CHAPTER-9

CONCLUSION

&

SUGGESTIONS
Faced with crisis of skilled people in various sectors of Indian economy Prime Minister Manmohan Shing on Saturday the 30th August 2008 set an ambition goal of having 500 million trained technicians by 2020. “With one of the youngest population in the world, India is estimated to have the capacity to create 500 million skilled and trained technicians by 2020 and claim a fourth of the global work force.” he said, while speaking at the National award presentation to Micro, Small and Medium Enterprises. “Education and skill development (competency development) can be Indians global opportunity,” he said adding that there are many simple measures that can help accelerate the pace of skill development. “In our National Action for skill development, we would like to set for the country the ambitious goal of 500 million trained people by 2020” he said.

“I have recently written to the Chief Ministers to consider opening up the public stock of buildings of educational institutions at the high school level and above, after class hours for those agencies, who are engaged in skill development of our youth” he said, “I hope the Chief Ministers will respond positively and agency that promote skill development in the private and the public sector will be able to utilise these opportunities” he said.

Competencies or skills can be thought of as the tools that individuals use for successful or exemplary performance. Competencies are the traits or characteristics, including an individual’s knowledge, skills, thought patterns, aspects of self-esteem, and social roles, that they use to achieve successful or exemplary performance of any type. Competency has been defined as a personal characteristic that is proven to drive superior job performance. It describes what top performers do more often with better results than their average counterparts. Competencies establish a causal link between certain behaviors and the achievement of success. They describe what makes people effective in a given role.”
Organizations are increasingly using competencies for human resource management purposes. For example, organization leaders have learned that if they isolate the competencies used by exemplary performers that distinguish their performance, they can “raise the performance bar” for all employees doing the same work by helping them understand how those distinguishing competencies are used to achieve a higher level of performance. This is a major reason for adopting the use of competency-based human resource management processes in each and every organisation in general and in IT industries in particular.

Competencies focus individual achievement on the outputs or results expected of persons rather than the traditional approach of focusing on employees’ successful completion of work activities, which might or might not result in obtaining the outputs or results that are valued by customers, clients, or constituents.

Organization leaders increasingly understand that when competencies are aligned with, their organization’s culture and expectations that productivity improvements can be realized. They now understand that, without competencies and their appropriate use in the organization context, virtually nothing of value can be accomplished. In organizations today and more so in the future, “jobs” are a less meaningful entity for describing performance expectations than is the “work” that must be completed for organization success. Using a “work-based” approach, the outputs are defined and the tasks and competencies needed to achieve them are identified and brought into alignment with each other. Then, in order to achieve the outputs or results, it is a matter of locating the external candidate or employee with the competencies needed to achieve the desired result. Therefore, competencies provide the avenue for organizations to shift from job-based to person-based work assignments.

Competencies can become the foundation for every human resource management function in an organization, including its recruitment, selection, training, employee development, career management, performance management, human resource planning and its rewards, recognition, and retention functions. In this venue, competencies become the foundation for
achieving a broad variety of organization outputs or results in an efficient and effective manner. As their use in organizations increase, doubtless other benefits will be discovered as the applications become better understood and subsequently more sophisticated.

The conclusion arrived out of the study on “SOFT COMPETENCY IN CORPORATE MANAGEMENT” is presented in this chapter. In order to facilitate easy understanding the chapter wise conclusions have been presented hereunder.

The study starts with the introduction as the first chapter. One humble attempt has been made to introduce the topic that is soft competency and its need in the present business world in general and in the information and technology sector in particular. Presently the Indian software industry has been able to catch up—successfully access, learn, and develop—to the technological standards of global leaders while others in the developing world lag behind. It has grown more than 30 percent annually for 20 years, with 2008 exports projected at close to $60 billion. India exports software services to more than 60 countries, with two thirds to the United States.

An abundant pool of Indian technical manpower, due to early government investment in technical education, created a series of elite technical and management institutes that responded to a severe global shortage of technical manpower. Very competent, English speaking, trainable and hungry for higher wages, Indian firms sent staff to onsite client facilities in the United States and to other countries too. The Indian “brand” image for affordable speed and quality grew. This shows the importance for the skill or competency development among the people engaged in these software industries. Effective performance management, leadership development and succession planning require awareness and measurement of soft skills competencies. Technical competencies, or hard skills, are easier to identify because they are objective and measurable (quantitative). Interpersonal competencies, or soft skills, are more difficult to define because they are subjective (qualitative). They are based upon observation and outcomes, positive or negative, of human interactions.
Another way to look at hard vs. soft skills is to view hard skills as representing the ‘what’ and soft skills as representing the ‘how’ of doing the job. *Soft Competencies* correspond to personal behaviors, personal traits and motives. Examples of soft competencies are leadership (ability to guide, motivate and influence personnel to meet the organization goals), working with others, having a safety conscious focus, integrity, persuasiveness, adaptability (ability to readily adapt to new conditions, teams or tasks and to be receptive to new ideas or opinions), etc. Very little scientific research and systematic study is done in this field. Hence the objective of this research is:

- To study the format and implementation of competence management policies in the sample units with special emphasis on soft competency.

- To study and evaluate the functioning of the personnel departments in the sample units in the light of competency management in general and soft competency in particular.

- To study the practices relating to administration and competency level in the sample units.

- To analyze the effectiveness of the competency management policy and practices of the sample units in the light of the opinions received from the upper management level.

- To assess the prevalent position of personnel profession in the field of competency management in the light of unit level experiences.

This study covers four of the big software industries in India. They are **TCS**, **WIPRO**, **SATYAM** and **INFOSYS**. They are the giant companies famous for providing IT (Information Technology) Services to the world. The present study covers the data available up to December 2007. This is because the data collection including the pilot study has spread over for a period of six years commencing from January, 2001 to December, 2007.
The methodology adopted is descriptive cum analytical in nature. The present study being exploratory in nature has not started with any hypothesis. The exploratory studies are not terminal and just a starting point of a larger study. They are very useful in formulation of hypothesis for any subsequent study. This study has used the elastic method of research combining historical case and survey methods. The historical method traced the genesis of personnel competency and practices, while the case method has been adopted to make an in-depth analysis of soft competency management policies and practices. The opinion survey has supplemented the data collected from the organizations under study.

CHAPTER 2: Competency Management a General Profile.

This chapter has been devoted to explain the details regarding the theoretical aspects of competency in the first section and the general profile of the sample units in brief in the second section.

“Competencies” are increasingly becoming important in the lives of individuals, employees, career practitioners, and also organization supervisors, team leaders, managers, executives, and other leaders. Due to their growing importance, it is important to understand what competencies are and are not, and to have a vocabulary and framework for conceptualizing and discussing this important human resource concept and the technology surrounding its application.

This chapter opened with a discussion of the meaning of the word “competency.” Next, “behavioral indicator” was defined and examples of them were provided. The importance of using competencies in ways that are appropriate to the demands of the performance situation was explained. A brief discussion is made at how competencies are identified. Next, the following question has been answered: why are competencies gaining increased importance in organizations? Which was followed by a discussion of how individuals can use competencies to their advantage? Then the question: why should competencies be of importance to career practitioners has been answered and finally organisational competency has been explained.
In the second section of this chapter a brief profile of the sample units such as the Wipro, TCS, Infosys and Satyam Computer has been given for general reference.

CHAPTER-3. : Soft Competency Management.

Soft Competencies correspond to personal behaviors, personal traits and motives. Examples of soft competencies are leadership (ability to guide, motivate and influence personnel to meet the organization goals), working with others, having a safety conscious focus, integrity, persuasiveness, adaptability (ability to readily adapt to new conditions, teams or tasks and to be receptive to new ideas or opinions), etc.

In this chapter, we have presented the overall ideas underlying the project COMMONCV (which is dedicated to the management of competencies in the context of e-recruitment) and we have proposed a competency model adapted to one of our objective: the formal representation of the competencies underlying a significant part of CV or a job offer. We have also justify why the semantic web and the ontologies are crucial for this project and we have introduced a first scenario of use in order to give an intuitive understanding of the benefits provided in our approach. From a technical viewpoint, we plan to represent all the domain ontologies by using a semantic web language.

A statement can be clearly associated to the part of the CV where the considered competency is illustrated (for instance, a work experience or extracurricular activity).

This ongoing work is currently in progress towards the definition of the scenario of use dedicated to the recruiter viewpoint and the definition of operators dedicated to the matching between the required competencies underlying a job offer and the acquired competencies underlying a CV. These operators will be based on the reasoning mechanisms provided by the semantic web languages.
CHAPTER-4. : Software Industries in India.

This chapter explained the evolution of India’s software industry from its origins in 1974 to the present time. Domestic entrepreneurship drove the industry’s origination, survival and innovation during a time when the state used policy to promote SOEs and to crowd out the private sector. The state’s policies effectively prevented the private development of software in India. The private sector, in collaboration with TNCs, found an innovative solution, that of exporting programmers instead. However, this strategy caused certain weaknesses such as the shortage of domain skills and project management skills to become embedded. The growth of the industry, which happened in the mid-1980s, was preceded by a paradigmatic shift in government policy from hostility to the private sector to support for it; and maturation was also critically enabled by the modularization of the programming function through the establishment of UNIX and the workstation in the 1980s. It has been explained how this led to a focus on custom programming services located in Bangalore. In the process, the industry acquired skills in managing projects remotely. Other weaknesses, particularly the shortage of domain skills and difficulties with coordinating cross-border projects, persisted.

While policy reform has put in place several of the conditions for future growth, the shortage of domain skills arising from small domestic markets, limited university research and interactions with the commercial sector remains. Some of these skills are being acquired through cross-border interactions and alliances. This, in consequence, means that established domestic firms now compete with TNCs and startups with overseas links that have superior domain skills. As a result, while the large domestic firms’ leadership of the software industry is increasingly being shared with TNCs and startups, the acquisition of domain skills is likely to result in benefits for the industry as a whole, implying higher value-addition. This paper adds to the literature on conditions for industry origination and development. The implantation of a technically sophisticated industry like software into a less-developed host country has typically been explained by the access of transnational corporations to local resources facilitated by policy reform. Software might be considered a particularly difficult type of
service to offshore, because the labor needs to be skilled, relative to what is
required for the off shoring of, say, routine call-center work or voice
transcription. Even within software, one would expect that work to support
product software, done by TNCs, would be the point of origination. It can
be said that it is possible to develop sophisticated industries even when
many of the conditions that have typically been required elsewhere are
missing. However, the absence of certain initial conditions, notably the
absence of supportive policies to induce TNCs, can cause certain weaknesses
to be embedded in the industry.

Regarding the growth of the software industry the credit goes to technical
young peoples and English-speaking scientific professionals for the success
in India’s software industry. Presently for the further strengthening the
industry, the Government has stepped forward with more. It can be safely
concluded that the software industry in India can be built entirely on human
capital. It requires limited infrastructure and upfront investment.

CHAPTER-5 : SOFT COMPETENCY DEVELOPMENT

This chapter mainly discussed the soft competency development system in
Indian business environment. This chapter focuses on the delivery, in India,
of a nationally accredited competency-based training system in Business
Management. This program was instigated to deliver business management
training to unemployed adults desirous of self-employment with their own
business enterprise. Faced with crisis of skilled people in various sectors of
Indian economy Prime Minister Manmohan Shing on Saturday the 30th
August 2008 set an ambition goal of having 500 million trained technicians
by 2020. “With one of the youngest population in the world, India is estimated
to have the capacity to create 500 million skilled and trained technicians by
2020 and claim a fourth of the global work force.” he said, while speaking at
the National award presentation to Micro, Small and Medium Enterprises.
“Education and skill development (competency development) can be
Indians global opportunity,” he said adding that there are many simple
measures that can help accelerate the pace of skill development. “In our
National Action for skill development, we would like to set for the country
the ambitious goal of 500 million trained people by 2020” he said.
This chapter also presented a perspective on vocational learning that proposes that vocational competence is dependent upon dispositional development, which in turn, results in moves towards maturation. To understand the importance of trainees describing their learning outcomes in dispositional terms there follows a brief and selective review of the literature on competency-based training and training packages in India. This leads into a discussion of workplace knowledge and vocational competence that introduces the topics of individual dispositions and maturation.

It is observed that considerable complementarities exist between psychological health and maturity. Knowles (1990) argued that as individuals matured, their need and capacity to be self directing and their need to organize their learning around life problems steadily increased in the period from infancy to pre-adolescence; and rapidly increased during adolescence: “the need to be increasingly self directing continues to develop organically” (Knowles). Researchers studying healthy adult development now assume maturing continues throughout the life span (Levinson). The implication of Knowles’ multidimensional theory of maturation is that every educational activity can provide maturation opportunities for each individual in several dimensions since dimensions of maturation are interdependent. With this back the research has been conducted.

The research reports on three streams of inquiry. First, on qualitative research which used semi-structured focus group sessions to identify the terms by which trainees described their competency learning outcomes? Second, on the classification of trainee terms into a dispositional framework and the linking of the framework to a dimension of maturation scale formulated by Knowles. Third, on the quantitative outcomes resulting from trainee pre- and post-course dimensions of maturation scale (DOMS) self-reports are prepared and analysed. The research had two primary purposes: First, to investigate the terminology used by trainees to describe their non-competency referenced outcomes. Second, to quantitatively investigate trainee reports of dispositional outcomes associated with moves towards maturation. Research participants were 60 unemployed adults (20 females, 40 males) enrolled in business management classroom delivered courses. A
total of 55 trainees (17 females, 39 males) were long-term unemployed adults; that is, unemployed for longer than 18 months. The remaining four respondents (three females, one male) were recently graduated. All trainees were aged between 18 and 54 years of age (female mean age 30.3 years, male mean age 31.5 years). In the present research, closeness was sought in order to develop a deep understanding of competency outcomes as described by trainees from their unique perspective. To accomplish this, two semi-structured focus groups were conducted over the research period during which the focus of discussion was on competency learning outcomes.

The research resulted in four main findings. First, that while training packages describe assessable outcomes in competency referenced terms, trainees describe learning outcomes in non-competency referenced terms. Second, qualitative data revealed that vocational trainees describe their learning in terms of dispositional outcomes; that is, in terms of values, interests and attitudes. Third, that for analytical purposes, dispositions can be categorised in terms of maturational concepts. Fourth, that quantitative data revealed that trainees made moves towards maturation because of the training over the six-week period of the course. This last finding suggests that CBT is effective. The findings have important spread out for all future CBT trainees.

To sum up it can be said that worldwide, organisations are increasingly focussing on providing their employees with soft skills. These skills are often the determinants of how successful or effective a person will be. This is especially true of the booming software industry, where quality of the people becomes the single-most important factor in determining the success or demise of the organisation. As employees become increasingly self-aware or emotionally mature they learn to work together in a synchronistic way and contribute more effectively both as individuals and as team-members.

CHAPTER-6 : SOFT COMPETENCY EVALUATION

This chapter will discuss the method of evaluation of soft competency with special reference to the Indian software industries. Much of our work with top team members has been captured and recorded in the form of taped
transcripts, written notes, task worksheets and completed instruments and questionnaires. This bank of material enables this researcher to describe further, through illustration and examples, the key features and ingredients contained within the researched competence framework.

How does one measure the intangible or quantify the formless? This is a challenge that all IT organisations have dealt with while formulating methodologies for measuring the soft competency / soft skills requirements of their employees. Organisations today realise that while technical skills / competency can be easily acquired, when it comes to the seemingly ‘easy’ soft skills, most training programmes fail disastrously. Identifying the soft skills requirements of individuals, bridging the skill gap through consistent training, and grooming them for the future is an assiduous and expensive effort that most organisations today cannot afford to ignore for their critical business needs.

Having a system in place that is able to quantify these skill set requirements is a need of the hour. Development of these skills is imperative for organisational as well as individual success. “Many such skills impact the bottom-line, for example, employees who can easily adapt to change, or have the skill of building relationships or the ability to communicate fluently are able to form effective working relationships with clients and bring in more business to the organisation,” says Bhaskar Das, Vice-president, Human Resources, Cognizant. For the development of soft competency some training has been imparted to the selected employees in a phase wise manner by the IT industries in India. But it is very often asked by the management “How do we know if our training is effective?” That’s not an easy one to answer. Measuring training effectiveness has always been and continues to be a challenge.

When we think about measuring training effectiveness, it helps to consider the following questions: Do the training programs meet their objectives? If they do, how do they know the objectives were met? How do they measure concepts or competencies in training? Do their objectives tie to key competencies, measurements, and exercises? It has been observed during
the course of our interaction with the HR Department of the sample units that they all have designed the training programs that identify the correct objectives and meet those objectives? Although their training programme and duration are all different for different grades of employees they have the proper method of evaluation of their objectives. It is as easy as determining four components: Competencies, Objectives, Exercises, Evaluation. In this chapter, we have describe the methods to know how with some basic information, on how they use the formula to develop training programs and how the formula help to provide guidelines for subject matter experts. It’s important to remember, though, that meeting their objectives only matters when they are the correct objectives. Finally an evaluation process has been prepared and discussed at length. The evaluation ties together the competencies, objectives, and exercises with measurement of the performance. The evaluation tool measures the competencies that are defined by the objectives and completed during the exercise. A positive yes answer to all the questions asked will confirm the effectiveness of the training for enhancing the competency of the trainees.

CHAPTER-7 : MANAGEMENT SYSTEM OF SOFT COMPETENCY

This chapter has been divided into two sections. In the first section the discussion has been made on market planning competency and in the second section of this chapter the theoretical aspect has been discussed regarding the personal competency. Whilst we are not disputing the benefits of the marketing planning process, it is important in the context of this chapter to consider some of the main criticisms levelled at it. These are quite extensive. Therefore in the beginning the criticism against the market planning process has been discussed. It is suggested here that a competency based approach might provide a solution. Therefore, what is required is a specifically tailored approach that develops a range of core skills that enable the development of a total marketing planning competency.

We outlined how a work-based learning programme can effectively address this challenge. Criticisms of the marketing planning process, developing marketing planning skills, incorporates a strong competency dimension. It
is appropriate to consider those aspects of the competency literature most relevant to the design of such a programme. A core theme in this chapter is to establish what competencies an effective marketing planner requires in IT based industries, and in particular, those that may assist in overcoming the barriers to marketing planning.

In the second section of this chapter emphasis is given on the development of personal competency among the employees. Competencies are requisite human capabilities for an organisation to maintain and develop competitive edge. These have casual relationship with effective and/or superior performance in a job situation, and therefore, are predictive for an individual’s behaviour/performance. Competencies are measurable and are possible to develop. If an organisation is aware of its competency requirements for various levels of jobs, it can straightway go for the assessment and development centre approach, otherwise running of such centres without measuring the competencies required, will be an exercise without a definite goal. Competencies cut across functions and can be applied to almost all types of employees. Profiling of competencies for an employee is called competency mapping which is done differently by different organisations. With this backdrop the organisations started imparting training programs for the development of personal competencies. Here in this chapter we observed what the employees learn during their training period regarding the personal competency. Personal competency consists, Integrity, Managing stress, Self-reliance and self-confidence, Self-awareness, Resilience, Cross-cultural sensitivity, Working with and developing others, Flexibility, Problem solving, and Achievement oriented.

Therefore in the first section of this chapter the researcher has demonstrated the usefulness of a work-based learning approach in developing a manager’s marketing planning competencies. The development process began with an identification of the challenges that participants had in responding to doing marketing planning. This chapter highlighted those competencies required to overcome marketing planning difficulties, and showed how they informed the development of a programme to improve marketing planning decision making amongst practising managers. There is no doubt in the value
of marketing planning to the effective development of any business. In spite of this, practise managers encounter all sorts of difficulties with the marketing planning process. Research into the efficacy of the work based learning approach is ongoing. However, a key lesson which has emerged at this early stage is the need for a curriculum in the workplace premised on the argument that learning occurs more effortlessly in an individual’s own working environment and when the prospective participants can see practical as well as academic benefits accruing.

Given the arguments presented above there exists a clear need for further research in the area and it is incumbent on marketing academics, consultants, educators and change agents to address some of the implicit and explicit challenges that this chapter has raised.

In the second section the brief account relating to the development of personal competency has been described which are practiced by the sample units through their respective training programmes for soft competency development of their employees. For a realistic competency development it is required that the organization should take repeated and alternative exercises of training assessing and further improvement through more rigorous training for the incompetent or less competent employees. Through alternate training and evaluation programme a successful competence development can be established.

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.

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.

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 much helpful the researcher is of opinion that this type of training for the enhancement of soft skill power may be provided by all IT organizations to their employees.

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.

Our observation is that 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.

As an organisation WIPRO has been focussed on building a behaviourally literate workforce. A separate internal group called the ‘Personal Development Centre’ focuses 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.

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.

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.

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 questions as it sought to answer.

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.

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 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:

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.

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 INTO A LEADER.

Beyond all this information received, 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.

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

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.

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.

CHAPTER-9 : CONCLUSION & SUGGESTIONS

This chapter brings the conclusions and recommends the suggestion on the observations that emerged from the study of soft competency in corporate management and offers necessary suggestions for future improvement wherever found necessary.

The changing role of HR in the present IT sector business world/environment has provided this researcher the impetus to probe in to two strategic HR tools-360 degree feedbacks and the development and assessment of competency through assessment centres. These tools are successfully adopted in organisations across the globe to align business with HR strategies. In our country there exists a knowledge gap with regard to these two tools as progressive organisations have introduced them only recently with wide variations in approach and methodology. With a view to gaining perspective on the concepts and process of these tools across a wide variety of industries and countries, we began a modest research since two years which got deeper as we probed, and wide variations began to surface.
In order to capture the variations with authenticity of feelings and experiences, the organisations and professionals involved in the implementation of these tools were selected purposively—each organisation had its own imperatives, paradigms, processes and learning—and the case study method was adopted for our presentation. The study explored the evolution, and the “what” and “how” of these tools from its concept to implementation and presents conceptual papers written by experts from academia and international consulting firms, as well as original case studies of national and multinational organisations operating in India, which have been focussing on theses strategic topics. This research is the culmination of a rather arduous journey in which professionals from industry and selected respondents from each of the sample units have been study companions. It is finally hoped that this work will provide value to the HR practitioners and professionals, and serve as a resource to academicians and management students in their future research work.

SUGGESTIONS

India is, in the words of the British historian, E.P. Thompson, the most important country for the future of the world. India in the first decade of the twenty-first century is a young country, an optimistic country, a country marching confidently towards the future. It is true today that the old calculations of ‘hard skill’ are no longer sufficient to guide a country’s conduct in world affairs. India must determine where its strengths lie as it seeks to make the twenty-first century its own. There is one attribute of independent India to which increasing attention is now being paid around the globe, it is the quality which we would do well to cherish and develop in today’s world: our “Soft Skill”. This soft skill is not just what we can deliberately and consciously exhibit or put on display; it is rather how others see what we are, whether or not we are trying to show it to the world. Mahatma Gandhi won us our independence through the use of soft power before the term was coined. This soft power is increasingly necessary now a days for each industries and more so in IT industries.
In their search for improving performance, organisations seem to have redefined their strategy in the last few years. In addition to making efforts to improve performance on continuous basis, they seem to feel that by having competent employees who have more soft competencies, at top levels they can achieve a lot. This has lead to renewed focus on soft competency development. We have in this study examined the bright side and the difficult and dark side of implementation of the development of soft competencies in the IT sectors in India. Some experiences from the sample units have been incorporated in this study. We hope all those who want to get the best out of soft competency development will find it useful.

This study provides a broad overview of the concept of soft competencies, its origins, and application in human resource management. A prime issue with Competency Based Human Resources Management is that the approach, being relatively recent in the IT sector, has not yet been assessed properly. Empirical data are, as yet, not available to measure program success and to validate underlying methods, 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 methods in use, and the anticipation of the on-going need for self-correcting processes.

A significant benefit of the effort is the usage of the data for future benchmarking. For instance, 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.

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.

The organisations should invest in soft skills, which will translate into more productivity and efficiencies. 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.

The soft skill development and evaluation process should be an integrated part of other training and development systems within the organisation.

Employees who are giving feedback should be fully aware of the context in which they are giving the feedback in order to minimise biases and ensure accurate and relevant.

This study has provided the organisation with inputs of assessment which can enrich an organisation’s human resources through identification of individual’s personal developmental needs, improve feedback and team work and also better career development.

It can be best used in a developmental context. It has the advantage of confidentiality, since it involves group of raters, the results are anonymous and are therefore, less likely to be biased or skewed either positively or negatively.

Several factors beyond the soft competencies of the manager may hinder the effectiveness of leadership. These factors could range from the organisational culture, business and market conditions to the value systems of the individuals involved. It is therefore important to identify and deal with the root issues to develop effective leadership in organisations.

Every organisation is unique because of its culture and people. Therefore, any approach or intervention needs to be suitably modified/ adapted to
the needs of the organisation keeping the theoretical frameworks in mind. However, the true success of any intervention is not its one-time implementation, but the ability to improvise, broaden the scope and repeat it with higher levels of success.

The soft competency assessment is an important element in the HR lexicon. Success of this approach will be evident only when necessary changes are made in other HR processes. The areas are:

· Monitoring of this process by bringing about corresponding changes in the Performance Management System.

· Changes needed in the Performance Management System, incorporating the critical competencies.

· Reorientation of Training and Development to cater to competencies now identified.

Soft competency by itself, while very important, cannot be standalone initiative. It would have to be a part of a larger strategy aimed at moving towards a better fit between job and individual, and a performance focus. This cannot be independently transplanted into an organisation, but has to be a part of the culture of the organisation. Thus it is journey and not a destination.