CHAPTER 1
INTRODUCTION

1. INTRODUCTION

The part of introduction contained several sections. The first section is the background of the study which includes the definition of competencies, its history and growth, competencies for sales staff, the sales competency model, model of competency mapping, introduction to organization effectiveness and pharmaceutical industry. Other sections include the research purpose, research questions, significance of study, and definition of terms.

1.1 BACKGROUND OF THE STUDY

Effective selling of the products and services is critical to the success of organisations in the hyper turbulent environment. Today’s complex and cutthroat selling environment combined with rapid technological changes and globalization has raised a concern: what distinguishes the superior performers from the average or poor performers? Sales managers have always tried to understand the determinants of good sales performance. Researchers have examined many possible determinants of sales performance. HR managers, top management and top sales performers have found the answer in one word: Competencies. Competencies are a combination of observable and applied knowledge, skills, attitudes, motives and traits required to perform a specific job in an effective manner.

The article in The Economic Times on Aug, 2012 suggested that Indian Pharmaceutical Industry is projected to grow 18% by 2016-17. The research defines sales competencies, as well as key actions and outputs required for all sales professionals, it can benefit sales managers, sales people, sales trainers, sales coaches, sales operation team members,
academics and sales recruiters. Later on, the research focuses on mapping the competencies of sales staff in the pharmaceutical industry.

1.1.1 DEFINITION AND MEANING OF COMPETENCY

Today, when measuring organisation’s performance, its better results more and more are refereed not to material resources, but to human resources and their competencies. Thus, development of competencies has become one of the key priorities of the organisation. Realizing this fact, organisations are looking for competent professionals and thus striving to develop their current staff’s competencies. Undoubtedly, contemporary business companies need professionals with desired competencies that would enable an employee to successfully perform in ever changing business and economic environment. It should be noted that there are wide range of competency definitions in management research publications, which differ in terms of constituent parts / elements of competency and their acquisition or manifestation. The classic author of management literature (Drucker, 1985) defined competence at individual level as an ability of an employee to offer superior performance in assigned tasks. According to (Boyatzis, Stubbs, & Taylor, 2002) competence is an underlying characteristic of a person, motives, traits, abilities, aspects of image or social role, knowledge that a person is able to use. (Spencer & Spencer, 1993) presented the following concept of competence: it is an ability to perform well in terms of qualification, skills and knowledge, to have authority to do something, highly qualified awareness. The concept introduced by (Carr, 2000) establishes that it is practical implementation of individual abilities characterized by practical skills and attitudes required to ensure successful professional performance. (Jovaisa, 1993) offers perhaps, the most comprehensive characteristic of an individual related with higher quality performance in specific job or situation; individual characteristic highlighting the versatility of competencies, ensuring sustainability of personality and making predictions for forecasting behavior of a person in various situations of performance. (Atkociuniene, 2010) defines competency as valuable, rare, non-replenishable and irreplaceable resources that can ensure competitive advantage for an organisation in competitive environment. According to (Straka, 2005), competency comprises the entire body of knowledge and abilities or personal traits developed through learning that cannot be immediately observed. According to (Zydziunaite, 2005) competency means an ability to take decisions related with the context of particular
professional performance. Perhaps, the clearest concept of competencies is offered by (Pacevicius & Kekyte, 2008)– it is a combination of professional knowledge, abilities and skills as well as an ability to apply them following the requirements of work environment.

![Figure 1.1: The Iceberg Model of competencies](image)

Source: Spencer L.M. & Spencer S.M, (1993) Constructing Executive-level Health Manager's Competency Model

Competencies can be better understood with the help of Iceberg Model wherein Technical competencies are at the tip – the portion above the waterline that is clearly visible (and therefore easier to assess).

Behavioral competencies are below the waterline – they are more difficult to assess, and often harder to develop. Behavioral competencies can be understood as manifestations of how a person views him or herself (self-image), how he or she typically behaves (traits), or motives him or her (motives). The iceberg model for competencies takes the help of an iceberg to explain the concept of competency. An iceberg which has just one-ninth of its volume above water and the rest remains beneath the surface in the sea. Similarly, a competency has some components which are visible like knowledge and skills but other behavioral components like attitude, traits, thinking styles, self-image, organisational fit etc are hidden or beneath the surface.
Suppose an organisation is promoting an open door policy which literally means that a manager or supervisor would keep the doors of his/her chamber open to become accessible to their subordinates and encourage sharing of opinions and feedback. A manager sitting at the farthest corner of the office keeps his door open all the time, how does one evaluate whether it is for fresh air, claustrophobia or an indication that his subordinates are invited to reach out to him anytime. Therefore, intent behind a displayed action is necessary to understand the action and its implication fully.

In more complex jobs, these behavioral aspects, motives and traits become more important than the skills and knowledge required to do the job. Think of a soldier at the war front, he knows how to use the weapon he is holding, but thinks that the war is unjust and refuses to fire. In organisations, senior level hiring is therefore a time consuming and elaborate affair as it becomes necessary to establish the alignment between the organisational and individual motivation and aspirations.

Developing the two levels of competencies also takes different routes. The visible competencies like knowledge and skills can be easily developed through training and skill building exercises however the behavioral competencies are rather difficult to assess and develop. It takes more time and effort intensive exercises, like psychotherapy, counseling, coaching and mentoring, developmental experiences etc.

In the traditional method of hiring, most of the organisations looked at just the visible components of competencies; the knowledge and skills, believing that the behavioral aspects can be developed through proper guidance and good management. However, with major shifts in the conventional methods of people management, the hiring process has also undergone a change therefore a lot of emphasis is being put on the hidden behavioral aspects as well to make a sound decision. Hence, a complete picture regarding the competence of a person consists of both visible and hidden aspects and it becomes necessary to understand both to arrive at identifying the best man for a job.

The traditional approach to task analysis is characterized by two models: the British model and the American model. The British model (Annett, Duncan, Stammers, & Gray, 1971) has
emphasized analysis in terms of specific activities for which job holder is responsible (Boybell, 1970) whereas the American model (Service, 1973) has included an emphasis on competencies needed for the job. The literature reviewed so far shows that there is still a gap in terms of a single list of sales competencies. Categorization considered as classic one is provided by R. Katz (1955), who divides competencies into three types: technical, human and conceptual. D. Le Deist and F. Winterton (2005) comparing the concept of competencies prevailing in France with the Anglo-Saxon one defines the following types: knowledge or theoretical competencies (savoir), functional or managerial competencies (savoir-faire), and social or behavioral competencies. The concept of competencies in historical terms was comprehensively analyzed by R. Lauzackas (2005). In 1974, F. Mertens, one of the finest researchers of German labor market and professional training, classified competencies under the following four categories: basic competencies (personal abilities of the highest level: logical, critical, contextual thinking, creativeness), horizontal competencies (related with information search, its processing and use), wide elements (special professional competencies), vintage factors (knowledge that has not been changing in the course of history, e.g. theory of relativity). As A. Cepiene (2007) mentions, T. Jovaisa together with British researcher S. Shaw (1998) was one of the finest researchers in Lithuania who made wide-range research on the concepts and scope of general abilities. They defined eight categories of general competencies: basic skills, daily-life skills, employment abilities, social and community related abilities, broad abilities, management skills and business organisation abilities.

The analysis of research publications on competencies shows that there are two dominating approaches to competencies – functional-analytical and personal characteristics. The functional-analytical approach refers to such work functions and activities that managers should be able to perform effectively. However, there is still no unanimous opinion regarding classification of managerial competencies by categories and types. As R. L. Draft (2003) revealed there are two main competencies i.e. leadership and team-building. Cockerill et.al. (1995), and St. E. Abraham et al. (2001) defined eleven categories of competencies making the high performance managerial competency: information search, concept formation, conceptual flexibility, interpersonal search, managing interaction, business like orientation,
self-confidence, presentation, proactive orientation and achievement orientation. Alongside with Cockerill’s approach, St. E. Abraham et. al. (2001) offer ten categories of competencies: good verbal / written communication skills, problem-solving skills, orientation to results, interpersonal skills, leadership skills, customer focus, flexibility / adaptation ability, team player and striving for quality.

Lack of a single theoretical basis creates space for discussion whether various programs devoted to preparation of sales people and sales specialists are aimed at providing such competencies that exactly correspond with the needs of business organisations. Therefore, business organisations’ managers often criticize such programs and mention that future professionals in fact are not taught things contemporary business companies need. It should also be noted that there is a lack of such type of research: e.g. research on assessment and mapping of competencies for Indian sales staff working in pharmaceutical industry. Bakanauskiene and Bartnikaite (2006) revealed that competencies, according to managers, are determined not only by personal traits but also by skills acquired during the development process. Thus, there is both academic and practical problem – what particular sales competencies are necessary for sales specialists, in order they can successfully work in contemporary business companies especially for pharmaceutical industry. Competency mapping can serve as a useful tool for identifying the existing gap between the required competencies and the actual competencies. This would in return facilitate sales staff, managers and HR departments for building more competencies.

A combination of knowledge, skills, attitude and personality of an individual as applied to a role or job in the context of the present and future environment that accounts for sustained success within the framework of Organisational Values. Competencies include the collection of success factors necessary for achieving important results in a specific job or work role in a particular organisation. Success factors are combinations of knowledge, skills and attributes (more historically calls KSAs that are described in terms of specific behaviors and are demonstrated by superior performers in those jobs or work roles. Attributes include: personal characteristic, traits, motives, values or ways of thinking that impact individual’s behavior.
An early assessment was carried by McClelland in 1970s which explains that competencies are significant predictors of employee performance and success, equally as important as an individual’s academic aptitude and knowledge content as indicated by test scores or results (Lucia, Lespinger, 1999; McClelland, 1973). A competency is the capability of applying or using knowledge, skills, abilities, behaviors and personal characteristics to successfully perform critical work tasks, specific functions, or operate in a given role or position.

Having analyzed the literature, competencies are classified by the models of managerial competencies into three blocks: professional (application of knowledge and skills), social (effectiveness of social behavior, ability to adapt to change) and personal (combination of self-assessment skills and personal traits).

At the individual level, competency must not be conceived as the sum of theoretical and empirical knowledge held by an individual, neither is it something encapsulated in a task. According to Zarifian (1999), “competence is the practical intelligence about work situations that is supported by the acquired knowledge that transforms them.” Individual competence is neither a state nor can it be reduced to a specific knowledge or know how. Le Boterf (1995) places competence on the intersection of three axes formed by (1) the person (his / her biography and socialization), (2) the educational process, and (3) his / her professional experience. According to the author, “Competency is the set of social and communicational learning processes nurtured upstream by education and downstream by evaluation system.” Competency is acting in a responsible way, which is recognized by others. It implies knowing how to mobilize, integrate, and transfer knowledge, resources and capabilities in a given professional context.

Competencies are always contextual. Learning and knowledge can only achieve the status of competency if they are communicated and exchanged. Thus, the network to which the individual belongs, with whom he / she interacts, is crucial for communication to be efficient and generate increased competence. Therefore, the concept of competency must be associated to verbs: know how to act properly, how to mobilize resources, how to apply multiple and complex knowledge, how to learn, how to commit himself / herself, how to assume duties and responsibilities, and how to develop a strategic vision of the business. At the same time, the process of competency formation must aggregate economic value to the organisations and
aggregate social value to the individual. Competencies are defined as ‘a responsible way of acting, recognized by others, that implies how to act, how to integrate and transfer knowledge, resources and capabilities, and how to aggregate economic value to the organisation and social value to the individual’ (Fleury and Fleury, 2000).

Irena Bakanauskiene and Jurgita Martinkiene (2011) defined competencies for Western Lithuania region and identified three major blocks of competencies: professional competencies, social competencies and personal competencies. A competency is a measurable characteristic of a person that is related to effective performance in a job, organisation, or culture. Competencies can be developed through a process of observation and interviewing outstanding performers in a wide variety of jobs and roles to determine what sets these outstanding employees apart from everyone else. These characteristics can be defined in terms of behaviors – those thoughts and actions that characterize outstanding performers.

Competencies are classified as basic competences and professional competencies. Further, organisational competencies are classified into broad categories such as generic competencies, managerial competencies, and functional or technical competencies. The competencies profile has been a studied during the last decades, using diverse approaches, for distinct purposes. In human resource management research, competencies are studied from the point of view of job competencies in which they are considered as technical skills to perform job activities. The term ‘Soft Competencies’ was defined as personal behavior or attitude. Diverse authors defined that soft competencies are complementary to technical competencies, and that they are of great importance to human resource management (Dubois 1993, Dainty et al. 2005).

### 1.1.2 HISTORY AND EVOLUTION OF COMPETENCIES

The case for competency management has grown strongly since David McClelland wrote his article in 1973 and the Management Charter Initiative (MCI) was launched in UK, in the eighties. There is ample evidence that competencies form the bedrock for effective and superior performance. That is the reason why organisations, both in private and public sector,
continue to emphasize on them. Competencies (R. Palan, 2003) refer to an underlying characteristic that describe motives, traits, self-concept, values, knowledge or skills that a superior performer brings to the workplace.

A team of Educationists lead by Benjamin Bloom in the USA in mid-fifties laid the foundation for identifying educational objectives and thereby defining the knowledge, attitudes and skills needed to be developed in education. David McClelland, the famous Harvard Psychologist has pioneered the competency movement across the world. His classic books on “Talent and Society”, “Achievement Motive”, “The Achieving Society”, “Motivating Economic Achievement” and “Power the Inner Experience” brought our several new dimensions of the competencies. These competencies exposed by McClelland dealt with the affective domain in Bloom’s terminology. The turning point for competency movement was the article published in American Psychologist in 1973 by McClelland, wherein he presented that traditional achievement and intelligence scores may not be able to predict job success and what is required is to profile the exact competencies required to perform a given job effectively and measure them using a variety of tests. Latter, McBer, a consulting firm founded by David McClelland and his associate Berlew have specialized in mapping the competencies of entrepreneurs and managers across the world. They even developed a new and yet simple methodology called Behavior Event Interviewing (BEI) to map the competencies.

McBer and Company (now part of the Hay Group) carried out the first competency study in 1973. Since that time, researchers have conducted thousands of competency studies of hundreds of jobs, worldwide. The studies that form the basis of competency database are grounded in solid empirical research. The Sales Model was derived by an in-depth analysis of this database of competencies – in particular those of outstanding sales representatives. In creating this model, researcher sought to include those competencies that are most critical in defining excellence in a wide variety of sales roles.

For years now, competency management has been suggested as a way to more effectively utilize employee skills in the workplace. The concept originated from Human Resource
Management as a way to align HR processes (like selection, performance appraisal, training and development) to job requirements and organisational strategy (Green, 1999). Moreover, it has been suggested that in Knowledge Management approaches defining competencies can support knowledge management processes like goal-setting and evaluation, or the assignment of teams in knowledge-based organisations (Deiters et. al., 2000). Skills or competencies are being defined in organisations in order to describe characteristics of individual employees to make better use of their expertise or to develop it further.

The phrase core competence in the literature on education defines a set of learning outcomes (skills or competencies) which each individual should acquire during or demonstrate at the end of period of learning. It is one of a number of associated concepts, including core skills, core competency, generic skills and key qualifications (Gary & Nick, 2000). There are differences between all of those concepts but they all relate to learning outcomes which support further learning, employment, personal development and socialization.

This definition is synthesized from the suggestions of several HRD specialists who attended a conference on the subject ‘competencies’, in Johannesburg, South Africa, in October 1995. A competency is “A cluster of related knowledge, skills and attitudes that affect a major part of one’s job (a role or responsibility), that correlates with performance in the job, which can be measured against well-accepted standards, and that can be improved with training and development”. Katz and Kahn (1986) grouped competencies under three areas, which were later expanded to the following four:

1. Technical or functional: Associated with technical or functional expertise required to perform the specific role.
2. Managerial: Knowledge, attitude and skills required to plan, organize and mobilize various resources.
3. Human: Knowledge, attitude and skills required to motivate, utilize and develop human resources.
4. Conceptual: The ability to visualize the invisible and think at abstract levels.
The requirement of the above competencies varies across different levels. As one moves higher in the hierarchy, more is the requirement of the managerial and conceptual competencies.

Boyatzis’ model investigates which characteristics of managers are related to effective performance and it can be considered as adaptation of the classical psychological model of behavior (McClelland, 1971). The authors see ‘competency’ as ‘an underlying characteristic’ causally related to superior job performance (McClelland, 1971 and Boyatzis, 1982). This approach is also known as the input approach to management competency (Tate, 1995 and Hoffmann, 1999), as it was used to define the inputs needed to demonstrate a competent performance and to find out what makes managers competent. The second approach identifies the outcome expected from a job when it is performed adequately. It suggests not only skills and knowledge but also the range of qualities of personal effectiveness required to get a job done (Ashworth & Saxton, 1990) (Silver, 1991) (Boam & Sparrow, 1992) and (Burgoyne, 1989). The main contraposition between the two meanings of the term ‘competency’ is that one refers to the output or the result of the training, while the other refers to the inputs or the underlying attributes required of a person to achieve competent performance.

Klemp (1980) argues that competencies are underlying characteristic of a person which results in effective and/or superior performance on the job. Hogg (1993) defined competency as the characteristics of manager that lead to the demonstration of skills and abilities which result in effective performance within an occupational area. Spencer and Spencer (1993) in their work Competency at work defined competency as ‘an underlying characteristic of an individual that is casually related to criterion-referenced effecting and/or superior performance in a job situation’.

In 1995, a conference was held in Johannesburg by experts in human resource development on the subjects of competencies. As a result, new definition of competency was synthesized by Parry (1996) which states, ‘competency is a cluster of related knowledge, skills and attitudes that affect a major part of one’s job, that correlates with performance on the job,
that can be measured against well-accepted standards and that can be improved via training and development’.

The definitions given by all experts can be understood by following points:

- Competencies are underlying characteristic which means it is a deep and in-built part of an individual’s personality which is demonstrated through behavior.
- It facilitates in predicting behavior of an individual in a wide variety of situation or tasks.
- It is a combination of skills, motives, knowledge, abilities and attitude which helps in achieving superior performance.
- Competencies are measured for a specific job.

According to the traditional approach, immediate supervisor identifies the competencies for any job. Although many organisations follow this practice in India, other countries use a combination of people in order to identify the required competencies. Competencies can be identified by experts, HR specialists, job analysts, psychologists, industrial engineers along with the consultation of line managers, current and past job holders, and all other members who have expectations from the role holders.

### 1.1.3 COMPETENCIES FOR SALES STAFF

Today’s global economy and business climate can be summed up in one word: change. As business leaders work to increase profits, maximize shareholder value, and grow the business amid change and economic uncertainty, they rely on their sales function to move the organisation forward. It is an exciting time to be in the sales field. As the profession continues to evolve, sales professional will find that their work is frequently redefined as organisations rethink their business strategies and objectives in the phase of economic uncertainty, new opportunities and constant change. While these challenges may affect many organisations regardless of industry or geography, one thing is certain: having a competent and confident sales force can help an organisation grow and achieve competitive advantage. This means that everyone in the sales function must be in the right jobs and equipped with the right skills to perform effectively for the organisation. For effective performance, the question arises as what it takes to have the right sales force with the right skills. The answer lies in
understanding what a sales professional must know and be able to do to be successful for an organisation or client.

The image of the product and the company that a doctor forms is directly related to the degree of professionalism exhibited by sales staff. It is essential for medical representative to be well organized and planned in advance. By careful planning, a medical representative will see a mix of doctors and pharmacists every day.

With the ever increasing pressure to ensure maximum return on investment, sales force is becoming a high priority area in the global pharmaceutical industry. Sales force represent the largest spend in sales and marketing yet most studies show that the returns gained from this spend is not particularly strong and one IMS report found that Pharmaceutical sales force effectiveness declined by 23% in the period of 2004 to 2005. The golden old days have gone where sales representatives enjoyed lengthy and in-depth discussions with their target physicians about the drugs. Research by Novartis showed that, despite the fact that the top 40 pharmaceutical companies in the U.S. doubled their investment in sales force over past ten years; prescriptions only rose by 15% in the corresponding period.

In hyper turbulent environment, companies overall continue to struggle to determine which levers to pull to improve the performance of their sales forces. Many companies struggle with hiring the right sales people, have a large percentage of sales people who do not make their quota, and experience significant attrition of sales people each year. Such performance, if it continues, will be a significant obstacle for companies that are looking to take advantage of growth opportunities as the economy begins to improve.

In the early 1980s, organisations and well-renowned establishments such as Harvard Business School, The Gallup Organisation, the Xerox Corporation, started studying outstanding sales people in order to identify the important competencies. The research revealed that 39% of a customer’s buying decision is based on the competency of a sales people. Organisations of all kinds face numerous performance challenges today: understand and respond to changing customer needs, support growth, improve profitability. Leading organisations address these challenges by transforming the performance of their sales teams through a combination of art
and science. In mastering the ‘art’ of sales—competency, behavior and personality that define high performance—‘science’ still plays a role, in the form of sales analytics.

As companies refocus their attention on growth, many find they are held back by the very thing that should be propelling them forward: their sales force. For too many organisations, this critical function is hampered by ineffective sales people and with the expensive drag of turnover. It’s a problem that has held the attention of organisations for many years—but one that also has gone largely unsolved. The challenge has been creating a model that establishes what makes some people better at sales than others—and then supports the replication of those characteristics across the entire sales force. While many models have been developed over the years, most have focused on personality, skills or behavior.

The common short coming of these models has been their failure to integrate all three dimensions into one holistic model. A model broad enough to capture everything a good sales person thinks and does, yet still focused enough to apply to specific business environments or even explained the differences between sales roles. Through a combination of research and practical experience, Accenture (Samuel R. Tepper & Rick Bakosh, 2010) has developed such a model integrating the sales competencies, personality traits and behaviors of a specific organisation’s top performers into a usable model that can improve the effectiveness of every member of the sales team and can enable the company to close the gaps through targeted improvement programs.
For more than 20 years, the American Society for Training and Development has created competency models that define the standards of excellence for the learning profession. The ASTD 2008 World-Class Sales Competency Model is an example of growing importance of sales function within organisations. The model provides a framework for the competencies that sales professionals need today and will need in the future. Having a defined set of competencies is a hallmark of a true profession.

As mentioned by Brian Lambert & et al. (2009), the ASTD World-Class Sales Competency Model provides global insight into and standards for ethical human link required for world-class selling. The study carried out by Brian Lambert & et al. in 2009 on the ASTD World-Class Sales Competency Model defines sales competencies, as well as key actions and outputs required for all sales professionals. Thus, ASTD provided a comprehensive competency model that helps individuals and organisations to identify gaps in skills and knowledge.

As the world of business has changed from one in which tangible commodities or products are sold, to one in which bundles of sophisticated products and services (service agreements, partnering arrangements just to name two) are sold, so the world of sales has changed. The sales process is now increasingly a relationship-driven process. The fact that the sales
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A proposition is often complex, particularly in terms of its financial components, means that the sales cycle often takes considerable time from first meeting to final decision and implementation. This means that the job of sales is complex, and becoming more complex all the time. The outstanding salesperson must—

- Be confident in him- or herself in an ever-changing sales environment
- Create new sales opportunities and leverage them for success
- Take the time to build lasting customer and industry relationships

The advantage of the competence-performance approach is that the competencies help to predict performance outcomes and provide an explanation for discrepancies in performance. For example, missing competencies can help to explain why an employee was notable to accomplish a certain task. Hence, development programs can be created that focus on theses underlying competencies. Competencies will continue to receive close attention as companies migrate to organisation designs that view jobs as excessively rigid and limiting. Competencies offer a powerful opportunity to communicate new values and directions.

Albert and Kaluscha, (1997) have shown how known methods of adapting competence-performance structures can also be used in dynamic domains. This certainly depends on the speed of change of the tasks. It would also depend on the nature of the competencies defined. Competencies are understood as being relatively stable across time and situations, underlying competencies would in fact change much slower and rather different combinations of competencies would be able to determine performance for a person in quite diverse kinds of situations. The competence-performance matrices can be the basis for other kinds of analyses as well. For example, Formal Concept Analysis (FCA, (Ganter and Wille, 1999) provides an alternative way of formalization for documents and competencies. (Busch et al. 2001) have used FCA for mapping knowledge flows in an organisation. In general FCA seems especially well suited for knowledge mapping purposes, that is making available competencies visible within the company.

For more than a century business people and experts have tried to understand why some people are more effective at sales whereas others are ineffective. Many models and
approaches have been proposed for raising the performance of less effective sales people—from frameworks that emphasize personality, to others focusing on skills, to still others identifying the specific behaviors that set high performers apart. However, none have substantially helped companies replicate the critical characteristics of top sales performers. One of the possible reasons is because companies have failed to integrate all three legs of the sales force performance tool: competencies, behaviors and personality.

Increasing sales effectiveness is a top concern for chief sales officers, especially as organisations prepare for growth in the post-recession world. However, recent research shows that many companies struggle to achieve this goal. In 2009, research sponsored by Accenture with the firm CSO Insights identified that increasing sales force effectiveness was the single most important objective for chief sales officers, besting such goals as increasing revenue, building market share and improving margins. Yet significant gaps exist between sales leaders’ goals and their actual achievements to date. For instance, only six percent of these executives say their companies’ ability to hire top-notch salespeople exceeded their own expectations. In contrast, nearly 40 percent said this capability needed improvement. This calls an attention of HR departments in pharmaceutical industry and gives a hint that competencies should be emphasized in order to directly increase sales and enhance organisational performance indirectly. It signifies the need for assessing the competencies for existing sales staff and recommends that recruitment and selection should be carried on basis of competencies.

The objective of pharmaceutical marketing is to make profits through satisfying customer needs and wants. Hence, the marketers i.e. medical representatives have to understand real needs, wants, beliefs and attitudes of customers towards products and services (Nitin Giridharwal; 2007). Pharmaceutical marketing is a specialized field where medical representatives form the backbone of entire marketing effort. Medical representatives try to influence prescription pattern of doctors in favor of their brands (Sahad P. V. & et. al.; 2005).
Pharmaceutical selling is the promotion of a brand of drug to the medical fraternity. In a supply chain of Indian Pharmaceutical market, sales staff generally meet medical professionals i.e. doctors and promotes a product through visual aids, clinical paper presentation and / or sample distribution. Simultaneously, medical representatives also meet the chemist / pharmacists and promote the drug and product. Based on the presentation made and confidence gained by doctor, the product is Rx-ed by the doctor to a patient. The patient purchases a product from the chemist who had purchased it from a stockiest / wholesaler who in turn purchased it from the organisation.

In a study conducted by Nitin Girdharwal (2007), doctors reflected that they still consider medical representative as a better medium of communication and promotion of medicines as compared to information provided through internet. The medical representatives provide human touch and more personalized service to doctors.

The role of medical representative has undergone a huge change and reforms due to severe competition with MNCs, continuous research and development in pharmaceutical industry. The role of Medical Representative is redefined and is expected to know SPICE concept of pharmaceutical marketing.

S – Specific
P – Product Knowledge
I – Inclinical Activity
C – Communicate effectively
E – Encash in terms of prescription

1.4 THE SALES COMPETENCY MODEL

The performance of an organisation depends not only on the human assets but also on HR having the right match of competencies and their level for performance requirements as it’s not the process or machine that does the job, but it’s the human behind them which determines the performance of the company. The process of competency mapping (Ashok Sankethi, 2008) starts from as macro an endeavor as understanding the vision and mission of the organisation and how that translates into specific, time-bound business goals. It then goes on to delineating the organisation structure clearly, and identifying the various levels and positions, as well as the reporting relationships obtaining within that. For each position / level, the mapping exercise should outline the roles and responsibilities of the position; short-term goals to the extent that they are qualified; skill sets required for the job; and soft skill sets required for the job plus interaction with other units / personnel.

Once this is done as specifically as possible, the next step would be to assess where the individual currently filling the position stands in terms of what is required. This would indicate the gaps between the skill sets required and the skill sets possessed. It is also useful if the competency of the current incumbent is assessed keeping in mind the next promotion and the competencies required for that position. This will enable the organisation to remain one jump ahead of the game. The assessment of the competencies required as well as the current competency level should be completed using a combination of structured and in-depth interviews with the person supervising the position and with others in the hierarchy.

A skilled assessor needs to study the gaps and figure out which ones can be filled through training, and which cannot. For instance, if a position requires working knowledge of MS Excel, that is something which can be addressed through training. On the other hand, if a position requires the person to be an extrovert (such as being in-charge of network marketing) and the current incumbent is a confirmed introvert, then it would perhaps be better to redeploy
the person. This will save the person the anguish associated with being in a wrong position and receiving negative performance appraisals.

Though there are well-accepted guidelines and assessment tools such as psychometric tests, the assessor’s skill will play an important role in deciding when a gap calls for training and when it calls for redeployment. Competency mapping comes in very useful in the following situations: candidate appraisal for recruitment; employee potential appraisal for promotion; training needs identification; performance diagnostics; and self-development initiatives. Apart from the above situations, organisations would also be well-advised to carry out a comprehensive, company-wide mapping exercise if it has never been done before. As is the case with any HR appraisal activity, competency mapping too places emphasis on transparency, objectivity and quantification.

The purpose of looking at competencies in organisations is to support firms in the challenges they are facing in an increasingly knowledge-based economy. Human knowledge and expertise are becoming the foundation of many company’s assets, and instruments that help manage these assets are being needed. Used correctly, competency models can be powerful, unifying agents for change – changing and directing individual behavior toward organisational goals. Through the clarification of organisational expectations, competency models can be instrumental drivers of superior performance. Aside from enhancing the performance management process, competency models can be effective tools for recruiting and selecting the right person for the right job. Yet, competencies are also useful tools for designing jobs, career development, and compensation planning, determining training and development needs, and making organisational design decisions.

1.1.5 ASTD COMPETENCY MODEL
The ASTD World-Class Sales Competency Model was created with the input of more than 2000 leaders, experts, and practitioners in the sales profession. It was created by sales professionals for sales professionals. The model provides a common language and framework for selling competency that defines the field for today and for years to come.
Introduction

The ASTD competency model is made up of three tiers. The foundational competencies (bottom-line tier) include the list of competencies that helps the sales staff in completion of many tasks. The 12 competencies are grouped in three clusters: interpersonal, business/management, and personal. The areas of expertise (the middle-tier), which is comprised of nine competencies, are knowledge and skills required for the specified field. The roles (the top-tier) are broad areas of responsibility that require a certain combination of competencies and expertise to perform effectively.

![Figure 1.4: The ASTD world-class sales competency model](Source: The ASTD world-class sales competency model)

This competency model serves as an excellent resource for professional growth and development. It is comprehensive enough to guide career development at all levels of profession, add it covers wide spectrum of roles—both those that are directly responsible for revenue generation, and those that support them. The model includes three layers of knowledge and skills areas: roles, areas of professional expertise, and foundational competencies.
ROLES

The ASTD world class sales competency model can be explained based on the roles that are played by employees. Roles are not the same as job titles; they are much more fluid, depending on the application or activity. While there may be a loose formal association between roles and job-titles, roles are the ‘hats’ that people wear within the sales profession, despite specific job titles.

The sales roles can be described as under:

**Consultant:** Leverages expertise and resources to build strong advisory relationships. Suggests best course of action based on data and helps with rational decision making. Guides the decision making of others including internal and external customers. Acts as a point person in negotiating transactions, fulfilling documented agreements, and building the relationships that are essential to long-term partnering.

**Strategist:** In response to challenges or opportunities, envisions ways of operating or achieving goals that do not currently exist. Applies or leads the application of innovative ideas and systems to create a business or organisational advantage.

**Developer:** Creates business, organisational, or operational solutions or performance improvement initiatives by designing, developing and delivering specific processes, systems, tools, events or product intended to add value.

**Manager:** Controls and allocates resources and budgetary expenditures, enforces accountabilities and compliance with work-related policies and procedures.

**Analyst:** Collects, synthesizes, deconstructs, and reconfigures information to provide insight to others.

**Administrator:** Performs procedure based activities that are often scheduled on a regular basis or required documentation. Involved with activities that require compliance with established processes, practices, or operational rules.
AREAS OF EXPERTISE

Areas of expertise contain the specific technical and professional skills and knowledge required for success within a professional sales role. To be proficient in area of expertise, a person must display a blend of the appropriate foundational competencies and a blend of unique technical or professional skills and knowledge. An individual may have expertise in one or more of the following areas:

**Building Sales Infrastructure:** Defines requirement essential for creating an efficient and unified sales environment, including necessary processes, procedures, tools, and systems; works with experts and stakeholders to design and implement appropriate solutions. Creates and leads sales capacity planning efforts; and implements solutions within manual disruption to sales team productivity.

**Coaching for sales results:** Engages sales personnel in individual or group coaching; draws out the best performance of the individual or group through observation, motivation, and developmental feedback.

**Creating and Closing Opportunities:** Continuously scans for prospects to achieve new sales, expand account control, and populate account pipeline; leverages customer referrals and targets new leads, performs necessary interest-building calls; manages sales cycle progress, closes unique transactions, and achieves a mutually beneficial win for the buyer and the seller.

**Defining and Positioning Solutions:** Creates solutions that clearly address and align with customer business needs; conducts effective technical presentations at all appropriate levels within the client’s organisation; supports internal acceptance of proposed solutions and monitors post-sale customer satisfaction.

**Delivering Sales Training:** Understands the challenges and demands of the selling environment and leverages the insight in preparation of sales training events; develops and managing learning attendance and performance feedback systems; manages and controls training environment within specified parameters.
FOUNDATIONAL COMPETENCIES

The ASTD 2008 world class sales competency study identified 29 foundational competencies as common, core, and critical to all sales professional, regardless of role. These 29 foundational competencies cluster into four categories; logical groupings that help sales team members define and assess their levels of competency. The competency clusters are: partnering competencies, insight competencies, solution competencies and effectiveness competencies.

1.1.6 COMPETENCY MAPPING

Ongoing and unrelenting economic, social and technological changes have spurred the need for flexible, skilled workers who can help their organisations succeed and sustain a competitive advantage. To be relevant within organisations and indispensable to clients and customers like, workplace learning and performance professionals must continually reassess their competencies, update their skills and have the courage to make necessary changes. Businesses and managing business has and will always be complex. There is no denying the need to perform through a combination of utilizing predictive or forecasting tools, techniques and methods, yet without trivializing the need to sustain and drive a motivated high performing workforce. The company’s need to sustain in a competitive environment, gave rise to the need to understand and learn to establish the context of competency mapping.

Competency Mapping determines the extent to which the various competencies related to a job are possessed by a job holder. Thus, competency mapping is a process used by an HR expert to identify and list out competencies that are most relevant and significant to carry out job in an effective manner. Although the definition of competency mapping given here refers to individual employees and job holders, companies also map competencies but form a different perspective (Garrett, 2007). Most popular strategies used by companies to map the competencies include core competencies required for company’s success, business unit competency sets, position specific competency sets and competency sets defined for each job holder.
Once the identification of competencies is done, competency profiling is prepared which will set the expected key competencies for a job. Expected or required competencies are matched against the actual competencies of a job holder. The process of identifying the gap between expected and actual competencies is referred to as Competency Mapping.

It has been proved by various scholars that every individual has competencies but is different in terms of combination and degree of competencies differs from individual to individual. Hence, organisations have to identify the critical basic competencies required for individual employees to deliver their best in the organisation. The importance of mapping the competencies proves critical for organisational success.

Competency mapping process is designed to consistently measure and assess individual and group performance as it relates to the expectations of the organisation and its customers. It is used to identify key attributes (knowledge, skills, and behavior attributes) that are required to perform effectively in a job or an identified process. Competency Mapping juxtaposes two sets of data. One set is based on organisational workflow and processes and it starts with the clear articulation of workflow and processes, including all quality and quantity requirements, inputs and outputs, decision criteria, and most important, internal and external customer requirements. The other set of data is based on individual and group performance capabilities.
Introduction

It is collected through the utilization of a variety of assessment tools and procedures (which may include a robust 360-degree feedback process) to assess the extent to which individuals and groups can consistently demonstrate over time the competencies required to meet expectations.

Despite the growing level of awareness, competency-based Human Resource (HR) still remains an unexplored process in many organisations. The underlying principle of competency mapping is not just about finding the right people for the right job. The issue is much more complex than it appears, and most HR departments have been struggling to formulate the right framework for their organisations.

In 1973, David McClelland, Professor of Psychology at Harvard University wrote a seminal paper that created a stir in the field of psychology (McClelland, 1973). According to his research, traditional academic aptitude and knowledge content tests seldom predict on-job performance. He went on to argue that the real predictors of job performance are a set of underlying personal characteristics or ‘competencies’. Hence, the history of competency can be traced to the early 1970s when industrial psychologists and human resource managers were seeking ways to predict job performance. There was significant evidence to show that personality testing was very poor at predicting job performance (about 10 percent success rate was achievable). At the same time, a number of studies showed that traditional academic aptitude, knowledge tests, school grades and credentials did not predict job performance. Evarts (1988) defined competency as an underlying characteristic of a manager which causally relates to his/her superior performance in the job. According to Jacobs (1989), it is an observable skill or ability to complete a managerial task successfully.

Hornby and Thomas (1989) defined it as the ability to perform effectively the functions associated with management in a work situation. In the recent years, many meanings and new labels have evolved through common usage for the terms ‘competence’ and ‘competency’ (Strebler et al., 1997). Usually, the term ‘competency’ has been used to refer to the meaning expressed as behaviors that an individual needs to demonstrate, while the term ‘competence’
has been used to refer to the meaning expressed as standards of performance (Hoffmann, 1999).

Mapping the individual competencies really gives individual a clear sense of true marketability in today’s job market since someone who knows their competencies can compare them with the ones required for a position of interest. Many companies which use competency based interview for recruiting will later use the same competencies to encourage career development, training, management development, performance management and succession planning.

1.1.7 MODEL OF COMPETENCY MAPPING

A competency mapping model is an organizing framework that lists the competencies required for effective performance in a specific job, job family (eg. Group of related jobs), organisation, function, or process. Individual competencies are organized into competency models to enable people in an organisation or profession to understand, discuss, and apply the competencies to workforce performance. The competencies in a model may be organized in a variety of formats. No one approach is inherently best; organisational needs will determine the optimal framework. A common approach is to identify several additional categories of competencies that apply only to specific subgroups. Some competency models are organized according to the type of competency, such as leadership, personal effectiveness, or technical capacity. Other models may employ a framework based on job level, with a basic set of competencies for a given job family and additional competencies added cumulatively for each higher level within the job family.

The key to gaining a competitive edge is the ability of the workforce of an organisation to maximize the advantages of state-of-the-art technology, superior products, and steady source of capital to enter into market place (McLagan 1989).

Determining whether workforce possesses the abilities critical for organisational success is indeed difficult. Behaviors necessary for effective performance vary from business to business and role to role. Thus, many organisations have developed their own competency
models to help employees identify the essential knowledge, skills and attributes needed for successful performance in a job aligned with the strategy and integrating it to HR strategy.

While designing a competency model, following points should be kept in mind so that competency modeling can serve as useful HR tool.

- Competencies must be defined along with examples to illustrate when a particular competency is being demonstrated.
- Although the innate characteristics are fixed in a person for the most part, behaviors can be modified or taught.

The specific approach that is used to identify and structure competencies within a particular organisation should be developed on the basis of the actual modeling purpose and the setting within the organisation (Wols et al. 2003). Crawford (2004) put forth a model of competencies that integrates knowledge, skills, demonstrable performance and core personality characteristic.
In Prahalad and Hamel (1990), a model for competency management in organisations called ‘Core competency notion’ is proposed in order to support strategic planning and provide means for achieving better synergies among the various organisation’s business units. Another contribution to this issue was provided by Javidan (1998) proposing an extension of the core competency notion, where the concepts of resource and capabilities are included in the core competency model. He also proposed a method based on the discussion of eight-structured questions that will help managers to identify the company’s core competencies and capabilities in a systematic and methodical way.

In recent years, the collaborative networks community developed some work related to competency management in a collaborative context. Molina and Flores (1999) proposed a core competency model for the manufacturing clusters, an earlier form of Virtual Organisation (VO) breeding environments. The basic idea of this model is to match the tasks defined for a new VO against the constituent skills provided by the cluster of organisations. Another model for competency analysis in collaborative context, called S-A-R-C model, was introduced by Boucher and Leburean (2005). This model supports the idea that competencies usually increase in networked organisations as a consequence of the interaction between tasks, human resources and material capabilities. Odenthal and Peters (2006) further developed the concept of competency profiles in collaborative environments, proposing a method to generate target competency profiles in a Virtual Enterprise. These target profiles are based on the allocation of competencies to activities and where each set of activities correspond to a specific task. More recently, Ermilova and Afsarmanesh (2008) developed a competency model specific to competencies management in Virtual Organisations Breeding Environments (VBEs). This model is called the ‘4C-model’ and it considers four fundamental components of competency: ‘Capability’, ‘Capacity’, ‘Cost’ and ‘Conspicuity’. 
Competency mapping can play a vital role in every process of HRM system such as job analysis/role analysis, recruitment, performance appraisal, promotion and transfers, training, succession planning.

Drakenidis, 2006 implemented an ontology based application that can be used for the competence management. (Keenam, 2005) projected a DSS to match the skills of the prospective employees with the needs of the employer. (Huang, 2004) explored a DSS in Human Resource selection which utilizes the fuzzy neural networking evaluating the managerial talent. (Berio, 2004) presented a case study for modeling and managing the competence of an enterprise. (Vartarien, 2003) studied the competencies in virtual organisation that can be used at work and also for the lifelong learning. (Stenmark, 2003) analyzed the need of rethinking of competence management systems for the knowledge of based organisations. (Colucci, 2003) described an approach to ontology based semantic match of skills descriptions. (Ranjan J. Tripathi P, 2007) developed a theoretical framework for measuring competencies in academic institutions. (Ranjan J. Tripathi P, 2008) presented an Empirical Study for the competence Management.
PAKS based model of competency demonstrates the clustering of related measurable competencies observed as personality, ability, knowledge and skills necessary to perform a particular task independently at a prescribed proficiency level (Pooja Trpiathi; 2010).

1.1.8 ORGANISATION EFFECTIVENESS

Organisations are becoming more fluid in the pursuit of maximum motivation, effective teamwork and higher organisational effectiveness. Organisational effectiveness can be measured in two forms: Financial effectiveness and non-financial effectiveness. Organisation effectiveness is used to indicate the goal attainment of the organisation. It indicates organisational growth, profitability and productivity and to some extent, employee satisfaction as well. According to S.P. Robbins, ‘An organisation is said to be effective if it is able to achieve its goals’. Jackson, Morgan and Paolillo defined it as ‘effectiveness is commonly referred to as the degree to which predetermined goals are achieved’. Organisation effectiveness cannot be measured by a single criterion as it is multidimensional. According to Kondalkar, several factors need to be considered while measuring organisational effectiveness such as leadership style, organisation citizenship, employee satisfaction level, customer satisfaction, skill variety, and quality management. Effectiveness considers the organisation environment interface and also takes care of human aspect of the organisation. The fast pace of environmental changes in the global market makes managers increasingly aware of the importance of a high-caliber workforce in an organisation’s effort to attain its goals.

Organisational researchers have always been looking for the answer to effectiveness of organisations. In spite of numerous efforts, there is a still confusion regarding what organisational effectiveness is. It has been not an easy task to compare studies of effectiveness, as only few researchers have focused on common criteria for measuring organisational effectiveness (Campbell, 1973; Steers, 1975) and effectiveness has been a tag attached on a wide variety of organisational phenomena from a wide variety of perspectives. Research conducted by various authors establish that no one ultimate criteria of organisational effectiveness exists, which increases the difficulty of organisational researchers. In fact, organisations may target for multiple and often contradictory goals (Warner, 1967; Perrow, 1970; Hall, 1972, 1978; Dubin, 1976), relevant effectiveness may change over the life cycle.
of an organisation (Yuchtman and Seashore, 1967; Kimberly, 1976; Miles and Cameron, 1977), different constituencies may have particular importance at one time or with regard to certain organisational aspects and not others (Friedlander and Pickle, 1968; Scott, 1977; Barney, 1978), and the relationships among various effectiveness dimensions may be difficult to discover (Seashore, Indik, and Georgopolous, 1960; Mahoney and Weitzel, 1969; Kirchhoff, 1975). Organisation effectiveness includes various factors such as job satisfaction, organisational commitment, and employee turnover (Mowday, Porter & Steers, 1982; Mayer & Schoorman, 1992).

Thus, organisational effectiveness can be understood as mutable (composed of different criteria at different life stages), comprehensive (including a multiplicity of dimensions), divergent (relating to different constituencies), trans positive (altering relevant criteria when different level of analysis are used) and complex (having non parsimonious relationship among dimensions).

![Figure 1.8: Approaches to Organisation effectiveness](image)

*Source: Organisation Effectiveness and Change Management.*
ORGANISATIONAL EFFECTIVENESS MODELS

Several models have been developed to capture the richness of the organisational effectiveness construct. This multiplicity can be explained by the nature of the effectiveness construct, specifically it has unspecified boundaries, and also by the various conceptualizations of organisations that yield different models of effectiveness (Cameron 1984).

1. **Goal model:**
The traditional model relies on a vision of the organisation as a rational set of arrangements oriented toward the achievement of goals (Goodman et al. 1977). Effectiveness is measured in terms of accomplishment of outcomes (Etzioni 1960). The focus is exclusively on the ends: achievement of goals, objectives, targets, etc.

2. **System model:**
The system model, while not neglecting the importance of the ends, emphasizes the means needed for the achievement of specific ends in terms of inputs, acquisition of resources and processes (Yuchtman and Seashore 1967). The conception of the organisation is grounded in the open system approach whereby the inputs, transformation process and outputs are considered part of whole and not independent components.

3. **Strategic-constituencies model:**
This model broadens the scope of the two previous models by adding the expectations of the various powerful interest groups that gravitate around the organisation (Connolly, Colon and Deutch 1980). Thus, the organisation is perceived as a set of internal and external constituencies that negotiate a complex set of constraints, goals and referents (Goodman et al. 1977). That is, the owners, employees, customers, suppliers, creditors, community and government represent interest groups that must be satisfied in order to ensure the effectiveness and survival of the organisation.

4. **Competing-values model:**
The competing-values model constitutes a synthesis and an extension of the previous models (Quinn and Rohrbaugh 1983). It views the assessment of organisation effectiveness as an exercise grounded in values. Using organisational values as a starting point, three sets of competing values are juxtaposed to form different definitions of effectiveness. These sets of
values encompass various aspects of previous models: (i) means-ends dilemma refers to the goal and system model, (ii) the internal-external focus dilemma refers to the different stakeholders’ needs, and (iii) the control-flexibility dilemma is an open debate in organisational literature. Based on these competing values, Quinn and Rohrbaugh (1983) identify four models of effectiveness: rational goal, internal process, open system and human relations.

Organisation effectiveness largely depends on the strategies the organisation adopts for individual development. This is related to personal growth of employee who displays high level of work motivation and commitment. Rensis Likert has identified three variables - casual, intervening and output – that are useful in determining effectiveness. Taking into consideration various casual variables and intervening variables, one can measure organisation effectiveness.

![Figure 1.9: Rensis Likert Model of Organisation Effectiveness](Source: Rensis Likert (1967), The Human Organisation.)

Cameron (1984) through his research suggested four important categories for assessing organisational effectiveness: achieving goals, increasing resourcefulness, satisfying clients, and improving internal processes (Bramley, 1986). A study conducted by Tushman and Nadler (1996) suggested that base companies constantly innovate and change. Those organisations which are most innovative emerge as highly effective learning systems. Assessment criteria for organisational effectiveness can be elements like low labour/employee
turnover, good teamwork, high job satisfaction, high motivation, high commitment, low absenteeism, low grievances, less disciplinary actions (Cameron, 1980, Bramley 1986, Redshaw 2000), low attrition, high engagement, etc.

<table>
<thead>
<tr>
<th>Model</th>
<th>Conceptualization of the organization</th>
<th>Focus</th>
<th>Advocates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Goal model</td>
<td>Organization as a rational set of arrangements oriented toward achieving goals.</td>
<td>Accomplishment of outcomes (ends)</td>
<td>(Etzioni 1960)</td>
</tr>
<tr>
<td>2- System model</td>
<td>Organization as an open system (input, transformation, output).</td>
<td>Inputs, acquisition of resources and internal processes (means)</td>
<td>(Yuchman and Scashore 1967)</td>
</tr>
<tr>
<td>3- Strategic-constituencies model</td>
<td>Organization as internal and external constituencies that negotiate a complex set of constraints, goals and referents.</td>
<td>Response to the expectations of powerful interest groups that gravitate around the organization</td>
<td>(Connolly et al. 1980)</td>
</tr>
<tr>
<td>4- Competing-values model</td>
<td>Organization as a set of competing values which create multiple conflicting goals.</td>
<td>Three dimensions of competing values:</td>
<td>(Quinn and Rohrbaugh 1983)</td>
</tr>
<tr>
<td>5- Ineffectiveness model</td>
<td>Organization as a set of problems and faults.</td>
<td>Factors that inhibit successful organizational performance</td>
<td>(Cameron 1984)</td>
</tr>
</tbody>
</table>

Figure 1.10: Models of Organisation effectiveness
Source: Goodman et. al. (1977), Cameron (1984)

According to Shadi Ebrahimi Mehrabani & Noor Azmi Mohamad (2011) organisational effectiveness is one of the main concerns of every organisation in recent years. In addition, leadership development is a process that can improve the organisational effectiveness and its performance. The study focused on the role of training activities and knowledge sharing in the relationship between leadership development and organisational effectiveness. The study concluded that organisational effectiveness can be enhanced through training and knowledge sharing.

The research on “10 star organisational effectiveness survey” included 10 parameters that focus on the non-financial organisational effectiveness such as leadership, staff development,
client service, performance improvement, training, change management, communication, employee engagement, planning and employee relations.

1.1.9 PHARMACEUTICAL INDUSTRY

The global pharmaceutical market for the year 2010 was US $875 billion (audited and unaudited) with the growth of 4.1% over the previous year. In 2003, a maximum growth of 9.1% over the previous year was recorded.

Globalization of Indian Pharmaceutical Industry started in the early 1990s when the government opened its markets to foreign investments. Indian Pharmaceutical Industry’s Globalization took place with the coming of foreign companies in the sector. Currently the Indian Pharmaceutical industry is a vibrant, high technology-based and high growth-oriented industry, attracting attention the world over for its immense potential to produce high quality drugs and pharmaceutical formulations. The pharmaceutical industry is among the most highly R&D intensive industry. The new millennium has brought both new opportunities, prospects and on the other hand more challenges. The pharmaceutical industry today is characterized by:

- Very intense competition with about 24,000 companies – large, big, medium and small fighting for their own place under the sun in more than Rs. 17,000 crore market.
- Continuous drug discovery and rapid introduction of new products.
- The seemingly ever-increasing and almost never-ending governmental regulations and policy changes.
- Stifling price controls, eroding profits and, consequently, a vanishing bottom line.
- Rigorous controls on formulations and an absence of international patent protection resulting in me-too maze of products with little or no product differentiation.
- Increasing dominance of trade associations and their constant demand for increase in trade margins.

The Indian pharmaceutical industry currently ranks third in terms of volume of production (10% of global share) and is the 14th largest by value (1.5%). Its turnover has grown from a mere $0.3 billion in 1980 to about $21.73 billion in 2009-10. The industry consists of more than 5,000 small, medium and large manufacturers. The domestic market is valued at $9.44
billion, while pharmaceutical exports in 2009-10 amounted to some $8.79 billion in value terms.

The Indian pharmaceutical industry plays a critical role in supplying medicines to various global treatment programs. For instance, Indian generic drugs accounted for approximately 50% of the essential medicines that the United Nations Children's Fund (UNICEF) distributes in developing countries. Besides this, 75-80% of all medicines distributed by the International Dispensary Association (IDA) to developing countries are sourced from India. Similarly, the Global Fund to Fight AIDS, Tuberculosis and Malaria and the US President's Emergency Plan for AIDS Relief (PEPFAR) also source a substantial percentage of their medicine procurement from Indian manufacturers.

While the Indian pharmaceutical industry recorded spectacular growth from 1991 till the first half of the 2000s, it is now facing serious threats to its self-sufficiency and ability to compete in the generic medicines market. Any development that impacts the generic production capabilities in India would compromise access to affordable medicines not only in India itself but also in other countries, developed and developing alike.

There are multiple challenges before the Indian pharmaceutical industry emanating from internal and external sources. The most important challenge is the growing control of the Indian pharmaceutical industry and market by MNCs and their ruthless exploitation and abuse of the product patent protection afforded by India's current patent regime. How did this situation come about? What were the developments that have contributed to this undermining of the country's self-sufficiency in medicine production and the future availability of generic medicines for its people?

Two policy decisions by the Indian government can be identified as crucial in the emergence of the present crisis facing the industry. The first of these was the change in the government's policy on foreign investment, and the other was the radical change in the country's intellectual property regime to comply with World Trade Organisation (WTO) treaty obligations. Together, both these changes set the country on the present destructive course.
The decade of the 1980s saw the emergence of human resource strategy (HRS) as one of the newest subfields of human resource management and, perhaps as a result, it became one of the most heavily researched (Lengnick-Hall & Lengnick-Hall, 1988). Numerous attempts have been made to define and operationalise the concept (DeBejar & Milkovich, 1986; Wils & Dyer, 1984), identify the determinants of human resource strategy (Dyer, 1984; Tichy, Fombrun, & Devanna, 1982), and predict outcomes of effective strategy formulation processes (Cook & Ferris, 1986; Buller, 1988). In particular, researchers have taught much about "effective" strategy formulation processes (Baird & Meshoulam, 1988) and how managers should strive to integrate human resource strategy into the business planning process (Golden & Ramanujam, 1985; Burack, 1986). Unfortunately, these prescriptions have been found to have limited validity when subjected to empirical analysis (Nkomo, 1987; Bamberger, Bacharach, & Dyer, 1989). Gradually, researchers explored and found competencies and its mapping as one of the important human resource strategy for pharmaceutical industry.

Since the mid-1990s, the Indian Pharmaceutical industry has emerged as a leading supplier of generic drugs to both developing and developed countries. The movement of the Indian Pharmaceutical industry along the R&D value chain represents a remarkable shift from an importer to an innovator of drugs. The Indian government's industrial and technology policies along with changes in regulation of intellectual property rights played a crucial role in shaping this development of R&D capability. The Indian Pharmaceutical industry has followed a trajectory from duplicative imitation to creative imitation to move up the value chain of pharmaceutical R&D. Finally as a result of changes in patent law the industry is learning to develop capabilities in innovative R&D. The basic and intermediate technological capabilities gained from imitative learning gave these firms a solid base for development of competence in advanced innovative R&D. These findings have implications for government policies as well as firm strategies in other developing countries albeit with some limitations due to global harmonization of patent laws being promoted by the World Trade Organisation.

The Indian Pharmaceutical industry is growing at about 8 to 9 % annually according to “A Brief Report Pharmaceutical Industry in India,” published in January 2011.
pharmaceutical industry in India meets around 70% of the country’s demand for bulk drugs, drug intermediates, pharmaceutical formulations, chemicals, tablets, capsules, orals and injectable.

1.2 RESEARCH PURPOSE

The purpose of this study is to explore the required competencies of sales staff in pharmaceutical industry of Ahmedabad region and measure the impact of sales competencies of the organization effectiveness. The study aims to identify frequently used competencies for the sales staff in pharmaceutical industry and grouping them as various competencies such as technical competencies, personal competencies, time management, interpersonal competencies, and client orientation. The study aims to identify the impact of these competencies on the variables of organization effectiveness including organizational commitment, organizational attachment, consensus, job involvement, and motivation. It can be stated as under:

1. The roles and tasks for the sales staff of Pharmaceutical industry of Ahmedabad region.
2. The set of competencies required to perform roles and tasks effectively.
3. The competencies required most frequently for the sales staff of Pharmaceutical industry of Ahmedabad region.
4. The factors of Organization Effectiveness for the pharmaceutical industry of Ahmedabad region.
5. The competencies of sales staff which enhance the level of various factors of organization effectiveness.

1.3 RESEARCH QUESTIONS

According to research objectives, there are five main questions that need to be answered through this research.

1. Is there a relationship between competencies and organizational effectiveness?
2. What are the most important competencies for sales staff in pharmaceutical industry?
3. What other competencies apart from selling skills are required to have a successful sales staff?
4. Which competencies are rated highest and frequently required for sales staff in pharmaceutical industry?
5. Do higher competencies lead to higher organizational effectiveness?

The primary purpose of this study is to determine which competencies sales staff perceives to be important and which can lead to organizational effectiveness.

1.4 SIGNIFICANCE OF THE STUDY
Reviewing previous studies, it mostly examined the general environment and trends of pharmaceutical industry in India. However, it barely examined deeper information regarding roles and tasks of sales staff, their competencies and its impact on the organization effectiveness. Moreover, very few studies talk about the non-financial effectiveness of the organization in India. This study acts as a descriptive research that aims to examine four main dimensions roles and tasks, competencies required, most important competencies and their impact on organization effectiveness. It is conducted with the quantitative approach with employee survey of sales staff and their immediate supervisors employed in various pharmaceutical companies of Ahmedabad region. The respondents are selected from six pharmaceutical companies located in Ahmedabad region. The research subjects contained three different positions, sales staff, their immediate supervisors, human resource managers which preset complete and overall viewpoint regarding research purposes.

Besides, most of the pharmaceutical companies lack concept of competencies (the definition and difference of knowledge, skills and personality attributes), competency profiling, competency implementation, competency mapping and its relevance to organization effectiveness. The result of this study comprised of insightful information not only on the four main research dimensions, roles and tasks, competencies required, most important competencies and their impact on organization effectiveness but also presented the current trend and situation of the pharmaceutical industry of Ahmedabad region. The exploratory quantitative research results are applicable to both academic fields as well as business practitioners. Academically, it is a reference base for future researchers regarding the competency of sales staff in the pharmaceutical industry and also as a root of extending future
studies in terms of selection criteria, roles and tasks, competencies, organization effectiveness and other relevant issues. With reference to the business field, this study included six leading pharmaceutical companies of Ahmedabad region presenting diverse input and information that can be source of guidance for other pharmaceutical companies to enhance competency mapping practices and link it with higher organization effectiveness. The study will enable business practitioners and especially human resource managers to comprehend required competencies for sales staff of pharmaceutical industry.

1.5 DEFINITION OF TERMS

The definition of terms in this study includes competencies, competency profiling, competency mapping, organization effectiveness, sales staff and pharmaceutical industry stated as below:

1. Competency: Competencies are underlying characteristic of an individual, which are causally related to effective job performance (Boyatzis, 1982).

2. Competency Profiling: Competency profiling is essentially a method for identifying the skills, knowledge, attitudes and behaviours necessary to fulfill a task, job or career. All organisations need to be able to match the competency profiles of their people, to their business drivers and strategies (Commonwealth of Australia, 2009).

3. Competency Mapping: Competency mapping is the process of identifying key competencies for a particular position in an organisation (Ashok Sankethi, 2008).

4. Organization effectiveness: Organizational effectiveness is the notion of how effectual an organization is in accomplishing the results the organization aims to generate. (Muhammad, et al, 2011).