CHAPTER 2

LITERATURE REVIEW

The part of introduction in this study contains several sections. The first section is the background of the study which introduces the definitions, history and evolution of competencies. Further, study focuses on the various competency models developed by experts. Literature review tries to identify trends of competency mapping and methods available for it. It explains the scenario when industries are faced with the challenges of need for higher performance, all sales people are entrusted with the responsibilities to play multiple roles and develop competencies for the same. The study focuses on identifying competencies that may aid organisation effectiveness for sales staff in pharmaceutical industry. While roles and competencies have been studied fairly and extensively, their relationships have not been demonstrated. The performance of sales staff and therefore of the organisation depends on how well they play their varied roles and what competencies they possess.

2.1 COMPETENCY
Gary Holmes & Nick Hooper (2000) claimed that core competency is one of a range of concepts that deal with the idea of essential skills to support personal development, employability, and socialization. The research applied the management concept of core competence to post-compulsory education.

Robert Zaugg & Norbert Thom (2002) established that organisational success can be achieved only through the establishment of implicit competencies in human resource management, organisational development and knowledge management. Competencies help to promote a configurationally model of change and further result in the excellence of a company. If implicit competencies are successfully developed into success potentials, and in addition to core competencies, then competitive advantage can be attained. Authors identified
that there is a considerable need for organisational generalist who have a broad knowledge of organisational work. It therefore seemed reasonable to speak of a need for organisational competency on all levels a company, for all categories of employees. Implicit competencies do not generate themselves; rather, they must be constantly developed and converted into competitive advantage.

**Maria T. & Afonso C.** (2002) analyzed the consequences of processes of formation of product chains and networks on the development of competencies at the firm level. The study was carried out for Brazil Plastic industry and results indicated that a very strong relationship exists between the competencies that are mastered by any given firm and its positioning in the various productive chains or networks.

**Tobias Ley & Albert D.** (2003) presented a formalization for employee competencies which was based on a psychological framework separating the overt behavioral level from the underlying competency level. On the competency level, employees draw on action potentials which in a given situation produce performance outcome on the behavioral level. The Skills Management approach was suggested to ensure that employee competencies are managed in line with the future needs of an organisation. In the process of Skills Management, required individual competencies are defined in terms of required skills and knowledge, management skills and social and personal skills which were derived from job requirements and were influenced by the core competencies. As a result, a number of job profiles, sometimes also called ‘competency models’, are obtained.

**Jennifer & et. al.** (2006) explored the competencies required for a project manager to be effective in the workplace. Delphi technique was used to identify what competencies do experienced project management professionals believe are necessary for an effective project manager. The authors organized 117 success factors into nine categories, eight of which included competencies that could be addressed effectively in an educational and training program. Problem-solving expertise, leadership skills, context knowledge, communication skills were identified as most important and required competencies for the project managers.

**Seema Sanghi** (2006) discovered that human competence is undoubtedly the key and critical element for the success of an organisation and the individual. It calls for a right blend of right
person with right competencies. Corporate core competencies were identified and efforts were made to establish core competencies throughout the organisation. The author has discussed the personal competency framework which embraces 45 competencies discussed under six broad parameters such as intellectual, personal, communication, interpersonal, leadership and result-oriented.

**Coll & Zegward** (2006) focused on establishing what competencies the various stakeholders think are the ideal competencies needed by employees in the hospitality field in places such as hotels, food service providers, restaurants and lodges. Employers have indicated that candidates are often not prepared for the workplace and calls for assessment of competencies rather than on intelligence scores. By improving and developing candidates’ competencies such as interpersonal skills, teamwork, communication and problem solving skills, value will be added to their intellectual capabilities making them more employable. There are varieties of interpretations of the term competency and can be viewed as a characteristic of an individual and related to personal attributers rather than technical skills.

**Talbot & et. al.** (2007) argued that competencies are a useful tool to assist the process of curriculum development, selection of assessment items, and ongoing quality assurance for health promotion education. The authors provided a case study that applied the competencies in curriculum development, assessment selection and quality assurance in an Australian University. Competencies set performance expectations for professionals working in the field.

**Divnie Kwaku & et. al.** (2008) accentuated that the identification and development of appropriate competency-based measures was widely seen as the only viable means for validating and engendering managerial best practices. The research represented a proactive effort to identify competency based measures for Project Managers in construction industry within the context of developing country. The author highlighted that task competencies usually vary between different job descriptions in the same organisation whereas contextual competencies are not job specific but usually common to many jobs. Task competencies would normally 50% of the managerial performance domain and contextual competencies would normally explain 30%. The remaining 20% is unexplained. Task competencies would normally be best predicted by individual differences in cognitive ability, knowledge, job
proficiency and experience while contextual competencies would be best predicted by individual differences in job dedication and interpersonal facilitation.

(Alan, 2008) emphasized the importance of core competencies as the critical basis for sustainable competitive advantage. The research insisted on the role of HRD function and practitioner in core competency development and management. Three strategic roles for the HRD function in core competency management are proposed and discussed: participating in strategic planning, developing core competencies, and protecting them. Core competencies are often based on intangible and tacit capabilities found in shared and coordinated employee attitudes, actions, knowledge, and skills. It should be addressed the question of what the firm’s specific competencies are and how they are developed, maintained and used which should result in a map or blueprint of the firm’s competency generating process.

Monica & et. al. (2008) described that competencies are emerging as a new learning paradigm, where approaches centered on the learner are increasingly important. The process was carried out for the identification of its own generic competencies map explaining its connections between learning outcomes, levels, descriptors, credits, methodology, learning activities and assessment.

Charles Kamen & et. al. (2010) explored that training programs have increasingly focused on development of competencies as a benchmark for training progress. Competency base training program had gained much attention in the field of clinical psychology. Focus of training programs has shifted towards a “culture of competence”. Conceptualization of the importance of competence-based assessment highlighted the need to use assessments of competency to optimize employee development. A list of competencies was derived for improvement of training programs which includes interpersonal skills, cognitive skills, affective skills, personal skills, expressive and reflective skills. The stairway model of competency suggested a tiered, developmental pathway to competence.

Joas Rosas, Patricia & Luis (2010) conducted a study in order to carry an assessment of competencies for determining the suitability of potential partners and to establish which activities should be assigned to which organisations. Competencies and its assessment inform about the organisation’s capability to perform a number of related tasks, activities or
processes. The research contributed to the identification of the effects of soft competencies on the performance of the hard ones within a collaboration context. The duality between soft and hard competencies was observed from a behavioral perspective, considering the very value of an organisation, its traits and their influence on the activities performed at a more functional and technical level. Three different models: the Extended Competencies Model, the Adjusted Competency Model and Adjusted Competency Level were introduced.

Justin M. Nash & et. al. (2012) insisted that trainees aspiring to enter specialty areas of practice in professional psychology need to acquire both core competencies in professional psychology and focused on advanced levels of competencies associated with their area of specialty practice. It indicated that standards of competence are the foundation of credibility for any profession, including those in health care, education, legal and governmental service. The authors explained three major types of competencies including foundational competencies, functional competencies and professional competencies with the help of competency cube model developed by E. Rodolfa & et. al.

Nadine J. Kaslow & et. al (2012) emphasized the need for competencies required for transformational leadership. The research was carried out to develop competency based supervision in the field of professional psychology education and training. It addressed specific leadership competencies that facilitate change, with attention paid to the supervisory process. Various strategies were offered for implementing an approach to competency based clinical supervision.

2.2 COMPETENCY MODEL
Patricia & et. al. (1996) explored that competencies can be considered as talent-based interpretations of business needs. Competencies add value by communicating what people must know to help the business succeed. Competency and performance based pay are necessary partners in linking rewards to business strategy and direction. Competencies are most likely to serve as a learning platform for performance. To explore competency models actually in use, the authors reviewed the competencies that 10 companies award. The authors revealed that person based pay is probably a more powerful strategy, that’s where competencies offer a fruitful opportunity that is worth exploration.
F. Patterson & et. al. (2000) conducted three independent studies to determine competencies for General Practitioners in medicine field with the usage of various techniques including critical incidents, interviews, and focus groups. The competencies derived implied that greater accounts of personal attributes need to be considered in recruitment and training, rather than focusing on academic and clinical competency alone. Communication and empathy were identified as important aspects of job role for General Practitioners in medicine field.

May & Roger (2001) proposed a core competency framework for service firms operating within internationally competitive markets. Authors developed a framework of core competencies relevant to strategic marketing in the service industry. The framework was created by applying the core competency concept to the literature on service industries. The study extended the concept of core competency, originally applied to organisations in the manufacturing industries, to organisations in the high service industries. A market sensing core competency is proposed, consisting of knowledge of the market environment together with skills in conducting market and consumer research. The research explored a number of core competencies relevant to service firms: nurturing, empowerment, operating, data management, new service development, alliancing, communication, and market sensing.

Research affirms that competency models are widely deployed, with adoption rates likely to increase in the future. A UK-based benchmarking study (Rankin, 2005) of competencies in organisations found that 60% of respondents had a competency framework in place. Of those firms lacking a competency framework, about half (48%) intend to introduce one in the future. Furthermore, among those organisations with competency frameworks, approximately four out of five employees (78%) were included in their competency model. Also, one half (50%) of the firms reported having a single, common competency framework across the entire organisation.

Edwin D. Davidson (2008) explored the subject of management competencies and provides a framework for contextualizing competency modeling within an organisation. The author also highlighted the types of typically employed in the construction of competency models. The research includes the various approaches for developing competency dimensions, typical
organisational uses for competency models, types of competency model, and management competencies as predictors of performance. The article concludes with an example of actual competency model.

**Barney Erasmus & et al.** (2010) defined roles and required competencies of HRD practitioners in South Africa. The author identified the level of importance and satisfaction with the main competencies amongst HRD practitioners. The paper focused on establishing the connection between roles, competencies and performance. Competencies for HRD practitioner are divided into four broad categories: business competencies, interpersonal competencies, technical competencies and intellectual competencies.

**Tripathi Pooja & et. al.** (2010) described a PAKS (Personality, Ability, Knowledge and Skills) based competency model for the assessment of faculty members in academic institutions. The research explored a development of the new tool for the performance assessment and the quality enhancement of institutions. The authors integrated competency management system with one of the Artificial Intelligence Tool, the Expert system so that decision making for the performance appraisals and self-appraisal of faculty members would become transparent and result-oriented system.

### 2.3 COMPETENCY MAPPING

**Vaishali DKK and Mohit Kumar** (2004) developed competency mapping based training need assessment for two levels of hierarchy in Indian banks. The study aimed to develop competencies that are organisation specific and link it with vision, mission and climate of organisation. The author developed a scientific competency evaluation tool (psychometric scale) to measure 18 behavioral competencies. Bank and region wise training needs were derived based on the competency mapping for Indian bank managers. One of the most systematic and scientific methods of Training Need Assessment is through competency mapping. Thus, measuring the competency levels of employees can help in identifying the gaps between the competencies desired and current state of competencies.
Sharika Gupta (2005) described that the process of determining competencies required for a job is referred to as competency profiling, and the process of comparing job holders’ competencies against the targeted competencies is called as competency mapping.

Ramakrishnan (2006) discovered that competency mapping is identified an individual’s strengths and weaknesses in order to them better understand themselves and to show them where career development efforts need to be directed. It is used to identify key attributes required to perform effectively in a job classification.

Ashok Sankethi (2008) explained that Competency mapping is the process of identifying key competencies for a particular position in an organisation. Once this process is complete, the map becomes an input for several other HR processes such as job-evaluation; recruitment; training and development; performance management; and succession planning. For competency mapping to be productive, the organisation has to be clear about its business goals in the short- as well as long-term and the capability-building imperatives for achieving these business goals. The process 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.

Lucian Cernusca & et. al. (2008) presented a paper explaining the concept of competency and how competency is linked to performance and one’s career development. The authors also looked into some models of competency mapping and appraisal tools for performance management. A business might possess extremely capable human resources, but they might not work on positions that suit them. This is where competency mapping and appraisal tools come to help the HR experts choose who should work on those positions.

Claudia Ogrean & et. al. (2009) explained that the resource based view of the firm betted on resources, capabilities and competencies in order to obtain sustainable competitive advantage. Firm management had to identify the core competencies that defined the entity and hen to manage them efficiently and effectively. The scenario had changed from resource based
management to competency based management and from cultural specific competencies to global competencies. These changes demanded for a new strategic management approach.

Farah Naqvi (2009) sought to delve deeper into the concept of competency, tracing its history and its role in the present context. It has been explained how the concept had constantly evolved over the years, its applications in human resource management, and development in the present scenario. It also studied its future prospects in the light of other emerging areas like talent management. The concept of mapping competencies and creating talent factories is not only beneficial to the individual, but to the organisation as a whole. It is to be noted that the competency model and mapping are being applied more for three basic functions, i.e. recruitment, training and development. Companies do face resistance while introducing a competency framework, as some employees tend to perceive it as a threat to their careers. An issue that came up before different managers was that the model was not being updated with time even when the expectations for certain roles have changed due to changes in structure and external environment. Given the current focus on the linkage between talent and an organisation's business challenges and strategies, effective strategy execution requires sufficient number of right people with right skills and knowledge in the right roles. The situation, where employees are demanding companies to be proactive with respect to their careers requires that the companies should fine-tune their HR system, making it more competency-based, thereby resolving some major issues of talent management like development and retention of human asset.

The Competency Based Performance Management System (ALD, 2009) identifies core positions within the organisation and the competencies required (including soft skills) for the positions. It assesses current competency levels of employees with multi-way feedback mechanisms, provides training and development for development of necessary competencies. It reflects the competencies required in the performance appraisal and provides continual feedback, recognition, and coaching. It looks ahead and assesses the competencies needed for future performance and initiates mechanisms to acquire that. This type of approach is fully consonant with resource based view of the organisations.
2.4 COMPETENCIES FOR SALES STAFF

Churchill & et. al. (1985) used meta-analysis technique to investigate the evidence that had been gathered on determinants of salesman’s performance. Authors have reported associations between performance and determinants of that performance. The major determinants of performance were role variables, skills, motivation, personal factors, aptitude and organisational factors. Personal factor was noted to be the most significant indicator for effective sales performance.

A useful study by Gonul & et. al. (2001) explored the impact of visits by sales representatives and samples, on prescriptions by doctors. However, study also revealed that excessive detailing or samples did not increase sales further.

Verma (2004) has highlighted one of the important points of give and take relationship as per study, Social scientists describe and the pharmaceutical industry follows the norm of reciprocity, that is, the obligation to help those who have helped you, as one of the fundamental guiding principle of human interactions. Pharmaceutical companies rely on this principle of human nature by giving gifts to doctors in hope that they will prescribe firm’s product in return.

The study carried out by Morgan M.A. & et. al. (2006) shows that acceptance of drug samples was judged to be ethical by majority of respondents. It was seen that average doctor is more likely to accept most items and is more likely to be influenced in his or her prescribing practices by accepting any item then they generally are.

Dr. Rajan T. D. (2006) established that regular visits by a medical representative is a key factor of pharmaceutical marketing. Name is not all what it takes to get into the mind space of a busy doctor. Every product, old or new, requires extensive marketing. Any busy consultant will vouch that if a particular company’s medical representative fails to show up for over a month, the doctor suspects the availability of the products of that manufacturer.

Jennifer Salopek (2008) describes that corporate wrongdoing and an economic downturn made sales environment more challenging than ever for companies worldwide. Budget cutbacks have combined with consumer mistrust to create a selling environment replete with
landmines. Commoditization and brutal price competition make this environment feel hostile and cold. As a result, the necessary skill set for salespeople in 2010 is completely different than it was fifteen, or even ten, years ago.

Dawn R. Deeter-Schmelz & et. al. (2008) focused on understanding the effectiveness of sales staff based on the skills they possess. The research paper aimed to link the attributes and skills of sales staff to the sales force values. To explore, authors employed value –laddering, an in-depth interview technique that facilitated the identification of key attributes and subsequent linkage of those attributes to consequences in terms of achievement of goals.

A study conducted by Sheetal Darekar (2013) established that medical representatives are considered as the most preferred means of promotion by doctors with having highest value of 30.20%. Further, 79% of the doctors agree that medical representatives play an important role in promoting and building the brand equity. Frequent reminders through medical representatives, free samples, detailing folders, pamphlets and brochures are found as most important medium. The doctors expected communication skills, consistency in visits, product knowledge and situation handling as important skills in medical representatives.

2.5 ORGANISATION EFFECTIVENESS

Likert, Rensis (1967) has identified three variables i.e. casual variable, intervening variable and the output to determine organisation effectiveness. Casual variables are the variables which influence the course of development within an organisation. They include management strategies, structure, styles, skills, policies, procedures, etc. They are independent variable within the control of the organisation and its management. Intervening variables represent the internal state of the organisation and includes aspects such as commitment to objectives, morale, motivation, communication, group cohesiveness. Output reflects the results, accomplishments of the organisation.

Kirchhoff (1977) suggested that there is a need for more complex measures of organisation effectiveness as there is increasing pressure of organisations to satisfy multiple stakeholder groups. As per author, overly simplistic single variable models are inadequate expressions of the real world, multi-goal existence of organisations.
Connolly, T. & et. al. (1980) has shown a simple two-by-two dimensions to monitor organisation effectiveness wherein one dimension is efficiency and effectiveness, and the other quantitative and qualitative. Measuring qualitative effectiveness of the organisation is very difficult as it includes employee satisfaction, commitment, and organisation citizenship behavior. These factors are to be taken on a long-term basis, and appropriate corporate culture is to be developed for sustainable effectiveness.

Jackson, Morgan and Paolillo (1986) defined that effectiveness is commonly referred to as the degree to which the predetermined goals are achieved. The extent to which the organisation achieves its goals with limited resources successfully determines the effectiveness of organisation.

Kondalkar established that when individual and organisational goals are integrated, an organisation automatically achieves a higher degree of effectiveness. When organisational and individual goals are perfectly integrated, there will be higher degree of effectiveness because the individual will put in his best and cooperate to the maximum for accomplishment of organisational objectives.

(Azmawani, 2013) conducted a study to investigate whether efforts invested by Malaysian manufacturers in employee training and knowledge transfer affect organisational effectiveness. Authors found that enhancing competencies of employees helps in improving organisational effectiveness. In order to enhance organisational effectiveness, environment should be created that will encourage employee to increase their competencies. Higher employee competencies lead to higher organisational effectiveness.

2.6 PHARMACEUTICAL INDUSTRY
Peter & Bruce (1991) highlighted the various forces that shape human resource strategy in pharmaceutical industry. The authors proposed the model regarding the inter-relationship among the environment, business strategy and human resource strategy. Multinational pharmaceutical industries were selected to study corporate responses towards environment and business strategy. Human resource strategy has been suggested as a tool to integrate environment and business strategy.
Currie and Kerrin (2003) considered the contribution that human resource management practices can make in mediating a functionally based organisational structure and culture in global pharmaceutical industry. The research aims to contribute to the influence of human resource practices upon managing competencies by locating it more widely within an organisational learning perspective.

Mc Kinsey & Company’s report, “India Pharma 2020: Propelling access and acceptance, realizing true potential,” predicted that Indian Pharmaceuticals will grow to US $55 billion in 2020; and if aggressive growth strategies are implemented, it has further potential to reach US $70 billion by 2020. While, market research firm Cygnus’ report forecasts that Indian bulk drug industry will expand at annual growth rate of 21% to reach $16.91 billion by 2014. The report also noted that India ranks third in terms of volume among top 15 drug manufacturing countries.

Further, Mc Kinsey reports that health care grew from 4% of average household income in 1995 to 7% in 2005 and is expected to grow 13% by 2025.

G. Bharathi Kamath (2008) found that in Indian scenario, the market is still developing and yet to reflect the performance of the firms especially in terms of the efficiency parameters and more in terms of Intellectual Capital efficiency.

Irin P. et. al. (2009) emphasized the need for continuous marketing research. There is a real need of continuous pharmaceutical analysis, because it is essential for success to understand the uniqueness of the pharmaceutical industry benefitting of the complex and iterative process that carefully builds a pharmaceutical data warehouse, this being considered as a necessity to the strategic direction of any pharmaceutical company facing increased competition and external pressure.

2.7 OVERVIEW OF LITERATURE

David McClelland (1973) had pioneered the competency movement across the world and brought out several new dimensions of the competencies. It was established that traditional achievement and intelligence score may not be able to predict success on job and competencies are more important. Boyatzis (1982) introduced competencies as a combination
of knowledge, skills, personal attribute, motives, traits and beliefs. Later, Behavior Event Interviewing (BEI) was adopted as a methodology to map the competencies. Gradually, assessment centers also became popular to measure the competencies. Daniel Katz categorized competencies into four areas: technical, human, social and conceptual. As literature indicates, all authors from 1973 till 1999 focused more on defining competencies. They focused on skills, knowledge, qualifications, motives, traits as the indicators of competencies. Thus identifying significant competencies is very crucial to ensure enhanced performance for sales professionals in any organisation as they are important revenue generators especially in pharmaceutical industry. The demand for pharmaceutical products in India is significant and driven by many factors like low drug penetration, rising middle-class and disposable income, increased government and private spending on healthcare, increasing medical insurance penetration, changing demographic pattern and rise in chronic lifestyle related diseases, adoption of product patents and aggressive market penetration driven by relatively smaller companies.

It has necessitated pharmaceutical industry to find out competent sales staff for survival, growth and excellence. HR managers are entrusted with the responsibility to find, place and retain competent sales staff in pharmaceutical industry. Competency mapping can be useful tool as it measures the gap between existing and desired level of competencies. It also identifies the most pertinent and substantial competencies to perform job in effective manner. Moreover, organisational effectiveness is critical to success in any economy. In order to achieve increased and sustainable business results, organisations need to have competent employees.

The research focuses on the key competencies of sales professional which could affect the organisational effectiveness. Composition of people which formulate independent business identity for some specific purpose is commonly known as organisation and getting desired outcome within defined resources is treated as effectiveness. Organisational effectiveness is defined as the extent to which an organisation, by the use of certain resources, fulfils its objectives without depleting its resources and without placing undue strain on its members and/or society (Mary et al, 1996).
The variables identified for competencies based on the literature review for sales staff are as below:
1. Communication Skills
2. Presentation Skills
3. Technical Competencies
4. Personal Competencies
5. Commercial Awareness
6. Team Player
7. Selling Competencies
8. Customer Orientation Competencies
9. Interpersonal competencies
10. Time Management
11. Behavioural Competencies
12. Passion for Job

Organisational efficiency could be categorized under two categories: financial and nonfinancial. Firms’ performance is widely measured through the financial success of the organisation. Financial stress for most profit-oriented firms can be assessed both in terms of “top-line” (e.g., sales) as well as “bottom-line” (e.g., profitability) measures. Besides financial indicators as an evaluation of firm’s performance in any industry, other industry-specific measures of effectiveness may also reflect the success of the organisation. The study aims to identify the impact of training on non-financial indicators of organisational effectiveness. Non-financial effectiveness of organisation can be measured on basis of nine different dimensions (C. N. Daftuar, 1983). They can be described as below:
1. Organisational Attachment
2. Job Involvement
3. Independence
4. Self - Control
5. Legitimization
6. Organisational Commitment
7. Innovation
2.8 Research Gap
Extensive literature review suggested that not much emphasis has been given on exhaustively identifying the antecedents and predictors of organization effectiveness. Moreover, literature reviewed so far suggested that there is a lack of sound research on competency mapping of sales staff especially in the pharmaceutical industry. Since competency mapping and organization effectiveness are pertinent issues, focused efforts need to be undertaken by the business organizations in that direction. Key competencies for effective sales performance and mapping of competencies were not rightly focused and studied. Literature review also revealed a holistic organization effectiveness model linked to competency mapping. Hence it was decided to address these gaps in the study. The study has explored and established that competencies of sales staff and the practice of mapping competencies act as drivers and play an instrumental role in increasing non-financial effectiveness of organization.

2.9 Conceptual Framework
David McClelland (1973) had pioneered the competency movement across the world and brought out several new dimensions of the competencies. It was established that traditional achievement and intelligence score may not be able to predict success on job and competencies are more important. Boyatzis (1982) introduced competencies as a combination of knowledge, skills, personal attribute, motives, traits and beliefs. Later, Behavior Event Interviewing (BEI) was adopted as a methodology to map the competencies. Gradually, assessment centers also became popular to measure the competencies. Daniel Katz categorized competencies into four areas: technical, human, social and conceptual. As literature indicates, all authors from 1973 till 1999 focused more on defining competencies. They focused on skills, knowledge, qualifications, motives, traits as the indicators of competencies. The competency movement in this period was limited to defining the competencies and measuring the current competency levels.
From 2000 onwards, various researchers tried to establish a relationship between competency levels and performance management. Competency movement became more popular in organisations when it was established that competencies are the determinants of organisational effectiveness. They affect knowledge management and organisational development. In 2002, organisations started focusing both on individual and organisational competencies.

In the recent years, various thought leaders in business strategy have emphasized the need to identify what competencies a business needs, in order to compete in a specific environment. Organisations have vastly shifted their approach from employees having knowledge of one competency to having multi-competent employees. Organisations are interested in knowing the present competency level of their employees to manage their performance and develop careers. This is where competency mapping comes into focus. Competencies have been playing a crucial role in HR system for more than two decades. The proper use of competencies in HR systems needs adequate competency mapping techniques.

![Figure 2.9 Conceptual Framework](image-url)