**Organizational Design Change and Transformation**
**Prof. S. Srinivasan**
**Vinod Gupta School of Management**
**Indian Institute of Technology, Kharagpur**

**Module - 08**
**Lecture - 40**
**Organizational Competencies**

Welcome to lecture 5 of this module 8. And the previous lectures we discussed about technology and organizational design and how this you know technology has been used in a for organizational effectiveness and structure and structural perspective. Now, in this lecture we are going to discuss essentially on organizational competencies. So, what are we going to try to understand in this particular lecture?

So, in this lecture we will try to develop an understanding on what is competencies. I think some of you would have people who are working in a company or organizations might have heard about you know required competencies and you know do we really have this competency. You know now, we have this word terminology competencies.

Now, so, students who are going to enter the workplaces also will be concerned about competence. So, we will be discussing about what is this competencies and we discuss this competencies in two ways. One is organizational competencies and individual competencies and we will also discuss about you know other aspects you know what are the dimensions of organizational competencies.

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Factors affecting the success of organizational competencies and we will also discuss briefly discuss about use and support of organizational competency.

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 Now, let us get into the lecture and try to understand. Now, before we discuss this competency we see organizational competencies are you know key factor in making the success of an organizations. Now, what is this competencies about? See the competencies nothing, but it is a measurable amount of it can be skill, knowledge or characteristics that employees of these organizations should have to perform the job successfully.

Meaning that it is talking essentially talking about skill, knowledge, abilities and other characteristics ok. So, let us say they call it KSAOs ok. Now, what are the skill, knowledge, abilities and other characters which are essentially to have these employees should possess to perform effectively for the organizational success. That is what the competencies are.

Meaning that the skill, knowledge and abilities are other characteristics which are very critical for performing or reaching the goal. You keep it this way. So, there is a goal. To achieve this

goal the employees of this particular organization should possess these required, these are becoming a required skill set. So, that you will be effectively achieve this target or goal of an organizations. So, now this is a just a term competency. Now, what is this organizational competencies?

This is about an overall skill, knowledge, attributes and learning of an organizations that needs to perform its task. Now, it is a collective of all employees of an organization which we are talking about this in the skills, knowledge and abilities and of course, the organizational learning which are critical for performing the task of an organization. As an organization let us say you wanted to produce goods and deliver to your customers.

Now, to produce particular product on and deliver it to your customer and manage the services. These are the three key activities the company does. Then what are the skills and knowledge and other you know learning an attributes which are required is are called become an organizational competencies. So, the organizational competencies are defined as a combination of required skill and of course, necessary informations and appropriate performance measures and right corporate culture that company requires to achieve its mission you call it as a goal.

So, it is essentially talking about a skill required and information necessary and you know appropriate performance measure whether the you have an established the performance measure which evaluates how does my employees are performing and also having a right corporate culture that is promoting to achieve the goal of an organization that is what organizational competencies are.

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Now, let us try to you know understand why this competencies are important. See the competencies are very critical for any organization because unless otherwise as we say you know its a required skill set right and then the information you need and the you know a skill set or a technology you should have and also culture you should require to perform you are a essential existence of a business right.

Now, so this competencies are very critical because this competencies will help an organization to create new product and or maybe new services and access new markets that align with the organizational goals. Now, this now this identifying a core competencies can also give organization of an idea which functions to outsource which function to outsource which functions to have.

Let us say now as a company this is my company now I need to identify what are my core competencies, what are I am really good at, what are the you know my critical competencies in terms of skills knowledge abilities and other characters. Now, when I know what are my core competencies are now then I will have a better idea ok.

Now, I want to have regular employees and outsource certain activities, ok. Now, I know what are my core competencies based on this competencies you will be able to make a decision on ok; what for what I should have internally for what I can go for outsourcing. Let us say you see in a larger manufacturing organizations you know let us say in a most of the organization we see you know in a security service or always outsource or maybe you know basic certain let us say you are a product development company.

And probably for a certain parts of the products you do not produce because you say you know you can outsource it does not had many critical element of within the organizations though the final product is critical, but key aspects you will produce that can be your core competence.

So, you will decide when you know your core competencies you will be able to decide which you need to do internally and where you can do you know outsources right. Then it will also raise the quality of the feedback between a manager and employees the competencies are very critical and important in various way as we say it gives more opportunity for an organization should be more effective and productive ok.

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Now, let us look at now components of individual competencies. Now, we discussed about organizational level competencies now which essentially the replica of organizational competency to individual. Now which is nothing but individual employees knowledge skills and attitudes and other behaviours which are required to perform effectively.

So, superior job performance nothing, but perform effectively. So, what are the skills knowledge and other behavioural components you should have. So, that you will be able to perform effectively that becomes the competencies of an individual. So, this if you look at competencies where does this competency comes from if you look at the competency always come from a job or a job role right.

So, each of the job role job and job role we will determine what is to be done right. So, what is to be done in this job. So, to do this job what are the required competency which you are

talking about knowledge skill abilities or other behavioural perspectives. So, it if you look at the competencies the determination of the competency. So, what are the competency required is always comes from the job.

So, job will tell you what are the competencies that one should have to occupy the particular job role. So, that will tell me ok. So, the when individual wanted to do this job should have this you know skill set competency. So, that they will be able to effectively perform well.

So, it is also talks about you know individuals ability to perform the activities within the job to a expected level or a desired level of performance right. So, you always expect or a company always expect an employee to perform in a desired level. So, desired level is there is a expectations.

So, I as an organization they always expect individual to perform as the desired level of performance not below it. When they go below there can be two things. One can be planning for a training or probably organization may feel like you know this person is do not have the do not possess the required competencies he or she cannot fit into the job rather they have to leave the company right. So, these are the consequences if somebody do not have the required competencies ok.

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Now, let us look at now what are the components of organizational competency there are. List of competencies are you know been given here. See if you look at now when I talk about the organizational competency what did what did we say what is the organizational competency.

It is a total of the all skills and knowledge and attributes which are required to perform the organizational goal. So, we are listing down various competency which are critical or may major components in an organizational competency. One is decision making is a one competency.

Risk taking developing you know relationships interpersonal relationship, problem solving, attention to detail, innovation, integrity and resilience whether the company is able to bounce back and you know customer service, strategic perspective, teamwork and leadership all these

are components of organizational competencies which are now forming the organizational competencies ok.

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Now, let us try to go and in detail to further understand what are the different types. Now, if you look at see these are components of components there are so many components. Now, generally what happens these competencies are grouped or clustered. So, they are clustered to form competence you know then certain competencies together related to one type of a competency. This cluster of these competencies forms a type of competence that is what we are going to discuss now.

Let us say this now as per this there are different type of competence required one is a core competencies then comes team competencies we are going to discuss in detail for each of the competencies. Now, let us say individual competencies are role competency leadership

competencies management competencies cross functional technical and behavioural competencies. Now, let us go in detail and understand about each of these competencies ok first is a core competency.

The core competencies are nothing but a skills, characteristics and a knowledge that forms a defining strength of a company. Meaning that if I the moment I talk about a company I always have certain aspects that this company is always known for it right that becomes my core competency. Let us say Tata motors as an example. So, they are not a mobile industry. So, their core competencies to producing a durable and a high quality cars. I am just picking up certain examples. So, that you will be able to read.

Now, what are their core competencies? Durable quality and reliable cars. So, now these are called core competencies of a particular company. So, this is what we are talking about a core

competencies what their competencies quality, durability and reliability right. So, or may be the quality service customer service.

So, let us keep all this these are becomes a forms by core competencies. So, the value to the customers rare to find these competencies are critical for any customers who want to pick up your company right and this to be rare to find out and hard for the competitors to imitate.

So, every company wanted to create a core competencies. Why do they wanted to create this core competencies? Because they wanted to see that this becomes my identity and value and value where others cannot imitate or it is not easy to replicate. That is what we form become a core competencies of a company.

So, this core competency will differentiate your company with the other company. Now, let us say a technology based organizations we have so many number of organizations right. It is a TCs, CTS, Wipro, HCL, Accentures names are so many long list of companies coming up. But each of the companies have certain core competencies they are always preferred for those competency right.
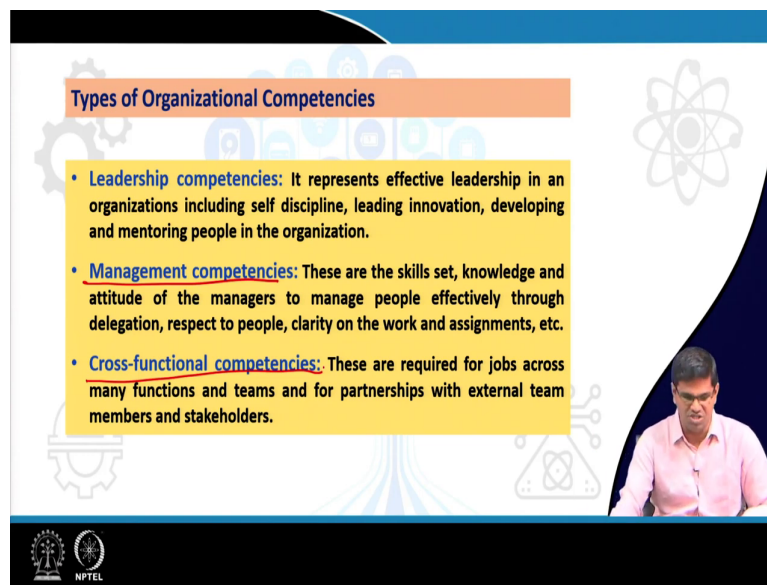
So, that is why we are talking about a core competencies are then comes team competencies. What is this team competencies? Every team of an organizations might require a particular set of competencies maybe with its depends on a kind of a project they are doing or probably what type of a client or a customer I am handling or a particular you know functional domains this are required. So, those competencies are called team competencies.

These team competencies are essentially dependent on what type of a team we are referring to is it a functional department we are referring to or is it based on a project or based on a customer or based on a particular client then those team should have those competency which are essential to make those project run effectively run those department more effectively that becomes a team competencies.

Then comes role or individual competencies individual competencies we are talking about you know to perform the particular job what are the critical competencies required that is

called individual or a role competencies. So, each job required as I was explaining earlier each job required specific competencies of an individual should possess to perform effectively. So, these comes a role are an individual level competencies.

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And next comes the leadership competencies it represents the effective leadership in an organizations including you know self discipline leading an innovation, developing and mentoring people in an organizations all this forms a leadership competencies. So, when somebody should have a these qualities are related to a leadership competencies then comes management competencies.

So, these competence are essentially talks about specific skillset knowledge and other things which are required for a manager to manage people effectively. So, these are called management competencies. So, the competencies which are referred to any skills knowledge

attributes or any other characteristic which are required for a manager to manage the people effectively that forms the managerial competence and management competencies ok.

So, because you know when as a manager you need to you know make others to do the job at the same time you need to you know effectively manage them in terms of allocation of resources, handling people, managing the interplays, conflict, interplay, intergroup or within group conflict.

So, all this becomes a role of a manager. So, that becomes a management competencies. Then comes cross functional competencies. So, these competencies are critically required to manage between two different functional groups to interact. Now, to make sure that when two functional groups are you know interacting and working together what are the competencies which are required to manage those cross functional teams are called from the cross functional competencies ok.

Then comes technical competencies. These technical competencies are the specific knowledge or skills and abilities that are applied to accomplish a specific job or a task or a function. So, this is called technical competencies. Let us say I have a job. This is a task. To perform the task I might need a specific skill set that become a technical competency. You know the technical part of it. You know I am not talking about you know interpersonal or behavioural competency.

It is about a technical competency. You know your technical skills and knowledge which are required to achieve or do or carry out the job effectively which forms a technical competencies. Then comes the behavioural competencies. Now, you know employees in all levels of organizations have to apply certain behavioural things.

For example you need to interpersonal skill sets, you know interactions managing the conflict effective communications. And all this become you know behavioural competencies. How do you behave with your customers, with your employees, co-workers, managers, subordinates, your peers and colleagues.

All that matters you know how do they the way you interact, the way you pass the informations, the way you handle the situation. All these behavioural competencies are very critical for an organization to perform effectively. So, that forms a behavioural competencies of an individuals, ok.

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Now, so far we have discussed about various types of organizational competencies. You know starting from you know technical core competencies to behavioural competencies.

Now, we are going to discuss about dimensions of this organizational competencies, ok. You know we discussed with various components.

Now, we are going to discuss about a dimension now comes the input of competencies. Again you know for a competencies also you have an input process and output. Now, what are the competencies we are talking about input competencies. Input competencies are nothing but knowledge understanding skills and abilities that a person brings to a job. Let us say this is a job, ok.

Now, when you are entering as an individual employee let us say A is an employee. A as an employee might have knowledge that level 2 skill at level 3 and abilities at level 2. So, let us say this is a combination of this particular competencies this individual bring to a job. This is called input competency.

What is the competency that person posses. Now, you should understand, possess versus use, ok. So, somebody this input competency is only talking about possession of a particular competencies, ok. It is not talking about use of a competency, right. So, where the input competencies are essentially talking about what competencies you have at varying level you may be have a different proficiency level.

Now, comes the process competencies. Now, this comes this process. So, you bring certain competencies and what are your personality characteristics you know that underlies a person's capability to do a job. Now, you have this particular competency. Now, process is definitely talking about use of competency.

How have you as an individual using these competencies to perform your job? You know just possessing a competency is of no use unless otherwise it has been effectively used, right. So, that comes the process competencies. Now, comes output competencies you know. Now, ability to perform the activities within the occupational area where we are talking about you know actual application of these competencies.

So, that we are talking about output competency. How effectively that person uses the competencies to perform the particular job to you know to meet the expected performance level in a work places. So, these are the different dimensions of organizational competencies we are discussing about.

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Now, comes so far we discussed about competencies. What type of competencies? Now, you said you know input process and output. So, somebody has to effectively use the competencies. Now, comes what are the factors which will effect the success of organizational you know competencies.

Now, you know to achieve or enhance organizational competencies. So, organizational has to progressively address or try to address certain factors which are critical for effective performance. You know every time what are we concerned about? We are always concerned

about effective performance, we are always concerned about can we perform better as an organizations.

You know in terms of you know revenue in terms of a better business in terms of a growth, in terms of a better experience for my customers, in terms of better experience for my employees are all stakeholders concerned. Now, so how do we do? Now, comes the project strategy.

So, organization should formulate a project strategy in alignment with the strategic plans and goals of an organization. So, you should always you know formulate a project strategy that should always in alignment with your strategic, your organization strategic plans and goals. Then comes the project appraisal. So, organization should always evaluate and assess the projects for inclusion of its programs and portfolio.

You know it is very important that you appraise and evaluate the project to you know see that whether you can you know include these programs or portfolios for a better performance of organization. Then management of projects. So, first you are talking about a project strategy. So, how do you strategize your project in alignment with the larger organizational goals?

Then comes uprising the project, then comes the management of the project right. So, organization should manage programs and portfolios of the projects within the operating environment. You should have to effectively manage those projects and portfolios for a better you know a performance of the particular projects. Then comes support of projects.

So, organization should enable or provide support programs or portfolios of the project within the operating environment. You should always provide create this necessary support for the effective function.

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Now, comes the organizational change. Organization should always plan for and manage the change. So, that it is generate a within the conduct of the program portfolios or projects. Now, you see that no organization will always experience change you know it can be internally demanding or may be externally demanding or probably for the betterment or a better performance of a company.

So, whenever you have to introduce a change you should always plan for the change. When are you going to introduce? Why does the change is very critical? And how are you going to manage the change? You know because the moment you introduce the change there can be resistance some sometimes there can be a support. Then how do you facilitate the change within this project operations that is very critical to the fact. Now, comes project management methodologies procedure and system.

The organization should always develop and apply appropriate project management technology which we should actually identify the right methodologies and procedure and systems in accordance with the best practices. So, that you will be able to create a better successful performance for an organizational setup, ok.

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Now, now we have discussed about what are the factors will you know effect the success of the organizational competence. Now, we are going to see what is the use and support of organizational competencies. See competencies are always widely used across organization and; obviously, it will have you know close relationship with functions of human resource management because human resource management will do an exercise of an understanding doing the job analysis to identify for each job what are the required competencies.

So, that you know we are able to identify a right person for a job who can effectively perform. So, you always see that you know these are closely linked with the HRM departments. Now, comes at the planning so, what do you do with the planning? So, the competencies are always applied in job design which involves determination of job content what is that you know job itself and you know what are the skills knowledge are required to carry out the job.

So, now we are talking about you know who is performing the job which is the other person. You know you have to be identify what is the job itself what is the content of the particular job and what is required to perform the job. Then comes the recruitment. So, now, you know the job itself let us say this is a job I know what is inside this job and what is required to perform this job, ok.

One is to know what is inside the content of the job then comes what is required to perform the job then comes the recruitment. So, now, competencies are very very critical component of you know identifying a right person for the right job. That is why we are we always say right fit.

When is a right fit is talking about from a competency perspective. So, what are the competencies that its A is an individual who has this competencies matching with the requirement of the particular job alignment. So, this is where it is very critical at the recruitment stage you know organization has to identify a right persons who possess the required you know competencies to perform the job effectively.

Then comes at the performance management and staff development. So, competencies always do what competencies will always facilitate you to perform well against the standards. So, now organization will be assessed in a performance assessment ok does this person were able to perform well in the particular job given to them.

Now, here two possible outcomes one is meeting of three possible outcomes, one is meeting the performance standards or something exceeding the performance standards sometimes not

able to know you know short fall off you know meeting the standards. Now, you might able to understand.

So, is it attribute towards the gaps in the competencies does the person possess all the competencies required or this person do not have the required competencies is that may be the reason why he or she is not able to perform effectively in a job place right.

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So, now so, these are all you know we are talking about. Now, what is the insight we are talking about the moment you know that there are competency gaps. So, what is the possible interventions the organization has to plan for aligning with a training component right the moment I see there are deficiencies or the gap in the skills there are competencies of an individual who are deputed to perform the particular job has to be automatically indicated that ok.

These persons need training on these competencies you have to push or send them to the particular training model. So, that they get trained on the required competence and come back and perform well. So, now these competencies are very critical at the planning means you need to conceptualize what are the competencies are required, you need to do a very fair job of analyzing the job, understanding the requirement, then you identify what are the competencies are required then comes in the recruitment level you need to identify a right person who possess the competencies.

Then comes at the performance level stage you need to understand and assess whether this person is able to deliver the particular job or not in case if she he or she is not able to deliver what is that you know made them not able to deliver. So, that is what we are able to understand.

So, in today's lecture what did we do we essentially looked at you know developing understanding on the competencies what is competency then we discussed on understanding organizational level competencies then we looked at individual level competencies and we also looked at you know what are the factors which are critical for a successful you know effectively making the organizational competencies.

And we also discussed about various types of competencies you know we are talking about from core competencies to behavioural competencies how do you cluster this competencies. And we also discussed about you know at how do we you know use the and use and support of competencies we discussed about from the planning stage at the recruitment stage and also for the performance assessment and the management of competencies. So, we will all meet you in the next module in module 9.

Thank you.