



Competency Assessment of Employees to Enhance their Performance, A study in Shipping Company

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ABSTRACT

Competency assessment is an important tool in the current business scenario in order to enhance performance of the employees. Competency assessment process is designed to consistently measure and assess individual and group performance as it relates to the expectations of the organization and its customers. In this context the researcher endeavours to evaluate the gap between existing competency and desired competency and also establish the correlation between the variables. In this regard, the data was gathered from 63 respondents through questionnaire by Stratified Sampling method in the form of primary data, and secondary data was gained through company's journals, magazines etc. In the study it was found that there is gap between the current competency and expected competency of employees in various dimensions like Adaptability skill, initiative skill, judgement skill, problem solving skill, leadership quality and productivity skill. There are certain competencies that employees need to improve so that the organisation can perform well and have competitive advantage, as human resource is one of the significant components to achieve in the competitive business. The study was able to reveal which competency is deficit and how to tackle the gap that exists in competency. Appropriate training measures have been suggested to be implemented by the organisation to bridge the gap.

Keywords: *Competency, bridge gap, performance, competency assessment, competency mapping*

INTRODUCTION:

The study is conducted in order to understand the current level of competency of the employees. Surveys, interview and questionnaire and other techniques are used in respect to find out the current competency level under study. The research will be helpful not only for the researcher but also for the organisation as well, as it reveals the current competency of employees and from this study the organisation can take necessary steps to correct the competency that are scarce by providing training and other measures.

With the operations of Shipping Companies expanding globally, an effective and smart operation becomes the need of the hour. There arises scope for improvement in terms of the employee's performance and effectiveness hence the study related to competency assessment has gained relevance. (**kodwani, 2009**) He explained that performance is the most important aspect of any business organization in today's world. Employees who have the right set of skills and abilities are able to perform well and excel in business today. Thus competencies are a set of those skills and abilities which are required in order to perform well in the organization. In recent times companies are facing a problem of "Competency Mapping" which means that companies are not able to find the exact set of skills required to match with the requirements of the job.

(**NAQVI, 2009**) According to him, the quality of an employee's performance depends on the quality of the HR Manager in the organization i.e. his skills and abilities. For various reasons including Business and Economic reasons, the organizations always concentrate and are concerned about the competencies of its employees. Every organisation needs competent people to achieve the objectives, goals and results effectively. Return on investment to a large extent depends on the competency of the people to utilize physical and technological resources available. (**NAGARAJAN P, 2012**) He explains that Competency Mapping is the process of assessing one's strengths as an individual or in an organization. It examines two key areas including EQ and also the decision-making ability of the employees. Large Organizations employ Competency Mapping to find out the strengths of the employees so that they can find out the necessary skills needed to match the requirements of the job and improve the organization performance. (**MCKinsey, 2010**) According to his survey conducted, any organisation senior executive and non-executive managers are unhappy with the performance of frontline managers. His also says that providing authority to frontline managers to make decision, anticipate problems will generate higher productivity and other benefits. The skills knowledge and attitude that a person possess is an important factor that determines the economic growth of the company and to survive in this competitive environment every organisation should acquire and develop new talents. Competency mapping allows the organisation to focus on two main issues 1) organisation issues 2) employee issues.

Organisational issues are mostly on technological changes happening and describing effectiveness on common terms. And employee's issues are mostly focused on competency in not only a particular area but many, i.e. multiskilling.

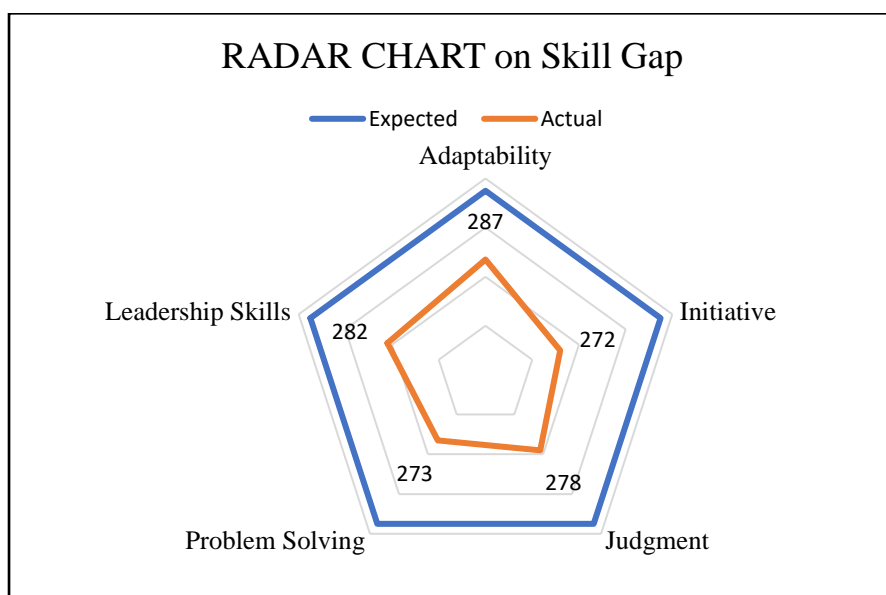
METHODS:

The nature of study is Descriptive Research, Stratified Random Sampling was chosen as the sampling technique and data was majorly collected from Primary Source. Pre-determined Questionnaire was constructed to identify the difference between the performances of Employees. Data was collected from 63 respondents. The study is restricted to the permanent employees only, considering the lower level employees, middle level employees and the top-level employees, and the study is related to employees performing office related tasks.

RESULTS

To understand the current competency gap among the employees, the expected value was calculated as 315 (63 total respondents * 5 expected score per parameter) and the actual value was calculated based on the self-assessment of the employees (Expert-5, Advanced-4, Intermediate-3, Beginner-2, and Basic Knowledge-1)

Competency	Expected	Actual	Gap	Percentage Gap
Adaptability	315	287	28	9%
Initiative	315	272	43	14%
Judgment	315	278	37	12%
Problem Solving	315	273	42	13%
Leadership Skills	315	282	33	10%



After completing the skill gap analysis and identifying the skills that need focus, the next step was to identify if there was any correlation between the Competencies and the Productivity

Hypothesis	Statement	P Value	Accepted/Rejected
H1	There is a signification relation between Adaptability and Productivity	0.01	Accepted
H2	There is a signification relation between Initiative and Productivity	0.00	Accepted
H3	There is a signification relation between Judgment and Productivity	0.00	Accepted
H4	There is a signification relation between Problem Solving and Productivity	0.03	Accepted
H5	There is a signification relation between Leadership Skills and Productivity	0.00	Accepted

DISCUSSION

The Skill Gap is the highest in Initiative taking (14%), wherein employees are used to their comfort zone and lack initiative taking willingness or ability which hampers the individual performance as well as the performance of the organization.

Problem Solving Skill (13%) is one of the highly required skills in employees operating from the front desk. They come across various problems of theirs, customers as well as their colleagues on a day to day basis. In that case they should be able to handle such cases and contribute to the smooth operations of the company.

Next in line is Judgment (12%), where in these are high level skills which needs activity-drive training or workshop which will contribute to their judgemental skills. This sometimes hampers employee relations in the organization as people become judgmental about each other and lack accurate knowledge on how being judgemental can be used for maintaining harmonious relations in the organization.

Moving onto the correlation between the various competencies and their productivity which is the dependant variable in this study, it is interesting to note that each of the competency has a significant correlation with the productivity. Which means that when competency improves the performance also improves. Hence targeting and bridging the gap in skills can contribute to the improvement of productivity as well as the performance of the organization.

It was noted that the Leadership Skill among the Women was the least when compared to men and workshops for Women on Leadership would be ideal in these companies that boost their morale and confidence in performing leadership activities.

LIMITATIONS AND FUTURE STUDIES

The study has contributed to the pathbreaking theory in terms of skill gap and Correlation among the variables. The only limitation seen in this study that can be overcome in future studies is the access to the Shipping Companies as they are prevalent only in Coastal Areas, else more respondents would have been targeted.

In future a more distinct study can be carried out determining the relation in terms of Demographic factors and the Competencies as well as Productivity. The study can be carried out at other organizations as well in terms of competency assessments targeting more competencies relevant to the profile.

CONCLUSION

With the increased focus on talent leading to organizational performance, organizations should firstly conduct Competency Assessments on a timely basis and accordingly conduct Training Programmes based on the need. This will not only contribute to the effectiveness of the Training but also put a structure in place to enhance the competency of employees in an organization. It is encouraging to see Shipping companies which are in Manufacturing sector showing interest in enhancing the competency of their employees. Likewise organizations in all sectors should be working towards the growth of one of the most important asset of an organization – Human Resources.

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