

# Effectiveness of the Competence Development Programmes in Enhancing the Competence Level in Steel Industry

Jai Prakash Pandey<sup>1+</sup> and Sanjay Guha<sup>2</sup>

<sup>1</sup>Ph. D. Scholar, Bhilai Institute of Technology, Durg (C.G.), India.

<sup>2</sup>Professor and Head, Department of Management, Bhilai Institute of Technology, Durg (C.G.)

**Abstract:** This paper examines effectiveness of the competence development programmes in enhancing the competence level in competency-based human resource development (CBHRD). Considerable confusion has arisen with respect to the use of competencies in both the private and public sectors and steel industry is no exception. Discussion of these issues has been undertaken for exploration of the roles of employees' competence development in the strategic development of human resources with specific reference to Bhilai Steel Plant. The paper is intended to be a general inquiry into the current practices of competence development movement and assessing its effectiveness to enhance the competence level of the employees and ultimately identifying key issues in the use of competency-based models in steel industry. People agreed that they can contribute more than the present level if the job suites their qualification, expertise and aptitude. This requires fine tuning of training modules for developing the competencies that individuals lack.

**Key Words:** competence, development, level, training, modules, models, expertise.

## 1. Introduction

Performance improvement has been accepted as an important and relevant topic for profit organisations (Hill & Jones, 2004)<sup>7</sup>. However, performance improvement, is increasingly creeping into public, and other not-for-profit, organisational dialogue. If performance improvement is relevant for all types of organisations, does competence development possess a similarly broad scope? In public organisations accountability, Human Resource Management (HRM) and research and development come under the sphere of competence development (Brans & Hondeghem, 2005)<sup>3</sup>. Educational institutions present a special case in this regard as their core business is competence development (Martin Mulder, Kate Collins, 2007)<sup>9</sup>.

Competence Development Programmes (CDPs) are defined as formal, non-formal, or informal collections of learning activities and units of learning, which are used to build competence in a certain discipline or job. The learning activities and units of learning are relatively independent from each other – as compared to a unit of learning, which is a tight integration of learning activities. Depending on the competencies to be built, these programmes can be small or quite extensive.

In the field of Web-based educational systems technologies for adaptive group formation, peer help and adaptive collaboration support are well-researched areas (Brusilovsky et al., 2003)<sup>4</sup>. These forms of group learning allow learners to discuss with one another, to find the most competent peer to answer a question, share learning routes, provide useful annotations and links, and to stimulate one another. In the context of competent development programmes these ideas can be extended to professionals exchanging knowledge and instructing one another. Clearly, if a learning network would mainly be based on self-organized, peer-to-peer networks; it would be hard to assess the quality of any competence development programme. For this reason, there is the need for a formal specification of the programmes, and assessment of their effectiveness. In the field of CDPs several specifications of curricula and training programmes exist.

---

<sup>+</sup> Corresponding author. Tel. 9407982171  
Email address: jppandey@sail-bhilaisteel.com

For competence development of employees the organization should ensure to identify the areas of competencies (Lyle M. Spencer et al., 2008)<sup>8</sup> in which there are gaps between existing and desired level of knowledge, skill and experience keeping in view the future challenges.

Bhilai Steel Plant (BSP), established in 1959, as an integrated steel plant of Steel Authority of India Limited (SAIL), is one of the largest steel plants in the country. To meet the needs of skilled workforce with an effort to assimilate technology adopted from abroad, HRD has grown with the growth of the industry. It covers the training of employees / fresh entrants under various need based training programmes. This not only meets the present requirements, but also keeps the manpower tuned to accept any challenges of the future in the areas of HI-Tech and to overcome the effects of obsolescence.

## **2. Objectives**

A central concern will be to connect competencies and competence development programmes to actual performance in the workplace. The research paper analyses the effectiveness of the competence development programmes across the organization to build their competencies and their expectations from the organization for doing the same. It also deals with the growth drivers, the organizational capabilities that already exist and are required to be built across the organization.

## **3. Review of Literature**

It has been argued that the success of today's businesses increasingly depends on their intellectual assets, as opposed to their tangible resources (Sveiby, 1997; Stewart, 1997)<sup>13</sup>. From a Strategic Management point of view, the question has been how organizations are able to use the assets to secure a persisting competitive advantage (Prahalad, C. K. 1996)<sup>11</sup>. Ever since the influential publication of Prahalad & Hamel (1990)<sup>11</sup>, who coined the term "core competence", human expertise has been seen as an important ingredient in the mix of a company's systems, technologies, physical location and infrastructure. It has also been questioned whether these instruments are able to cope with the new productivity challenge in the knowledge-based economy, namely to enhance the productivity of the knowledge workers who now make up a large share of the workforce (Elkjaer, 2000)<sup>5</sup>. Michellone and Zollo (2000)<sup>10</sup> argue that "the very paradox of knowledge is that firms possess knowledge only if they are able to transform it, and the primary ability to transform knowledge resides in people and their competencies." (p. 137). Competencies are dynamically combined by the performer to meet situational requirements (Boyatzis R. E. 1982)<sup>2</sup>. Based on data of several surveys between 1996 and 1998, Schippman et al. (2000)<sup>12</sup> conclude that "75-80% of responding companies have some competency-driven application in place" (p. 704).

## **4. Research Methodology**

The survey instruments in the form of questionnaire for primary data collection purpose have been designed around the premises that competency development exercise in an organization cannot be successful unless it is top driven, people have to be ready, mentally and emotionally, to build their competencies for the common good of the organization and competencies in an organization cannot be utilized optimally.

## **5. Result and Discussion**

With a mean score of 4.1, people strongly agreed that they can contribute more than the present level if the job suites to their qualification, expertise and aptitude. Mean score of 4 implies that organization encourages its employees in enhancing learning the learning profile. It is generally agreed that organization makes good use of knowledge and skills gained from training as well as sharing best practices from sister plants. The mean score of 3 - 4 indicate that there is orientation towards training to do the assigned job more effectively & efficiently. Training modules should be further reviewed to make them well tailored and

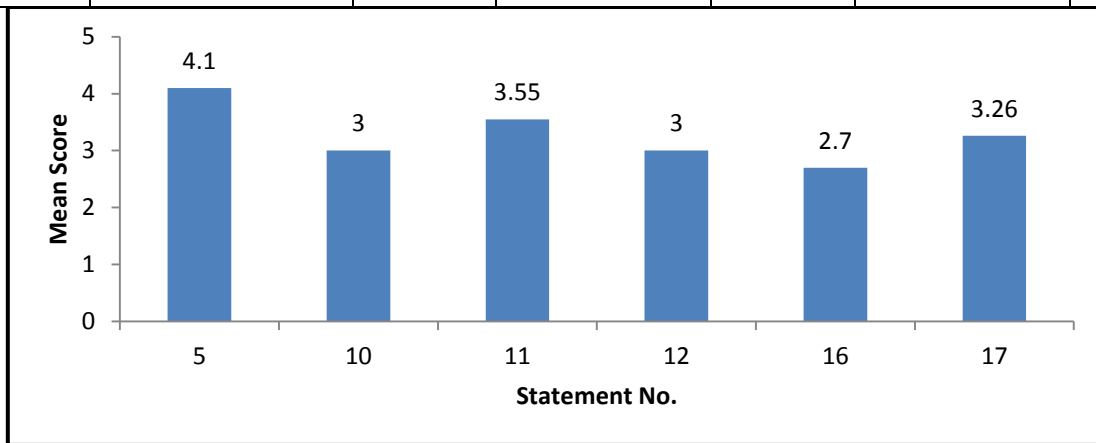
**Table 1: Effect of the Competence Development Programmes on Competence Level at BSP**

S. N.	Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean
1.	The recruitment system fairly provides for selecting the right person with right combination of skills required for the job/post.	6.67	33.3	26.67	20	13.33	3.0
2.	The recruitment system also takes care of selecting persons with the right attitude and traits for the organization/job.	6.67	6.67	33.33	26.67	26.67	2.5
3.	The work imparted is in accordance with educational qualification and skills.	13.33	20	26.67	20	20	2.8
4.	There is Satisfaction with current job profile.	6.67	13.33	40	26.67	13.33	2.67
5.	Contribution is more to the organization if work suits to qualifications, expertise & aptitude.	40	33.33	26.67	–	–	4.1
6.	Organization provides enough opportunities for personal development	6.67	33.33	33.33	13.33	13.33	3.0
7.	Organization facilitates gives enough physical and emotional freedom for personal development .	20	53.33	26.67	–	–	4.0
8.	Involvement is more in day-to-day production / maintenance problem solving rather than planning career for the future.	26.67	40	26.67	6.67	–	3.55
9.	Organization recognizes and makes good use of knowledge & skills.	6.67	53.33	20	13.33	6.67	3.4
10.	Competencies required for job position are well defined and are used for employee development.	6.67	13.33	40	26.67	13.33	2.67
11.	More training is needed in order to do job more effectively & efficiently.	26.67	40	26.67	6.67	–	3.55
12.	Training module of company is well tailored and flexible enough to be in sync with my needs to develop competencies that is lacking.	6.67	26.67	40	13.33	13.33	3.0
13.	Organization provides ample and structured scope for job rotation to the employees /managers, according to their aptitude/knowledge/skill/ interest.	13.33	6.67	26.67	40	13.33	2.67

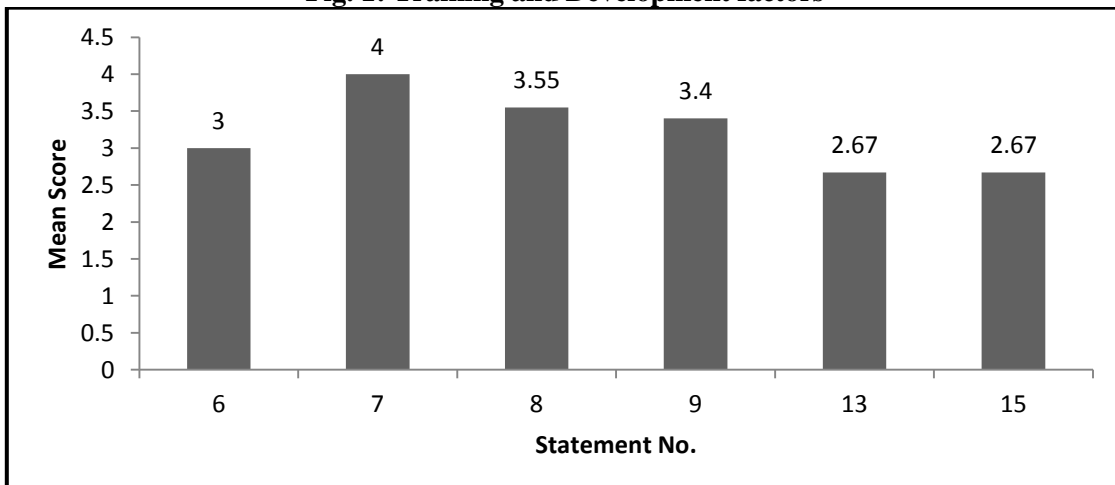
14.	Company has a well laid down and clearly articulated model for succession planning and career development.	13.33	–	40	33.33	13.33	2.67
15.	The training programmes of the organization also include coaching and mentoring by competent seniors.	13.33	6.67	33.33	33.33	13.33	2.67
16.	The onsite and offsite training modules in the organization also emphasize peer group learning from outstandingly competent peers.	13.33	6.67	40	33.33	6.67	2.7
17.	The training modules in organization include learning and sharing best practices from sister plants.	13.33	26.67	33.33	13.33	33.33	3.26

**Table 2: Competence Development Factors**

Sl. No.	Training and Development factors		Organizational factors		HRM factors	
	Statement No.	Mean	Statement No.	Mean	Statement No.	Mean
1	5	4.1	6	3	1	3
2	10	3	7	4	2	2.5
3	11	3.55	8	3.55	3	2.8
4	12	3	9	3.4	4	2.67
5	16	2.7	13	2.67	14	2.67
6	17	3.26	15	2.67		

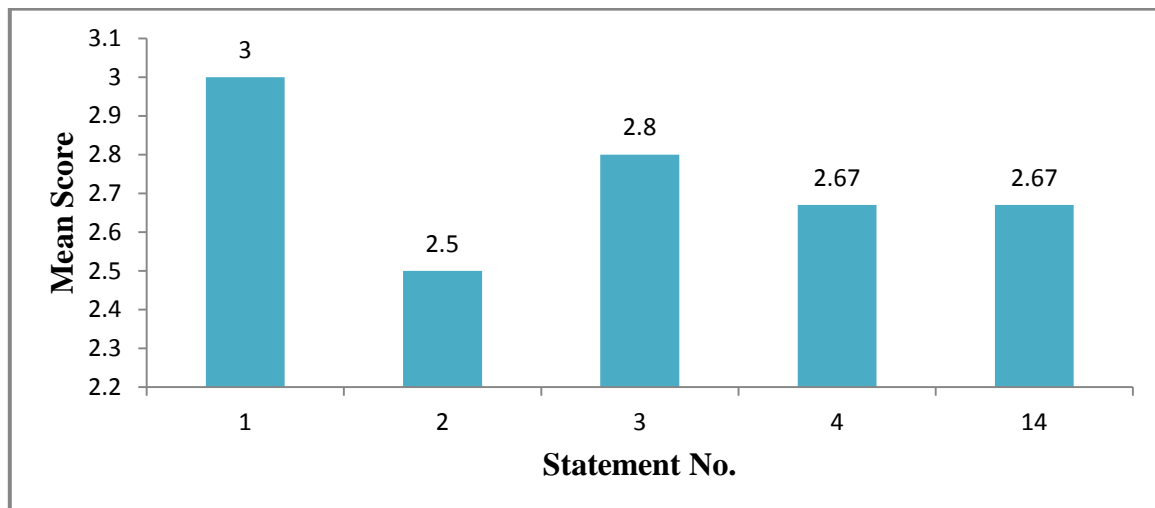


**Fig. 1: Training and Development factors**



**Fig. 2: Organizational factors**

flexible enough to normalize the training needs to develop competencies. With mean score of 2.5, the respondents disagreed that recruitment system also takes care of selecting persons with the right attitude and traits for the organization/job. With mean score from 2.5 to 3, people are neutral regarding satisfaction with current job profile, required competencies for job position and their use for employee development. Structured scope for job rotation, training modules emphasizing peer group learning, training programmes for coaching and mentoring and articulated model for succession planning and career development are the factors which need further attention for enhancing the competence level of the employees to meet the organizational objectives.



**Fig. 3: HRM factors**

From Fig. 1, 2 and 3, and Table 2, it is clearly evident that training and development is dominant factor over organizational and HRM factors for competence development.

## 6. Conclusion

Competence development contributes in remaining alert to changing customer needs, emerging market trends and quickly aligning the organization to them. It requires the identification of the training and development needs and designing competence development programmes for bridging the competency gaps accordingly. All the three dimensions, namely, training and development, organizational and Human Resource Management are essential for competence development. However, training and development is one of the major and dominant factors for individual and organizational competence development.

## References

- [1] Andrew Doman, Maurice A. Glucksman, Nhuoc- Lan Tu, Kim Warren, 2000. The Talent- Growth Dynamic; *The McKinsey Quarterly*, 2000, Number1.
- [2] Boyatzis R. E. 1982. *The Competent Manager: A Model for effective performance*; New York; Wiley.
- [3] Brans, M. and Honddeghem, A. 2005. Competency Frameworks in the Belgian Governments: Causes, Construction and Contents, *Public Administration*, 83, 4: 823-837.
- [4] Brusilovsky, P. and Peylo, G. 2003. Adaptive and Intelligent Web-based Educational Systems. *Intl. J. Artificial Intelligence in Education*, pp. 156-169.
- [5] Elkjaer, B. 2000. Learning and getting to know: the case of knowledge workers. *Human Resource Development International*, 3(3), 343-359.
- [6] Growth - Journal of MTI, SAIL, Ranchi.2008. *Journal of MTI, SAIL*, Vol. 35, No.4.
- [7] Hill, C. and Jones, G. 2004. *Strategic Management: An Integrated Approach*, 6th ed. Boston: Houghton Mifflin.
- [8] Spencer Jr, M. and Spencer, M. 2008 Reprint. *Competence at Work – Models for Superior Performance*; Wiley India

- [9] Mulder, M. and Collins, K. 2007. Competence Development in Public and Private Organisations: a Survey of Its Use in Practice, *ECER conference in Gent, Belgium*. September 19, 2007.
- [10] Michellone, G. and Zollo, G. 2000. Competencies management in knowledge-based firms. *International Journal of Technology Management*, 20(1/2), 134-155. 55
- [11] Prahalad, C.K. and Hamel, G. 1990. The Core Competence of the Corporation. *Harvard Business Review*, 68(3), 79-91. Probst, G.
- [12] Schippman, et al. 2000. The practice of competency modelling. *Personnel Psychology*, 53, 703-740.
- [13] Stewart, T. A. 1997. *Intellectual capital: the new wealth of organizations*. New York: Doubleday.
- [14] Sveiby, K. E. 1997. *The New Organizational Wealth*. San Francisco: Berrett-Koehler.