while designing the instrument it should be as compact as possible. The process of validation is extremely important but should not be restricted to statistical tests alone. In our experience, it is observed that statistical tests are only indicative and we must also rely on our judgment before a statement is eliminated from the final instrument. We strongly opined that professionals preparing the instrument go through a process of debate, expert panel reviews, and other validation steps, before dropping a statement merely on the basis of low correlation scores.

**WIPRO EXPERIENCE.**

**Behaviourally literate workforce**

As an organisation WIPRO has been focussed on building a behaviourally literate workforce. A separate internal group called the ‘Personal Development Center’ focusses exclusively on identifying behavioural competencies required for each role and introducing interventions to help associates acquire these skills. “One of the most successful interventions at WIPRO has been the assessment centre initiative. Assessment centre is a
tool which uses simulated exercises to observe, classify and assess the behavioural skills of participants. In, WIPRO this technique has been used effectively since 1998 to assess the competencies of approximately 500 senior management and middle management professionals across the organisation. It has helped identify future ‘stars’ who can then be groomed to take on further leadership roles,” informs its Senior HR Manager.

Indraneel Mukherjee, Organisation Consultant and Founder of Bangalore-based iProdigy, who has conducted innumerable soft skill workshops for IT professionals, lists some of the ways how participants have gone back and created impact in their organisations by:

- Making individuals in their teams more productive
- Helping individual team members discover their talents, develop them into contextual strength and leverage the same in their respective work-context
- Delegating and creating more bandwidth for themselves to grow and evolve
- Enhancing retention and employability of their team members through meaningful engagement
- Making all stake holders-to-delivery genuinely accountable to the customer—collectively and individually
- Expanding their circle of influence to voluntarily include items that were a part of the circle of concern to influence the overall organisational climate.

Need to measure soft skills

The evident question is: why it is necessary to quantify soft skills? “Quantifying soft skills definitely helps in enhancing and improving organisational systems and policies. In any organisation, human resource
department has an agenda to organise regular training programmes and for that it is necessary to calculate Return on Investments and allocate the budgets accordingly,” answers Manager, HR Infosys. She further adds that to make this process elaborate it is essential to have pre-training, post-training and follow-up objectives in mind so that the value for money of every training module can be monitored. It is important that the same set of individuals is involved in continuous monitoring of the process to avoid perception gaps.

Significantly, while it is always possible to quantify skills like communication, people management, teamwork etc, it is equally important for organisations to understand that a proper framework needs to be established in the system so that everybody associated in the process are on the same platform. To design this framework, organisations first need to define their values and attributes. “Such an organised system reduces the perception gaps in measuring the soft skills, which usually arise due to organisational diversities,” asserts the Manager, HR. As an organisation is made up of individuals as well as teams with diverse perceptions and backgrounds, she believes that soft skills should be accessed through case studies. These case studies are an effective tool to monitor people individually. It also helps in a feedback mechanism to minimise perception errors.

**WIPRO way of skill measurement**

Assessment centres are considered one of the most objective and fair methods of measuring behavioural and soft skills. Despite this approach being expensive, as an organisation WIPRO is convinced that this methodology is the most strategically fit for its business and for identifying potential within the organisation. At WIPRO, the participants of an assessment centre are put through a series of individual and group exercises—both written and oral—designed to measure proficiency in distinct competencies and dimensions.

“Each organisation evolves role-related competencies and the assessment centre instruments measure an individual’s present and future potential in each of these dimensions. In our organisation, considerable effort has been
invested in identifying the managerial competencies required to be an effective leader. Nine major clusters of behaviour are assessed through these two-day workshops through a series of simulations,” says Manager HR. The activities include ‘in-tray’ or ‘in-basket’ exercises, leaderless group activities where the team needs to propose a solution or arrive at a consensus.

He elaborates how each exercise measures specific competencies: Each competency is in fact measured by more than one exercise. For example, leadership is measured through three different exercises.

If a manager attends the assessment centre, at the beginning of the two-day workshop, he handles an ‘in-tray exercise’ where he is actually given ‘in-tray’ items and he has to decide on how he would handle each item. Competencies such as communication and problem-solving are assessed through this.

He then participates in two group exercises where he is assigned a specific brief in the case-study and he needs to work with the group to arrive at a solution to the problem. Observers watch keenly to gather evidence of competencies displayed, such as building relationships, leadership, etc.

Other traits such as problem-solving and creativity are also evaluated through analytical tests. He is also required to do an in-depth analysis of a case-study assigned and identify solutions to address the problems of a hypothetical organisation. This again will help measure his communication skills and his strategic vision.

“The output of this is in the form of a rich, detailed report about the individual and his performance under each competency. This gives a holistic picture of the individual and helps in career/role-related decisions. For example, for the manager mentioned above, some of the key strengths identified like strategic vision, leadership and the ability to manage change propelled the organisation to identify him to head a separate region,” explains the Manager HR.
The benefits of measuring soft skills

- Early identification of potential helps WIPRO optimise talent and groom its future leaders effectively
- Each participant gets a clear picture of where he/she stands with respect to each behavioural competency
- Data generated is used as an input for several other subsystems in the organisation such as role-definition for the individual, training and development
- The quality of managers becomes at par with global standards.

Future usage of data

A significant benefit of the effort is the usage of the date for future benchmarking. For instance, Infosys has developed a 12-month comprehensive programme called Pegasys to assess the soft skills of its managers. For every module a mentor is identified to pre-assess the individual. Cumulative rating is then given to every individual post measuring their skills in modules of attitude, ownership, leadership etc. “This rating not only helps us to create a benchmark for performance management reviews for every individual but also helps us to charter a proper learning curve of all chipmates,” says the Manager HR, adding that another important use of the database is to assist organisations in managing the team dynamics, which can be looked at in two ways:

- For a new manager, this data would be of immense help in understanding the qualities of every individual in his team and he can then assign and allocate roles
- For new projects, the organisation can identify a core team based on individual soft skill expertise to deliver results.

This database can help in benchmarking HR processes in an organisation.
Imperatives for WIPRO

On the basis of some personal discussion with the present HR people and from the literature and documents prepared by Mr. R.Acharya the V.P.Corporate HRD and T.Mazumdar the SrManager Corporate HRD of WIPRO it has been observed that the following imperatives are accorded significance at WIPRO:

1. Wipro’s vision statement begins with the belief that “people come first”. This clearly underlines the emphasis on people’s processes.

2. WIPRO has ambitious growth plans and a large portion of its business is concentrated in the knowledge area. It resides in the minds of the people and in their “competencies”

3. With a high level of recruitment and selection, it became important for the selection process to be interviewer dependant.

4. Competencies define what is expected in precise terms. This also gives a clear direction to the training and development plans.

5. Wipro decided to accept the People Capability Maturity Model and to reach at a level which will tell that the frame work requires that all people processes are competency based.

6. The competencies are absolutely defined for WIPRO on the basis of which assessment is made.

Steps to define competencies.

The following steps are used to define competencies at WIPRO:

1. The needs for competencies are clearly defined. It has been observed that a lot of people attended formal courses both in India and overseas.
2. Some of the best companies of the world were visited to find out how they implemented competencies, including AT & T, which is known to have pioneered the concept in the industry.

3. Presentations were made to the top management of various business units in the WIPRO Corporation.

4. A team was created to identify success behaviours for a particular critical role, viz. That of a middle manager, in the business units.

5. Empirical approach and various techniques were used such as:

   - Critical Incident Technique: Respondents were asked to relate specific incidents, which highlighted exemplary behaviours in critical situations. This is based on the assumption that the best and worst of a person surfaces in crisis.

   - Repertory Grid: In this technique, respondents were asked to think of the top 10 performers they have witnessed in a role. They were asked to give behaviour that differentiates the best from the worst. These behaviours were used to create appropriate constructs for arriving at successful behaviours.

6. At WIPRO competencies were not defined for a given role but also for roles above and below that. Further these were validated and measured.

7. For this, WIPRO approached Saville and Holdsworth, an internationally renowned organisation in this area to help the organisation take this task further.

8. With the help of Saville and Holdsworth, vision and values of WIPRO were examined and future organisation competencies were defined. This helped in determining what the individual competencies were needed.
9. It has been further observed that with extensive interviews, the validated framework of Saville and Holdsworth was tailored to WIPRO’s plans and values.

10. As a result of this 24 competencies were mapped on to various functional roles and different levels in the organisations. They are as follows:

- **Leadership:**
  
  a) Effective delegation
  
  b) Developing staff

- **Analytical:**
  
  a) Problem solving
  
  b) Planning and delivery
  
  c) Specialist knowledge

- **Dynamism**
  
  a) Self confidence
  
  b) Decisiveness
  
  c) Drive
  
  d) Initiative
  
  e) Persuasiveness
  
  f) Oral communication skills
  
  g) Written communication skills
11. This has been applied to selection, by designing selection data sheets based on competencies and to training, by creating competency-based programmes. It is in the process of being applied to other processes as well.

12. WIPRO utilised all of these processes for development centres for developing high potential.
It can be safely concluded about the workings of WIPRO that the framework of competencies allows organisations to develop employees who can succeed on a sustained basis. Continuous innovations are also made that do not compromise with the same level of excellence. The assessment centre process is an extremely potent tool in the hands of experts who wish to bring about changes in the HR inventory of an organisation. If the process is planned and launched properly, it can bring about significant changes in the lives of people working in WIPRO. Wipro will reap the benefits as a logical consequence.

AN EXPERIENCE FROM SATYAM

‘We invest in soft skills’

In today’s competitive environment, it is essential for employees to imbibe the soft skills that are required for their role in the organisation. Satyam Computer Data Processing Centre focuses on these skills too while hiring employees and also while training them. A personal interaction with the Manager HR has revealed some issues regarding soft competency from some of the answers to the questions put by this researcher. The interview process has been recorded with a help of tape recorder for future references.

1. How do soft skills help in developing competencies?

Competencies are a set of desired behaviour. Soft skills or behavioural training programmes are one of the most effective ways to enhance desired behaviour and correct or change certain unwanted behaviour. Competencies like leadership skills, team work and team management skills, time management, decision-making skills, presentation skills and etiquette as well as numerous others can be improved or enhanced through targeted training programmes and monitoring of continuous application and implementation of these skills on the job.

2. How can absence of soft skills affect an employee and an organisation?
The employee will most likely be unable to handle or deal with future or anticipated responsibilities if there is no preparation for the role, both in terms of technical and soft skills. In the long run, if the organisation does not invest in soft or behavioural skills programmes, they are likely to face a leadership crisis.

3. **How can the development of soft skills lead to an advantage for any organisation?**

Without the right skills and targeted investment in learning opportunities, an organisation cannot hope to compete successfully. Training leads to engaged employees who know that the organisation is investing and interested in their development. With reference to other big IT industries, Satyam Computer is a relatively new industry in India and the skill sets of their employees are often functioning. Thus they try and hire the brightest technical talent with the right attitude. Once the on-boarding is complete, they try and equip them with the requisite soft skills and managerial skills to function better in their roles as team leaders and managers.

4. **How do employers identify people with soft skills?**

Aptitude tests and face-to-face interviews help to gauge competency levels and attitude. They sometimes deploy tools for a certain level of new recruits.

5. **Can you tell us about the different soft skills that are needed today by executives working in the IT industry?**

We invest in soft skills, which will translate into more productivity and effectiveness in their roles. For instance

- managerial effectiveness,
- personal effectiveness,
- time management,
· team building,

· presentation skills,

· business and telephone etiquette

are some of the soft skills that are required by executives today.

6. **Do you take help from consultants when recruiting or training employees with soft skills?**

We have identified soft skills trainers who have a long standing relationship with the organisation and understand the business and industry. This is because we view training as a crucial effort which can be best imparted by specialists in the field to make it more effective and productive.

7. **What kind of importance is given to soft skills in promoting employees?**

50 percent weightage is given to core competencies (leadership, teamwork, decision-making and innovation) during performance appraisals. We have a standard list of competencies across the organisation, though different levels of the competency are defined for each role. These competencies are given equal weightage when considering promotions.

This chapter examines competencies and competency use in competency-based human resource management (CBHRM). Considerable confusion has arisen with respect to the use of competencies in both the private and public sectors. Several researchers (Antonacopoulou & Fitzgerald, 1997; Austin et al., 1996; Lado & Wilson, 1994) have expressed concern about the lack of clarity with respect to specific competency issues. What follows is a discussion of these issues and an exploration and clarification of their respective roles in the strategic management of human resources in the IT sector.

The chapter is intended to be a general inquiry into the competency
movement, assessing current and historical practices and theoretical underpinnings, ultimately identifying key issues in the use of competency-based models in the IT sector. Given the problematic nature of strategic human resources management in a rapidly changing environment, researching this chapter, not surprisingly, uncovered as many

The present study is concerned more with establishing the linkages between organizational (core) competencies, individual (core) competencies, and job-specific competencies as these relate to organizational effectiveness and executive control of the human resources (HR) function.

Differences in definitions notwithstanding, Hendry and Maggio (1996) suggest that when competencies are linked to the broader goals of an organization, the following common elements emerge as outcomes of a comprehensive competency model:

- Identification of characteristics and behaviours that differentiate top performers from others in relation to their contribution to strategic objectives;
- Clarification, communication, assessment, and development of characteristics that focus individuals on core organization goals;
- Practical observation help prescribe and validate behavioural descriptions that achieve the desired results;
- Description of skills, attitudes, traits, and behaviours that can be attached to pay, performance measurement, hiring criteria, training, organizational staffing, career development, and succession planning.
- Competency profile development can be handled in a number of ways, two of which are the top-down and bottom-up approaches.
- The top-down approach generally involves picking, based on a strategic analysis of the organization’s performance objectives, an array of competencies from a dictionary of competencies and assessing those for a
particular position or class of positions. The shortcoming associated with this approach is that the competencies survey is carried out as an additional step separate from the creation of the profile. The top-down process has the potential to reduce the applied face validity of the profile and, subsequently, reduce employee buy-in.

- The bottom-up approach on the other hand involves exploratory checklist surveys and subsequent confirmatory interviews to derive the competencies from employees, thereby increasing the face validity and simultaneously developing the assessment questions to tap into them. In addition to these potential benefits, bottom-up approaches may result in employees being directly involved in the development of competency profiles that will describe behaviours that are relevant to their tasks.

- This is useful for gaining employee understanding of, input to, buy-in, and loyalty to the process (North, 1993).

**SATYAM-IMPLEMENTATION OF 360 DEGREE FEED BACK.**

Business today is under constant pressure to sustain and improve their bottom-line. With personal costs between 60 and 75 percent of most business operating budgets of IT Companies, this translates to improving the effectiveness and efficiency of people in the organisation. Recognising this –at Satyam- a holistic approach has been adopted for Performance Management. The higher one goes the lonelier it gets- or so the saying goes. Senior Level Managers sometimes do not get to know the extent of the impact they have on the organisation. At Satyam assessment and coaching is used to expand a person’s capacity to be effective and flexible in leadership roles. Satyam’s flexibility and openness to experiment with new relationship models and mature feedback processes come across as some of its key strengths. As a part of our research we had launched the 360 Degree Feedback process based on inputs from the various feedback interventions implemented within the company. This part of the chapter attempts to bring forth the multi faceted experiences in implementing this practice at Satyam.
360 DEGREE FEED BACK

360 DEGREE FEEDBACK is emerging as an important HR tool globally. It is a full circle multi source multi-rater system of obtaining information from peers, subordinates, and internal and external customers, about the employee’s performance. This process provided us a comparison between one’s own perceptions and how his or her peers, supervisors, subordinates, internal and external customers viewed their leadership.

We, at Satyam assessed this through a questionnaire specially designed to measure behaviours considered as crucial for performance, based on:

· the leadership competencies and

· the core value of the organisation.

This process helped Satyam to:

· Get the “task managers” to work well with people and the good “people managers” to work well with tasks.

· Managers to be the leaders and leaders to be the managers.

· Enable a cultural change to one that is open, positive and interactive.

RESEARCH.

During the process of research the researcher generated the required trust among the respondents that the information evolving during the process would be used for purely academic purposes and reassured confidentiality. Thus the objectives and needs of this process were clarified to all the respondents at the outset. We documented a standard process to be followed and finalised the reports. A plan of logistics and budgets was done well in advance. We got full cooperation and support from the respondents and the authority also. In our plain observation, percolating from top (top down)
was easier than climbing the cliff (bottom up). The feedback derived were analyzed and ploughed back into the process. We assured the anonymity of responses, confidentiality and respect for the participants and respondents. Finally, individual reports and consolidated summary as required were prepared and distributed.

**FINDINGS**

It is learnt from the exercise that 360 degree feedback does help. All of the participants and respondents expressed positive notes wherein they felt that the feedback was forthright and educative. In most of the cases it has been observed that they were aware of it themselves, but this feedback reinforced the thought that they had to be more purposeful. It is sure that if this exercise will be repeated twice a year and the feedbacks will be analysed and implemented it will help the Satyam authority to make every SATYAMITE IN TO A LEADER.

**Competency Experience - General**

The Researcher has conducted a survey of 4 (four) large size IT organizations to determine their use and experience with competencies. Approximately one hundred respondents from each sample unit were interviewed for knowing their approaches towards this issue. A structured but exhaustive questionnaire was also served to them for future analysis and interpretation of the result which will be used for academic purpose only. The survey pointed to wide use of competencies, but to varying degrees of rigour and application. The survey found organizations using competencies for:

- Communicating valued behaviours and organizational culture (75% agreed competencies have a positive effect)
- “Raising the bar” of performance for all employees (59% agreed)
- Emphasizing people (rather than job) capabilities as a way to gain competitive advantage (42% agreed)
- Encouraging cross-functional and team behaviour (34% agreed)
The survey cautioned that “for many of these goals, however, the jury is still out as to whether competency-based HR applications are doing what senior HR practitioners would like.”

All of the responding organizations with competency-based applications for staffing, training, and performance management had the programs in place for a longer period. Sixty-nine percent of competency-based compensation systems were in development and working for the last four to five years. The report points out those competency-based HR applications are evolutionary rather than revolutionary, in that they are treated as add-ons to existing HR practices. “They are clearly not throwing away their existing systems; they are using competencies as a way to clarify what performance matters.”

Respondents in the research study listed senior management, high performers, and functional experts as the top three sources of information to develop competencies. The study also noted that competencies tended to highlight organizational behaviours rather than job-related skills. Zeroing in on those competencies which add real value to the business key.

**Competency Experience – In IT Sector**

Our survey indicates widespread use of competency-based human resource models by IT sectors, but the extent of use remains uncertain.

For example, TCS used to link competency, performance management, and pay. They came up with a short list of 10 competencies –

- analytical thinking,
- conceptual thinking,
- customer focus,
- developing people,
· flexibility,
· information seeking,
· listening, understanding and responding,
· performance excellence,
· team leadership, and
· teamwork –

specific to TCS using a standardized menu of competencies to survey employees and identify proficiencies relevant to each job.

Other IT sector initiatives reported by our survey include the finance department of INFOSYS which introduced competency modelling for its 50 employees and Satyam Computers which used a project team to identify 10 to 30 technical competencies (e.g. keyboard, software skills) and five to eight behavioural competencies (e.g. time planning, initiative, telephone presence).

It has been observed by the researcher that how TCS uses competencies to assess and reward individual performance in terms of core competencies that reflect the company’s strategic focus and priorities and how WIPRO applies the notion of competencies to all aspects of human resources management, starting with the HR plan. In the latter case, gap analysis provides the basis for behavioural-based interviews to select candidates who fit with their core competencies, for an individual development process, for succession planning, and for job definition determined by the competencies an employee applies.

Current Prospects for the Competency Movement in the

IT Sector
A wide variety of generic competency models are available for performance improvement when driven by a strategic planning process in IT sectors (Bryson, 1995; Dror, 1997; Dubois, 1996; Lado and Wilson, 1994; Snell & Youndt, 1995). These models typically link organizational core competencies with employee core competencies, as distinguished from employee job-specific competencies, in order to establish a direct linkage between the organization’s priorities and employee behaviours. Creating effective linkages can be problematic and the above mentioned potential advantages and disadvantages of the competency approach also apply to competency programs in the IT sector. For example, the TCS and WIPRO designed a competence checklist to replace its traditional, centrally-controlled selection criteria and it resulted in a pattern of strengths and weaknesses similar to those reported in the North American literature on competencies (North, 1993).

Bryson (1995) describes several methods by which IT sector and non-profit organizations can identify their organizational core competencies as a significant output of the strategic planning process. For example, a strategic consideration of an IT sector organization’s strengths and weaknesses can identify its organizational core competencies in concrete terms. Improvement of organizational core competencies can then be achieved through coordinated adjustment of HRM administrative policies and practices covering all, or selected, personnel functions. In some cases even in IT sector settings, it may be important to ensure that an organization’s competency model be explicitly future oriented, rather than implicitly historic, and that it identifies levels of superior strategic performance rather than levels of threshold, or minimum, operational performance (Jacobs, 1989). For example, entry level recruitment to the stakeholders based on the assessment of potential could include future oriented expectations in the priority assigned to different competencies, and in the design of competency assessment instruments.

Using a top-down approach, Dror’s (1997) generic strategic analysis of the alternative roles of senior officers links the core capacities of the organization with the attributes of its individual members. These are equivalent to
organizational core competencies and employee core competencies, respectively. Dror’s recommended future-oriented core capacities (organizational core competencies) include:

- intervening in history,
- energizing,
- adjusting social architecture,
- risk-taking,
- handling complexity,
- making harsh tragic choices, and
- mobilizing support for constructive destruction.

A similar typology of functions unique to the IT sector provided by Carroll (1997) includes: reconciling differences, achieving agreement, and using legitimate authority to carry agreements into effect. Dror suggest that these core capacities can be actualized through utilization of six attributes –

- super-professionalism,
- innovation-creativity,
- merit-elitist but society reflecting,
- virtuous,
- autonomous but subordinated, and
- mission-oriented

— (employee core competencies) of the senior executive cadre. Dror believes that these executive core competencies are required to carry out higher order tasks which have strategic importance in determining the relative success of the industry in an era of globalization and rapid change.
Another, complementary, description of competencies which distinguishes the IT sector from the other sector is provided by Sherwood (1997) — acceptance of the legitimacy of the democratic process and selected officials, an ethic of responsibility to the public at large, and respect for the expertise of other professionals. Taken together and extended, these competencies provide an alternative to the simple emulation of IT sector competency models and profiles.

To evaluate the potential for success of the competency movement in the IT sector, it is necessary to relate inputs to outputs. At the current juncture in the history of governance, the relationship between selected officials and their methods of work is severely strained, resulting in serious constraints on the strategic planning process (Carroll, 1997; Sherwood, 1997). The competency movement in the IT sector will probably be less connected to an effective strategic planning process, and thus will be less effective than it may be in the other sector. Exceptions to this pessimistic forecast may occur in IT sector organizations which enjoy both a strong mandate and an effective, ongoing consultation process among all its key stakeholders (Bryson, 1995; Austin et al, 1996).

Conclusion

This chapter provides a broad overview of the concept of competencies, its origins, and application in human resource management. A prime issue with CBHRM is that the approach, being relatively recent in the IT sector, has not yet been assessed. Empirical data are, as yet, not available to measure program success and to validate underlying models, implicit or explicit. Some desirable characteristics of such programs, however, would be the establishment of clear linkages to strategic corporate objectives, the specification of the models in use, and the anticipation of the on-going need for self-correcting processes.
References


5. Czarnecki, A. (1995, February 27). Some HRIS will link competencies with compensation and performance; no matter how you do it, it's still a lot of work.

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