Enhancement of Competence: An Effective Tool for Change Management

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Abstract: The business environment has undergone significant change for Indian steel industry and particularly for Bhilai Steel Plant, a flagship unit of Steel Authority of India Limited. It moved from controlled era to a free market scenario. Growth of infrastructure has resulted in increased steel demand in domestic and developing countries. This has created an opportunity for steel industry to increase their capacities through expansion and mergers. In this changing scenario, competence development instruments have very important role in equipping people to cope with the advance technology and changing business requirements. Bhilai Steel Plant has adopted competence development of its employees as an integral part of its corporate strategy. Talent of the people is treated as greatest asset and it is one of the core values for change management. Present study highlights the need to develop capabilities through focused competence development programmes and harnessing talents to help bridge gaps in knowledge and skill. It makes an attempt to find out contribution of capability building in evolving desired culture consistent with company's business challenges. The findings generally suggested significant and positive contribution of competence development emphasizing both organizational and personnel development. Development of competencies facilitates growth of individual and the organization enhancing the effectiveness of the people and thereby facilitating in change management.

Keywords: Infrastructure, expansion and merger, technology, corporate strategy, core values, bridging the gap, effectiveness, competence development.

I. INTRODUCTION

It is important to the change process initiated in recent years in an integrated manner. In course of the change management, various initiatives have been taken at different points of time and various 'terms' are used e.g. vision, goals, strategies, systems, structures, and now culture and values. These concepts have to be understood in an integrated manner. Achievement of vision depends on achieving success in four interrelated areas, namely, goals, strategies, systems and structure and culture. Out of these areas, strategy of competence building of the human resource and the supportive culture provide a framework for detailed action planning for change management. Competence development of the human resources facilitates creation of a suitable culture which helps in bringing about system and structural changes for implementing appropriate strategies. Change management in an organization is dependent upon core values, norms, beliefs and attitude that influence behaviour of people. While values are the bedrock for evolving an environment for change because they influence the norms of behaviour, it can be understood primarily in terms of observed behavior.

Organizational competence contributes to the stability and consistency of behaviour patterns because it results in a form of mental programming of the members of the organization. Basically, organization's culture is influenced by external influence such as societal culture, technology, history and specific environment of the organization, but the leadership of an organization

has a mediating role in keeping the negative external forces under check and nurturing the positive factors for building a strong culture.

The desired change in an organization is reflected in various policies and practices, such as how work is organized, how people relate to each other within the organization and outside, what kinds of myth and stories are prevalent, which rituals and ceremonies are considered important and what kind of behaviour deserves appreciation and reward. Further it should be recognised that while culture of an organization evolves over a period of time in response to various internal initiatives and external stimuli, it is important to undertake periodic reviews to ensure congruence between the existing competence level and the requirement of the business environment. This change of organizational competence level is an integral part of the process of management of change to ensure good fit between the organization and its environment. It must be recognized that a competence level which has evolved over the years will not change by itself. In fact there will be strong resistance to new values, norms of behaviour and other initiatives for enhancing competence of the people even though the need for change is recognised.

A journey from the existing competence to desired level will involve articulation and acceptance of core values, identification of and adherence to the appropriate norms of behaviour and leadership efforts to reward and reinforce the preferred behaviour.

Bhilai steel plant is perceived as learning organization and effective in managing change. Various competence building and human resource development interventions have been successful in internalising the vision the company to most of the employees. The concern for people for competence development will facilitate in creation of the desired culture. Talent of the people is greatest asset. It is necessary to encourage, reward behaviour which would result in enhancing their commitment, improving their competence. It is the responsibility of the managers for developing people working with them. Time and effort spent for this purpose will create a culture of continuous learning and development. Sharing of the best practices in different plants/units through training activities encourages innovation. Strengthening of training for customer orientation, prevention of skill dilution, dissemination of vision, goals, strategies, systems, and core values will facilitate development of norms of behaviour which are essential for bringing about required change in the organization.

Development needs based on individual and organizational needs enable evolving and implementing comprehensive development plans for identified persons. Development and training to people for modernization and developing training plans linked to appraisal system will help in internalising norms of behaviour pertaining to concern for people. Shift of the training approach from quantity to quality and tuned to business priorities on an ongoing basis will help achieve commitment to excellence.

In present study competence development is viewed as the core of human resource development and part of creating a learning organisation. The study is aimed at finding perception of working with competence development programs in organisations. It tries to answer its impact on harnessing talents to help bridge gaps in knowledge and skill. It makes an attempt to find out contribution of capability building in evolving desired culture which supports the change process in congruence with company's business challenges.

II. REVIEW OF LITERATURE

The key ingredients of a disciplined talent management system are: the identification, attraction, retention, development and usage of talent (Saratoga, 2005).The purpose of knowledge management is to capture company's collective expertise and distribute it to wherever it can achieve the biggest Pay Off. (Blake, 1988). Competence development is a key element in the progressive system of talent management in an organisation. It is the process by which the person acquires, develops necessary knowledge, skills, capability, attitude and progress from a present state understanding and capability to higher level skills, knowledge, competencies required by the organisation (Boron, 2007). Skills, knowledge and competence are key factors in

determining whether organizations and nations will prosper (Schuller, 2000). Competence studies in the field of corporate strategy, human resource management and corporate competence development have been conducted by various researchers Nybo(2004), Zauug and Thom (2003), Lynskey (1999), Arbeidsgruppe QUEM, 2000;Tjepkema et al.,2002;).

Transformation, a complex, revolutionary, and continuous process, demands fundamental changes in the organizational structures and systems through which products are developed and services are delivered………. In this process those involved in carrying out the changes as well as those who will benefit from it must be re-educated to acquire and apply new knowledge on established routines and competences needed for the transformation (N Venkateswaran, 2007; Heather A. Haveman, 1992).

The implementation of new information technology (IT) systems have potential to enhance the capabilities of a firm for sustained innovation of its business processes by transforming work practices not merely through incremental adjustments to existing processes and systems but rather through substantial leap forward (Information and Organization, January 2005; Thongchai Srivardhan , March 2007; Perspectives).The use of IT, or Electronic Data Interchange in particular, for organizational transformation could lead to phenomenal gains in organizational efficiency and effectiveness.(Hock-Hai Teo, March 1997).

Tommy Lo, learning and development manager of VF Asia, says organisational objectives demanded nothing less than a rebuilding of the subsidiary's learning infrastructure around a progressive system of talent management that encompassed all level of employees. (VF Asia Limited, Oct. 2009). Learning is a priority at caterpillar. Employees who recognize the value and continuously grow their knowledge will succeed and as a result, Caterpillar will continue to grow profitably. (Jim Owens, Jan. 2008). Infosys Technologies, a computer system design company sets a high standard of its employees, given that less than 6 percent of its applicants meet the demanding technical requirement. Due to the scarcity of experienced talent one challenge was to cross train the engineers from allied disciplines. (ASTD BEST,T+D, Oct.2009). "Sun Microsystems is methodically developing its sales professionals in terms of their skills and their careers, ultimately driving engagement, retention, and job satisfaction as well as significant revenue. (Willyerd, October –2009). Mary Pater, director of talent management and learning strategy says, "Associates who have been through programmes describe it life changing." She says, "They say that it exceeded their expectations-pushing them out of their comfort zones yet supporting them so that they can be successful. They feel that the programme prepares them for their future with this company." (Luxotica Retail North America, T+D, Oct. – 2009).

III. RESEARCH METHODOLOGY

Enhancement of Competence level as an effective tool for change management has been analysed with help of primary data collected through structured questionnaire. Total 85 frontline and middle and senior level executives and 106 non-executives were selected at randomly as target respondents. The questionnaire has been designed to get responses from people across the organization, regarding the competence development as an integral part of the organizational culture and values which supports the changing business challenges. It deals with the growth drivers, the organizational capabilities required to be built across the organization. The field research was carried out in Bhilai Steel Plant, an integrated steel plant and flagship unit of Steel Authority of India Limited. Respondents were asked to answer the questions on 5 point Likert scale. Percent mean values are calculated for each of the item of the questionnaire.

IV. RESULTS AND DISCUSSION

As shown in Table 1 and Fig 1, attributes of competence development through collaboration, pro-learning, encouragement of talented persons, trust to enhance competency, honest feedback, employees try new ways & ideas and freedom to develop attitude, knowledge and skills have mean values of their respective responses as 3.67, 3.53, 3.53, 3.33, 3.4, 3.0 and 3.0 respectively. These attributes have the highest score in comparison to other attributes. Encourages competence development through collaboration is most prominent in the organization with the highest score of 3.67. Encouragement to think innovatively and doing process improvements, people in go beyond their functional boundaries to help others, organization values

contributions of employees; identification and articulation of needs for personal growth and to build long term capabilities for future growth have mean values of 2.8, 2.8, 2.67. 2.67 and 2.67 respectively.

These attributes need to be further strengthened so that the cultural improvement through competence development is significantly realised for change management. Innovative thinking and going beyond functional boundaries will nurture a culture of competitiveness in the market. Also, other attributes like organization's effort to recognise the job of the employees, facilitating for personal growth etc. have to be given attention to bring them at par with the best practices in the organizations. Organization goes out of the way to attract and retain talent have the lowest percent mean value of 2.1 on a scale of 5. This indicates that system and approach for attracting and retaining the new entrants need to be reviewed so that suitable persons are inclined to serve the organization in fruitful manner.

It can be seen from the Fig, 1, that all the attributes have percent mean value less than 4 on a scale of 5. Therefore, the competence level of the human resources needs to be given focused attention through competence building to sustain the culture of change management. Competence building of human resources is essential for any organization to nurture a culture of proactive action to overcome the resistance to change.

Learning is a continuing investment. The corporate effort needs to be very focused at the strategic intent of the company. The employees should have the organizational capabilities to move in and win in the market segment with the biggest growth opportunity for the company.

The need of the hour is to accelerate momentum of the change process and institutionalise it by cultivating a culture of competence building. This will enable the organization to move towards vision of the company. Training and development are one of the major factors which contribute in nurturing a culture for sustained competence development. Planning and establishing the systems and structures which promote the attributes of competence building analysed above under will nurish the existing culture and weed out the behaviour which are inconsistence with the demands of the current business environment.

Table 1: Enhancement of Competence Level: An Effective Tool for Change Management

Q. No.	Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean.
1.	People in organization are pro-learning and are always ready to learn new skills and acquire new competence as a part of their own development	6.67	53.33	26.67	13.33	_	3.53
2.	Organization acknowledges value and encourages talented persons	6.67	40	33.33	20	_	3.33
3.	Organization goes out of the way to attract and retain talent.	_	_	33.33	46.67	20	2.1
4.	Since tolerance to failure is high in organization, employees do not hesitate to try new ways & ideas	6.67	53.33	20	13.33	6.67	3.4
5.	Organization encourages competence development through collaboration	6.67	60	20	13.33	6.67	3.67
6.	People in organization generally go beyond their functional boundaries to help others.	_	26.67	40	26.67	6.67	2.8
7.	There is climate of trust among people working together to enhance competency	13.33	53.33	13.33	13.33	6.67	3.53
8.	People are encouraged to think innovatively and invest time and energy in doing process improvements beyond routine work.	6.67	46.67	13.33	26.67	6.67	2.8
9.	People generally give honest feedback about performance, existing systems, processes, culture, etc.	_	33.33	40	13.33	13.33	3.0
10.	Organization fosters a culture of trust and openness in order that employees/managers may identify and clearly articulate their needs for personal growth.	6.67	13.33	40	26.67	13.33	2.67
11.	Organization encourages collaboration of like-minded people to build long term capabilities for	6.67	20	26.67	33.33	13.33	2.67

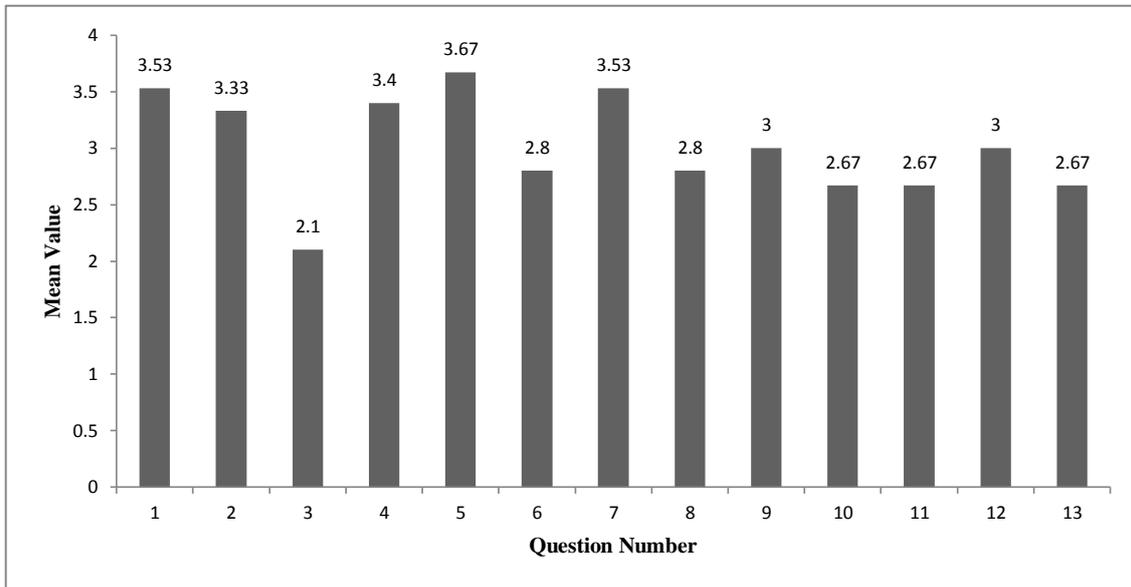|							
	future growth						
12.	Organization provides enough physical and emotional freedom to develop attitude, knowledge and skills.	6.67	33.33	20	26.67	13.33	3.0
13.	Organization values contributions of employees as very important to meet the company's goals.	13.33	26.67	26.67	20	13.33	2.67

Figure 1: Enhancement of Competence Level: An Effective Tool for Change Management

V. CONCLUSION

The leader responsible for the ultimate results, need to look at (the training) as a continuum. People think of training and development as an add-on choice, but learning organisations never think about it that way. Training is fundamental to running a company. Any organization that works well does not look at whether to do it or not.

An area of interest for organisations is the engagement of workforce. The competence development programs have become a key element not only for learning but also for engagement, talent management and succession planning. While learning is still a key component, learning infrastructures are very well positioned to have even greater impact on creating and sustaining an energized and workforce to face the changing business climate.

Critical skills need to be identified and a focused talent retention and development program should be developed. There is a need to develop and nurture change management capability in leadership to be able to drive large – scale changes with the organization. Open communications and information sharing; risk taking and new idea promotion; and information, facts, time, and resource availability to perform one's job in a profession were found to be the strongest predictors of rapid adaptation of organizational transformation.

Another dimension of the positive environment that attracts and retains talented employees is the learning potential it provides managers who want to retain their employees, understand that they must facilitate the development of their people in learning, nurturing, growing environment. This ranged from hands on demonstration and coaching during key activities to more formal monitoring sessions that linked employee's interests with firm needs. Enhancement of the competence level of the employees fosters a culture across the organization which effectively contributes in overcoming the resistance to change.

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