## <u>COMPETENCY MAPPING - A CASE STUDY OF WIPRO BPO</u> (JURISDICTION LIKE KOLKATA/BANGALORE ETC)

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#### ABSTRACT

In emerging business condition, competition centres round the heart of the organization to compete the business environment. The organizations are eager to choose the right people to the right job. Competencies denote one's capability and efficiencies which can satisfy the job profile, assigned by the organization. Organizations are under tremendous pressure to improve their performance through reduction of cost and in quality up-gradation with increasing global competition. Organizations irrespective of their type and size must employ competent and motivated workers. The HR Departments and top level managers are involved in various Research and Development activities for establishment of the sustainable strategy for which organizations can compete the business environment. Competency Mapping is a process of identifying key competencies for an organization initiatives. Competency mapping is not only done for permanent employees but also be done for contract workers or for those seeking employment to emphasize the specific skills which would make them valuable to a potential employer. This paper discusses the skills, competency, competency mapping of the organization and Wipro BPO's global position.

Key words: Skills, core competency, competency mapping, Global alignment.

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#### INTRODUCTION

The word competency is derived from Latin word "competere", which means to be suitable. Traditionally the competency concept denoted the individual's ability to respond to the demand placed on them by their environment or organization. It was believed that an educated and trained people can produce the result but practically it is not so or fail to produce expected results.

In modern scenario organizational concept has shifted in the focus of competency which used to use conventionally in terms of skill sets. Now the Organizations believe in excelling the best. They are building a core competency that will save them in crisis. Human resources are the best resource of an organization. Organizations of the future will have to rely more on their competent employees than any other resources. Competencies are the inner tools for motivating employees, directing systems and process and guiding the business towards common goals that allow the organizations to increase its value. Competencies integrate all the major HR functions and services like recruitment, selection, training, performance appraisal, career development, remuneration and succession planning and integrated Human resource management system. Competencies include depth of knowledge or way of thinking, skills, attributes that are described in terms of specific behaviors, and are demonstrated by superior performers in those jobs or work roles.

**Competency** is the ability of an individual to do a job properly. A competency is a set of defined behaviors that provide a structured guide enabling the identification, evaluation and development of the behaviors in individual employees. Some scholars see "competence" as a combination of knowledge, skills and behavior used to improve performance; or as the state or quality of being adequately or well qualified, having the ability to perform a specific role.

**Competency Mapping** is a process of identifying key competencies for an organization and/or a job and incorporating those competencies throughout the various processes (i.e. job evaluation, training, recruitment) of the organization.

#### MILESTONES

It was in the year 2000, that Wipro BPO gained a lot by acquiring the Spectra mind. There are around 19,000 people working under the banner of the Wipro BPO. All these people operate from the 9 different locations not only in India but also in Europe.

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Wipro BPO is a leading provider of business process outsourcing services focusing on multiple horizontals and verticals. Our integrated solution approach provides prime value to customers through process standardization, process simplification and process optimization. We can leverage our range of enterprise offerings to enable diverse domains meet existing technology and functional requirements even as we partner with customers to go to the next level of operational excellence.

Wipro's BPO unit is targeting a 40 per cent share of revenues from the non-voice service offerings over the next two years. At present, the non-voice service accounts for around 17 per cent of Wipro BPOs total revenues.

Wipro's BPO unit sees 73% attrition rate. According to a top company executive, Wipro's annualized attrition rate was 73 percent for 2006-2007. Reasons for this high attrition rate include: workers receiving offers from competitors, workers deciding to pursue higher education, and workers leaving the BPO industry. Late night shifts are also a deterrent indicates Wipro's Chief Executive T.K. Kurien, as women comprise a large part of this industry. Kurien indicated that Wirpo is taking measures to reduce the attrition rate, including oneon-one meetings with workers.

#### **PROFIT & LOSS ACCOUNT OF WIPRO**

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|                         | in RsCr   |           |           |           |           |  |  |
|-------------------------|-----------|-----------|-----------|-----------|-----------|--|--|
|                         | Mar '12   | Mar '11   | Mar '10   | Mar '09   | Mar '08   |  |  |
|                         | 12 mths   |  |  |
|                         |           |           |           |           |           |  |  |
| Income                  |           |           |           |           |           |  |  |
| Sales Turnover          | 31,803.40 | 26,401.20 | 23,006.30 | 21,612.80 | 17,658.10 |  |  |
| Excise Duty             | 120.50    | 100.70    | 84.30     | 105.50    | 165.50    |  |  |
| Net Sales               | 31,682.90 | 26,300.50 | 22,922.00 | 21,507.30 | 17,492.60 |  |  |
| Other Income            | 524.90    | 603.30    | 866.70    | -480.40   | 326.90    |  |  |
| Stock Adjustments       | -44.90    | 31.60     | 111.00    | -3.80     | 187.00    |  |  |
| <b>Total Income</b>     | 32,162.90 | 26,935.40 | 23,899.70 | 21,023.10 | 18,006.50 |  |  |
| Expenditure             |           |           |           |           |           |  |  |
| Raw Materials           | 4,684.90  | 3,805.60  | 3,768.80  | 3,438.80  | 3,139.30  |  |  |
| Power & Fuel Cost       | 233.40    | 199.70    | 141.40    | 154.00    | 0.00      |  |  |
| Employee Cost           | 13,223.70 | 10,937.40 | 9,062.80  | 9,249.80  | 7,409.10  |  |  |
| Other Manufacturing     | 3,722.90  | 2,780.20  | 2,145.30  | 1,687.80  | 299.80    |  |  |
| Expenses                |           |           |           |           |           |  |  |
| Selling and Admin       | 2,057.60  | 1,703.30  | 1,491.40  | 1,523.00  | 557.80    |  |  |
| Expenses                |           |           |           |           |           |  |  |
| Miscellaneous Expenses  | 1,495.80  | 1,145.00  | 921.80    | 691.40    | 2,558.00  |  |  |
| Preoperative Exp        | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      |  |  |
| Capitalised             |           |           |           |           |           |  |  |
|                         |           |           |           |           |           |  |  |
| <b>Total Expenses</b>   | 25,418.30 | 20,571.20 | 17,531.50 | 16,744.80 | 13,964.00 |  |  |
|                         |           |           |           |           |           |  |  |
|                         | Mar '12   | Mar '11   | Mar '10   | Mar '09   | Mar '08   |  |  |
|                         | 12 mths   |  |  |
| <b>Operating Profit</b> | 6,219.70  | 5,760.90  | 5,501.50  | 4,758.70  | 3,715.60  |  |  |
| PBDIT                   | 6,744.60  | 6,364.20  | 6,368.20  | 4,278.30  | 4,042.50  |  |  |
| Interest                | 79.90     | 58.60     | 99.80     | 196.80    | 116.80    |  |  |

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|-------------------------------|-----------|---------------|-----------|-----------|-----------|
| PBDT                          | 6,664.70  | 6,305.60      | 6,268.40  | 4,081.50  | 3,925.70  |
| Depreciation                  | 739.50    | 600.10        | 579.60    | 533.60    | 456.00    |
| Other Written Off             | 6.60      | 0.00          | 0.00      | 0.00      | 0.00      |
| Profit Before Tax             | 5,918.60  | 5,705.50      | 5,688.80  | 3,547.90  | 3,469.70  |
| Extra-ordinary items          | 0.00      | 0.00          | 0.00      | 0.00      | 0.00      |
| PBT (Post Extra-ord<br>Items) | 5,918.60  | 5,705.50      | 5,688.80  | 3,547.90  | 3,469.70  |
| Tax                           | 1,233.50  | 861.80        | 790.80    | 574.10    | 406.40    |
| <b>Reported Net Profit</b>    | 4,685.10  | 4,843.70      | 4,898.00  | 2,973.80  | 3,063.30  |
| Total Value Addition          | 20,733.40 | 16,765.60     | 13,762.70 | 13,306.00 | 10,824.70 |
| Preference Dividend           | 0.00      | 490.80        | 0.00      | 0.00      | 0.00      |
| Equity Dividend               | 1,475.20  | 981.80        | 880.90    | 586.00    | 876.50    |
| Corporate Dividend Tax        | 239.30    | 220.40        | 128.30    | 99.60     | 148.90    |
| Per share data (annualis      | ed)       |               |           |           |           |
| Shares in issue (lakhs)       | 24,587.56 | 24,544.09     | 14,682.11 | 14,649.81 | 14,615.00 |
| Earnings Per Share (Rs)       | 19.05     | 17.74         | 33.36     | 20.30     | 20.96     |
| Equity Dividend (%)           | 300.00    | 200.00        | 300.00    | 200.00    | 300.00    |
| Book Value (Rs)               | 99.04     | 86.86         | 120.49    | 85.42     | 79.05     |

#### **NEED OF THE STUDY**

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- i) the basic skills needed for the job,
- ii) the minimum level of required skill and
- iii) what skills they must have to improve.
- iv) With the help of the competency mapping the individual can alter the style of work where the gap exists.

#### SCOPE OF THE STUDY

 The overall study prophecies the job Analysis, Job Description and identification of Job Competencies.

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- ii) Identifying an exhaustive set of job families such as consultants, developers, associate/senior consultants etc. in the organization including the HR Policies and practices.
- Each job families which need to be covered the areas like job analysis, job design, job description and job specification.

#### **OBJECTIVE OF THE STUDY**

- 1. To understand the concept of competency mapping in today's business environment and its relevance at Wipro BPO.
- 2. To measure run gap and match analysis between individuals, jobs, teams and positions.
- 3. To suggest suitable measure including Training Programmes for bridging performance gaps in order to enhance the competence of employee.

#### **METHODS OF DATA COLLECTION (SECONDARY DATA)**

- i) Through Websites,
- ii) Magazines, Journals,
- iii) Manuscripts, Monographs.

#### **FINDINGS**

During the last few years Wipro BPO is trying as their level best to recruit the best talent by evolving a process which can take care of building competence. The second crucial issue is to develop the training programme especially the communication skill development programme. Attitude, skill, knowledge are the elements of competency, so that Wipro BPO is initiating the knowledge and practiced based training programs to produce right kind of attitude and behavior among the employees.

In first step they established the competency model, the ideas generated from generic models like Bespoke Model and the McBer model and now following the tailor-made competency model. They find few problems in Bespoke model that it did it role by role and then the interrelations became astronomically complicated. Every role was not the same as the job entitled which was the second problem.

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In the beginning they defined twenty four types of competencies which were basically based on behavioural competencies. Then gradually changing of time, they strongly wished to make and implement a complete functional competency dictionary including separate departments as HR, IT, Finance etc. where each role (depending on the job specification) consummates the next role and the first role was to be evaluated in comparison with the second.

In beginning job analysis, job description, job evaluation and job specification were very rigid but now in changing business scenario these became more flexible. Sometimes the competent employees expose their interest in dual area of jobs, so that Wipro create a role combining the both.

Commonly they follow the competency mapping through

- i) Self-appraisal systems where each people rate themselves in a common format.
  - ii) 360 degree feedback from the person, his peers, seniors, juniors and then take out a pattern to identify competency.
  - iii) Certain types of technical tests provided by the company where 360 degree feedback is applied for competency mapping.

They use the PCMM (People Capability Maturity Model) and follow competency based recruitment, performance management, compensation, training & development programme.

#### **LIMITATIONS:**

- i) The competent persons are not sharing properly their knowledge, skills or positive attitudes for which the success of the good competencies are limited in a certain context.
- Questionnaire is with options like Good, Excellent, Improvement required and Unsatisfactory.
  There is one parameter called 'Family background 'which sometimes produce some ridiculous question in candidate's mind.

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