

# COMPETENCY MAPPING - A MANAGERIAL PERCEPTION (A STUDY OF HDFC BANK LTD.)

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#### **ABSTRACT**

Competencies are components of a job which are reflected in behaviour that is observable in a workplace. The common elements most frequently mentioned are knowledge, skills, abilities, aptitudes, personal suitability behaviour and impact on performance at work. The main emphasis of organizations today is on competence. Gone are the days when people used to talk in terms of skill sets, which would make their organizations competitive. There has been a shift in focus, and organizations have begun to believe in excelling and not in competing. The Competency mapping affects the existing competencies of managers. Therefore, the papers attempts to measure the role of competency mapping in the efficient performance of the employees at manager levels and determine various functional areas, where the competency mapping can be proved beneficial. The research of study is based on the primary data collected by the mean of questionnaire form the employees of five branches of HDFC Bank, located at different places in Amritsar. Similarly, the result of study prove that, the competency mapping is necessary for the performance and future growth of bank, because the growth and development of every business is based on the efficient and satisfied working staff.

**Key Words** – Competencies, Resources, Performance Appraisal, Assessment, Career Development. Banking etc.

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#### INTRODUCTION

With global economy the world has become a global village. As a consequence firms have become more aware of the need for having competent employees and developing distinguished competencies for every organization. Every well managed firm should have well defined roles and a list of competencies required for performing each role effectively. They prefer to build a core competency that will see them through crisis, if any. The choice is to develop the people because human resource is seen to be the most valuable resource any organization has. Organizations of the future will have to rely more on their competent employees than any other resource. It is a major factor that determines the success of an organization. Competencies are the inner tools for motivating employees, directing systems and processes and guiding business towards common goals that allow the organizations to increase their value. Competencies provide a common language and method that can integrate all the major HR functions and services like Recruitment, Training, Performance Management, Remuneration, Performance Appraisal, Career and Succession Planning and Integrated Human Resource Management System.

Competencies are components of a job which are reflected in behavior that is observable in a workplace. The common elements most frequently mentioned are knowledge, skills, abilities, aptitudes, personal suitability behavior and impact on performance at work. Competence' means a skill and the standard of performance reached while competency refers to the behavior by which it is achieved. The plural of each word, therefore gives two different meanings —Competences and competencies are not the same. **Competences** refer to the range of skills which are satisfactorily performed, while **Competencies** refer to the behavior adopted in competent performance Competencies are the characteristics of a manager.

#### COMPTENCY MAPPING

Competency mapping is the process of identifying key competencies for a particular position in an organization. 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 organization 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 organization and how that translates into specific, time-bound business goals. It then goes on to delineating the organization 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. 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 situations like candidate appraisal for recruitment; employee potential appraisal for promotion; training needs identification; performance diagnostics; and self-development initiatives.

#### HDFC BANK

The HDFC Bank was incorporated in August 1994, by the name of 'HDFC Bank Limited', with its registered office in Mumbai, India. HDFC Bank commenced operations as a Scheduled Commercial Bank in January 1995. The Housing Development Finance Corporation (HDFC) was amongst the first to receive an 'in principle' approval from the Reserve Bank of India (RBI) to set up a bank in the private sector, as part of the RBI's liberalization of the Indian Banking Industry in 1994.

HDFC Bank has headquarters in Mumbai. The bank at present has an enviable network of over 1416 branches spread over 550 cities across India. All branches are linked on online real-time basis. Customers in over 500 locations are also serviced through Telephone Banking. In a milestone transaction in the Indian banking industry, Times Bank Limited (another new private sector bank promoted by Bennett, Coleman & Co. / Times Group) merged with HDFC Bank Ltd. effective February 26, 2000. This was the first merger of two private banks in the New Generation Private Sector Banks. The bank also has a network of about over 3382 networked ATMs across cities. On May 23, 2008, the amalgamation of Centurion Bank of Punjab with HDFC Bank was formally approved by Reserve Bank of India to complete the statutory and regulatory approval processes. HDFC Bank offers a wide range of commercial and transactional banking services and treasury products to wholesale and retail customers. The bank has three key business segments: Wholesale Banking Services, Retail Banking Services and Treasury. HDFC Bank was the first bank in India to launch an International Debit Card in association with VISA (VISA Electron) it issues the Master Card, Maestro debit card as well.

#### REVIEW OF LITERATURE

Paul R. Bernthal (2004) describe all the dimensions of competency mapping and provides 2004 ASTD competency model provides a blueprint for professionals to model continuous learning. By embracing, learning and investing in personal development and growth they will move the profession to higher levels of expertise and respect, and ensure competent service to customers, clients and colleagues. R.K Sahu (2006) proved that Competencies include both competence as well as commitment to do a particular job. Performance management system is a complete resource book on Competency Mapping for HR Professionals and Consultants, Management students,



Entrepreneurs, Trainers and all those individuals who want to understand the concept of Competency Mapping and implement it in their organization. Ashok Chanda, B. Sivarama Krishna & Jie Shen (2007) explained the key to manage people because competencies have always been a matter of live debate in every organization. The concept of competencies and the existence of a framework to assess, measure, and build can provide invaluable basis for integrating the key activities and achieving a strategic approach to managing people. Robin Kessler (2009) gives the manager and supervisors a better idea of how to work with their employees to make today's competency based performance reviews more effective .For a more positive experience he urges that one should to begin think of it differently-- as a partnership or a collaborative effort. Anna P.Y.Tsui (2009) has discussed the essential elements of HRM in detail and the book is organized seven parts. He has explained that professional HRM practices are becoming more prevalent in an organization because of the changing business environment. It highlights assessment centers and competency based interviewing skills. Stephens P. Robbins (2010) proved that managers with good interpersonal skills is likely to make the workplace more pleasant, which in turn makes. It easier to hire and keep qualified people. This book has addressed the ways to design motivation jobs, techniques for improving one's listening skills and ideas about how to create more effective teams.

#### RESEARCH METHODOLOGY

Research methodology is a way to systematically and scientifically solve research problems. The sample size of the study included approximate 65 employees (preferably managerial level) from 5 branches of HDFC Bank in Amritsar. The data collected through questionnaire which has been analyzed on likert scale of 5 points. The study consider both primary as well as secondary data. Secondary data are collected from websites containing various aspects to help understand the topic of study "Competency Mapping", Journals, Articles, books related to the same topic was also studied in the secondary data.

The Research is undertaken to study the competency mapping in 5 branches of HDFC Bank at Amritsar City: namely East Mohan Nagar (Branch Code - 000856), Batala Road (Branch code - 001822), The Mall (Branch Code - 000115), Lawrence Road (Branch Code - 001580) and Court Road (Branch Code - 001359). There are 11branches in Amritsar almost all branches have same hierarchy moreover East Mohan Nagar is the main branch of HDFC Bank in Amritsar. Circle office is situated on the first floor of this branch. Meetings, seminars etc of all branches held in the circle office.

#### **OBJECTIVES OF THE STUDY**

i. To determine the employee perceptions about the implications of competency mapping.



- ii. To analyze the different activities, in which competency mapping is proved to effective for the growth and performance of the organizations.
- iii. To determine the effective measures for the employees required for the efficient competency mapping
- iv. To identify core competencies required for Leader, Manager and Associate Manager band in aiding towards delivering business objectives.

#### **ANALYSIS OF THE STUDY**

- ❖ The analysis of the study reveals that 64% are male respondents and 36% are female respondents.
- ❖ The age level of the respondent in the sample size includes that 34% respondents are in the age group of 21-25, 37% are between age group of 26-30 and 29% are 31 and above. Whereas the education levels of bank officials states that 62% are Post Graduate and Graduates 38% respectively.
- ❖ As per the data analysis states that 37% of the employees agree, 23% strongly agree, 32% are neutral; while 5% disagree and only 3% strongly disagree that the working environment of the HDFC Bank is satisfactory. It appears that most of the employees are satisfied with the working environment of the Bank.
- The respondent's view about the effective managerial performance reveals the proportionate of various respondents according to their responses as 37% agree, 32% strongly agree, 23% are neutral with the statement that competencies are personal characteristics that contribute to effective managerial performance while 3% disagree and 5% strongly disagree with this statement.
- With respect to the responses fo Core Competencies like Customer focus, Communication, Team Orientation, Technical Expertise, Result Orientation, Leadership, Adaptability, and Innovation these are relevant and necessary for managerial levels of the bank states that 55% agree, 34% strongly agree that core competencies are relevant and necessary and 11% are neutral; while none of them disagree and strongly disagree with this statement.
- The job profile matches with the job officials, which they are performing is accepted by 43%, whereas 38% respondents gave strong acceptance. On the other hand, 17% are neutral, While 2% states the strongly disagree response.
- In concern to the importance and need of training program, the data states that 61% strongly agree that the training program will help in enhancing their performance. 25% of them agree, 14% are neutral and none of them disagrees with it. In addition to this, 46% strongly agree, 40% agree, 14% neutral, none of them disagree and strongly disagree that



- training should be based on scientific or at least systematic identification of competency gaps and competency needs.
- Out of 65 respondents 14% strongly agree, 48% agree, 32% are neutral, 6% disagree while none of them strongly disagree regarding the facts that employees are performing the same work as provided to them.
- With regard to the need of competency mapping for effective manpower planning, among 65 respondents only 43% respondents states their consent strongly agree, 31% agree, 21% neutral. Whereas 5% disagree but none of them are strongly disagreed with it.
- Similarly, it has also been analysed that 43% strongly agree and 31% agree, 18% are neutral regarding the needs of competency mapping for the recruitment /selection process, while 8% are disagree and none of them strongly disagree with this statement.
- Out of 65 respondent's analysis reveals that 40% strongly agree, 34% agree, about the particulars competency mapping plays a major role for their career development, 25% neutral, 1% disagree and none of them strongly disagree with it.
- ❖ With reference to the role of competent manager for the success of organization, the analysis of the responses states that 43% strongly agree, 31% agree, 25%neutral, 1% disagrees while none of them strongly disagree.
- Similar to the importance of competency mapping for the recruitment and selection, the competency mapping should also use for promotional policies. The analysis of responses states the 22% strongly agree, 34% agree, 43%neutral, 1% disagree responses about the same.
- Among 65 respondents, the analysis of responses reveals that 28% strongly agree, 31% agree, 18% are neutral. 14% disagree and 9% strongly disagree about the facts that the critical incidence makes an important role in success/failure of an employee.
- ❖ The Professional Competencies are mandatory to become successful manager, about this statement, the response chart states 60% agree, 28% strongly agree, 12% neutral, none of them disagree and strongly disagree that

#### FINDINGS OF THE STUDY

On the basis of overall analysis of the study, following findings are drawn on

> The analysis of the study reveals that maximum respondents are belong to the age group of 26-30 years i.e 37%, and 34% respondents are belong to the second age group i.e 21-25 year, whereas 29% respondents are belong to highest age level means above 31 years. On the other hand, It is also observed that 62% respondents are highly qualified or the post graduate degree holders and only 38% are simple graduates.



- > The study reveals that mostly the employees are satisfied with the working environment of HDFC Bank. The percentage of acceptance states that 37% respondent employees are agree and 23% are strongly agree with the positive environment of working in the Bank. On the other hand only 32% employees are neutral about the question.
- ➤ It has also been observed that competencies as personal characteristics contribute maximum towards the effective managerial performance. As the result shows that out of 65 employees of the bank, 37% agree, 32% strongly agree, 23% are neutral with the statement
- The analysis of the study reveals that most of the employees believe that core competencies like customer focus, communication, team orientation, technical expertise, result orientation, leadership, adaptability, and innovation are relevant and necessary for the employee of managerial levels in the bank. Therefore, the quantitative figure states that out 65 respondents gave 55% agree, 34% strongly agree response to the support of said statement.
- It is found from the analysis of the study that maximum of the respondent employees give their consent that training program is required to enhance the performance of the employee and training should be based on scientific or at least systematic identification of competency gaps and competency needs.
- ➢ It is also proved that more than 70% of 65 respondents agreed that the competency mapping is required for an effective manpower planning, recruitment and selection process, for career development and for the promotional policies.
- Similarly, it has also been proved that maximum employees are agreed with the fact that Professional Competencies are mandatory to become successful manager and critical incidence makes an important role in success/failure of an employee.

#### RECOMMENDATIONS

On the basis of overall analysis of employees perceptions about the need of competency mapping, following recommendations are drawn for the HDFC Bank, Amritsar

- Bank should analyze all the important roles and require competencies to perform those roles.
- For the development of the existing employee there should be well structured training program. The program should be consist of importance of the competencies i.e. Knowledge, skills, ability etc.
- Apart from the above training there should be periodic training about the changes and new services occurring in market.



- There should not be frequently changes in the work profile of the employees. This hampers the quality of the work.
- The employees should be aware of the critical incidence which have been benefited them.
   So they can set those incidences as examples for the success / failure in front of the new employees.

#### CONCLUSION

Competencies are the inner tools for motivating employees, directing systems and processes and guiding business towards common goals that allow the organizations to increase their value. Competencies provide a common language and method that can integrate all the major HR functions and services like Recruitment, Training, Performance Management, Remuneration, Performance Appraisal, Career and Succession Planning and Integrated Human Resource Management System. The competency framework serves as the bedrock for all the HR applications. As a result of competency mapping, all the HR processes like talent induction, management development, appraisal and training yield much better results. Thereby the study was conducted to reveal the competencies required by the successful managers in the HDFC bank and to get the opinion of managers regarding various competencies required at managerial level. The analysis is done of the various variables and accordingly a questionnaire was prepared regarding Competency Mapping programs held in the HDFC Bank. A set of 14 Questions were made which covered competency mapping programs spread across 5 branches of HDFC Bank in Amritsar. The analysis of the study reveals that employees of HDFC Bank have specific skill, ability and knowledge etc. to perform their job efficiently and efficiently. They possess decision making, power, and relationship building capacity, sound knowledge of the products etc. which help the bank for the progress in present and future also mangers. Some of the employees have got success due to some critical incidence during their job. They faced challenges and accept changes but in a resistant manner so there should be well structured training schedule for employees and bank's development. Each of the specified roles should know their responsibilities and roles to enhance the credibility and profitability of the bank. Similarly, it has been proved that the competency mapping plays a vital role for the development of the employees as well as bank.

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# Questionnaire on Competency Mapping –A Managerial Perception: at HDFC Bank

Name	:		 		
Age	:		 		
Gende	r:		 	4_	
Qualifications	: 1			<b>_</b>	
Designation:		/	 		
Name & Branch	of the bank	- 10	- A		

Questions	Strongly	Agree	Neutral	Disagree	Strongly
	Agree			10.	Disagree
1. Working environment of			Sec. 1		
HDFC Bank is satisfactory.		Α 1	7	100	
2. Competencies are personal			10		
characteristics that		ν.	61	100	
contribute to effective	7	- 9		100 10	
managerial performance.				M 1	III
3. Core Competencies like	11		78	A STATE OF	
Customer focus,	1/		17		
Communication, Team	11		// 10		
Orientation, Technical	137				
Expertise, Result			1		
Orientation, Leadership,					
Adaptability, and Innovation					
these are relevant and	-				
necessary for leaders or					
managerial levels of the					
bank.					
4. Your job profile matches with					
the job you are performing.					
		1	1	1	I



5. Training is necessary for					
performing duty efficiently.					
6. The type of work you are					
performing is the same					
which was assigned to you					
at the time of your joining					
7. Manpower planning should					
be done using competency		$^{\circ}$			
		<b>W</b> -		4	
mapping.					
8. Recruitment and selection				6	
process should carry out					
considering competency of	7		- N		
the individual.	L .			- 11	
100 40 11 1					
9. Competency mapping is	P	_ \	7		30.00
helpful in individual career	0.47	A \			
development.	rs.	U .	1		
10. Only competent manger can					
contribute for the success of				W. 10	
organization.	N		17	<i>J</i> . W	139
11. Promotion policies should	11		19 /		
be based upon competency	11.		//		
assessment.	11		11.		J. 100
12. Importance of critical		-			
incidence in success/failure			1		
of an employee.			-	_	
13. Training should be based on					
scientific or at least					
systematic identification of					
competency gaps and					
competency needs.					
14. Professional Competencies					
are mandatory to become					
are mandatory to become					



successful manager.			

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