CHAPTER-2

COMPETENCY MANAGEMENT
A GENERAL PROFILE.
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Introduction

“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 present 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.

What is A “Competency?”

· Competencies can be thought of as the tools that individuals use for successful or exemplary (best-in-class) 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. (Adapted from Boyatzis, 1982.)

· Weiss and Hartle (1997, p. 29) say it this way, “... we define a competency 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.”

- Notice the emphasis that has been placed on **best-in-class or exemplary performance versus fully-successful performance**. There is a reason for this distinction. By identifying the competencies that exemplary or best-in-class workers use to perform a common body of work, organizations can raise the performance bar for all employees’ performance by helping fully successful workers understand and apply the competencies that best-in-class workers use to achieve the same work outputs or results and that distinguishes their performance.

Often one can lack a certain tool (e.g., a hammer) that is needed to perform some task or set of tasks. When this happens, we improvise or find a substitute for the missing tool. However, when it comes to competencies, these tools cannot be easily improvised or sacrificed when they are missing or, when they have not been developed within the individual. This raises a key issue: Not all competencies can be developed by all persons through training, education, or experience. Competencies of this type include items such as **Achievement, Motivation, Perseverance, or Patience**.

Without the correct competencies in one’s toolkit, that are appropriate to the performance situation, successful performance is not possible! This clearly underlines the critical and uncompromising importance of competencies and why they are receiving well-deserved attention today by a wide variety of organizations and individuals.

Human performance is continually being challenged as the circumstances of daily living and the business world evolve to ever more complex states. Competencies are the key tools that help human beings can use in socially acceptable ways to surmount these challenges in successful ways. (Dubois, 1998.)
Some Examples of Competencies

A review of recent literature will reveal that definitions and examples of competencies abound. One important component of those activities is to present some examples of competencies and explain why they are important for their performance.

Dubois and Rothwell (2000) noted that competencies are of the following types:

- technical or functional competencies, and
- personal functioning competencies.

They wrote that, “Technical competencies are the specialized primary and highly related knowledge and skill competencies that employees must possess and use in appropriate ways on the job (Dubois and Rothwell, 2000, p. 2-30).” Some examples of technical competencies include:

- Quadratic Equations: Solves quadratic equations over the domain of complex numbers.
- Surgical Wound Closure: Demonstrates the use of a primary closure technique to close a surgical wound.
- Word Processing: Word-processes standard manuscript text at the rate of 80 words per minute with no errors.

Note above that each competency is given a name and then it is defined as an action or behavior that an individual takes in order to achieve a desired output or result. These particular competencies are of the “knowledge” or “skills” variety. When it comes to analyzing and defining these work tools, these types of competencies are the easiest for the analyst to identify, define, and illustrate. They are also the easiest to assess in the worker.

However, not all competencies are that easy to define, demonstrate, and assess. We are referring to the more abstract or “soft” competencies that individuals use in a performance context, in combination with their technical
or functional and possibly other “soft” competencies, for successful or exemplary performance.

“Personal functioning competencies,” Dubois and Rothwell note, “… are not oriented or aligned with any particular functional or technical specialty. They include the characteristics or competencies that employees call upon and consistently use - along with their technical competencies - to be successful performers with other persons, both internal and external to their organization. They can also include knowledge and skills elements (Dubois and Rothwell, 2000, p. 2-31).”

Emotional intelligence competencies are also included among the competencies in this category (Goleman, 1996 and 1998).

Some examples of personal functioning competencies include:

- **Interpersonal Sensitivity**: Sincerely and consistently values and demonstrates respect for the opinions of others, even when one is not in agreement with those opinions.

- **Strategic View**: Takes a strategic or broad-range view of organization issues, problems, events, or circumstances relative to one’s thoughts, feelings, or potential actions.

- **Managing Emotions**: Manages one’s thoughts and feelings regarding circumstances, issues, or situations in ways that lead to productive or successful performance.

For “strategic view” of an issue, problem, or circumstance in a day-to-day work at the office, what other competencies might be needed to be used to take a strategic view of a situation? Behavioral indicators are the answer to this question. Behavioral indicators make competencies “come alive” in the performance environment. They are defined and illustrated as follows.

**Behavioral indicators**

Behavioral indicators describe actions or behaviors that one can observe an individual taking or using that signify an appropriate application of the
competency in a specific performance setting. Competencies are defined relative to the performance context in which they are to be used. Behavioral indicators capture key information about the cultural expectations of the work setting or organization.

Not all of the behavioral indicators would apply to a specific performance context. Accordingly, before adopting the use of a competency and its behavioral indicators, it is important to know the performance context (or contexts) for which the competency and its behavioral indicators were specified.

Here is a sample competency and the behavioral indicators that one might expect to see a supervisor use on the job (Dubois and Rothwell, 2000):

**Conflict Management**: Anticipates or seeks to resolve confrontations, disagreements, or complaints in a constructive manner.

**Behavioral Indicators:**

- Recognizes the potential for conflicts, confrontations, or disagreements.
- Resolves conflicts, confrontations, or disagreements in a constructive manner.
- Addresses formal and informal complaints from employees.
- Addresses formal and informal complaints from persons other than employees (e.g., customers, suppliers).
- Attempts to resolve employee complaints.
- Attempts to resolve complaints from persons other than employees.

**The Importance of Using Competencies in Appropriate Ways**

When defining and using competencies, individuals must use care to assess the performance context and apply the competency at the level of strength
needed to achieve optimum performance. To over-use or under-use a competency can easily jeopardize performance success.

**How Are Competencies Identified?**

Competencies are identified in a wide variety of ways by individuals and organizations committed to using them to improve performance. For work that is to be performed in an organization context, for example, the following types of methods are frequently used: focus group sessions with exemplary performers and their managers; behavior event interviews; competency card sorts using comprehensive competency menus appropriate for the performance context and the desired outputs or results; the adoption of competencies used by others where the application context is the same as or similar to that where the application is to be made; and, the use of surveys whose contents consist of “generic” competencies provided by a vendor or some other source. (Dubois, 1993; Spencer and Spencer, 1993; Dubois and Rothwell, 2000; and, Boyatzis, 1982.)

**Why Are Competencies Gaining Increased Importance In Organizations?**

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.

Here are some additional reasons why competencies are gaining importance in organizations:

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 are increasingly understanding that when competencies are aligned with, or tied to their organization’s culture, values, and expectations that productivity improvements can be realized. They are now understanding that, without competencies and their appropriate use in the organization context, virtually nothing of value can be accomplished. In organizations today (and probably 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 or results 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. Workers’ competencies are matched to the work that must be accomplished rather than former attempts to “fit the work to the employee.” Using this approach, rather than a job-assignment based approach, results in a very high “goodness of fit” between an employee’s capabilities and the work that is to be accomplished.

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. (Dubois, et al., 2003.) As their use in organizations increase, doubtless other benefits will be discovered as the applications become better understood and subsequently more sophisticated.
How Can Individuals Use Competencies to Their Advantage?

Once individuals begin work on their own competency strengths and pursue areas for competency growth, their new insights and understandings result in enhanced life-career management, development, and satisfaction. Life-career is the integrated progression of one’s life- and work-related activities, including the identification, development, and adherence to one’s values and the pursuit of one’s aspirations over the life span. (Dubois, et al., 2003.).

All are interested to prepare the career for which “Career work” is important. “Career work” is the process of determining what one’s path will be, how the journey will be made, and how to manage the demands of one’s life and work along the way. It is to be noted that, how what one attends to is driven by their value systems, including their

- cultural,
- work,
- personal, and
- interpersonal values.

Successfully completing one’s career work requires the possession and use of certain minimum competencies. These competencies include:

- Achievement Orientation;
- Analysis;
- Awareness;
- Change Management;
- Computer Literacy and Facility;
- Decision Making;
- Exploration;
- Goal Setting;
Information Identification/Collection;
- Interpersonal Skills;
- Networking;
- Oral Communication;
- Perseverance;
- Conflict Resolution;
- Planning;
- Resume and Portfolio Development;
- Self-management;
- Strategic Thinking; and,
- Written Communication (Dubois, 2000, pp. 49-50).

Here are major ways that individuals can use competencies to their long-term, life-career advantage:

- Identify or “map” their key competitive competency strengths for marketing their capabilities to obtain career opportunities, such as through participation in competency-based interview and selection activities
- Identify areas for essential or preferred competency development
- Identify potential occupation options that require one’s competency strengths
- Prioritize potential occupational options based upon one’s identified competency strengths
- Base one’s career marketing strategies upon known and documented competency strengths
- Use and acquire competencies that will improve upon one’s effective daily living and life-career satisfaction

It seems clear that individuals are well-advised to place major focus and emphases upon identifying, assessing, and acquiring new or different
competencies that will lead to greater life-career satisfaction.

**Why Should Competencies Be of Importance To Career Practitioners?**

Career practitioners play a key role in the identification and use of competencies for the benefit of their clients. They have always had this responsibility. However, in today’s world of work, competencies have increased visibility and importance. Career practitioners have a critical role in helping their clients understand, identify, assess, and use their competency strengths to advantage and resulting in enhanced life-career fulfilment and satisfaction. Career practitioners:

- Should remember that their clients’ competency strengths, and those competencies that their clients will acquire and use, are key drivers in completing the seven stages of their career, and ultimately, their life-career success, fulfilment and satisfaction. Without competencies, client performance is not possible. Consequently, competencies must be a key foundation of career counselling or facilitation processes.

- Can help their clients understand the impacts of why and how organizations are using competencies for human resource management purposes.

- Can prepare clients themselves for successful career management experiences in a competency-based organization environment.

- Can assist their clients when preparing for, and responding to competency-based worker recruitment announcements and participating in selection procedures by: helping clients to identify their competency strengths; align their competency strengths with the work and competency requirements for the opportunity; helping their clients to prepare to meet the demands of competency-based interview and selection processes.

- Can assist their clients by clarifying how they can more effectively use their existing competencies, or acquire and use new competencies, to improve the overall quality of their lives.
Career practitioners obviously have major roles in helping their clients attain enlightened and fulfilled life-career satisfaction over the life span through considered attention to their clients’ competency strengths and needs.

ORGANISATIONAL COMPETENCY

Organizational competence is a semantic construct providing a reference point for, and giving a meaning to “managerial competence”. It is our observation that, like truth and beauty, competence is in the eye of the beholder. Competence is defined as a statement of value accorded to another within a particular organization – the value that is placed on a manager who is able to perform and “be” in ways that are highly valued and required by the organization.

Organizational competence may be viewed as a “lens” (not a window) on the world of managerial competence. It can be termed as competences and competencies. As a lens it brings these competenc(i)es into focus and enables their definition. In turn, the lens is shaped by and responsive to both the organizational culture and the organization’s (external) environment.

Like Woodruffe (who suggested that “competencies deal with the sets of behaviour patterns which people need to display, and not with the job itself”) “competencies” are described as integrated sets of behaviours which can be directed towards successful goal achievement within competence domains. The lens of organizational competence will define the key capabilities required of top team managers – what behaviours they need to enact. The “components of competencies” are described as the “constituents of competencies” or individual attributes, for example skills, knowledge and personal characteristics, which make up, contribute and add “style” to the competencies.

BRIEF GENERAL PROFILES OF THE SAMPLE UNITS

Tata Consultancy Services

Tata Consultancy Services Limited (TCS) is an Indian software services
and consulting company. It is one of the world’s largest providers of information technology and business process outsourcing services. As of 2007, it is Asia’s largest information technology firm and has the largest number of employees among Indian IT companies with strength of over 116,308 employees in 47 countries. The company generated consolidated revenues of US $5.7 billion for fiscal year ended 31 March 2008 and is listed on the National Stock Exchange and Bombay Stock Exchange in India.

TCS is part of one of Asia’s largest conglomerates, the Tata Group, which has interests in areas such as energy, telecommunications, financial services, manufacturing, chemicals, engineering and materials.

History

Tata Consultancy Services was established in the year 1968. It began as the “Tata Computer Centre”, a division of the Tata Group, whose main business was to provide computer services to other group companies. However, the potential of computerization and computer services was realized early on, and an electrical engineer from the Tata Electric Companies, Fakir Chand Kohli, was brought in as the first General Manager. Soon after, the company was named Tata Consultancy Services.

TCS’s first software export project was undertaken in 1974 when it converted the Hospital Information System from Burroughs Medium Systems COBOL to Burroughs Small Systems COBOL. This project was carried out entirely in TCS Mumbai. In 1980, TCSS and a sister Tata firm accounted for 63% of the Indian software industry exports, $4 million shared by 21 firms. In 1984, TCS set up an office in the Santacruz Electronics Export Processing Zone (SEEPZ) – Mumbai.

The early 1990s saw a tremendous surge in TCS’s business, which also resulted in a massive recruitment drive by the company. In early and mid-1990s, TCS re-invented itself to become a software products company. In the late 1990s, to accelerate its revenue growth, TCS decided to employ a three-pronged strategy – developing new products with high revenue earning
potential, tapping domestic and other fast growing markets and focusing on inorganic growth through mergers & acquisitions. In late 1998, the company decided to concentrate on new revenue opportunities including Y2K and Euro conversion. E-business was a major area of focus in the late 1990s.

TCS has development centres and/or regional offices in the following Indian cities: Ahmedabad, Bangalore, Vadodara, Bhubaneswar, Chennai, Coimbatore, Delhi, Gandhinagar, Goa, Gurgaon, Hyderabad, Jamshedpur, Kochi, Kolkata, Lucknow, Mumbai, Noida, Pune, Siruseri, and Thiruvananthapuram.

**Global units**

Africa: South Africa  
Asia (outside India): Bahrain, China, Indonesia, Israel, Japan, Malaysia, Saudi Arabia, Singapore, South Korea, Taiwan, Thailand, UAE  
Australia: Australia  
Europe: Belgium, Denmark, Finland, France, Germany, Hungary, Iceland, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom  
North America: Canada, Mexico, USA  
South America: Argentina, Brazil, Chile, Colombia, Ecuador, Uruguay

The company continues to grow in multiple geographies such as Eastern Europe, Latin America and China (TATA Information Technology (Shanghai) Co. Ltd.), with a special focus on the North American and European markets.

TCS launched a mission-mode e-governance project, MCA-21, for the Ministry of Corporate Affairs, Government of India, and has created an automated solution for the National Rural Employment Guarantee scheme that reduces waste and corruption.

TCS is a part of National Skills Registry (NSR), a centralized database of all employees of the IT services and BPO companies in India. The objective of NSR is to improve recruitment practices in IT and BPO industry, which will
in turn help in maintaining India’s global competitive advantage.

TCS has designed new software to help the National Literacy Mission in its goal of eradicating illiteracy in India. The software is geared towards letting illiterate adults learn to read a language by words instead of alphabets and turn them into functional literates who can at least read simple newspaper headlines, signboards, directions etc. [6]

TCS has set up near shore centres in North America, Europe and Asia-Pacific, regional development centres in Hungary, Uruguay and Brazil and a global development centre in China, in addition to India.

In 2006, Tata acquired Chile’s Comicrom S.A., Australia’s Financial Network Services (Holdings) Pty Ltd, (FNS) and Sweden’s Indian IT Resources AB (SITAR) through subsidiaries.

The Company has set up two subsidiaries, viz. TCS FNS Pty Limited in Australia and Diligenta Limited in the UK. It has also set up other subsidiaries such as Portugal Unipessoal Limitada in Portugal, Tata Consultancy Services Luxembourg S.A. in Luxembourg and Tata Consultancy Service Chile Limited in Chile. The Company has 49 subsidiaries as on March 31, 2006.

In March 2006, the Company, through its subsidiary Diligenta Limited acquired, on a going concern basis certain businesses of Pearl Group Services Limited. The acquisition included specified insurance contracts and claim administration business and assets including goodwill and know-how.

The Company has entered into a joint venture agreement with the Intelenet Global Services Ltd. For the GM deal, TCS is tying up with EDS to bid for parts of the business.

In February, 2007, TCS kicked off a joint venture in China with Microsoft and three Chinese entities - TATA Information Technology (Shanghai) Co. Ltd..
Infosys

**Infosys Technologies Limited** is a multinational information technology Services Company headquartered in Bengaluru, India. It is one of India’s largest IT companies with over 94,379 professionals (including subsideries) as of June 30, 2008. It has nine development centers in India and over 30 offices worldwide. Its annual revenues for the fiscal year 2007-2008 exceeded US$4 billion with a market capitalization of over US$30 billion.

Infosys was founded on July 2, 1981 in Pune by N. R. Narayana Murthy and six others: Nandan Nilekani, N. S. Raghavan, Kris Gopalakrishnan, S. D. Shibulal, K. Dinesh and Ashok Arora, with Raghavan officially being the first employee of the company. N.Murthy started the company by borrowing INR 10,000 from his wife Sudha Murthy. The company was incorporated as “Infosys Consultants Pvt Ltd.”, with Raghavan’s house in Matunga, north-central Mumbai as the registered office.

In 2001 it was rated “Best Employer in India” by Business Today,. Infosys won the Global MAKE (Most Admired Knowledge Enterprises) award, for the years 2003, 2004 and 2005, being the only Indian company to win this award and is inducted into the Global Hall of Fame for the same.

**Timeline**

- 1983: Moved its headquarters to Bangalore, the capital of Karnataka
- 1987: Got its first foreign client, Data Basics Corporation from the United States
- 1993: Became a public limited company in India with an initial public offering of Rs. 13 crores.
- 1996: First office in Europe in Milton Keynes, UK
· 1997: Office in Toronto, Canada
· 2000: Opened offices in France and Hong Kong
· 2001: Opened offices in United Arab Emirates and Argentina
· 2002: Opened new offices in Netherlands, Singapore and Switzerland.
· 2002: Business World named Infosys “India’s Most Respected Company”
· 2002: Started Progeon, its BPO (business process outsourcing) subsidiary
· 2003: Acquired 100% equity of Expert Information Services Pty Limited, Australia (Expert) and changed the name to Infosys Australia Pty Limited.
· 2004: Set up Infosys Consulting Inc., U.S. consulting subsidiary in California, U.S.
· 2006: Became the first Indian company to ring the NASDAQ Stock Market Opening Bell
· 2006: August 20, N. R. Narayana Murthy retired from his position as the executive chairman
· 2006: Acquired the 23% stake Citibank had in its BPO offshoot Progeon, making it a wholly owned subsidiary of Infosys and changed the name to Infosys BPO Ltd
· 2007: April 13, Nandan Nilekani stepped down as CEO and made way for Kris Gopalakrishnan to occupy his chair effective June 2007
· 2007: July 25, Infosys bags multi-million dollar outsourcing contract with Royal Philips Electronics in the area Finance & Accounting services strengthening its European operations.
· 2007: September, Infosys establishes a wholly-owned Latin American subsidiary, Infosys Technologies S. de R. L. de C. V., and opens its first software development center in Latin America in the city of Monterrey, Mexico.

During the 14-year period from 1993 to 2007, the issue price of an Infosys
share has increased three thousandfold. This is excluding the dividends that the company has paid out over this duration.

**Infosys Media Centre in Bengaluru.**

Infosys serves various industries through its Industrial Business Units (IBU), such as:

- Banking & Capital Markets (BCM)
- Communications Media and Entertainment (CME)
- Aerospace & Automotive (ANA)
- Energy, Utilities and Services (EUS)
- Insurance, Healthcare and Life Sciences (IHL)
- Manufacturing (MFG)
- Retail, Consumer Product Goods and Logistics (RETL)
- New Growth Engines (NGE)
- India Business Unit (IND)

In addition to these, there are Horizontal Business Units (HBUs)

- Consulting (CS)
- Enterprise Solutions (ES) (ESAP & ESX)
- Infrastructure Management Services (IMS)
- Product Engineering and Validation Services (PEVS)
- Systems Integration (SI)

**Initiatives**

In 1996, Infosys created the Infosys Foundation in the state of Karnataka, operating in the areas of health care, social rehabilitation and rural uplift, education, arts and culture. Since then, this foundation has spread to the Indian states of Tamil Nadu, Andhra Pradesh, Maharashtra, Orissa and
Punjab. The Infosys Foundation is headed by Mrs. Sudha Murthy, wife of Chairman Narayana Murthy.

Since 2004, Infosys has embarked on a series of initiatives to consolidate and formalize its academic relationships worldwide under the umbrella of a program called AcE - Academic Entente. Through case study writing, participation in academic conferences and university events, research collaborations, hosting study trips to Infosys Development Centers and running the InStep Global Internship Program, the company communicates with important stakeholders in the academia.

Infosys’ Global Internship Program, known as InStep, is one of the key components of the Academic Entente initiative. It offers live projects to interns from the universities around the world. InStep recruits undergraduate, graduate and PhD students from business, technology, and liberal arts universities to take part in an 8 to 24 week internship at one of Infosys’ global offices. InStep interns are also provided career opportunities with Infosys.

In 1997 Infosys started the “Catch them Young Programme”, to expose the urban youth to the world of Information Technology by conducting a summer vacation programme. The programme is aimed at developing an interest and understanding of computer science and information technology. This programme is targeted at students in Grade IX level.

Global offices

Asia Pacific

- India: Bengaluru, Pune, Hyderabad, Chennai, Bhubaneswar, Mangalore, Mysore, Mohali, Thiruvananthapuram, Chandigarh, Kolkata (proposed and now confirmed), Vishakapatnam (proposed)[16]
- Australia: Melbourne, Sydney
- China: Beijing, Shanghai
· Hong Kong: Hong Kong
· Japan: Tokyo
· Mauritius: Mauritius
· UAE: Sharjah
· Philippines: Taguig City
· Thailand: Bangkok

North America

· Canada: Toronto
· USA: Atlanta (GA), Bellevue (WA), Bridgewater (NJ), Charlotte (NC), Southfield (MI), Fremont (CA), Houston (TX), Glastonbury (CT), Lake Forest (CA), Lisle (IL), New York, Phoenix (AZ), Plano (TX), Quincy (MA), Reston (VA)
· Mexico: Monterrey

Europe

· Belgium: Brussels
· Denmark: Copenhagen
· Finland: Helsinki
· France: Paris
· Germany: Frankfurt, Stuttgart
· Italy: Milano
· Norway: Oslo
· Poland: Łódź
· The Netherlands: Utrecht
· Spain: Madrid, Burgos
· Sweden: Stockholm
· Switzerland: Zürich
· UK: Canary Wharf, London
Wipro Technologies

**Wipro Tech** is an information technology service company established in India in 1980. It actually has its roots in 1947, as a small vegetable oil company from an old mill founded by Azim Premji’s father. With his sudden demise in 1966 Azim, a graduate in Electrical Engineering from Stanford University, USA, took on the mantle of leadership at the age of 21. He repositioned it and created (Western India Vegetable Products Ltd) Wipro Ltd in 1966 into a fast moving consumer goods (FMCG) company that was then a $2 million hydrogenated cooking oils/fat company, laundry soap, wax and tin containers and later set up Wipro Fluid Power to manufacture hydraulic and pneumatic cylinders in 1975. Even as Wipro made good money, Premji continued to look for new opportunities.

In 1977, India’s socialist government asked IBM to leave the country. Premji decided to get into computer hardware. In 1979, he began developing his own computer and in 1981, started selling the finished machine — the first in a string of products that would make Wipro, India’s top-selling computer maker for two decades. The company licensed technology from Sentinel Computers in the United States and began building India’s first mini-computers. Premji hired managers who were computer illiterate, and strong on business experience. They learnt quickly about technology and made hardware an extremely profitable venture. It was only a matter of time before Wipro engineers started developing software packages that were not available off-the-shelf at that time, for hardware customers. This diversified into the IT business in 1980 and subsequently invented the first Indian 8086 chip.

Today it has emerged as a multi business and multi location corporate entity. Its businesses range from Consumer Products, Infrastructure Engineering to specialized IT Products & Services. Recently, Wipro had focused on building its enterprise applications business. Wipro realised that global giants who had installed expensive packages like Oracle and SAP wanted to get more out of their investments. American consultancy firms typically charged $125-130 per hour for this while Indian companies did it for $75-80
per hour. It is the global IT services arm of Wipro Limited (in operation since 1945, incorporated 1946). It is headquartered in Bangalore and is the third largest IT services company in India. It has more than 95,675 employees as of June 30, 2008, including its business process outsourcing (BPO) arm which it acquired in 2002.[1]

Wipro Technologies has over 300 customers across U.S., Europe and Japan including 50 of the Fortune 500 companies. Some of its customers are Nortel, Boeing, BP, Cisco, Ericsson, IBM, Microsoft, Prudential, Seagate, Sony, HP, Windriver, Airbus, Toshiba, Windstream Communications, and Wal-Mart. Some of Wipro’s clients in the middle east also include state companies Sharjah Electricity and Water Authority, Metal, Dubai eGovernment, Qatar Petroleum, Bahraini Saudi Bank, Future Communications Company, Kuwait, Doha Bank, PetroRabigh, SASREF and Saudi Polyolefins Company. It is listed on the New York Stock Exchange and is part of its TMT (technology media telecom) index testing.

With revenue in the excess of US $5 billion, Wipro is one of India’s major IT companies. It has dedicated development centers and offices across India, (Headquartered at Bangalore, the company has operations in Mumbai, Pune, Chennai, Hyderabad, and Gurgaon.) Europe, (Romania), Egypt, North America, Latin America and Asia Pacific. The current Chairman, Managing Director and majority stake owner is Azim Premji, who has headed the software and hardware divisions since Wipro’s inception. The present status is that it is earning a revenue to the extent of 5$ Billion US Dollar per annum with a net income of $677 million US Dollar. Presently it has an employee strength of 1,00,000 plus.

Satyam Computer

**Satyam Computer Services Ltd.** is a consulting and information technology services company based in Hyderabad, India. Satyam Computer Services Ltd. was founded by B.Ramalinga Raju in 1987; Satyam means “truth” in Sanskrit. The company offers a variety of information technology (IT) services spanning various industry sectors, and is listed on the New York
Stock Exchange.

Satyam’s network spans 66 countries across six continents. The company employs 52,000 IT professionals across development centers in India, the United States, the United Kingdom, the United Arab Emirates, Canada, Hungary, Singapore, Malaysia, China, Japan, Egypt and Australia. It serves over 654 global companies, 185 of which are Fortune 500 corporations. Satyam has strategic technology and marketing alliances with over 50 companies. Apart from Hyderabad, it has development centers in India at Bangalore, Chennai, Pune, Mumbai, Nagpur, Delhi, Kolkata, Bhubaneswar, and Visakhapatnam.

In October 2007, Satyam announced a collaboration with Cisco to enhance Health Management Solutions. In November 2007, Satyam is announced as the official Information Technology Services Provider for the FIFA World Cups to be held in 2010 and 2014. Satyam has been ranked consistently in the top Employers list released by surveys done by leading groups such as Business India. The company has massive expansion plans to penetrate across the globe especially Europe. Revenues for 2008 have crossed $2 billion.

On Jan 21, 2008 Satyam announced the acquisition of an Illinois based boutique consulting firm Bridge Strategy. This is yet another acquisition by Satyam after Knowledge Dynamics and Citisoft. On February 23, 2008 Satyam completed 20 years of existence. It is considered as India’s youngest software consulting company to exceed $2 billion in annual revenue.

Satyam has been ranked consistently in the top Employers list released by surveys done by leading media groups such as Business India, Economic Times etc. The company has massive expansion plans to penetrate across the globe especially Europe & Middle East. Revenue crosses $2 billion mark.

**Industries**

- Aerospace and Defense
- Automotive
- Banking
- Chemicals
• Education
• Energy and Utilities
• Financial Services
• Healthcare
• Industrial Equipment
• Insurance
• Infrastructure
• Life Sciences
• Manufacturing
• Media and Entertainment
• Public Services
• Retail and CPG
• Semiconductor
• Telecom
• Travel and Logistics

Services

• Services
• Application Services
• BI & PM
• Business Process Outsourcing
• Business Value Enhancement
• Consulting and Enterprise Solutions
• Infrastructure Management Services
• Integrated Engineering Solutions
• MES and LIMS
• Oracle Solutions
• Product and Application Testing
• SAP Solutions
• Six Sigma Consulting
• Supplier Relationship Management
• Supply Chain Management
• Independent Testing Practice
Summary

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.
References


Annual Reports and website of Wipro, TCS, Infosys and Satyam Computer.