

# A study on Core Competency Levels of IT Employees vs. Size of the company - A Special Reference to Chennai

M. Nithyagnana Soundaram<sup>1</sup>, Dr. D. Maria Pon Reka<sup>2</sup>

<sup>1</sup>Department of Management Studies, Madurai Kamaraj University, India

<sup>2</sup>Department of Business Administration, Sri Meenakshi Govt. Arts College for Women, India

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## ABSTRACT

*The main objectives of the HR of any organization are to get the right people for the right job and get the employees updated with the latest skillset required. Competency Mapping helps the organizations to set their strategic goals as performance benchmarks of their employees. Competency Mapping works as a framework to monitor the competency levels of Employees. The objective of this paper is to study the competency levels of IT Employees working in small, medium and large companies. A study was conducted on 250 employees working in IT Industry in Chennai.*

**Keywords:** Competency, Competency Mapping, Human Resource Management, IT Industry.

## INTRODUCTION

The slowing economy and the increased expectation from customer has put immense pressure on IT industries to show their capabilities to get more business values. Competency mapping describes the list of competencies and the expected levels of competencies for each position in the organization. Competency mapping thus can be used for job profile creation, recruitment, performance appraisal, training and development etc. In the performance appraisal the competency mapping can be used for accessing the skills of an Employee. Organizations should do periodic assessments to get the current Competency levels of Employees to plan their training and development.

## Objectives

1. To study and compare the Competency levels of IT Employees working in small, Medium and Large companies
2. To suggest training plan based on the findings

## OVERVIEW OF COMPETENCY

Competencies are often defined as skills, ability, knowledge and other characteristics required to perform any job effectively. Hayes (1979)<sup>[1]</sup> has outlined that "Competencies are generic knowledge motive, trait, social role or a skill of a person linked to superior performance on the job". Majority of the people classify competencies as Core competencies and Technical (or) Functional competencies. There were many researches carried out on competency and competency mapping. Mily (2009)<sup>[2]</sup> has identified the core competencies Drive for results, Process Management, Functional Expertise, Personal Effectiveness, Innovation, Team effectiveness, Customer Service, Self-development orientation, Analytical thinking, Physical ability, Knowledge, Aptitude, Motivation, Communication and Leadership in her study.

## COMPETENCY LEVELS

Organizations will maintain the competency levels required for each job. Companies will have their own standards for scaling the competency levels. Competency levels are often referred as proficiency levels. National Institutes of Health has developed NIH Proficiency Scale<sup>[3]</sup> with the below scales Not Applicable, 1 - Fundamental Awareness (basic knowledge), 2 - Novice (limited experience), 3 - Intermediate (practical application), 4 - Advanced (applied theory) and 5 - Expert (recognized authority). Sans Industrial control

systems<sup>[4]</sup> has defined the competency levels as Base Knowledge, Essential Knowledge, Mastery Knowledge, Expert Knowledge and Technical Leader.

## RESEARCH METHODOLOGY

Team leaders, Project Managers and Senior Project Managers were considered for the study. 250 Employees working in IT industry in Chennai were taken randomly and the data was collected using structured questionnaire. The competency scale chosen was 0-Not Applicable, 1 - Fundamental Awareness (basic knowledge), 2 - Novice (limited experience), 3 - Intermediate (practical application), 4 - Advanced (applied theory) and 5 - Expert (recognized authority).

## DATA ANALYSIS AND INTERPRETATION

The Table 5.1 shows the mean levels of competencies of IT Employees classified with the size of the company. It can be observed from the table that there are slight variations in the competency levels for all the competencies when the data is compared between the different size of the companies namely small, medium and Large.

**TABLE 5.1**  
**Mean levels of Competencies of IT Employees vs. Size of the company**

Core Competencies	Size of company		
	Small	Medium	Large
Drive for results	3.71	4	3.98
Process Management	3.94	4.12	3.94
Functional Expertise	3.71	3.83	3.7
Personal Effectiveness	3.75	3.86	3.8
Innovation	3.42	3.62	3.69
Team effectiveness	3.97	4.04	4.03
Customer Service	3.79	3.87	3.85
Self-development orientation	3.66	3.71	3.70
Analytical thinking	3.39	3.69	3.73
Physical ability	3.51	3.76	3.63
Knowledge	3.7	3.85	3.8
Aptitude	4.1	4.12	4.11
Motivation	3.41	3.52	3.74
Communication	4.05	4.09	4.12
Leadership	3.77	3.87	3.86

Kruskal-Wallis test was carried out with the following hypotheses and the results are appended in the following Table 5.2.

H0: The mean levels of competencies are same for employees working in small, medium and Large companies.

H0: The mean levels of competencies are not same for employees working in small, medium and large companies.

**TABLE 5.2**  
**Test Results of Kruskal-Wallis Test – Competency Level vs. Size of Company**

<i>Core competencies</i>	<b>Chi-Square</b>	<b>Df</b>	<b>Asymp. Sig.</b>
Drive for results	13.250	2	.001*
Process Management	14.656	2	.001*
Functional Expertise	5.868	2	.052
Personal Effectiveness	4.562	2	.109
Innovation	2.661	2	.264
Team effectiveness	3.502	2	.194
Customer Service	2.862	2	.237
Self-development orientation	1.356	2	.401
Analytical thinking	5.977	2	.055
Physical ability	13.438	2	.001*
Knowledge	.356	2	.839
Aptitude	2.003	2	.338
Motivation	7.752	2	.021*
Communication	6.380	2	.042*
Leadership	5.575	2	.061

It is very much evident from the above table that the high values of  $p (> .05)$  for the competencies Functional Expertise, Personal Effectiveness, Innovation, Team Effectiveness, Customer Service, Self-development orientation, Analytical thinking, Knowledge, Aptitude and Leadership confirm that the respective null hypotheses are not rejected at 5% level of significance which confirms that there is no significant difference with respect to Company size on these competencies. However, the low value of  $p (< .05)$  for the competencies Drive for results, Process Management, Physical ability, Motivation and Communication confirm that there is a strong evidence to reject the respective null hypotheses of no difference in mean level of competency with respect to Company size on these competencies.

From Table 5.1 it is inferred that the competency level of employees working in medium size companies seem to be slightly higher than the employees working in small and large size companies in Drive for results, Process Management, Functional Expertise, Personal Effectiveness, Team effectiveness, Customer Service, Self-development orientation, Physical ability, Knowledge, Aptitude and Leadership. With regard to the competencies Innovation, Analytical thinking, Motivation and Communication the employees working in large size companies possess more competency than the employees working in small and medium size companies.

## RESULT

From the data analysis it is inferred that there is no significant difference in the mean level of competencies with respect to size of the company in the competencies Functional Expertise, Personal Effectiveness, Innovation, Team Effectiveness, Customer Service, Self-development orientation, Analytical thinking, Knowledge, Aptitude and Leadership. There are differences in the competency levels for the competencies Drive for results, Process Management, Physical ability, Motivation and Communication with respect to size of the company. The employees working in medium companies have slightly higher competency levels compared to small and large companies on competencies Drive for results, Process Management, Functional Expertise, Personal Effectiveness, Team effectiveness, Customer Service, Self-development orientation, Physical ability, Knowledge, Aptitude and Leadership. Employees working in large size companies have higher mean level in the rest of the competencies.

The suggestions for small companies are to focus on all the competencies and conduct trainings and workshops to bridge the gap between the expected and the actual competencies. The medium companies can focus on the competencies Innovation, Analytical thinking, Motivation and Communication where they lag behind employees working in Large companies. Large companies need to review their training and development plan to improve the competency levels of their employees in the competencies

## CONCLUSION

Competency mapping and competency level assessments are must for all the companies irrespective of the industry to which the company belong. But since IT Industry is predominantly depends on the knowledge of their human resources and the pace in which the Technology change happens makes the competency mapping to be kept as integral part of HR strategy in IT industry. Competency level assessments give a clear picture on the current capabilities of the employees and what are all the gaps that need to be addressed. This activity provides inputs to the training and development plan of the organizations.

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