Managerial Competency Mapping And Gap Analysis Among The Middle Level Managers Of Insurance Sector

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Abstract: *In the emerging world of business, there is necessity to the organization to build and develop the management framework on the basis of competency. This high-level category architecture assists in organizing the competencies and showing how competencies relate to one another in the organization. A competency can be defined as "a cluster of related knowledge, skills and attitudes that affects a major part of one's job (a role or responsibility), that correlates with performance on the job, that can be measured against well-accepted standards, and that can be improved via training and development". The study was conducted from the middle level managers of insurance companies of both government and private in Tamil Nadu. The Non probability Sampling techniques were adopted for selecting the sample of the respondent. The main findings of the study were, there is a gap between the acquired competency and required competency among the managers in all kind of skills.*
Key words*: Acquired skill, competency, gap analysis, managers competency, required skill*

I. Introduction

Competency is essentially a comprehensive set of skills of a person that are required and the Core skill expected for a job profile of the individual or organization concerned. This differs from organization to organization, job to job and also among individuals. This will allow them to focus their attention on right set of core values and the systematic usage of competencies for the betterment of work. Competency will help the individual to sustain their transformation in agreement with the challenges in present and future. Competency model is useful in facilitating an organization to identify the skill gap between the availability of skill and the skill to be acquired.

Through this model, an organization can bring the unified approach in human resource management systems for the improvement in strategic planning for recruitment, redesigning of job description, career development, talent management, organizational learning, performance appraisal and the total sum of human capital management. Organizations such as business, public and private service sectors adopting the competency model to incorporate the business and world of work with their human capital requirements.

Adopting a healthy competency model will guide the management and their employees to strengthen their managerial and technical abilities to reach their expected level with hassle free shift. The competence approach boosts employees to develop the competencies to be used in various work situations rather than being particular job. Enhancing of employees competency and focused skills helps them to cope up with organizational change. Competency is combination of knowledge, attitude, skill, behaviour, core values and others. In addition of these, it may also include the individual characteristics, motives and self-conception.

II. Statement of the Problem

Rothwell (1996) states that a competency as the underlying characteristics of successful performers which can include bodies of traits, knowledge, skills, abilities, attitudes, beliefs and decision making. In addition, competence is also approached at the higher level of organizational strategy and competition, often referred to as core competence (Prahalad & Hamel, 1990; Quin, 1992). Core competence is the unique ability of organizations to deliver products or services. This ability is rather constant, is hard to copy by other organizations and is the basis for the benefit of the organization. Competence approaches that lay stress on personal characteristics focus on the question: Do personal characteristics lead to superior performance? Here, competence is "an underlying behavioural dimension or characteristic that can result in effective and/or superior individual performance, depending on context, environmental organization and cultural factors and job-specific

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characteristics"(Derous, 2000, p. 7). On the other hand, the question on competence approaches that stress task characteristics are: Essential elements of the task that are to be fulfilled. Parry (1996) stated that employees display competences in the degree to which their work meets or exceeds prescribed work standards.

III. Literature review

In 1959 Robert White has identified a human trait that he called 'competence'. Building on and extending White's work, Harvard psychologist David McClelland (1973) is often called the father of the US-based approach to competency modelling in his article 'Testing for Competence Rather than for Intelligence' in 1973 raised questions about the reliability of intelligence tests as a predictor of job success and stated that 'the correlation between intelligence test scores and job success.

David McClelland the famous Harvard Psychologist has pioneered the competency movement across the world. His classic books on "Talent and Society", "Achievement Motive", "The Achieving Society", "Motivating Economic Achievement" and "Power the Inner Experience" brought out several new dimensions of the competencies. These competencies exposed by McClelland dealt with the affective domain in Bloom's terminology. The turning point for competency movement was the article published in American Psychologist in 1973 by McClelland, wherein he presented data that traditional achievement, intelligence scores may not be able to predict job success, and what is required is to profile the exact competencies required to perform a given job effectively and measure them using a variety of tests. This article combined with the work done by Douglas Brey and his associates at AT&T in the US where in they presented evidence that competencies can be accessed through assessment centersan on the job success can be predicted to some extent by the same has laid foundation for popularization of the competency movement.

Latter McBer a Consulting Firm founded by David McClelland and his associate Berlew have specialized in mapping the competencies of entrepreneurs and managers across the world. They even developed a new and yet simple methodology called the Behavior Event Interviewing (BEI) to map the competencies. With increased recognition of the limitations, performance appraisal in predicting future performance potential appraisal was focused. In addition, Assessment centers became popular in seventies.

IV. Theoretical concept

Competency is a set of related talents, responsibility and commitment, attitudes and knowledge that makes the person to perform his job effectively is called as competency. It measures a person's adequacy of knowledge and skill to perform his tasks in a variety of situations in an organization. Because each level of responsibility has its own requirements, competence can occur at any time of an individual career. In other words competency is a standard requirement of individual to perform a job. It is combination of knowledge, skill, attitude and behaviour of the individual to understand his ability for his performance enrichment. It gives the clear picture on one's ability or quality to perform for a specific job.

An individual action on the prescribed job is measured by his competency levels. Therefore every individual needs certain level of pre-requisite skills of competency to perform his given job. It is life long process one can learn every time to improve or add the new competencies required for the change of job. According to Boyatzis (1982) "A capacity that exists in a person that leads to behaviour that meets the job demands within parameters of organizational environment, and that, in turn brings about desired results". According to Dr.G.C.Mohanta, 'competence means any attitude skill, behaviour, motive or other personal characteristic that is essential for an individual to perform a job or more importantly, differentiates solid form of outstanding performance.

V. Competency Mapping

Competency mapping is a process through which one assesses and determines one's strengths as an individual worker and in some cases, as part of an organization. It generally examines two areas: Emotional Intelligence (EI) or Emotional Quotient (EQ), and strengths of the individual in areas like team structure, leadership, and decision-making. Large organizations frequently employ some form of competency mapping to understand how to most effectively employ the competencies of strengths of workers. They may also use competency mapping to analyze the combination of strengths in different workers to produce the most effective teams and the highest quality work. "Competency mapping" determines the extent to which the various competencies related to a job are possessed by an employee. Therefore, competency mapping is a process, a HR expert uses to identify and describe competencies that are most crucial to success in a work situation.

VI. Need of Competency Mapping

In a modern scenario, organizations continuously undergo structural changes, strategic shifts, merger & acquisitions. Many new roles are getting created, different hierarchical levels are merged, or expectations from the current roles change. Under these circumstances, unless properly measured and taken care of, employee

performance can become seriously impaired or can become superceded. The competency mapping is required to reinforce corporate strategy, culture, and vision. Competency mapping establishes expectations for excellence in performance, resulting in a systematic approach to professional development, improved job satisfaction, and better employee retention.

It increases the effectiveness of training and professional development programs by linking them to the success criteria (i.e., behavioral standards of excellence). It provides a common framework and language for discussing how to implement and communicate key strategies. Competency mapping provides a common understanding of the scope and requirements of a specific role. Competency mapping provides common, organization-wise standards for career levels that enable employees to move across business boundaries. Competency mapping identifies performance criteria to improve the accuracy and the ease of the hiring and selection process. It provides a clear foundation for dialogue to occur between the manager and the employee about performance, development, and career-related issues. Competency mapping identifies the success criteria (i.e., behavioral standards of performance excellence) required to be successful in their role. It supports a more specific and objective assessment of their strengths and specify targeted areas for professional development. Seema (2007).

VII. Significance of the Study

The study is of great significance to the employees and the organization as it provides an insight to the individual to ascertain the competencies he possesses, the potentials an employee has in him and the perception of his superiors and other members about his abilities. The organization on the other hand is likely to be benefited from this study as it will be able to analyze the training needs, the gaps in actual and desired skills, and the future perspectives for development in an individual. It will also help the company to improve its overall efficiency and effectiveness.

VIII. Problem Formulation

Modern education is witnessing wide changes in the wake of globalization of economy. Traditional educational ways are giving way to modern means of tools and techniques to enhance the capabilities and attitude of young graduates. Traditional way of learning and development is gradually shifting towards skill development and pragmatic learning modules. In addition to knowledge acquisition, business and operational heads of various industries and firms are giving more importance to skill acquisition.

It is widely acknowledged by various researches that there is a big gap between the kind of education imparted by the educational institutions and the kind of graduates with right aptitude and attitude that are expected by the corporate. The 'gap' which is identified by the researchers in this particular research is termed as 'survival skills', which indicates the young graduates' required skills that are to be acquired during their learning and development period from educational institutions, which support them to survive in industry as best performers with absolute contributions.

Therefore, it appears necessary to investigate if a difference exists in job competency expectations held by the insurance sector for their employees between the required competency levels and the existing level of working. Accurate job competencies need to be communicated to all the employed in the insurance sector. Research indicates the closeness to the employer job competency expectations i.e., the required competency level and the actual job competency level of the employees brings a better chance for productivity improvement, multi skill development and the competent employees will achieve overall job satisfaction.

IX. Research Gap

In the recent years the insurance industries made a quantum increase into new and unpredictable changes in the environment and culture, categorized by deregulation, product innovation, globalization and expansion in technology and concentrated competition. The function of insurance segment has increased economic development through financial intermediation is considerable (Sanusi, 2011). Many Studies have been carried out on use of competency mapping in insurance sector specifically focusing on framing a competency model or identifying the importance of competency management. Therefore insurance sector has been taken into consideration for this research work.

X. Research Methodology

The study is a descriptive in nature. Primary data collected with the help of structured questionnaire administrated to middle level managers of private and government insurance companies in Tamil Nadu. The Non probability Sampling techniques were adopted for selecting the sample respondent by snowball method sampling in the study. 663 questionnaires were used for analysis after deletion of biased and non-responsive questionnaires. The proposed model were developed and proved with hypothesis framed in the research for the objective taken for the study . The main objectives undertaken in the study were to assess the various

competency acquired by the respondents and competency required by the employers, find the gap between various competency acquired by the respondents and competency required by the employers in the insurance sectors, examine the correlation among the factors of managerial competency mapping in the sector concerned and to estimate the major factors influencing the managerial competency mapping and its gap in insurance sectors and to provide suggestions if necessary.
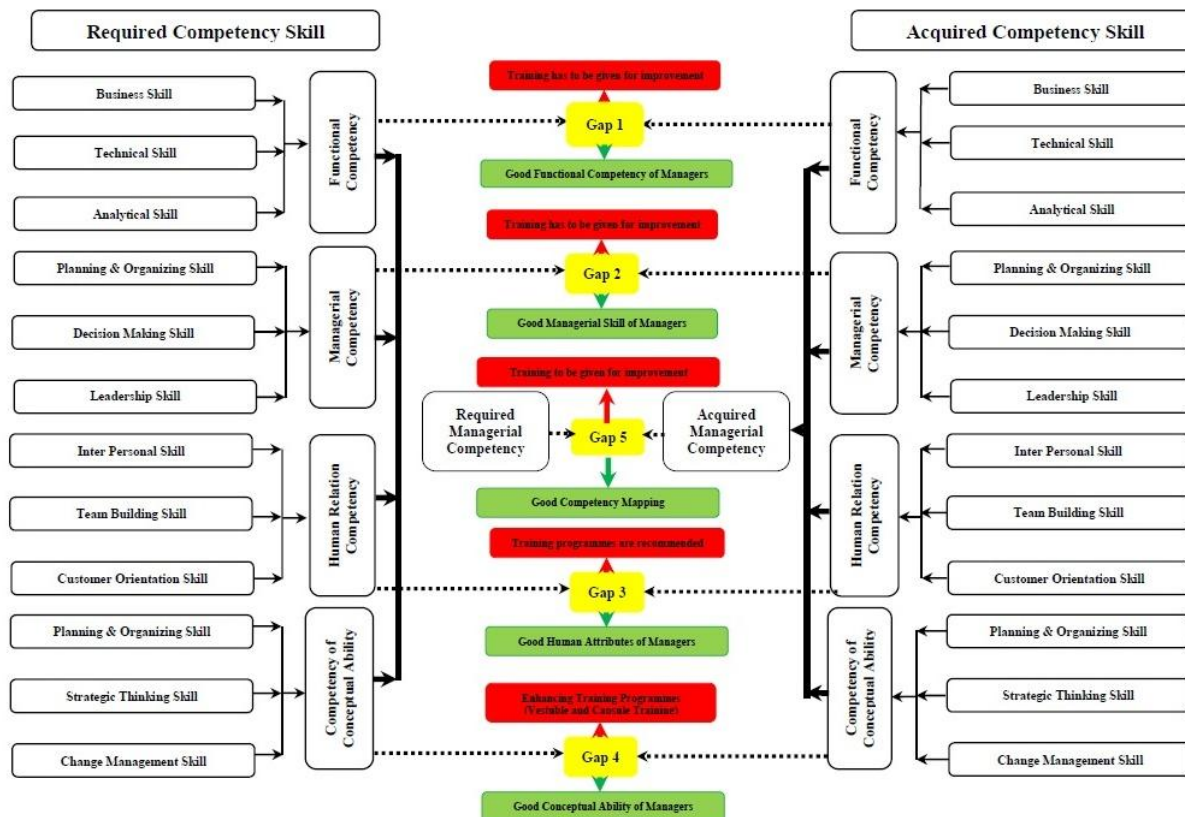

Fig. 1: Managerial Competency Mapping and Gap Analysis among the Middle Level Managers

XI. Major findings of the research

Among the dimensions managerial core competency, the overall gap exists between acquired skill and required skill on all variables of functional competency with a difference mean value of 2.27. the overall skill gap exists on basic managerial competency of the respondents with a mean difference value of 2.15., the overall gap skill exists on human relation competency with a difference mean value of 2.15.and the overall skill gap on competency of conceptual ability exists with a difference mean value of 2.15.Thus the overall mean difference gap between acquired competency and required competency on managerial core competency of the respondents have a difference mean value of 2.23.

The acquired functional competency explains 0.1 percent of it variance, when influenced by acquired business skills, acquired technical skills and acquired analytical skills. Whereas the required functional competency explains 38.3 percent of it variance, when influenced by required business skills, required technical skills and required analytical skills. The acquired basic managerial competency explains 30.5percent of it variance, when influenced by acquired planning and organizing skills, acquired leadership skills and acquired decision making skills. Similarly the required basic managerial competency explains 35.2 percent of it variance, when influenced by required planning and organizing skills, required leadership skills and required decision making skills.

The acquired human relations competency explains 0.2 percent of it variance, when influenced by acquired communication and interpersonal competency skills, acquired team building skills and acquired customer oriented skills. Whereas the required human relations competency explains 44.4 percent of it variance, when influenced by required communication and interpersonal competency skills, required team building skills and required customer oriented skills. The acquired competency of conceptual ability explains 48.9 percent of it variance, when influenced by acquired innovative and creating thinking skills, acquired strategic thinking skills and acquired change management skills. Similarly the required competency of conceptual ability explains 78

percent of it variance, when influenced by required innovative and creating thinking skills, required strategic thinking skills and required change management skills.

The acquired managerial competency explains 1.4 percent of it variance, when influenced by acquired functional competency, acquired basic managerial competency, acquired human relations competency and acquired competency of conceptual ability. Whereas the required managerial competency explains 35 percent of it variance, when influenced by required functional competency, required basic managerial competency, required human relations competency and required competency of conceptual ability.
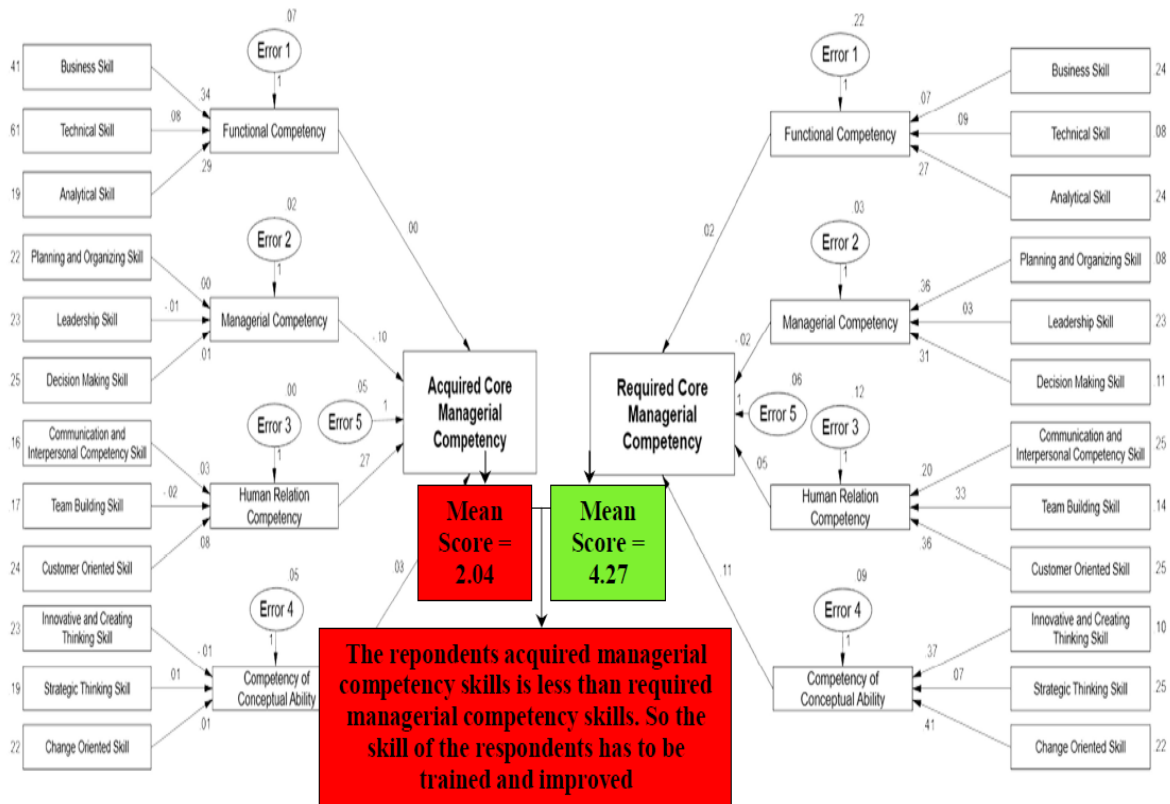

Fig 2: Comparison of Acquired Core Managerial Competency and Required Core Managerial Competency

XII. Suggestion

On the basis of overall analysis on the perceptions of the respondents about the levels of competency requirement the following recommendations are drawn. Many of the study suggested that educators should review and redevelop their curriculum and change delivery methodology to support the development of these skills and attributes. It is the need of an hour to assess the need of competency development in the workforce of tomorrow and help them plan their future. New courses can be introduced in the curricula, which address the need to develop particular competency required for insurance operation. In order to improve the efficiency of employee in the present job and prepare himself for the higher level job- the effective training programmes are necessary on the part of insurance policies, new technology and the changing environments. For the development of the existing skills of the employees, there should be well structured training program to be included.

XIII. Conclusion

Competency is a set of knowledge, skills and attitudes required to perform a job effectively and efficiently. The retail and insurance sectors are the major business professions which required more graduates every year to meet the need of business expansion and growth. Many research studies have revealed a consistent core set of desirable attributes, such as communication skills, interpersonal skills and team working, problem solving, analytical skill, creativity and innovative ability, etc., are often independent of the degree subject. The university has to incorporate extracurricular activities into the regular programme and changing the subject to develop specific skills through specialist modules. The sector concerned has to offer training on the domain and department concerned.

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