CHAPTER 7

CONCLUSIONS AND FUTURE SCOPE

This chapter brings forth conclusions on the basis of the findings already incorporated in the previous chapter. In the beginning, major conclusions of the study are drawn up. Subsequently the chapter presents the limitations of the study. Finally recommendations are made for future research.

7.1 Conclusions

This research is important for two reasons. First, it extends thinking about HR as a competitive advantage and focuses on specific competencies required of HR professionals to deliver their new role. It identifies six competency groups and specific behaviours and knowledge (competencies) within each group that HR professionals should be able to demonstrate. Second, in addition to “dialogue, debate, and discuss” these issues, we have created a database to test the model proposed. It demonstrates that what HR professionals are acquainted with and how they act, and this affects how they are perceived in terms of their performance.

Possession of analytical, leadership, technical, interpersonal and technological competencies leads to performance improvement. Thus, it can be concluded that the possession of competencies enables the superior performance of HR professionals.

Business competency group does not have a significant impact on performance improvement. It shows that HR professionals in Indian IT organizations lack business competencies. It is essential for a thriving HR professional to acquire proficiency in technical competencies, as they are considered to be the most important.

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

Gap analysis provides evidence that HR professionals meet the required competency level in the interpersonal, technical, and technological competencies, since the existing competence level of Indian HR professionals is generally congruent with their perceptions on the required competence level in these three competency groups. It can be concluded that HR professionals possess these competencies in the required degree to perform their jobs effectively.

The competency gaps are observed between the required competence level and existing competence level in leadership, business and analytical competencies. It can be concluded that HR professionals do not possess these competencies in the required degree to perform their jobs effectively.

Possession of competencies enables the effectiveness of HR professionals in IT industry. The relationship between the competencies and performance improvement is partially mediated by the effectiveness. It can be concluded that the competencies have a positive impact on the perceived effectiveness, and this, in turn, is predictive of the performance improvement. The identification of effectiveness as a key variable within the overall research model is vital.

A large number of the participants are found to be fairly competent to perform their jobs, as the gap between the RCL and ECL is not very large in any of the competency groups.

The results of this research point to the current status of Indian HR professionals, and by itself they supply a perfect position statement and a plan of what Indian HR professionals are capable of and where they stand.

This study attempts to develop an empirically supported framework for understanding competency models by the means of measuring the competence levels in a comprehensive manner and this can be an important stepping stone for scholars investigating the development of competency models in the context of a specific industry as well as for professionals constructing or reviewing competency modeling within their organizations in India.

The results of this research may be generalized to IT industry in other Asian countries, since these countries have cultural background similar to India [Abdullah et al. (2011)]. This research is a response to the call for developing competency mapping models for HR professionals. Chen et al. (2005) and Abdullah et al. (2011) recommended to carry out
competency mapping studies in various Asian nations, since the number of HR competency mapping studies in these nations is extremely small. Chen et al. (2005) and Abdullah et al. (2011) also advocated that further research on the link between competencies and performance is crucial.

By considering these perspectives, utilizing a broad conceptual framework of the proposed competency model, and mapping out the area of competencies for HR professionals, the study investigates the direct impact of six competency groups on performance improvement as perceived by HR professionals, and examines the indirect effects of six competency groups on performance improvement, with the indirect path occurring through effectiveness. It demonstrates the reliability and validity of the measures and also provided some useful measures of the constructs. Integrating and empirically examining the factors that build a competency model in the context of IT industry advance our understanding of these constructs and their linkages to the performance.

Based on these empirical findings, this study provides the information concerning the competencies of HR professionals in Indian IT companies. The study also identified the main factors of HR competencies that contribute to the effectiveness and performance. Moreover, with the use of quantitative research methods, the results of this study attain a higher degree of consistency due to the reliability of its research instrument. This allows this study to yield a better understanding of what level of HR competencies is exhibited by HR professionals.

This study provides a theoretical and structural framework for future research in HR competency modeling by linking competencies with performance using an empirical approach. Thus the study demonstrates the utility of competency mapping as an efficient way of understanding the roots of the differences in the performances of individuals. The study results suggest our research model exhibit good explanatory power to predict the performance. By showing the differential prediction of the performance, this research offers an important foundation for the study and competency development of HR competency models.

By means of establishing the HR competency model, the results of this study presents several significant assessments, illustrate various innovative pathways for the Indian HR professionals, and eventually, construct a tailor-made model specifically applicable to India. This research examines the evaluations of perceived effectiveness and perceived performance improvement for the most part. The requirement is to find out the manner in which
evaluations of effectiveness are interconnected and the extent to which competency models are predictive of performance. The rationale for this approach is that HR professional evaluations of effectiveness matter because they are in a unique position to judge how competency models work in practice [Rynes et al. (2002); Caldwell (2010)].

From the aforementioned perspectives, it can thus be concluded that the study has met the objective of the research which was to measure the competence levels of HR professionals.

7.2 Limitations

Despite its valuable findings and implications, this study has several limitations that can be addressed in the future research.

First, the extent to which these results can be generalized to other industries is open to debate and further investigation with different populations in different contexts.

Second, the modest sample size used in this study is another limitation. Number of samples and sampling methods were selected with consideration of time and budget constraints.

Third, the feedback was obtained strictly using the survey questionnaire in the form of “hard” copy. Due to the time and budget constraint, this study was performed in the form of cross-sectional design, in which the perceptions of respondents on the questionnaire items were captured at a time.

Fourth, the proposed model developed in this study is limited to include performance improvement and effectiveness as the major outcomes.

Fifth, this study has been restricted to IT sector in India. The discussed findings and their implications are obtained from the study that examined the impact of possession of competencies on effectiveness and performance of HR professionals from IT sector in India. Thus, caution needs to be taken when generalizing these findings and discussions to other sectors.
7.3 Future Scope

Based on the limitations of the present study, following recommendations are made for future research:

1. Further studies may cross-validate the proposed competency model in different sectors. The future research may be replicated in the government sector, and other small and medium scale industries, and in other countries to examine how culture influences perceptions of HR competencies, especially when studies compare countries with different cultural backgrounds.

2. The study is a quantitative (i.e., empirically tested) study. Follow-up researchers are encouraged to utilize longitudinal studies and/or qualitative data, such as in-depth interviews, the use of the Delphi technique, and/or field observations, to acquire more substantial data.

3. Further research on the “business competencies” is suggested. This is necessary as the “business” competency category was non-significant in the present study.

4. The findings require further in-depth exploration and systematic retesting using a larger sample. A confirmatory analysis and cross-cultural validation using a larger sample gathered elsewhere is required for greater generalization of the proposed model.

5. Inclusion of other outcome variables into the proposed model may provide further insights of the relationships among competencies and performance improvement.

6. Future studies may examine various factors responsible for the shortage of right IT candidates to competently perform their tasks in Indian IT industry.

7. Future studies may expand the likely antecedents in bridging the gap between existing and required competency levels of IT employees by carrying out researches on US IT corporations.

8. Further research on exploring high Indian IT attrition rate and lack of professionalism at various levels is suggested.