CHAPTER 6
RESEARCH FINDINGS, DISCUSSION AND IMPLICATIONS

The purpose of this chapter is to analyze the statistical results and the competency gaps of HR professionals highlighted in the previous chapter. This chapter draws upon the salient findings and results of the study. In the beginning, the research findings are presented and then this chapter proceeds on to the discussion of the findings in all the competency groups. Subsequently, the implications for the HR professionals, organizations, and CEOs of organizations are outlined. Finally the contributions of the study are highlighted.

6.1 Research Findings

There are several noteworthy findings in this study:

1. First of all, the results suggest that six competency groups are separate constructs that combine to determine the effectiveness and performance. While five of the competency groups were each directly related to performance improvement, they were also indirectly related to performance improvement through effectiveness. The results specify that when HR professionals display competencies in analytical, leadership, technical, interpersonal and technological groups, then HR professionals are perceived to be more effective. As HR professionals master these competencies; they will not only be distinguished as more effective HR professionals, they will also contribute explicit value to their organization.

2. There is a strong and positive relationship between possession of competencies and performance improvement. The study shows that all the competency factors (i.e., competencies) in the respective competency group account for 65.8 % ($R^2 = 0.658$) of the variation in performance improvement for RCL and 61.7 % of the variation in performance improvement for ECL.

Thus, it can be concluded that the possession of competencies enables the superior performance of HR professionals in the sample IT organizations.
3. Business competency group was found to be non-significant. The finding of this research shows that HR professionals in IT organizations in India are lacking in business competencies.

4. The hierarchy of most important competencies required for HR professionals could be formed. The technical competency group was found to be the most important group. Interpersonal competencies, technological competencies, leadership competencies, and analytical competencies are ranked no. 2, 3, 4 and 5 respectively. Business competencies appear to be the least important competency group. The hierarchy for both RCL and ECL was found to be the same.

5. There is a strong and positive relationship between possession of competencies and effectiveness. The study shows that all the competency factors (i.e., competencies) in the respective competency group account for 65.2% of the variation in effectiveness for RCL and 60.5% of the variation in effectiveness for ECL. Thus, it can be concluded that the possession of competencies enables the effectiveness of HR professionals in IT industry.

6. Effectiveness plays a crucial intervening role in the relationship of competencies and performance. Effectiveness was found to be positively related to performance improvement for both RCL and ECL. The study shows that the effectiveness explains 86.2% of the variation in performance improvement in RCL and 90.2% of the variation in the ECL. The results indicate that the competencies have a positive impact on the perceived effectiveness, and this, in turn, is predictive of the performance improvement. It explains what HR professionals are acquainted with and how they act, and this, in turn, affects how they are perceived in terms of their effectiveness. The identification of effectiveness as a key variable within the overall research model is vital.

7. It is evident from the result of gap analysis that HR professionals meet the required competency level in the interpersonal, technical, and technological competencies, since the ECL of Indian HR professionals was generally congruent with their perceptions on the RCL in these three competency groups. It can be concluded that HR professionals possess these competencies in the required degree to perform their jobs effectively.
The competency gaps were observed between the RCL and ECL in leadership, business and analytical competencies. It can be concluded that HR professionals do not possess these competencies in the required degree to perform their jobs effectively.

8. Although some of the participants possessed advanced or expert levels of proficiency in the ECL, a large number of the participants were found to be fairly competent to perform their jobs, as the gap between the RCL and ECL was not very large in any of the competency groups.

6.2 Discussion

The main predictors of the main outcome of the study, i.e., performance improvements were: technical competencies, interpersonal competencies and technological competencies. Of the six competency groups, technical competencies were the strongest statistical predictor of performance improvement. Except for business competencies, all competency groups were significantly related to performance improvement.

Table 6.1 shows the ranking of the impact of competency groups on the main outcome of the study, i.e., performance improvement for both RCL and ECL. The hierarchy of the competencies for both RCL and ECL was found to be the same.

<table>
<thead>
<tr>
<th>Rank</th>
<th>RCL and ECL</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Technical Competencies (TC)</td>
</tr>
<tr>
<td>2</td>
<td>Interpersonal Competencies (IC)</td>
</tr>
<tr>
<td>3</td>
<td>Technological Competencies (TGC)</td>
</tr>
<tr>
<td>4</td>
<td>Leadership Competencies (LC)</td>
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<tr>
<td>5</td>
<td>Analytical Competencies (TC)</td>
</tr>
<tr>
<td>6</td>
<td>Business Competencies (BC)</td>
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The findings of the competency groups are discussed below in the sequence of their ranks (table 6.1).
6.2.1 Technical Competency Group

The most important group was found to be the technical competency group. Participants not only perceived the technical competency group as the most important group (as it is ranked highest in required competence level), but also reported highest expertise in the existing competence level. This finding is consistent with research conducted in Malaysia by Abdullah et al. (2011). In a study carried out by Choi et al. (2008) in Malaysia, HR delivery (which is actually technical HR competency group) was among the top ranking competency factors. In the 2007 HR competency model [Ulrich et al. (2008)]; the “technical HR” competency category was represented by the competency area “Operational Executor”. It was among one of the six competency areas included in the model. In all the Human Resource Competency Models developed in 1987, 1992, 1997, and 2002, the “technical HR” competency category was also represented by HR delivery [Brockbank and Ulrich (2003); Ulrich et al. (2008)]. Empirical studies carried out by Boudreau and Ramstad (2003) also found that HR delivery was among one of the most important areas for HR professionals.

The “Human Resource Wheel” of McLagan (1989) is a complete framework outlining all of the “technical HR” competency factors as given in the all the competency domains. The HR competency framework of Schoonover (2003) covers most of the competency factors under the heading: “HR core competencies”. The Personnel Standards Leads Body in the UK includes almost all of the competency factors in its map of personnel standards [Smilansky (1997); EOSC, (1994)]. According to Becker and Huselid (2006), research shows that HR managers are much more effective at the technical or operational aspects of HR’s role than they are in strategy execution. The significance of the above statements is justified by the findings of the research.

Competency factors included in the technical competency group are: “career and succession planning”, “organizational development”, “human performance improvement”, “compensation and benefits”, “performance management”, “resourcing and talent management”, “change management”. Most of these competency factors are those that are traditional technical HR competencies and are prominent in most of the global HR competency models.

The significance of technical competency group in the research shows that the competency factors such as “performance management”, “resourcing and talent management”, and
“organization development” are the areas where a lot of stress is given by HR professionals today. It shows that the thinking of the HR profession is parallel to the challenges faced by their organizations in an era where talent management is critical; and where the HR is increasingly integrated with business strategy. Although competency factors like “human performance improvement” is emphasized in the ASTD model [Bernthal et al. (2004); Rothwell (1999)], this is not reflected in most of the HR competency frameworks. Since HR professionals observe that the performance management practices are already well established in their organizations and therefore the emphasis needs to be given to human performance improvement.

The Society for Human Resource Management of USA [SHRM (2002)] posits that the need for effective “talent management” has enormous implications for HR professionals. Ulrich et al. (2008) includes the competency area “talent manager/organization designer” into the 2007 HR competency model. Both of the above given citations indicate the significance and importance of “talent management”.

The HR competency framework of Schoonover (2003) also outlines the importance of “talent management”. Talent management processes are designed to ensure that the business improves its competitive advantage through the effective utilization of a small number of exceptional individuals in key leadership positions”. The significance of the above statements is justified with the findings of the research.

Thus, technical competencies were evidenced to be the most significant determinant of performance improvement.

### 6.2.2 Interpersonal Competency Group

Indian HR professionals regarded *interpersonal competency group* as the second most important group. Indian HR professionals also possessed advanced levels of expertise in interpersonal competencies.

This finding is in line with research conducted in Taiwan by Chen et al. (2005); and in Hong Kong by Selmer and Chiu (2004) since the organizational culture of India, Taiwan and Hong Kong (and broadly, Asia) conventionally puts the huge importance on peace, healthy relations and cooperation.
Interpersonal skills are one of the workplace learning and performance (WLP) competencies important for Taiwan HR professionals [Chen et al. (2005)]. Gray (1999), too, asserted on the importance of interpersonal skills for HRD professionals. The ASTD competency model [Bernthal et al. (2004)] outlined interpersonal competencies as an important cluster. Butteriss (1998) recognized interpersonal skills as an important HR general competency. Spencer and Spencer (1993), listed out ‘interpersonal understanding’ as an important competency for managers in their generic competency model.

In the interpersonal competency group, eight competency factors, i.e., pride at work, personal credibility, relationship building, building trust, networking and partnering, strong initiative, communication, and leveraging diversity were included in the study. These competency factors are usually mapped out in the generic competency frameworks.

6.2.3 Technological Competency Group

In the technological competency group, the majority of HR professionals regarded their competence levels to be between the basic to intermediate level of expertise. This is in line with research conducted in Taiwan by Chen et al. (2005). This apparently shows that Indian HR professionals are to some extent equipped with the technological competencies, but they are aware that they are expected to enhance the possession of competencies related to prevailing technology.

The technological competency group was found to be significant. Two factors “technological literacy” and “knowledge of IT and adapting IT to HR management” were included in this group.

6.2.4 Leadership Competency Group

The study indicates that the majority of participants do not observe the importance of the leadership competency group. The leadership competencies of the participants are found to be mild in relation to other competencies (such as technical, interpersonal, and technological competencies). The majority of participants perceived their expertise in the leadership competency group to be at the basic level. The majority of Indian HR professionals who participated in this study were not adequately equipped to lead their companies.
The leadership competency group includes competency factors: decision making, knowledge of the company’s vision and mission, inspiring and motivating others, assembling strong teams, process management, conflict management, consensus and negotiation skills, empowering and training people.

Most of the competency factors included in the group are those that are related to basic managerial skills and are generally found in the generic competency frameworks.

The leadership competency group was found to be significant and this is in line with the research conducted by McDaniel (1998), Selmer and Chiu (2004), Chua (2009), Charan et al. (2001), and IPMA (2005).

Chua (2009) asserted that teamwork and collaboration is an important generic competency for HR professionals in both North and South Asia. McDaniel (1998) and the International Public Management Association for HR of USA [IPMA (2005)], too, observe the importance of team leadership for HR professionals. Selmer and Chiu (2004) also observed that tomorrow’s HR leaders should master skills such as team development. Charan et al. (2001) in the book, “The leadership pipeline: how to build the leadership powered company”, quoted that “companies that grow their own leadership at all levels and recognize the unique requirements at each level will have a unique edge. Unfortunately, many companies today fail to establish leadership as a special requirement; they also fail to differentiate leadership requirements based on an individual’s specific leadership position. And, one of the problems faced by companies today is that there are not enough leaders and a few are being grown internally”. Development of internal leaders as quoted by Charan et al. (2001) in the opinion of the researcher is a responsibility of HRM and therefore leadership competencies are important in HRM.

The study indicates that the participants do not observe the importance of the leadership competency domain. This could possibly be due to the common scenario whereby HR issues are always seen to be placed “on the table” rather than having its representation “at the strategic table” [Ulrich et al. (2009)]. It means that the participants generally lack strong leadership in the organizations. HR professionals do not get involved in the organizational mainstream activities, in particular making strategic decisions. HR professionals merely accept the decisions that are made by other members of the top management. The ability to
influence others could be lacking and this could possibly be due to lack of leadership skills, confidence, understanding of the organizational business concept and strategy.

6.2.5 Analytical Competency Group

The findings suggest that analytical competency group was perceived as the second least important group. Indian HR professionals also reported lesser amount of expertise and regarded themselves as insufficient on analytical competencies.

The four factors of analytical competency group are: “analytical thinking”, “flexibility,” “Problem-solving inquisitiveness,” and “creativity and innovation”. Generally, these competency factors are mapped out in the generic competency frameworks of the organizations.

The analytical competency group was found to be significant. This finding is consistent with the research conducted in Taiwan by Chen et al. (2005).

6.2.6 Business Competency Group

Business competency group was not found to be important and significant in the study. From the study, it can be concluded that the participants perceived that business competencies are the least important. The business competency group was also ranked the lowest in existing competence level.

This finding is consistent with the research conducted in Malaysia by Choi et al. (2008) and Abdullah et al. (2011), but contrary to the findings of similar research conducted elsewhere. This finding is important as the business competency group is prominent in the majority of the HR competency models world-wide. The competency domain “business ally” was included in the 2007 HR competency model developed by the RBL Group and the University of Michigan’s Business School. The ASTD competency model [Rothwell et al. (2004)] maps out business as one of the three clusters of competencies necessary for all workplace learning and performance (WLP) professionals which also includes HR professionals. Chua (2009) asserted that among one of the important roles of HR is “business HR” and the main objective of “business HR” is to translate business strategy into people strategy.
However hypothesis testing shows that the “business” competency category did not have a direct and positive relationship with the performance improvement, and therefore it does not have any influence in the HR competency model.

Business competencies are very important. However it can be concluded that HR practices in India ignore business related capabilities.

The IT industry is affected by the low maturity of the HR function in India. HR professionals continue to find it difficult to make and drive a strong business case on the value of employing HR services to their CEOs. Experts also believe that HR service companies are not doing enough to educate the buyer. In the absence of use-case scenarios and a weak business case, the opportunity for the buyer to move up the HR service value chain becomes difficult.

One of the items in the questionnaire was current HR role, through which we asked the respondents to specify their current HR role either as strategic partner (business partner), leader, employee champion, technical expert, or change agent. Since only ten percent of the participants stated their role to be that of strategic partner, possibly, majority of respondents do not possess an adequate working knowledge of what business is all about, or the strategic goals of the organizations.

From the study, it can be concluded that the participants do not possess an adequate working knowledge of what business is all about, or the strategic goals of the organizations. This could possibly be due to the highly operational nature of the HR profession, the lack of the foresight to recognize competencies that are deemed necessary for the future, and/or HR professionals are expected to acquire these competencies on their own.

According to Becker and Huselid (1998), business related competencies have the strongest influence on corporate financial performance. Paauwe (2004) observed that HRM function has become more business oriented, more strategic, and more oriented towards organizational change. From the studies done in the Europe, it appears that HRM has become more business – oriented and the concept “business partnership” catalyzed the integration of business competencies in the HR competency frameworks and business competencies are prominent in most of the studies conducted in Europe [Paauwe (2004); Becker et al. (1997)]. This implies that HR managers should be equal partners in the business strategy formulation, with representation of HR on the board of directors of the organization, which is not happening in India [Bhatnagar et al. (2005)]. The adoption of professionalized HR practices in India is a
recent phenomenon that has gained momentum in the past twenty years [Krishna and Monappa (1994); Rao et al. (2001)]. With regards to this, the HR profession in India lags behind the practices in the West. Probably, the concept “business partnership” is either in its infancy stage or misunderstood in the HR competency frameworks in India. Possibly due to this, “business competencies” were not found to be important and significant in the study.

The studies conducted by Becker et al. (2006) and Huselid et al. (1997) show that most HR managers are very proficient in the delivery of traditional HRM activities, but much less so in what they termed “business-related” capabilities, whereas HR professionals in Asia are still largely viewed as “administrators” and generally their opinions relating to business strategy matters are not respected by top management [Bucknall and Ohtaki (2005)]. Perhaps, this may also be one of the reasons that “business competencies” was found to be non-significant.

HR practices and policies in Asia are affected by the cultural background, influencing the way HR professionals perceive things and perform their work [Krishna and Monappa (1994); Rao et al. (2001); Bhatnagar et al. (2005)]. Since Asian countries, such as China, Japan, Singapore, Thailand, Taiwan, and Malaysia have a cultural background similar to India, the finding that business competencies are non-significant, is in congruence with similar studies conducted in Asia.

The competency factors included in the domain are “strategic and customer orientation”, “applying business acumen”, “driving results”, and “analyzing needs and proposing solutions”. These competencies today are somewhat found in most of the HR frameworks developed elsewhere.

The non-significance of business competency group domain could also be attributed to the notion that the customers who the HR professionals are serving are mainly internal customers, i.e., the top management, heads of department; and the line managers unlike the personnel in sales and marketing, public relations. In becoming a “strategic partner”, understanding and executing business strategy, the researcher is of the opinion that it would be important for the HR professionals to have knowledge of these competencies.

A recent study was conducted by Lawler and Boudreau of the University of Southern California’s Center for Effective Organizations [Lawler and Boudreau (2006)]. One key conclusion was that boards and CEOs are limited by their own experiences as to what they expect of HR, so they tend to ask for input on areas in which they are more historically
comfortable (e.g., executive compensation and succession planning). So, even in this day and age what boards expect and what they should expect from HR are two separate things.

This is parallel with the thoughts expounded by Ulrich et al. (2009) in the book, “HR Transformation: Building Human Resources from the Outside In”. Ulrich et al. (2009) asserted that HR professionals often focus internally on the function of HR rather than externally on what customers and investors need HR to deliver. To serve as “business partners”, the goals of the HR professionals must be the goals of the business. It could possibly be due to this reason that this domain is not regarded as important by HR professionals in India.

Comparing this study with the similar studies done in the US, even though ranking results were dissimilar, a few resemblances may still be found. The technical competencies were rated highly by HR professionals from both countries. Besides, similar to this study, US HR professionals also ranked interpersonal competencies number two.

However, majority of the competency groups, including technology, leadership and analytical groups were found to be significant in this study, were also included in most of the other HR competency frameworks globally, although in varying degree of emphasis. In general, it looks like the conclusions do not vary so much from various researches conducted somewhere else.

6.3 Implications of the Research

The findings of this investigation have implications for theory, research, and practice. This study was able to identify implications for HR professionals, organizations, and those for the CEOs of the organization.

6.3.1 Implications for HR Professionals

HR professionals can identify the most important competencies, and then use this information to design, develop and evaluate their jobs and work outputs. The results of the study offer a map for HR professionals to outline a self-development plan, specifying suitable development priorities and necessary competence levels.

The competency framework developed in the study will be useful for the HR professionals in profiling the acquisition of the actual competencies, desired competence levels, and the positive and negative gaps of HR professionals. The competency framework will be useful for
developing individual development plans; in hiring and selection of people; developing training programs; developing career and succession plans; conducting performance appraisals; and designing the appropriate compensation plans.

The findings of gap analysis will be of interest to HR professionals. The present study will help HR professionals to determine the gap between their required competence level and existing competence level, to assess the training needs, thus making the training and development programs more efficient. The results of the competency gap analysis can be employed to build up individual training plans, carrying out performance appraisals or rationalize pay reviews.

Based on the interpretation of the result, this study has practical implications for the staffing and development of HR professionals and we might project that different business challenges and strategies will pick and preserve different HR competencies. One implication of this particular finding is that more emphasis should be placed on development of specific competencies. As organizations wish to expand the talent of their HR professionals, these findings may indicate areas in which to invest time and money. Making sure that HR professionals know the business, can deliver state of the art human resources, and have the capacity to manage change processes appears to be an essential element in developing more competent HR professionals. Often HR professionals are so involved in developing training experience for other managers that they fail to invest in their own development.

Using the information contained within competency model, HR professionals may manage their future career pathway, or apply the information to examine new opportunities while considering the utilization of transferable competencies. Based on results of competency analysis, HR professional’s future within an organization can be suitably determined. HR professionals might greatly benefit in the long run by identifying opportunities likely to offer a better career fit.

When selecting and developing leaders, it should be considered that the competencies that the HR professionals possesses and compare those to the ones that need further development for success in a leadership role. By looking at individual’s current competencies and comparing those with the skills necessary to fill a leadership position, organizations can make better informed decisions in hiring, developing and promoting leaders. Researchers have found that when investors have confidence in the leadership talent of an organization, share price will
increase. By creating a unique leadership brand via leadership competencies that produce results to stakeholders, organizations gain a competitive advantage.

One major finding of this study is that HR professionals lack those competencies related to business. The finding that “business competencies” were not found to be important and significant in the study has certain implications for HR professionals.

For HR professionals to become a successful business partner, HR professionals must premise the development of the HR system based on its contribution to effective strategy implementation. This new perspective is the most fundamental of the necessary changes in HR capabilities [Becker et al. (1997)]. Moreover, if HR professionals can achieve this change in competencies, the strategic expectations and acceptance of both the importance of HR and HRM function by senior management will follow. However, the theoretical implication and the challenge lie in institutionalizing the strategic roles in the working processes of the organization. HR strategic interventions should be given more visibility and constant efforts must be made to benchmark against the ‘best practices’ or better still to set benchmarks if not available [Bhatnagar et al. (2005)]. Conversely, it is misleading to look just at HR practices, and that even ‘best HR practices’ are unsuccessful unless implemented effectively [Woodrow et al. (2014)]. Drawing on the work of Woodrow et al. (2014), it implies that a greater focus on HR implementation will improve the understanding of the HRM - performance relationship, and that management competency is also a cause of poor policy implementation of HR practices.

HR professionals should not think that they play only a supportive role but that their contribution can impact an organization’s performance. It is clearly shown that competency, such as “strategic and customer orientation”, “driving results”, “applying business acumen”, and “analyzing needs and proposing solutions”, are lacking and are among the weakest abilities of HR professionals in the Indian IT sector. This research further suggests that the following actions should be taken by HR professionals:

(a) Volunteer to participate in operations meetings. HR professionals need to be proactive and flexible in their mindset with respect to their involvement in operations matters.

(b) Continue to acquire knowledge of the business, such as the key business disciplines, understanding of the internal and external customers, and knowledge of the competitors, the
products, the technology and sources of competitive advantage. HR professionals must take initiative to excel in many areas, especially knowledge beyond HR practices.

(c) To understand the importance of HR technology and conduct comprehensive research into the possible investment in HR software that will best suit the organization’s needs.

6.3.2 Implications for Organizations

The results of this study may help the organization to identify competent employees as well as employees who lack specific competencies, and thereby encouraging the organization to include measures of technical, analytical, leadership, interpersonal, and technological competencies along with the effectiveness into performance management techniques. This study will aid in outlining a unified performance management system with high performance standards, compilation and suitable examination of accurate data against the fixed standards, accomplish focused feedback meetings and a path regarding precise areas of improvement.

Organizations can employ the research findings to lay down short-range and long-range objectives for expanding competency lists based on their industry demands, priorities and organizational purpose.

Organizations may relate the findings of this study to outline job descriptions, employee selection, training and development, and performance evaluation and this will help in promotion of HR activities like career development, career and succession planning, job redesign, counselling and coaching. Thus, this study may be linked to all the areas of HR viz. HR planning, recruitment and selection, training and development, performance management, career progression, succession planning, reward management, and HR information system.

HR departments may utilize this study to select the right candidates for their organization and for performance evaluation. The job descriptions to manage complicated projects have become more comprehensible and devising the qualitative requirements for prospective recruitment is drawn based on the RCL.

The findings of gap analysis will be of interest to those organizations who aspire to measure the competency base of an organization. For an organization, the gap analysis can be applied to identify which members have competency in a particular area as well as which individuals are deficient in certain competencies, thereby assisting the coaching and guiding process.
This research will also assist organizations to develop the competency of the employees by appropriate matching of the ECL with the RCL. Thereby this research will facilitate identification and development of specific competencies needed by the individuals, to reduce their deficiencies. Since organizations aspire to enlarge the talent of their HR professionals, these findings may point out areas, where efforts and funds can be channelized. Information on the required competencies (RCL) helps organizations to design and execute a well-directed training program, thus facilitating the acquisition and development of particular competencies of HR professionals.

The study resulting in empirically tested HR competency model will benefit the IT organizations in India. These findings also provide numerous implications for performance management in the context of IT sector. There is a strong and positive relationship between possession of competencies and successful job performance. As implied by the research model, the performance and effectiveness is enhanced, if the acquisition and development of competencies are appropriately managed. Thus, management attention might fruitfully focus more on the “development” of these competencies.

The results of this study are consistent with an organization’s ‘continuous improvement’ strategies and the notion of individual career progression through management development. This study can be used to structure developmental activities, like competency-based management development (CBMD). There is some evidence that CBMD can generate positive benefits for organizations [Winterton et al. (1997)]. Drawing on the work of Winterton et al. (1997), the results provide support for attributing business benefits to management development, particularly in relation to individual and business performance. The performance improvements are more significant where management development is linked to organizational strategy [Winterton et al. (1997)]. The results of this study provide further support, in policy terms, for the Investor in People approach, through which development is linked to business strategy. Performance is improved additionally where organizations adopt the management standards as a framework for development within HRD systems and processes. Performance benefits are more likely to arise from CBMD where this is strongly linked with organizational strategy.

The results of this study support the prior studies of Ulrich (1997), which stated that organizational competitiveness will spring from organizational capabilities, such as employee competence and learning capacity, speed, responsiveness, and that the HRM will be
responsible for generating these capabilities. The results also support the theory of the human resource-based view of the firm [Paauwe and Richardson (1997)]. Further, the findings of this study support the research of Glaister (2014), on HR outsourcing, who found that non-HR outsourcers vigorously engaged in other parts of the business, developing competencies that gained confidence and support of senior managers.

Finally, educational establishments can use the results of the research in the form of a guide for introducing programs in HR related areas. Present courses and curricula can exercise the results to assess and revise databases, in order to provide the latest knowledge to the teachers and students and for training students to become successful HR professionals.

6.3.3 Implications for the CEOs of Organizations

This study indicates that HR professionals in the Indian IT sector are weak in business competencies. Indeed, HR professionals in IT organizations in India, often lack the competencies that would allow them to play a more strategic role in the organization. To overcome the above problem, this research suggests the following actions should be taken by CEOs:

(a) Get HR personnel involved in operations meetings to enable them to more fully understand the operational needs of the company; and
(b) Allocate funds to upgrade HR personnel competencies, especially in the area of business-related knowledge, such as marketing skills, financial accounting skills, and operations management knowledge.

6.4 Contributions of the Study

6.4.1 Contributions to the Knowledge of HRM

This study makes a number of contributions to the resolution of both theoretical and practical issues. The contributions of the study to the HR Body of Knowledge (HRBOK) are as follows:

1. The fundamental contribution of the study to the HR Body of Knowledge is the significance of the leadership, interpersonal, technical, analytical, and technological competency groups. The results of this study have confirmed the findings of some previous studies, especially the significance of technical and interpersonal competencies.
2. Second contribution is the comprehensive analysis. The study is comprehensive as it covers a broad spectrum of competencies (i.e., the leadership, interpersonal, business, technical, analytical, and technological competency group) and also it covers both the “soft” and “hard” part of HR competencies. The “soft” part primarily refers to the workplace learning and performance-based competencies which include competencies from both the generic/behavioural competency category and the business competency category. The “hard” part refers to the functional perspective of HR competencies, which primarily comprises of the competencies from technical HR category.

3. The development of the novel research model, including the survey instrument is a significant contribution.

4. The established epistemology model can be used by other researchers to develop ontology and pragmatic models. This will be useful for the HR consultants, academia, and HR professionals.

6.4.2 Contributions to the Practical Perspectives of HRM

The contributions of the study to the improvement of practical HRM are as follows:

1. First, putting the stream of research about the relationship of individual competencies with performance, gap analysis and training needs of HR professionals, this study provides an additional case to the scare stock of researches which address the importance of integrative perspective by including several critical competencies, performance and effectiveness. In fact, the number of HR competency studies relating competencies and performance is extremely small. This research is significant as it sets the framework for linking competencies that are important to the HR professionals with performance and effectiveness.

2. This research may help HR professionals to include measures of technical, analytical, leadership, interpersonal, and technological competencies along with the effectiveness into performance management techniques. This illustrates the similar characteristics between HR professionals in India and in other Asian countries. The findings of few minor differences reflected the special characteristics of IT industry in India. Therefore, a balanced view is given in the research.
3. The HR competency model is an empirically tested model. This is an important contribution as most of the HR competency models are generally done through qualitative studies.

4. In the study, the respondents were chosen from the IT sector. This is important as IT sector contributes significantly to India’s GDP. Hence the major contribution of the study is also dealing with the IT sector in India and India is globally important for IT.

5. The original contribution of the study is that these results can be generalized to IT sector in an Asian context. The results may be generalized to other Asian countries, such as China, Japan, Hong Kong, Singapore, Thailand, Taiwan, and Malaysia since these countries have cultural environments similar to India.

6. The study resulting in empirically tested HR competency model complements the work done by other researchers in the USA or Europe. As it is done in an Indian cultural setting, it should benefit the HR professionals, the academia, organizations, and other related individuals in India. The HR competency model can also be used in elevating professionalism for the HR professionals. The HR competency model will also be useful for the HRD personnel.

7. Finally, this study is a proper response to a growing need of both academics and professionals to develop an HR competency model for a developing country like India. In this respect, in addition to presenting a latest insight of the competence levels of HR professionals, it addresses the dearth of literature on empirically tested HR competency models in Indian context.

The HR profession agrees that the HR competency model can support in elevating professionalism of the HR professionals. Possibly, by having the significant HR competency domains and competency factors established, HR professionals will understand the functions and activities of HRM much better and can better equip themselves with the knowledge, skills, and competencies.