Chapter 7 Conclusion and Limitation

7.0.0.0 Introduction

On the basis of the study conducted, it is crystal clear that one of the most precious resources of a company is its employees. The results clearly point out to the necessary requirement of competent employees. In a world where the service sector is becoming increasingly important, there is a definite need to focus on the improvement of human capital. The competency of people is a primary factor in the generation of profit and future investment opportunities. It is important to define human capital at this juncture. We can broadly define it as the skill set, knowledge and productivity of employees, which in turn translates into economic growth.

This is where the tool of competency mapping plays a significant role. There is a string need in today’s economic environment to persistently and systematically chase the development and retention of competency in their employees through competency mapping.

The economic world is changing at a rate that is indescribably fast. Technological and other innovations are responsible for this. Because of this, there is a need to constantly upgrade the competencies of the human resources of an Organization. Continuous emphasis on performance can only be achieved through the investment in a competent workforce.
In most companies, the HR management plays the role of dealing with clients, customers, investors and in some cases shareholders. The aspects of recruitment, training, orientation programmes, salary advice, retirement options and compensation are also handled by the HR team while some groups also participate in extended activities such as counseling and addressing the challenges faced by managers and employees. In Organizations that implement competency mapping, the HR team takes an active role in creating an environment of competition and engagement by identifying strengths and weaknesses of employees and providing models of development and skill enhancement. The focus is on, thus, increasing the productivity of employees through the long term development of certain competencies.

In addition to this, the competency mapping model encourages the HR to consider the future as being different from the past and to be radical in the way they understand the manner in which the greatest potentials of employees can be harnessed. Talents are promoted and weaknesses are mended. There is also a look out for patterns in successes that allow them to select employees that show higher inclinations towards those competencies. There is a constant emphasis on performance and the development of competencies that yield results.

In the case of training, competency mapping works towards removing obstacles that stand in the way of an individual’s productivity. Competency mapping helps in the identification of those elements that are in requirement of development through training.

A periodic assessment of the work of the employees against competency models ensures a management of exemplary performance. There is an emphasis on constant feedback of employee performances. This maintains the high levels of performance of employees.

As a result of competency mapping, the employees of an Organization have a better understanding of the expectations of an Organization and streamline their efforts and develop their competencies towards the effective fulfillment of Organizational goals. One of the main characteristics of a work environment that operates on competency mapping is the equal importance they give to work results and to the work process.
7.1.0 Researcher’s View

From the study conducted by the researcher, it is clear that competency mapping Organizations focus on the fulfillment of Organizational goals through a focus on the capabilities of the employee. It is thus an employee centered perspective on productivity. Thus, this approach to increasing productivity focuses on the competencies of employees being the foundation of an entire Organization. Recruitment, payment, placement, rewards and incentives are all determined through competencies. The emphasis of this approach is on maintain and creating a state of high performance.

The competitive advantage of an Organization soars automatically when an individual employee is working at his/her best potential. The financial performance is also at an increase. One of the most important things about competency mapping is the alignment of the HR strategies of a company with its Organizational goals.

The congruence between employee productivity and Organization growth is achieved by directly linking the employee competencies to a number of things, developing profiles, matching employees to tasks, developing niche competencies as well as training, developing and compensating desired competencies.

From the study, it is clear that in Organizations with competency mapping, the competencies play a significant role in defining and conveying the strategy and goals of an Organization. Besides helping with the goals of an Organization directly by increasing productivity, it also develops the area of HR by creating new paradigms for them to develop.

When an Organization fixes a particular competitive goal to achieve, a strategy combined with competency plan can result in the rigorous honing of competencies that can achieve the goal the Organization has set. It is this alignment of the core competencies of a company with its strategic financial goal that creates higher chances of achieving accurate results.

Primary and secondary data inform the findings of this research. As the results of the study indicate there is a significant difference in the ranking of elements of competency mapping by
CEOs and HR Heads. This could possibly be due to the different roles played by these two groups. It will be useful to enumerate the roles played by the CEO and the HR Heads.

7.1.1.0 CEOs View

The role of the CEO is to define and articulate the business views and goals of an Organization. Thus, an imagining of the future of the company that is far superior to the past of the company is one of the key imperatives of being a CEO. Besides providing leadership and governance, the CEO provides the direction required for fulfilling Organizational strategy. As a facilitator of change, he/she understands the importance of competency mapping in the bringing about of this change. The CEO of a company works to bring products and services to a quality that is assured through optimum utilization of the company’s resources. He/she enhances the company’s networks and interactions through a thorough engagement with his bottom line employees. This is where competency mapping plays a huge role by directly linking the competencies of employees with Organization growth and success. Financial resources are invested to improve services, technology and products. Besides working on his/her own competencies, the CEO has to also manage an efficient allocation of resources. Financial budgeting and control and operational performance are also managed by the CEO to optimize results. Lastly, the CEO analyses the performance and growth indicators of a business and charts out a route to achieve results that will generate further investment interests. This, in turn, sustains the competitive advantage created by its human resources which is indispensable in its focused efficiency.

7.1.20. HR Heads View

The HR Managers/ Heads are generally the links or communicators who manage work flows by ensuring that interactions that are necessary for Organizational flow are maintained. These include service relationships, managerial–employee links and inter-Organizational contact. The HR head also provides counsel and other kinds of advisory relationships such as industrial relations, auditing relations and other relationships with evaluatory and appraisal efforts of Organizational work, for instance management accounts and quality control and production planning and control. They are also concerned with clients, customers and the employees of the
Organization. Besides the articulation of goals, the HR Heads also have to engage with employees when conflicts and challenges arise. In the case of conflicts, the HR Heads have to often deal with the demands and concerns of employees with on the spot counseling. In times of crises, when there occur disruptions to best laid plans, either immediate or long term, the HR head is the one who has to take charge to ensure that the chain of command does not get disrupted and efficiency is not compromised to an extreme degree.

New demands, interruptions and crises have to be dealt with in a proactive and not reactive manner. They also act as leaders when occasions arise. They do this by directing subordinates to respond to those up in the rank, responding to the impulses of employees in different ways. They also represent employees at managerial levels. One of the most important roles of the HR head is as a motivator that ensures the continuation of tasks through the provision of opportunities for growth and through a system of rewards and incentives. They also motivate employees through giving them a choice in the manner in which they carry out their work and opening up space for innovation and experimentation. Thus, one of the main aims is to allow employees to give the maximum amount of positive discretionary effort. The HR Heads also turn to coaching that may arise out of formal or non-formal performance reviews of employees which might also include daily performance feedback.

Sometimes, HR Heads have to take the role of decision makers. The delegation of work is one of their most important duties that require great patience and grit. While delegating work they also make sure that employees are left with enough room to carry out their own responsibilities. They are facilitators who make it easier for team members to carry out tasks in a joint manner that brings out every individual’s competencies. They also play a huge role in creating flexible and fluid networks that smoothen the working of the Organization and connect employees with shared interests. Finally, the HR Head/Manager is in charge of the recruitment of employees on the basis of competencies that are desired for the Organizations growth. They also identify weaknesses and strengths that need to be developed, trained or showcased.

Due to the different roles played by the two, HR Heads may not, at several times, share the CEOs’ perception of competencies required for the growth of the Organization. The study also
shows us how the importance given to various elements of competency mapping depend on factors such as personality and knowledge. However, in spite of the difference in the roles played by the CEO and HR head, competency mapping remains an important fact in the growth and performance of an Organization.

7.1.3.0 Integration of CEOs and HR Heads Views

One of the objectives of the study is to highlight the importance of competency mapping to an Organization’s growth and success. It is clear from the results that CEOs and HR Heads have to cooperate together on a joint strategy. The steps of this include:

- Short and long term competency needs of employees need to be identified
- Competencies of existing employees should be assessed in areas critical for long term Organizational growth
- Competency mapping applications and competency identification must be done in a structured and disciplined manner
- Competency based position and profiles need to be created
- Competency based recruitment and selection should be implemented for key areas
- Employees at the lowest levels of the Organization should be empowered
- Competency assessment, employee development and competency based performance improvement opportunities should be held for employees
- Based on relationship among competencies, employee career planning and development activities should be provided
- Competency based performance management and appraisal system needs to be set up that integrates employee and managerial input
- Compensation, rewards and incentives need to be integrated into the above mentioned performance management system
- An employee handbook and an employee orientation programme need to be established

7.1.4.0 Development of Joint Strategy
The results of the research study show that there needs to be congruence in the attitudes of both CEOs and HR Heads towards elements in competency mapping to achieve Organization goals. The details of the joint strategy are:
• Technological Change
• Increased globalization
• Continued Cost containment
• Accelerated speed in market change
• Growing importance of knowledge capital
• Increased rate and magnitude of change

1. Technological Change
Technology refers to tools that include human knowledge that are required to produce work results. The competencies that employees must have to perform in an Organizational context are also affected by technology. One of the main roles that HR Heads and CEOs have to play is the structuring of competencies for the optimum interaction between technology and the employees. Competency mapping helps to recognize top performing competencies and train other employees into developing these competencies.

2. Globalization
The world is becoming smaller with increasing connections in commerce and finance. There is a need on the part of Organizations to be open to cultural diversity in order to solve international management problems. In this atmosphere of fierce competition, Organizations need to develop competencies in employees that will allow them to perform in an increasingly transnational environment.

3. Continued Cost Containment
One of the constant pressures on businesses is the downsizing of employee strength. There is also the need to continue making services and products at the lowest possible costs. Companies often rely on ways such as outsourcing to reduce costs. This can then be allocated to strengthening key competencies and purchasing new technology.

4. Accelerated Speed in Market Change
As the speed of lifestyles increase, the demands for customer gratification have also increased. This means that Organizations too have to respond in accordance with their demands. This
indicates the need to develop a thorough knowledge of the market that enables an Organization to create a market before it emerges. Market data plays a significant role here. The data has to be utilized before it turns outdated. Competency mapping allows the Organization to anticipate requirements of the market and develop competencies that can adapt to the changing needs of markets.

5. Growing Importance of Knowledge Capital
Knowledge capital is a very important resource of an Organization. Critical knowledge has to be gathered or created before its organizing, analyzing or implementing to produce desired results. Knowledge and competent capital is considered to be a capability of core value.

6. Increased Rate and Magnitude of Change
It is always challenging to adapt to a change. HR Heads play a very important role in facilitating Organizational change. An inability to adapt to change makes way for a larger resistance that makes it difficult for an Organization to handle restructurings such as mergers, updates, new investments, etc. They must ensure the development of competencies that deal with such changes and challenges posed by the extraneous world.

Training and development programmes are needed to always be working on the competencies of employees. There is also a great benefit in their being a uniform understanding of competencies in an Organization. This translates into a common vocabulary for defining efficiency in consistent terms to employees.

Competencies should be used on a daily basis in Organizations. Selection, performance management and other HR applications should incorporate competencies. It is also highly effective if competency mapping gets integrated in all departments of an Organization.

Finally, it has been clearly established in the present research that competency mapping makes a difference to the progress path of an Organization and its employees. Indicators of success namely retention of quality employees, client satisfaction, efficiency and high financial performance are all directly related to the implementation of competency mapping.
7.1.5.0 Implementation of Joint Strategy

The implementation of the joint strategy of CEOs and HR Heads to use competency mapping effectively for Organization growth include the following steps.

1. **Identify Organizational goals, and employees needs**
   Firstly, the business’ goals and strategies need to be finalised. These strategies should be articulated clearly to the employees and managers by the HR Heads and CEOs.

2. **Identify sectors of chief concern**
   The identification and assessment of weaknesses and issues that benefits employees in the development of future careers.

3. **Align Organizational goals with employees needs**
   Human capital is one of the most important resources of an Organization. Competency mapping organises the human capital. The productivity of the employees must be a direct consequence of the alignment of competencies with Organizational goals.
4. **Ensure HR employees commitment of the strategic objective**
Commitment to the Organizational strategies from the employees must be ensured along with the complete support from the Organization.

5. **Implementation of the strategic plan.**
Once the strategic management plan is communicated and dedication from all the employees is received the implementations should take place.

6. **Conduct evaluation.**
Monitoring and training of performance is a crucial requirement. There shouldn’t be too much of a gap between training programmes.

Data about the market needs and demands needs to be gathered, updated and analysed on regular basis because of their strategic implications for businesses. In addition to this, the employee work force must be constantly trained and kept up to date with both the Organizational strategy as well as the market atmosphere.

Besides this, HR Heads have to also take into account the costs pertaining to employee maintenance. The HR Head thus needs to implement competency mapping to monitor employee turnover. While it is the duty of the CEO as a decision maker to view the cost of training and developing programmes and hiring new labour as investments, the HR Heads have to help develop reduce methods that will reduce costs of employees by managing them thoroughly and effectively.

**7.2.6.0 Costs to be dealt by HR Heads**
As mentioned above, the costs pertaining to employees is one reason HR Heads have to manage and reduce these costs through competency mapping. The three categories of costs are:

1. **Separation Cost**
This refers to the costs incurred in the exit interview both in terms of time and money. It also includes the administrative activities involved in the removal of the employee from payroll and benefits and the severance package if any.

2. **Replacement Cost**
This refers to the costs incurred in the announcement of job availability and the multiple interviews that follow. It also includes the costs of competency mapping procedure, travel, medical plans etc.

### 3. Training Cost

This refers to all the costs incurred in the holding of a training programme including training literature, orientation and job training.

The sum of all the above mentioned costs equals to the cost of employees turnover for that particular duration. Bearing this in mind, HR Heads have to also retain employees. It is, however, very necessary that competencies of an employee is always aligned with the Organizational goals and ambitions.

As the implementation of competency mapping in an Organization provides higher returns to investors and shareholders, CEOs and HRs should always be in sync.

The HR Heads do not work in isolation in these times. They have to work closely with the decision makers, the CEOs, towards the development of the Organizations strategy and goals. With the implementation of competency mapping, the CEO and the HR Head streamline the HR policies to recruit and retain the best employees. They are concerned with the overall growth of the Organization examining and understanding all the challenges that face the financial performance of an Organization. They need to be extremely fluid and flexible to adapt Organizational strategy and consequently competencies with changes in demands or situations such as mergers or acquisitions.

### 7.1.7.0 Limitations

Every research study is faced with limitations that can sometimes colour the results of its study. In the case of this study, one of the limitations was that Organizations were inclined to respond to the competency mapping effort based on need rather than the larger goal of Organization
growth and success. This was primarily because of the constraints imposed by time and cost issues. It was seen that competency mapping is often an underfunded aspect thus being relegated to only a few departments in an Organization. Thus, we should consider competency mapping as a budgeted exercise that will result in an Organization's definitive success.

Many Organizations also could not see the proportionate relationship between funding competency mapping to Organization growth and development. This was in spite of the quantified results that indicated otherwise.

Another resistance faced is because of the duration of the competency mapping effort. Since, Organization operate on a yearly manner, there is a tendency to avoid the long drawn process of mapping.

The study also has its limitations in terms of its focus only on seven lucrative sectors of the economy, thereby leaving a large number of Organizations outside its purview.

There is also a research void in this study as the impact of competency mapping on individual level success was not studied here as the focus of the study was on its relationship with Organizational success.

7.2.0.0 Conclusion

According to this study conducted on the relationship between Organizational growth and competency mapping, there is a high correlation between the implementation of competency mapping and Organizational success through high financial performance and productivity.

Instead of looking at it as an isolated concept, competency management should be seen as complementing HR functions such as selection, training and performance management. The only way a company can survive in the fiercely competitive world of today is through the total recognition of its human resources as the most precious capital of all. More investment needs to be made on human resources in Organization. There is a direct relation between financial
performance and the drive, attitude and skills of an employee. With the help of competency mapping, the goals of an Organization are determined to develop competencies that are most beneficial for the attainment of those goals.

Another point revealed in the study was the atmosphere of positivity and motivation that was created with competency mapping. With the identification of strengths and weaknesses combined with the knowledge of what the Organization expects from you keeps the employees satisfied and motivated. It was also observed during the study that Organizations that developed and nurtured the competencies of employees also maintained an atmosphere of high responsibility. Most employees felt responsible for the outcome of the company. The encouragement of using their discretionary judgment increased the responsibility each employee felt towards his job.

Competencies were also rewarded with incentives and rewards. Valuable performance is constantly provided to ensure that the employee understood his contribution to Organizational goals. Their awareness of the expectations of the Organizations they worked in enables them to repeat successes and deal with weaknesses.

Since all Organizations consider a return on investments as an important aspect, they expect the costs that are incurred in the implementation of competency mapping increasing employee competency level from current to desired to translate into benefits. These include Organization growth, success, quality improvement, efficiency and productivity.

The human being remains an integral part to the progress path of a business enterprise. The value of competencies lies in the great nurturing it provides to the qualities and concepts that convert an Organizations ambition into its success.