भारतीय प्रबंध संस्थान तिरुचिरापल्ली

INDIAN INSTITUTE OF MANAGEMENT
TIRUCHIRAPPALLI

INTEGRATED TALENT MANAGEMENT SYSTEM

Summer Internship Project at Metis ERC (I) Pvt. Ltd.

metis™
Enabling growth and performance

Submitted by: Rahul Amrik
1301054
PGP 2013-15

Table of Contents

Table of Figures

Tables

Executive Summary

Talent is a key driver for an organisation's success. This is more so true in the modern competitive and global world. Human resource contribution to an organisation is no longer restricted to mere hiring, developing and retaining best talent. There is now a realisation for organisations to manage talent as it is a critical resource in achieving best results.

Talent management may be defined as a process which ensures right people, in right number are available for an organisation for both current and future demands. This involves understanding an organisation's goals and objectives, identifying gaps between current talent and future needs, assessment and development of the talent, filling up critical positions in a timely manner and so on.

The objective of the study therefore is to research, innovate and create a baseline for implementation of an Integrated Talent Management System.

For this, we make use of a competency based model which underlays a framework which is then used for integrating the above processes. Hogg (1993) defines competency as *'Competencies are characteristics of a manager that lead to the demonstration of skills and abilities, which result in effective performance within an occupational area. Competency also embodies the capacity to transfer skills and abilities from one area to another.'*

The solution set for the integrated talent management system comprises of

All elements of the above solution set are explained in sections that follow. The following is the scope of the project.

- ✓ Process Documents in each Solution
- ✓ Workflow within each Solution and for the Overall System
- ✓ Competency Map with BARS applicable across the System
- ✓ Benchmarks & Scorecards for Assessing the Talent

Integrated Talent Management – Competency Mapping Framework

Integrated Talent Management System

Introduction to Integrated Talent Management

According to Bersin and Associates, Talent Management may be defined as "a set of organisational processes designed to attract, develop, motivate and retain key people".

Clearly, this definition emphasises on the following aspects of Human Resource

- ✓ Recruitment
- ✓ Employee Career Development
- ✓ Succession Planning
- ✓ Performance Management

These are inter-related and hence an integrated approach in managing these aspects is beneficial. The integrated approach which can glue these aspects together is the Competency Model which is explained in subsequent sections.

Benefits of an Integrated Talent Management System

- ✓ Organisation is able to respond to changes within and outside in a timely manner.
- ✓ The entire life cycle of an employee is taken care of, right from recruitment till he/she leaves the organisation
- ✓ Processes are standardised and hence duplication of processes, resources are avoided.
- ✓ Removes subjectivity to a great extent by bringing in objective measures.
- ✓ Is scalable to accommodate other HR processes and hence future proofs measuring tools already developed.

Competency Mapping

Every employee has a designated role in an organisation. For achieving success in each such roles, it is necessary for the employee to possess certain characteristics. These are broadly or collectively called 'competencies' and are essential to be effective in the respective roles.

Specifically, competency would include the following

1. Job Related characteristics – These are mostly technical characteristics which are absolutely necessary to be effective in one's role in an organisation. These may also include tasks or activities.
2. Position related characteristics - These are characteristics necessary for particular positions held by employees. For example, a successful manager would possess additional skills over and above required for his job like negotiation, communication, task delegation etc.
3. Department level or Organisational level characteristics – These characteristics include behavioural attributes like the way an employee interacts with peers, his/her

outlook towards factors critical to organisation. This would also include attributes like traits, self-concept, values and beliefs.

The above characteristics are based on attributes viz., **knowledge** (technical and non-technical), **skillsets** possessed naturally or acquired through learnings and/or experience and **behavioural** competencies. E.g.,

- Knowledge is reading and gaining information about swimming.
- Skill is acquired by practising swimming in a pool
- Competency is achieved by applying the learnings while exhibiting the ability to swim.

Competency is highly subjective and therefore understood differently by different individuals. Sticking to Hogg's definition (1993), who defined competency as *'Competencies are characteristics of a manager that lead to the demonstration of skills and abilities, which result in effective performance within an occupational area. Competency also embodies the capacity to transfer skills and abilities from one area to another.'* This beautifully crafted definition suggests that

- Competencies ultimately lead to the demonstration of skills and abilities – This means that one can clearly observe competencies in a person. This is not something that can be inferred.
- Competencies result in effective performance – The use of the word 'effective performance' suggests that a person with competencies fit for a job would perform better than a person who does not. This clearly proves to be a differentiating factor between a 'star performer' and an 'average performer'.
- Competency embodies the capacity to transfer skills and abilities from one area to another – A person who effectively communicated with peers and customer in a particular job/role should have the capability to effectively communicate in another job/role. Competencies cannot be restricted to one particular job.

Most Organisations assume that the competencies comprise of only job related and to some extent position related because these are clearly visible and identifiable. They tend to ignore the behavioural or humane characteristics that are necessary to be effective at the job. This is shown in the diagram below and is explained by the 'Iceberg Model'. The analogy is that just like the tip of the sunken iceberg is visible immediately and the part submerged under water is invisible, similarly, knowledge and skill based competencies are immediately visible while other competencies like motives, values, traits, self-concept etc. which form the basis of one's personality remain hidden.

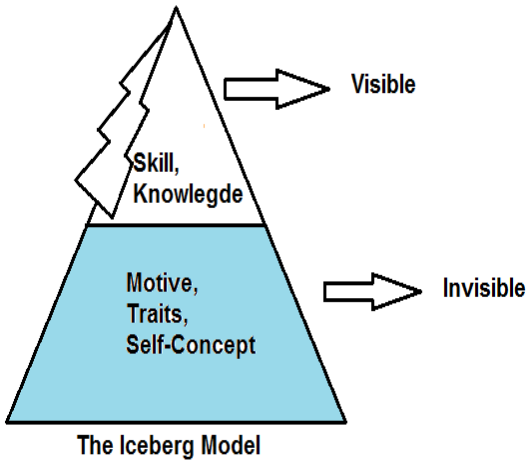


Figure 1- The Iceberg Model

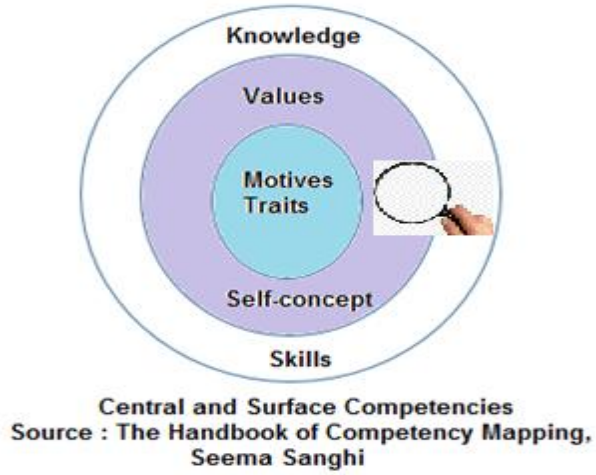


Figure 2- Central and Surface Competencies

Many may have the knowledge but may not have the right lens to view, identify and quantify. It is imperative that an organisation knows the competency levels of its employees, both current and potential, so that it could objectively address the following

The need for understanding competency levels

1. Recruiting the right candidate – From a company's perspective, a lot of time, energy and cost is involved in recruiting suitable candidate. Getting the ideal candidate in the first go is important to save the above resources. Similarly, a prospective candidate would want to land up in a job/role that he/she feels is suitable for and would enjoy being in. Competency analysis would save the company resources and the candidate is benefitted with reduced frustration.
2. Analysing employee performance against standards – Every designation would have its base competency chart which is explained below and this is compared with the employees rated competency chart. The rating of the employee could be done by immediate supervisor/manager, peers other department members, and/or customers depending upon the organisational size, culture, structure. Appropriate tools are thereby used.
3. Identifying development programs for employees **based on point 2** – Once an employee's performance is measured against standards laid before-hand and analysed, gaps are identified which help the organisation to devise developmental plans for the employee to close the gaps.
4. Workforce planning – The number of employees and the nature of employees that a firm employs or would be employing in near future depends exclusively on two things. What the firm intends to do and how much it intends to grow. Imagine a black box to which the inputs would be answers to the above questions. The output of the black box would be the action plan to obtain the planned workforce at the right time and right place.

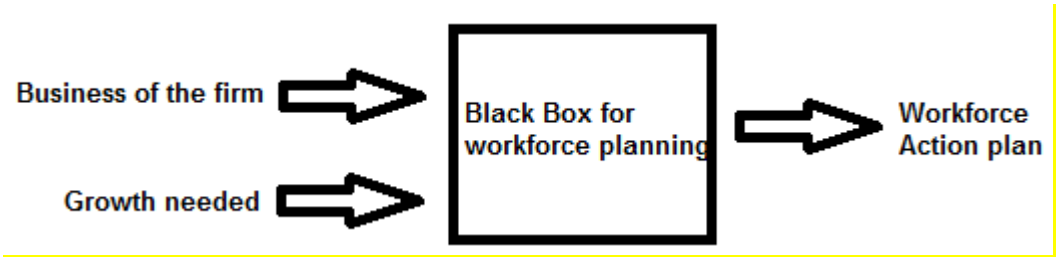


Figure 3- Workforce Planning

5. Radically align Employee behaviour with Firm's Values and Business Strategy – A competency based framework provides an effective medium to convey the Firm's values, beliefs and business strategy to its employees. For example, the competency based performance appraisal mechanism will inform the employee about desired firm behaviours as it would clearly distinguish between those who perform effectively versus those who don't.
6. Developing an 'Objective Grading Mechanism' for employee compensation, promotion, role change, and/or succession planning – Each employee would be graded and evaluated against benchmarks (designation based competency map). This would help the organisation in deciding the review of compensation to the employee, critically analyse if the employee is suitable for a promotion or a role change. Planning for succession is critical to almost all businesses in today's world. An objective way of knowing a suitable successor is a boon to such businesses which is provided by 'Competency Mapping Framework'.

Competency Mapping Framework is a solution to address the above concerns. The basic idea is to prepare a list containing all identifiable competencies in every category (job related, position related and behaviour related. Also known as knowledge related, skill related and behaviour related) for an organisation. This is called a base competency chart. Some of these competencies would be core to the job/task/business process which means they are absolutely necessary for the company's success. These are called core competencies. All other competencies would form 'auxiliary competencies'.

A base competency chart would include all the above characteristics listed in one column that include both core and auxiliary competencies. Against every such characteristic, a rating scale would be attached which would indicate the desired level of such characteristic for each designation. In turn, each such competency would be associated with a number of behaviours. Although the competency may be same across organisations, the behaviour could be subjectively different. This would become a 'benchmark competency chart' for the particular designation. Therefore, every designation would have its own benchmark competency chart.

Defining a Job

Before we understand competencies required for a job/role, as a prequel, we need to define a Job. We need to understand a job relative to the overall business operation. A business organisation performs various tasks for which it employs designated employees and ultimately satisfies its stakeholders.

Each task performed is different, although some tasks may require high degree of collaboration. Each task, therefore would be different in terms of responsibilities, the invested resources and expected outcomes of performing the tasks. We therefore engage in 'Job Analysis' which is a procedure for systematically collecting information which helps in understanding the range of duties

and responsibilities along with knowledge, skills and behaviours to be possessed by an individual to successfully do a job. In order to study the nature of variance of these aspects for each type of job, we define '**Job constituents'**.

Job Constituents

Job Constituents are those recognizable attributes that may be present for any job. These attributes help in understanding job responsibilities. The constituents and their definitions are

Table 1- Job Constituents

Sl. No	*Job Constituent*	***Definition***
1	Vision	Usually scoped under leadership, this is a very broad constituent, defining the extent of required capabilities to foresee opportunities.
2	Strategy	As with vision, this constituent scoped under leadership defines the extent of being a strategist. This would involve understanding market forces, current position of organisation and based on these, formulate policies which give direction to an organisation.
3	Planning	A systematic method of devising action elements to achieve the intended goals set during strategy formulation.
4	Organising Resources	This includes identification, acquiring, suitably manipulating or preparing for utility, scheduling, controlling and monitoring and finally releasing or effective disposal of resources.
5	Collaboration	The extent of interaction and coordination that is required with other jobs so that resources are effectively utilised.
6	Implementation	The extent of execution skills needed.
7	Communication	This defines the extent of communication required by the employee in a particular job position with various stakeholders, both internal and external to the organisation.
8	Innovation	The level of innovation that is necessary to effectively serve in the job position.
9	Costs Incurrence	This serves to identify the extent to which an organisation needs to spend for the job.
10	Value Addition	This identifies the extent of value that the job adds in addition to the organisation's standard expectations.

Data Collection Methods for Writing Job Descriptions

Several methods exist for data collection that helps in writing job descriptions in a standardised format. In practice, a mix of various methods is followed. These are listed below

1. Interview Method

In this method, questions are asked to employees and managers individually, as a group or a combination of both. Because employees have a first-hand experience of performing the job and the manager has observed them doing it, it serves as an effective way of knowing detailed requirements for the job.

Table 2- Interview Method Pros vs Cons

Pros	Cons
Detailed information can be extracted.	Extremely time consuming and therefore costly.
A simple and well-structured process.	Requires the interviewer to be trained.
	Interpretation depends on analytical skills of the interviewer.
	Distortion of data by employees is a possibility.

2. Questionnaire Method

In this method, relevant information about the job is sought from the employees and managers using a sequence of well-structured questions. Initially, the employees are required to fill in the questionnaire and this is then passed to the managers who then interact with the employees and finally after consensus between the two on the answers to the questions, the questionnaire is handed over to the job analyst for information processing.

There is scope for use of statistically based tools like regression analysis to arrive at job related tasks and behaviours. Here, each task or behaviour can be described as features and against each such feature, parameters such as frequency, importance, difficulty level may be measured through ratings. These ratings are then analysed using statistical tools such as Regression, t-statistic for bias, f-statistic for precision, ANOVA when more than one factor is involved.

Table 3- Questionnaire Method Pros vs Cons

Pros	Cons
Can cover a large number of employees.	Designing a questionnaire requires careful thought so that questions are clear and not misinterpreted.
Highly economical	There is no incentive for employees to fill the questionnaires truthfully.

3. Information Collection through Observation

In this method, a job analyst observes the employees while they perform the job. The analyst tries to know the tasks performed, access the levels of difficulty involved, the extent of involvement required, the rate at which the work is carried out, the general working conditions and many such determining factors that help an analyst gather required information. Here, the analyst is an observant and does not directly participate in the job activities.

Table 4- Information Collection through Observation Pros vs Cons

Pros	Cons
Gives a rich insight of duties and responsibilities	Provide no means to understand the cognitive behaviour required during job.

4. Employee Logs

Employees are asked to maintain a log describing the range of activities done and the amount of time spent on an average for each activity. This method, however, may invite incorrect information as employees may tend to exaggerate details.

5. Critical Incident Technique (CIT)

This is a qualitative method of obtaining very specific behaviour related information. Here, employees are asked to recall incidents from their past experience of the job. These incidents would then be categorised into two categories – Favourable and Unfavourable behaviours.

- This categorisation depends on the analytical ability of the job analyst.
- This method gives insights only after the incidents have taken place. It might serve as a very good corrective tool but not a predictive tool.
- Is a very lengthy process.

6. Job Performance

Here, the job analyst performs the job himself/herself to determine what is exactly required for the job. This would include understanding of the physical, mental, behavioural demands of the job. This method may be suitable only for specific kind of jobs that do not require expertise and those that can be learned easily. For example, this may not suite a job that requires writing code for a software program.

Organisation Structure

In order to establish the competency mapping framework, we assume the below Organisational charts. The first one represents a Functional Organisation Chart for a typical manufacturing company. The second is a Matrix Organisational Chart for a similar manufacturing firm.

Functional Organisation Chart for a Manufacturing Company

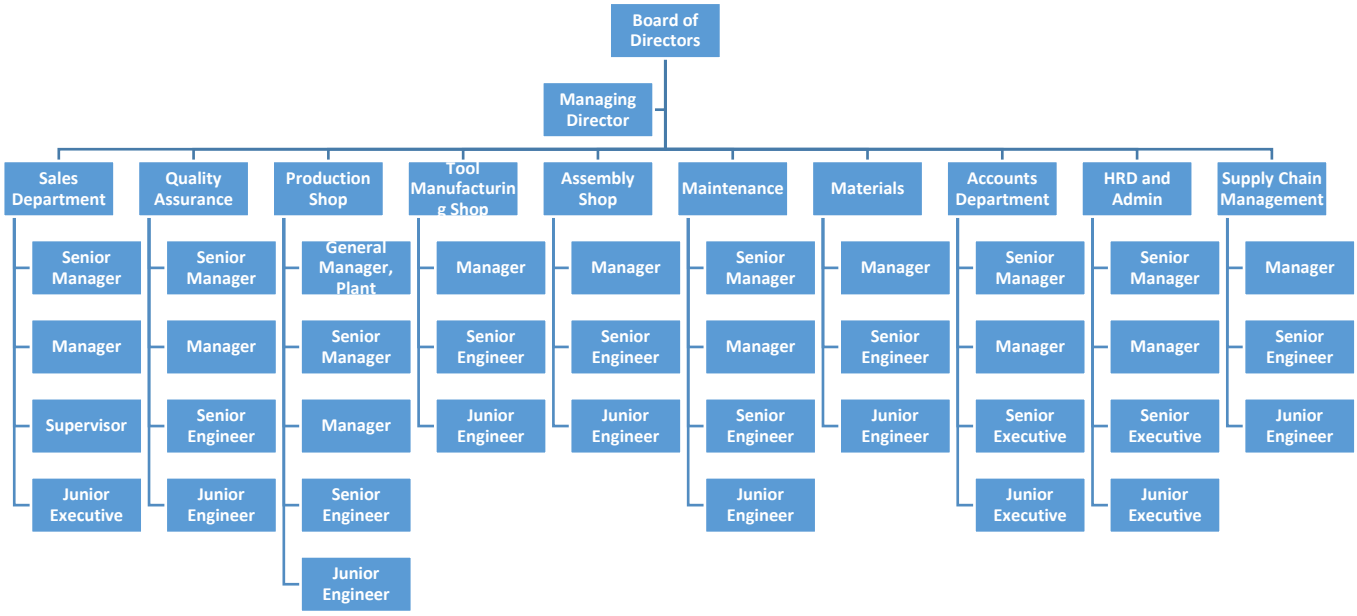


Figure 4- Functional Org Chart for a Manufacturing Company

Matrix Organisational Chart for a Manufacturing Company

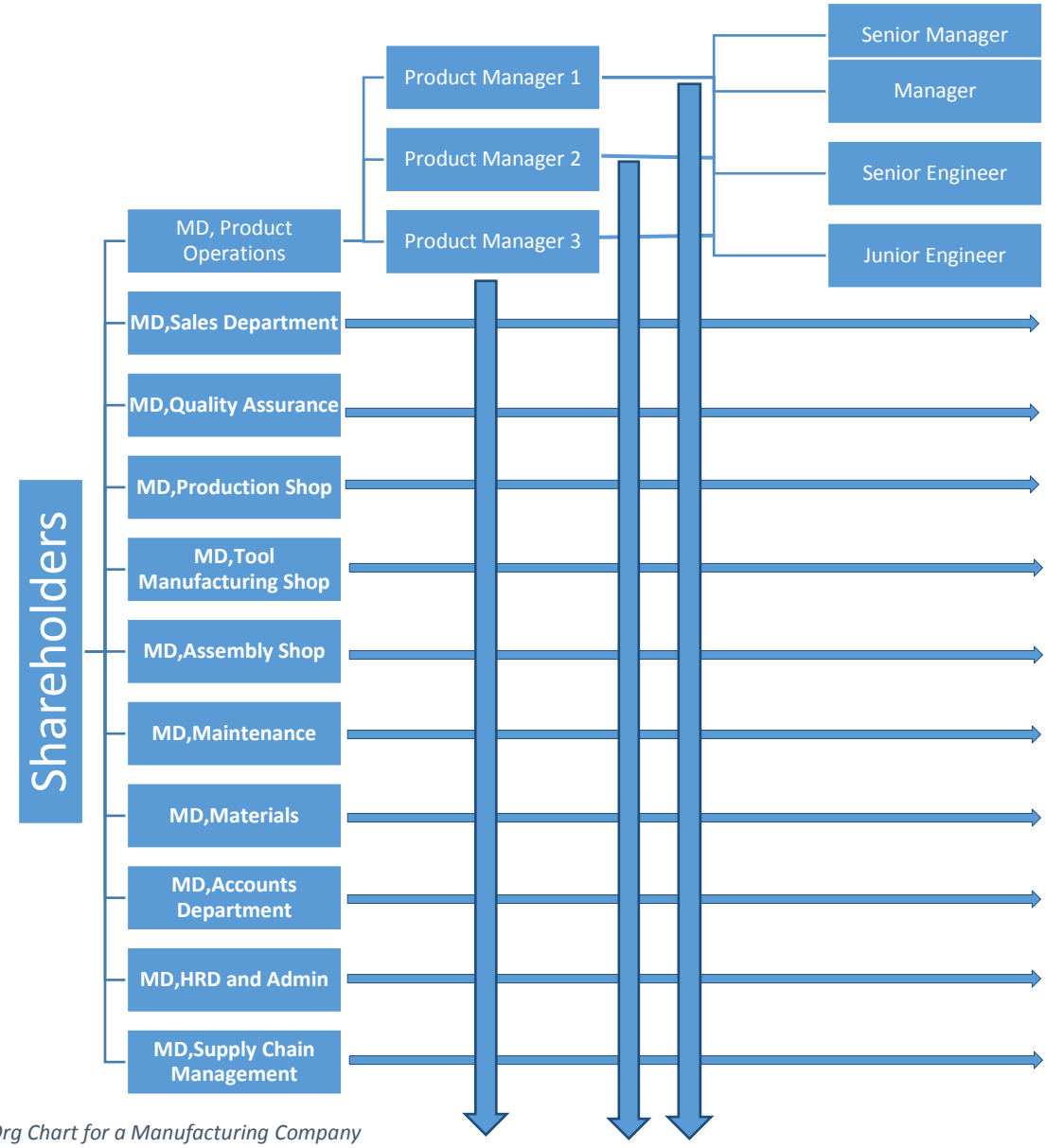


Figure 5- Matrix Org Chart for a Manufacturing Company

Sample Job Descriptions

Based on the two organisational charts presented, we use the techniques described in 'Data Collection Methods for Writing Job Descriptions' as mentioned above to collect information about the Position details, activity details, areas of impact (Key Result Areas) and performance standards expected of the employees (using Key Performance Indicators) for the job.

Assuming we have all the required information, we prepare a standard format representing all the information collected. A sample Job Description for the Junior Engineer in the Manufacturing Shop would look like the one shown below

Table 5- Sample Job Description for Junior Engineer, Manufacturing Shop

Job Description Format	**Company Name**
Department :	Manufacturing Shop
Position :	Junior Engineer
Grade :	Executive
Role Definition :	Carry out assigned manufacturing tasks while maintaining quality and ensuring cost effectiveness and timely delivery.
Reporting To :	Manager, Manufacturing Shop
Qualifications Necessary :	Bachelor's in Mechanical/Industrial or Production Engineering from a reputed University/College. Knowledge of Manufacturing Processes in the Assembly and Manufacturing Shop.
Skills Necessary :	As applicable in the Competency Map for Junior Engineer, Manufacturing Shop.
Experience Necessary :	0-2 Years
Job Responsibilities and Duties	
1. Operations :	
a)	The Junior Engineer, Manufacturing Shop is responsible for execution of the process specification documents based on the process efficiency, cost and other related analysis as per the requirements of the Manufacturing Shop or under the instructions of Manager, Manufacturing Shop.
2. Workforce :	
a)	He/She will understand the job related requirements of his/her peers in relation to his/her assigned activities to maintain co-ordination.
b)	He/She will understand the skills required by his/her peers in order to work effectively and help them develop such skills.
c)	He/She will understand the working conditions and will respect personal spaces of peers and plan work activities for effective performance.
3. Materials :	
a)	He/She will ensure to receive, handle, store, package, transport and/or deliver all materials including procured raw materials, WIP items, consumables, finished goods etc for effective utilization.
4. Costs :	
a)	He/She will ensure cost of operations in the manufacturing shop is low by analysing and minimising cost of all materials under his/her custody, cost of tasks, operations and manpower etc.
5. Facilities Maintenance :	
a)	He/She will understand and maintain all facilities including plant, machinery, equipment and tools.
6. Others :	
a)	He/She will participate and contribute effectively in meetings.
b)	He/She will ensure to deviations would be identifed and documented.
Key Result Areas	Cost, Quality and Delivery Performance in Facilities development
Key performance Indicators	Quality / Practicing effective TQM and lean operations
	Process Cost / MTBF and MTFF
	Material Procurement lead time / Inventory Turnover Ratio
	Average Process Time / Productivity Improvements

Job Constituent Chart for Junior Engineer, Manufacturing Shop

Sl. No	Job Constituent	Rating (1-Least required, 6 - Most required)					
		1	2	3	4	5	6
1	Vision						
2	Strategy						
3	Planning						
4	Organising Resources						
5	Collaboration						
6	Implementation						
7	Communication						
8	Innovation						
9	Costs Incurrence						
10	Value Addition						

Creating a Competency Mapping Tool

As explained in the sections above, we prepare a base competency chart initially. This has a very direct relation with the job description. The competencies cover a wide range of positions of every department. Using this, we prepare specific individual role based competency charts by rating competencies required for the role by its importance. Some of these competencies may be core and others, auxiliary as described in previous sections. This is identified by the following colour scheme

Table 6- Colour Code Identification for Competency Type

Competency Type	Designated Colour for Identification
Core	
Auxiliary	

For simplicity, we prepare competency charts for the following roles

Table 7- Various Roles for which Competency Charts are prepared

Role	Description
Leadership	A leader devises strategies either proactively or in response to internal and/or external opportunities and threats to help the organisation grow and achieve its organisational goals and objectives.
Management	A manager implements the strategies devised by the leader by planning, organising and using resources available at his/her disposal efficiently and effectively.
Engineer/Executive	An Engineer/Executive is responsible for implementing the plans devised by the manager efficiently and effectively.

Base Competency Chart

Core and Auxiliary Competency Identification Tool

Table 8- Core and Auxiliary Competency Identification Tool

Sl.No	Competency	Leader	Manager	Engineer/Executive
	1 - Job Related or Functional			
1-a	Business Awareness			
1-b	Technical Expertise			
1-c	Process Awareness			
	2- Managerial			
2-a	Leadership			
2-b	Planning			
2-c	Organising			
2-d	Execution			
2-e	Decision Making			
2-f	Delegation			
2-g	Analytical Ability			
2-h	Cross Functional Focus			
2-i	Customer Orientation			
	3- Cognitive			
3-a	Innovation			
3-b	Strategic			
	4- Behavioural or Humane			
4-a	Communication			
4-b	Networking			
4-c	Influencing			
4-d	Growth Predilection			
4-e	Team Work			

Notable Features of the Base Competencies

Table 9- Notable Features of the Base Competencies

Sl. No	*Competency*	*Notable Features*
1-a	Business Awareness	• Exhibits awareness about industry developments • Exhibits awareness about competitors • Exhibits awareness about legal issues pertaining to business • Knows business issues of the organisation well • Aware of various costs related to the business • Exhibits awareness of current and potential technologies that impact the operations of the firm
1-b	Technical Expertise	• Cognizant of the technical processes • Exhibits knowledge of product and its uses • Exhibits awareness of costs of resources involved • Exhibits awareness of safety measures to be undertaken • Cognizant of attributes related to quality of product and efficiency of the process
1-c	Process Awareness	• Cognizant of business processes • Cognizant of resources required for various processes • Knows and exhibits the importance of documentation

2-a	Leadership	• Believes in and has good moral values • Is able to command respect from subordinates • Gives due credit for deserving employees • Takes ownership of responsibility in cases of failure • Provides timely help to subordinates when they are stuck • Believes in his decisions and sticks by them
2-b	Planning	• Understands goals and objectives clearly • Able to use project planning software • Is able to understand the flow of activities • Understands the resources available, time and cost constraints • Is capable of working with uncertainty or unknown data • Is able to come up with alternatives
2-c	Organising	• Utilises resources well • Aware of capabilities of other employees to effectively utilise them • Aware of authoritative controls • Is capable of explaining problems well
2-d	Execution	• Judiciously uses available resources • Adheres to time and cost constraints • Is able to identify critical activities and works to reduce the slack • Is able to modify or recreate plans to successfully execute desired activities
2-e	Decision Making	• Is aware of the goals and objectives • Is aware of the importance of a timely decision • Is able to make a decision based on information available • Is able to justify the decision taken • Is able to communicate the decision taken to stakeholders

2-f	Delegation	• Is aware of his/her duties and those of peers and subordinates • Is aware of the hierarchy of designations and the relative standing of his/her roles vis-à-vis peers and subordinates • Clearly communicates instructions to peers and subordinates • Is aware of strengths and limitations of peers and subordinates • Is able to give necessary and corrective feedback
2-g	Analytical Ability	• Is able to define the problem clearly • Is capable of making the right assumptions • Is able to identify data requirements to solve the problem • Has ability to interpret key ratios and statistics as applicable • Can analyse the same problem in different angles
2-h	Cross Functional Focus	• Checks with other departments while making goals and objectives • Enjoys confidence of other departments • Shows concern for other department employees and enquires about • Keeps other departments informed
2-i	Customer Orientation	• Aware of customers, both internal and external • Aware of the customer requirements • Aware of the interface between him/her and the customer • Resolves customer concerns in a timely manner • Documents the customer concern and the remedy provided
3-a	Innovation	• Is able to come up with a lot of ideas • Is able to think differently - being original • Combines two or more ideas to generate a new idea

3-b	Strategic	• Is able to foresee situations based on information at hand • Is able to prepare effective plans for achieving organisation's goals vis-à-vis foreseen market and competitor plans • Is able to understand and interpret large number of variables
4-a	Communication	• Is capable of listening well – Able to understand and interpret what is being said to him/her • Is fluent in speaking and writing • The spoken words, facial expressions and body language communicate the same message • Is able to use different modes of communication for different audience • Uses simple words to communicate effectively • Is courteous and checks to see if the audience has understood the message
4-b	Networking	• Takes initiative in building strong relationships • Displays enthusiasm and energy • Maintains a balance between work and social life
4-c	Influencing	• Is able to persuade stakeholders effectively – Has selling skills • Is able to present ideas confidently • Is able to probe and listen • Is able to build a rapport • Is assertive
4-d	Growth Predilection	• Sets challenging goals and objectives • Exhibits confidence in achieving those challenging goals • Constantly compares him/her with competition to become better • Ensures quality and timely delivery of promised deliverables

4-e	Team Work	• Takes ownership of the tasks assigned to his/her team • Is able to support interaction of team members • Is able to help team members to understand their roles, responsibilities and duties • Is able to motivate and induce contribution of team members Is able to provide team members with correct feedback

Competency Maps for the assumed Manufacturing Firm

We now create the competency mapping chart for various roles in different departments for the assumed Manufacturing Firm.

Research and development Department

DEPARTMENT	**RESEARCH AND DEVELOPMENT**
OBJECTIVE	To make innovations in design, utility, appearance and efficiency of products manufactured.
DESCRIPTION	Using high levels of technical expertise and co-ordination with other departments, create innovative products for the dynamic customer. Innovation, Creativity and Efficiency are key aspects for its success.

SL. NO	**Designation**	**Management Level**
1	Senior Manager	Middle Management
2	Manager	Middle Management
3	Senior Engineer	Executive
4	Engineer	Junior Executive

Competency chart for Senior Manager, R&D Department

Table 10- Competency chart for Senior Manager, R&D Department

SL.NO	**COMPETENCY**	**RATINGS (1-LEAST REQUIRED, 6 - MOST REQUIRED)**					
		1	2	3	4	5	6
	1 - Job Related or Functional						
1-A	Business Awareness						
1-B	Technical Expertise						
1-C	Process Awareness						
	2- Managerial						
2-A	Leadership						
2-B	Planning						
2-C	Organising						
2-D	Execution						
2-E	Decision Making						
2-F	Delegation						

2-G	Analytical Ability	
2-H	Cross Functional Focus	
2-I	Customer Orientation	
	3- Cognitive	
3-A	Innovation	
3-B	Strategic	
	4- Behavioural or Humane	
4-A	Communication	
4-B	Networking	
4-C	Influencing	
4-D	Growth Predilection	
4-E	Team Work	

Competency chart for Manager, R&D Department

Table 11- Competency chart for Manager, R&D Department

SL.NO	COMPETENCY	RATINGS (1-LEAST REQUIRED, 6 - MOST REQUIRED)					
		1	2	3	4	5	6
	1 - Job Related or Functional						
1-A	Business Awareness						
1-B	Technical Expertise						
1-C	Process Awareness						
	2- Managerial						
2-A	Leadership						
2-B	Planning						
2-C	Organising						
2-D	Execution						
2-E	Decision Making						
2-F	Delegation						
2-G	Analytical Ability						
2-H	Cross Functional Focus						
2-I	Customer Orientation						
	3- Cognitive						
3-A	Innovation						
3-B	Strategic						
	4- Behavioural or Humane						
4-A	Communication						
4-B	Networking						
4-C	Influencing						
4-D	Growth Predilection						
4-E	Team Work						

Competency chart for Senior Engineer, R&D Department

Table 12- Competency chart for Senior Engineer, R&D Department

SL.NO	COMPETENCY	RATINGS (1-LEAST REQUIRED, 6 - MOST REQUIRED)

		1	2	3	4	5	6
	1 - Job Related or Functional						
1-A	Business Awareness						
1-B	Technical Expertise						
1-C	Process Awareness						
	2- Managerial						
2-A	Leadership						
2-B	Planning						
2-C	Organising						
2-D	Execution						
2-E	Decision Making						
2-F	Delegation						
2-G	Analytical Ability						
2-H	Cross Functional Focus						
2-I	Customer Orientation						
	3- Cognitive						
3-A	Innovation						
3-B	Strategic						
	4- Behavioural or Humane						
4-A	Communication						
4-B	Networking						
4-C	Influencing						
4-D	Growth Predilection						
4-E	Team Work						

Competency chart for Junior Engineer, R&D Department

Table 13- Competency chart for Junior Engineer, R&D Department

SL.NO	**COMPETENCY**	**RATINGS (1-LEAST REQUIRED, 6 - MOST REQUIRED)**					
		1	2	3	4	5	6
	1 - Job Related or Functional						
1-A	Business Awareness						
1-B	Technical Expertise						
1-C	Process Awareness						
	2- Managerial						
2-A	Leadership						
2-B	Planning						
2-C	Organising						
2-D	Execution						
2-E	Decision Making						
2-F	Delegation						
2-G	Analytical Ability						
2-H	Cross Functional Focus						
2-I	Customer Orientation						
	3- Cognitive						
3-A	Innovation						

3-B	Strategic	
	4- Behavioural or Humane	
4-A	Communication	
4-B	Networking	
4-C	Influencing	
4-D	Growth Predilection	
4-E	Team Work	

Sales Department

DEPARTMENT	**SALES**
OBJECTIVE	Manage and expand Sales by ensuring availability of products at desired locations
DESCRIPTION	Responsible for taking all adequate steps necessary to market the products manufactured and effect sales. The activities cover all aspects until transfer of ownership of products take place subject to customers' satisfaction

SL. NO	**Designation**	**Management Level**
1	Senior Manager	Middle Management
2	Manager	Middle Management
3	Supervisor	Executive
4	Executive	Junior Executive

Competency chart for Senior Manager, Sales Department

Table 14- Competency chart for Senior Manager, Sales Department

SL.NO	**COMPETENCY**	**RATINGS (1-LEAST REQUIRED, 6 - MOST REQUIRED)**					
		1	2	3	4	5	6
	1 - Job Related or Functional						
1-A	Business Awareness						
1-B	Technical Expertise						
1-C	Process Awareness						
	2- Managerial						
2-A	Leadership						
2-B	Planning						
2-C	Organising						
2-D	Execution						
2-E	Decision Making						
2-F	Delegation						
2-G	Analytical Ability						
2-H	Cross Functional Focus						
2-I	Customer Orientation						
	3- Cognitive						
3-A	Innovation						
3-B	Strategic						

	4- Behavioural or Humane	
4-A	Communication	
4-B	Networking	
4-C	Influencing	
4-D	Growth Predilection	
4-E	Team Work	

Competency chart for Manager, Sales Department

Table 15- Competency chart for Manager, Sales Department

SL.NO	COMPETENCY	RATINGS (1-LEAST REQUIRED, 6 - MOST REQUIRED)					
		1	2	3	4	5	6
	1 - Job Related or Functional						
1-A	Business Awareness						
1-B	Technical Expertise						
1-C	Process Awareness						
	2- Managerial						
2-A	Leadership						
2-B	Planning						
2-C	Organising						
2-D	Execution						
2-E	Decision Making						
2-F	Delegation						
2-G	Analytical Ability						
2-H	Cross Functional Focus						
2-I	Customer Orientation						
	3- Cognitive						
3-A	Innovation						
3-B	Strategic						
	4- Behavioural or Humane						
4-A	Communication						
4-B	Networking						
4-C	Influencing						
4-D	Growth Predilection						
4-E	Team Work						

Competency chart for Supervisor, Sales Department

Table 16- Competency chart for Supervisor, Sales Department

SL.NO	COMPETENCY	RATINGS (1-LEAST REQUIRED, 6 - MOST REQUIRED)					
		1	2	3	4	5	6
	1 - Job Related or Functional						
1-A	Business Awareness						
1-B	Technical Expertise						
1-C	Process Awareness						
	2- Managerial						

2-A	Leadership	
2-B	Planning	
2-C	Organising	
2-D	Execution	
2-E	Decision Making	
2-F	Delegation	
2-G	Analytical Ability	
2-H	Cross Functional Focus	
2-I	Customer Orientation	
	3- Cognitive	
3-A	Innovation	
3-B	Strategic	
	4- Behavioural or Humane	
4-A	Communication	
4-B	Networking	
4-C	Influencing	
4-D	Growth Predilection	
4-E	Team Work	

Competency chart for Executive, Sales Department

Table 17- Competency chart for Executive, Sales Department

SL.NO	COMPETENCY	RATINGS (1-LEAST REQUIRED, 6 - MOST REQUIRED)					
		1	2	3	4	5	6
	1 - Job Related or Functional						
1-A	Business Awareness						
1-B	Technical Expertise						
1-C	Process Awareness						
	2- Managerial						
2-A	Leadership						
2-B	Planning						
2-C	Organising						
2-D	Execution						
2-E	Decision Making						
2-F	Delegation						
2-G	Analytical Ability						
2-H	Cross Functional Focus						
2-I	Customer Orientation						
	3- Cognitive						
3-A	Innovation						
3-B	Strategic						
	4- Behavioural or Humane						
4-A	Communication						
4-B	Networking						
4-C	Influencing						
4-D	Growth Predilection						

Developing a Rating Scale for the Competency Map

In order to develop a rating scale for the competency maps, we follow the below protocol

For each of the 19 competencies and the sub-competencies or notable features, a grading system is employed. In this grading system, all the sub-competencies forming a competency will together account for a maximum of 100 Marks. Individual sub-competencies are weighed and graded according to their importance to the competency.

For example, the sub-competencies for the competency 'Communication' would look like

Table 18- Sample Sub-Competency Grading Template

Sl. No	Sub -Competency	Allotted Marks	Reasons/Observations
1	Is capable of listening well – Able to understand and interpret what is being said to him/her		
2	Is fluent in speaking and writing		
3	The spoken words, facial expressions and body language communicate the same message		
4	Is able to use different modes of communication for different audience		
5	Uses simple words to communicate effectively		
6	Is courteous and checks to see if the audience has understood the message		

Appropriate stakeholders will then map the competencies with the designations based on the allotted marks. The rule to be followed for allocation of marks is to map the employee behaviour with appropriate behavioural guidelines as mentioned in the table below for various competencies. As an example, we consider the competency of 'Communication'.

Behavioural Competency Judging Criteria for 'Communication'

Table 19- BARS for 'Communication'

Sl. No	***Inadequate***	***Needs Improvement***	***Satisfactory with scope for improvement***	***Expectations Met***	***Expectations Exceeded***	***Exceptional***
1	Makes grammatical mistakes while preparing documents/reports. Is over simplistic and misses key points.	Message is most often not appropriate for audience. Needs development of written and oral skills.	Has right written and oral communication usually but falters occasionally.	Clear oral and written messages. Formulates effective messages for varied audiences.	Written and oral communications are precise, concise, consistent and appropriate.	Communication is his/her forte. Is clear, concise and persuasive. Respects individuals' or group' specific needs.
2	Contributions are often unclear. Appears distracted very often and may frequently interrupt others.	Has difficulty in getting to the point. Interrupts others often. Facts may also be inaccurate.	Has difficulty in getting to the point occasionally. Interrupts others often. Facts may also be inaccurate sometimes.	Is concise and precise. Listens patiently to others.	Is a skilled communicator - Listens to diverse views. Explains issues in a clear and understandable manner.	Is a proficient communicator - Listens and incorporates others' views. Is able to explain complex issues very clearly.
3	Does not share information on time.	Faces difficulty in differentiating between critical and non-critical information.	Faces difficulty in differentiating between critical and non-critical information sometimes.	Conveys information to stakeholders in due time.	Shares information which is accurate and with right people in a right format.	Is very transparent and open in sharing information with appropriate stakeholders.

4	Has no contact with peers, subordinates and bosses.	Maintains minimum communication with peers, subordinates and bosses.	Maintains good communication with peers, subordinates and bosses	Maintains a good rapport with peers, subordinates and bosses.	Encourages co-workers to share ideas, thoughts and opinions.	Is effective by incorporating co-worker's ideas, thoughts and opinions.
5	Unable to change medium of communicating message depending upon the audience.	Messages don't consider the audience. Lacks clarity and understanding.	Is able to formulate customised messages based on the audience. However, struggles to know how much to reveal.	Is able to mould information based on audience.	Is able to suitable alter the detailing of message according to the audience.	Is able to differentiate between 'what to know' and 'nice to know' for the audience.
6	Discloses confidential information outside the company and uses information inappropriately.	Inconsistent in following privacy rules. Sometimes shares confidential information.	Occasionally forgets to follow privacy rules and reveals confidential information.	Consistently follows privacy rules.	Understands properly and helps in implementing privacy rules.	Understands properly and follows privacy rules. Develops policies to protect confidential information.

The interpretation of the ratings is as shown below.

Interpretation of the Ratings

Table 20- Interpretation of BARS for Grading Purpose

Rating	Marks	Grade	Interpretation
1	0-39	Inadequate	Unsatisfactory
2	40-55	Needs Improvement	Satisfactory but needs improvement
3	56-69	Satisfactory with scope for improvement	Acceptable performance. But huge scope for improvement.
4	70-81	Expectation met	Meets Expectations
5	82-92	Expectations Exceeded	Exceeds expectations
6	93-100	Exceptional	Adds value apart from regular work

The above rating mechanism is also called as BARS – Behaviourally Anchored Rating Scales. This means that the rating is done based on certain predefined behaviours for every grade as is shown in the section 'Behavioural Competency Judging Criteria for 'Communication'.

Minimum level of Competency required

Table 21- Minimum level of Competency required

MINIMUM LEVEL OF COMPETENCY REQUIRED		
	Core Competency	**Auxiliary Competencies**
LEADER	7	3
MANAGER	5	4
EXECUTIVE	4	3

Competency Mapping – The Process

The entire process of competency mapping could be summarised by the following figure

Figure 6- Competency Mapping Process

Workforce Planning

Workforce Planning

The process of identification of an organisation's human resource requirements and subsequently creating plans to satisfy those requirements may be defined as workforce planning. In a nutshell, it is basically ensuring that the right people in right numbers who possess the right skills and competencies are in the right place at the right time.

Importance of Workforce Planning

Just like any other planning activity, the basic idea behind workforce planning is to eliminate any surprises by being proactive. There is always uncertainty related to many aspects like the ones mentioned below. It is imperative for today's organisations to be ready to face such uncertainties head on to survive and be competitive. Workforce planning plays a strong role in this regard. The following are the reasons for workforce planning

- For an organisation to have a long term competitive advantage, it has to develop, nurture and leverage its human resource. This can be effectively achieved by planning for current and future workforce.
- Most jobs are becoming highly specialised and complex. This requires greater investments in workforce training and development for which an effective workforce plan is necessary.
- Every organisation has strategic objectives. These objectives are accomplished by the talent present in the organisation which requires effective workforce planning.

Advantages of Workforce Planning

- Project human resource requirements for future under budgetary constraints.
- Focussed investments in training, career development for employees as well as for succession planning.
- Achieve organisation objectives through efficient use of employees
- Eliminate uncertainty with respect to future workforce requirements.
- Do away with 'Revolving Door' – A situation in which organisations terminate and re-employ employees periodically. This often results in losing skilled talent.
- Reduce unnecessary Employee Turnover.

Different ways of Workforce Planning

Every organisation has its specific objectives. Each faces different challenges in its path to achieving its objectives. Hence, each organisation has to think of different solutions or approaches to its problems and challenges. Workforce planning is no different. There are many schools of thought for Workforce Planning. Some of them are mentioned below. An approach working for one organisation may not work for another. Therefore, careful analysis is necessary.

1. **Classical Gap Analysis**
   In the classical approach, we determine the headcount required in future. We then identify the supply within the organisation to determine the gap. Based on the gap identified, recruitment strategies are formed. This is not necessarily a holistic way of looking at workforce planning as many key exercises like succession planning, career development and training of employees may be omitted.
2. **Workforce Analytics**
   This method is also referred to as 'human resource data mining'. In this approach, we divide the employees into a number of segments. The classification is based on one or a

combination of factors such as demographics, performance related or role or department related etc. Each group is then meant to have specific developmental, succession and career management plans different from another such group. This approach requires extensive analytics which identifies areas in an organisation which are vulnerable and may need addressing. The factors of classification comes from the analytic study. This method uses advanced statistical techniques and tools such as regression, trend analysis, economic value added and return on investment.

3. **Human Capital Planning**
   Conventionally, an organisation would follow the below order
   Business Objectives → Business Plans → Workforce Planning
   It will define its objectives, create plans to achieve its objectives and finally define the human resource necessary to carry out its plans. But in the Human Capital Planning Approach, this order is reversed. Here, an organisation's workforce is analysed to determine what would make it gain a competitive advantage. Based on this, a business plan is made. This method uses extensive analytics like the workforce analytics to study the competencies of the workforce. In order to be more effective, individual growth and development for each employee is administered. The focus of this approach is to understand the best possible way of utilising the workforce.
4. **Scenario Building**
   In this approach, several business plans are placed at the table and for each business plan, the workforce requirements are analysed. The best fitting scenario is then selected for implementation.
5. **Strategic Workforce Planning**
   All the above approaches are quantitative while this approach is qualitative in nature. The code idea in this approach is to align the strategic business objectives with the workforce. It is ensured that the workforce is maintained and developed so as to achieve strategic objectives of the organisation.

Workforce Planning Model

Since every organisation, conventionally has unique business objectives, business requirements, culture etc. each develops its own strategies and devises its own path to achieve the objectives. The following workforce planning model supports the above notion.

Figure 7- Workforce Planning Model

1. Understanding Organisation Strategy

This involves understanding the organisation goals and objectives including required resources – financial as well as human resource. In order to render the objectives into actions, the following are incorporated under the heading

- Understanding of the nature and number of jobs necessary along with the skills required.
- Selection of different strategies among hiring, retaining or developing existing talent.
- Documenting changes to organisation's mission, goals and objectives for a period of 3-5 years and analysing where the organisation is headed.

2. Workforce Analysis

This involves analysing current values of turnover rates, retirement, employee diversity and other observable and influential trends against industry benchmarks. This involves the following 3 steps.

- **Determining the Workforce Demand**
  In this step, we predict the future workforce necessary to achieve organisation's objectives. For this, we analyse the factors that may influence this prediction which are
  - Permanent changes to workforce
    - Promotions
    - Transfers
    - Retirements
    - Employees leaving the organisation
  - Temporary changes to workforce
    - Employee Attendance
    - Policies regarding Maternity/Paternity leaves

These factors help in determining the additional workforce to be employed above existing levels to satisfy workforce demand requirements.

- **Determining the Workforce Supply**
  The following factors play a vital role in determining from where an organisation can expect to fill its workforce requirements.
  - Externally (Outside the organisation)
    - Colleges/Educational Institutions
    - Economic Condition
    - Desirability of the job
    - Company's Recruitment Mechanism
  - Internally
    - Employee Substitution/ Multiple roles for employees
    - Internal Recruitments

The table below suggests activities to be performed to project Workforce supply for future. The statistical tools used for projections are mentioned separately.

Table 22- Activities for Future Workforce Prediction

Action	Steps
Assess Current Supply	• Determine employees' age, education, gender, period of service etc. • Determine employees' competencies and skills. • Identify critical jobs or those that may become vacant soon. • Assess workload for the jobs to see if it can be managed by available workforce. • Periodically assess working environment, policies, external environment etc. for indications of changes.
Predict Future Supply	• Examine rates such as retention, turnover, employee leave availing rates etc. • Analyse how these rates affect the organisational work. • Examine available data to see a pattern in the above factors. • Based on the pattern, use appropriate predictive tools to determine future workforce requirement.

- **Gap Analysis**

The result of the difference in projections of demand and supply of workforce is obtained in the gap analysis. The result may be either one of the below.

- Shortage - Estimated demand exceeds projected supply
- Surplus - Estimated supply exceeds projected demand
- No difference

The above outcomes help in devising the staffing plan. A Staffing Plan is the outcome of the gap analysis. It summarises details about the vacancies – when a position will become vacant and when it should fill, what actions are to be taken to fill the position (new hires, transfers, training, multiple roles for employees, promotion, demotion, get employees on a contract basis etc.).

3. Develop Workforce Plans

The gap analysis above reveals shortages or surpluses in predictions. Based on the gap analysis, strategies are devised to fill the gaps so that the strategic goals and objectives of an organisation are met with. Various strategies include

- Recruitment of candidates
- Retention strategies
- Employee developmental strategies
- Policies relating to salary, promotions, leaves etc.
- Career development initiatives
- Succession Planning
- Knowledge Management

The choice of the strategy(s) depends on the following factors

- Available resources
- Available time to successfully implement the strategy
- How organisation oriented the staff is

Workforce Plan would fundamentally include the following:

- ✓ **Changes in organizational structure**
- ✓ **Recruitment Planning**
- ✓ **Succession Planning**
- ✓ **Career development Initiatives –** Individual as well as Organisation level
- ✓ **Retention Activities**

4. Gap Analysis

This involves doing the following

- ➢ Assessment of current employees' skills and competency.
- ➢ Developing career plans for the employees
- ➢ Determine skills, competencies and knowledge for future requirements.
- ➢ Compare and contrast current employees' as well as organisation's skills, competencies and knowledge to that determined for future operations.

5. Implementation of Workforce Plans

This step involves doing the following

- ➢ Identifying and allocating necessary resources for implementation of workforce plans.
- ➢ Prepare an effective communication plan so as to inform every stakeholder.
- ➢ Set up appropriate time lines which may dynamically change according to changes in organisation's strategic plans which in-turn depend on customers, market conditions, economy, government policies etc.

6. Monitor and Revise Workforce Plans

Most of the measures mentioned in succession planning would be applicable to workforce planning as the former is a part of the latter.

Although an annual review would be sufficient, continuous monitoring of workforce issues and strategies adopted to tackle such issues would help in better planning for workforce.

Tools and Techniques for Forecasting of Workforce Requirements

The below tools are helpful in both predicting workforce demand as well as supply. This prediction depends on many factors such as government policies, retirement rate, turnover rate, number of days of leaves availed etc. Each factor may be forecasted for better workforce planning. Borrowing from the field of Supply Chain Management, following tools prove beneficial in prediction.

1. Delphi Technique

This is a forecasting method that involves interaction among experts on a subject. This technique may last typically 2 rounds if not more of experts answering survey questions along with providing reasonable justification for their answers. In between the rounds, changes and revisions may be accommodated. Here, the rounds are stopped when the experts arrive at a consensus regarding the forecast.

When to use Delphi Technique?

- ➢ When enough data is not available to use statistical methods.
- ➢ The company faces issues over which it has little control.
- ➢ Information is available with multiple experts.

The procedure is depicted in the figure below.

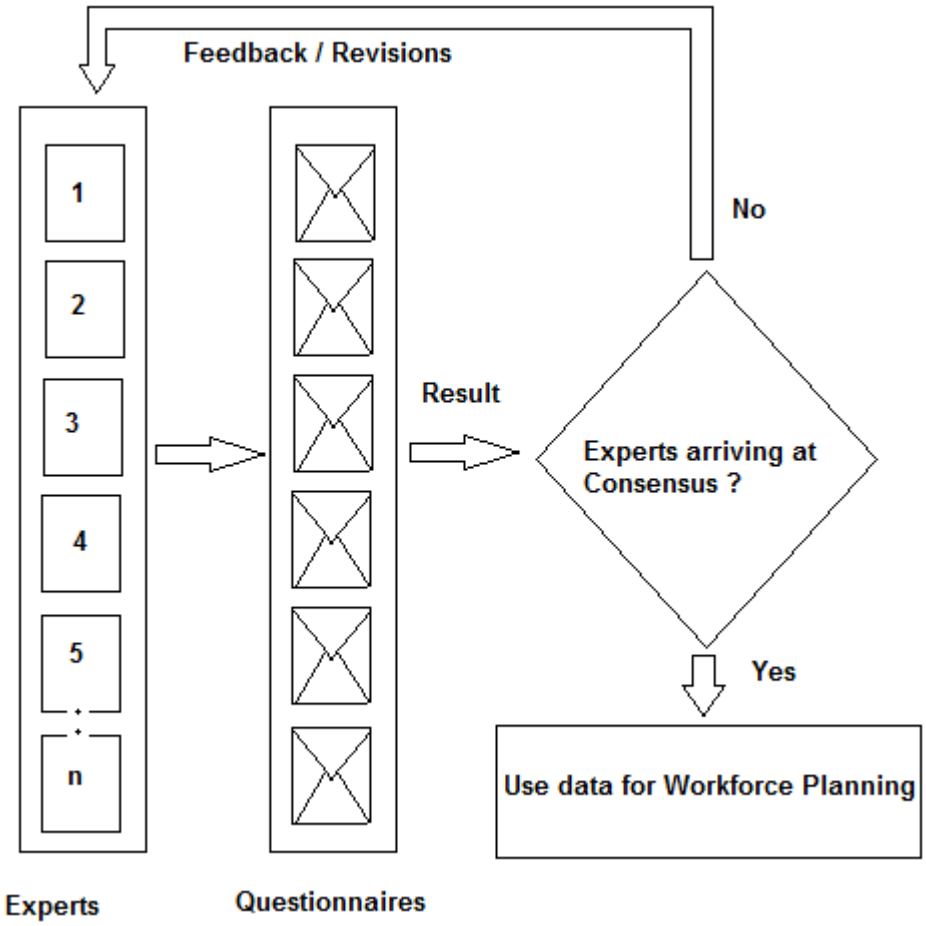


Figure 8- Delphi Technique

2. Regression

The inputs to regression analysis are two variables and the output is the correlation between those two variables. For example if one wants to find how 'The number of accidents' and 'The number of Days of absence' of employees are related, can make use of regression. One of the variables if fixed and called the independent variable and the other is called dependent. In this example, we assume 'the number of accidents' as independent and 'The number of Days of absence' as dependent variables respectively. Regression then helps us predict values for the dependent variable when we key in values for the independent variable in the regression equation which is of the form Y = mx + b.

Here, m→ slope; b→ constant; x→ independent variable value; Y→ dependent variable value.

The slope and constant may be found mathematically or using tools such as MS Excel from Microsoft.

Consider the following table.

Year	Accidents	Absence (Man Days)
2003	123	3357
2004	145	2806

2005	200	3145
2006	117	1927
2007	132	2659
2008	162	2316
2009	146	1959
2010	126	2649
2011	200	3155
2012	122	1861
2013	135	2251

SUMMARY
OUTPUT

Regression Statistics	
Multiple R	0.488173523
R Square	0.238313388
Adjusted R Square	0.153681542
Standard Error	488.0704024
Observations	11

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	670779.1771	670779.1771	2.815883147	0.12764568
Residual	9	2143914.459	238212.7177		
Total	10	2814693.636			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*L*
Intercept	1273.392405	776.7281335	1.639431288	0.135545242	-483.6887062	3030.473515	4
Accidents	8.754778327	5.217204256	1.678059339	0.12764568	-3.04735765	20.5569143	

Figure 9- Sample Regression Results

The regression analysis using the MS Excel tool give the equation

Y = 8.754778327 * Accidents + 1273.392405

So, if our estimate for the year 2014 for the number for the number of accidents is 152, then the total days for which employees are absent (man days) would be 2604 man days.

Similarly, correlations can be arrived upon for a wide variety of factors influencing the workforce.

3. *Other Techniques*

There are several other Time Series based forecasting techniques mentioned below that may be employed.

Table 23- Time Series Based Forecasting Techniques

Model	Methodology
Naive	Uses the last period's actual value as a forecast.
Simple Average	Uses an average of all past data as a forecast
Simple Moving Average	Uses an average of a specified number of the most recent observations, with each observation receiving the same weight.
Weighted Moving Average	Uses an average of a specified number of the most recent observations, with each observation receiving a different weight.
Exponential Smoothing	A weighted average procedure with weights declining exponentially as data become older.
Seasonal Indexes	A mechanism for adjusting the forecast to accommodate any seasonal patterns.

SPSS – A software package tool provided by IBM is a great software that helps in data analytics like the ones mentioned above particularly finding correlations between various factors.

Assessment Center

Assessment Center (AC)

An Assessment Center provides an opportunity to an organisation to evaluate candidates using standardised techniques and under controlled conditions. This, on the other hand offers the candidates an opportunity to display their skills and abilities in varied situations.

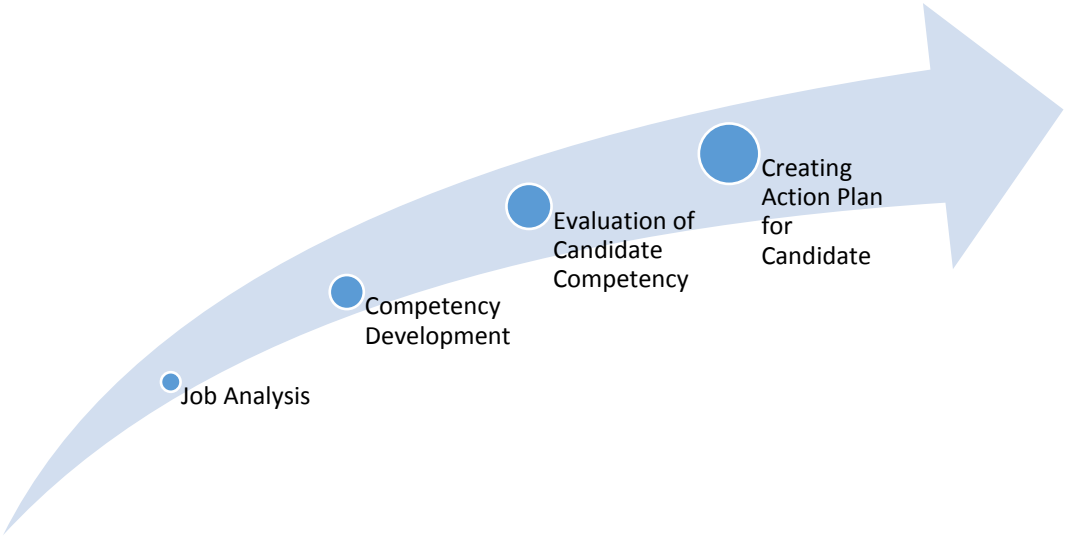


Figure 10- Assessment Center Process

It provides a simulating environment for the candidates similar to those actually observed on the job. Thus, it proves to give a better measure of the candidate. In an AC, a candidate undergoes individual and group exercises to find out if he/she has the necessary skills and abilities to perform the job.

All assessments begin with job analysis and then competencies are developed for each designation. Detailed explanation of the procedures and tools involved for the two are explained in the Competency Mapping Section.

Different Methods of Evaluating a Candidate

The basic idea in developing any exercise or test is to make sure it simulates the skill requirements of the job. A number of different such exercises exist and vary from pen-paper tests to simulations to interviews and can be at an individual or group level. Some of them are mentioned below.

- **Tests**
  1. **Personality Tests** – This tests all characteristics related to a candidate's personality. This includes measuring the traits, motives and values too.
  2. **Intelligence Tests** – These are not measurable but are inferred. The candidate is administered with a series of tasks which act as stimuli and by studying the responses to these tasks by the candidates, inferences may be drawn about the level of intelligence.
  3. **Functional or Performance tests** – These are typical pen-paper tests as a question-answer form which measure the performance of the candidate based on the functional knowledge possessed.
- **Simulation Exercises**

Simulation based exercises are meant to imitate 'real scenarios' which may occur frequently on the job. The scenario acts as a stimuli for the candidate and the responses are measured and interpreted. Some of the simulation exercises include

1. **Role Play** – In this method, the candidate is asked to enact a task related to a job. For example, one of the tasks of a manager may be to counsel his/her subordinates. The performance is then rated accordingly. The rating demeanour for role play and other exercises is such that information about competencies for the job could be tested effectively.
2. **Presentations** – Candidates are asked to speak on a topic for a certain duration and later may be asked questions on the topic. The topic may be either common to all (Preferable as comparison may be simpler) candidates or may be different.
3. **In-Basket Exercise –** This method is one of the most popular methods. In this exercise, candidates are put through the same routine that the current job incumbent undergoes. Candidates are exposed to most of the materials found in the incumbent's in-basket as it is called. The in-basket may contain reports, memos, phone-calls to attend, things-to-do list etc. The candidate is required to write down every action he/she intends to take so as to clear the in-basket. This exercise is suitable to test a candidate's problem solving, delegation, decision making and communication skills.
4. **On the Job Simulation –** In this method, the candidate is presented the same or a similar in-basket as mentioned above and is expected to work on the tasks rather than just writing down an action plan.
5. **Leaderless Team –** This is a group exercise in which candidates are asked to achieve a goal. It is not openly disclosed as to who would lead the team and hence proves to be a good tool to measure leadership skills of the candidates.

- **Behavioural Interviews**

The interviews are structured and candidates are asked questions related to competencies that are being measured. This gives an idea of how the candidate handled situations previously. Information is elicited in the format – STAR i.e. Situation, Task, Action and Result for better understanding and subsequent rating.

Implementing an Assessment Center

Typically an assessment would last a day or two depending on the assessed job or designation. A one day assessment plan would look like

Table 24- Sample One Day Assessment Plan

Exercise	Time Limit
Psychometric tests	1 hour
In-Basket	1.5 hrs.
Presentation	45 minutes. (30 minutes for preparation and 15 minutes for presentation)
Behavioural Interview	20 – 40 minutes.

Rating

As shown in the competency framework, where each role had certain competencies defined including respective behaviourally anchored rating scales, the candidates would be rated according to their performance for displayed level of competencies. The rating is to be performed by

- Candidate himself/herself
- Incumbent

- Immediate boss
- Peers
- Other stakeholders if need be

For example, assessment of a candidate for the role of Senior Manager, R&D would look like

Role - Senior Manager, R&D

Sl.No	Competency	Minimum Marks	Rated Marks	Grade	Observations/Comments
	1 - Job Related or Functional				
1-a	Business Awareness*	70-93			
1-b	Technical Expertise*	70-93			
1-c	Process Awareness*	56-82			
	2- Managerial				
2-a	Leadership	41-69			
2-b	Planning*	56-82			
2-c	Organising*	41-69			
2-d	Execution*	41-69			
2-e	Decision Making	56-82			
2-f	Delegation*	70-93			
2-g	Analytical Ability*	83-100			
2-h	Cross Functional Focus	56-82			
2-i	Customer Orientation	56-82			
	3- Cognitive				
3-a	Innovation*	83-100			
3-b	Strategic*	83-100			
	4- Behavioural or Humane				
4-a	Communication*	70-93			
4-b	Networking	56-82			
4-c	Influencing	56-82			
4-d	Growth Predilection*	83-100			
4-e	Team Work*	56-82			
	* Core Competencies				

Figure 11- Template for Assessment of a Senior Manager, R&D

Competency Assessment			
Core		**Auxiliary**	
Required	Satisfies	Required	Satisfies
7	x	4	y

Relation between Marks and Grade

Table 25- Relation between Marks and Grade for Assessment

Rating	Marks	Grade	Interpretation
1	0-39	Inadequate	Unsatisfactory
2	40-55	Needs Improvement	Satisfactory but needs improvement
3	56-69	Satisfactory with scope for improvement	Acceptable performance. But huge scope for improvement.
4	70-81	Expectation met	Meets Expectations
5	82-92	Expectations Exceeded	Exceeds expectations
6	93-100	Exceptional	Adds value apart from regular work

Benchmarks

From the above rating mechanism, we develop a tool for analysis of various aspects related to the candidate or the designation. The various aspects may involve

- Studying and modifying competencies – Ranking competencies by importance helps in making the competency framework better.
- Identification of group and/or individual strengths and weaknesses
- Creating developmental plans for groups and/or individuals
- Comparing individuals' performance against the group

The various studies that may be undertaken include

1. **Importance of Competencies as viewed by both candidate and assessors**

Role - Senior Manager, R&D

Sl.No	Competency	Average Competency Score (All Ratings)	Order of Importance (All Ratings)
	1 - Job Related or Functional		
1-a	Business Awareness*		
1-b	Technical Expertise*		
1-c	Process Awareness*		
	2- Managerial		
2-a	Leadership		
2-b	Planning*		
2-c	Organising*		
2-d	Execution*		
2-e	Decision Making		
2-f	Delegation*		
2-g	Analytical Ability*		
2-h	Cross Functional Focus		
2-i	Customer Orientation		

	3- Cognitive
3-a	Innovation*
3-b	Strategic*
	4- Behavioural or Humane
4-a	Communication*
4-b	Networking
4-c	Influencing
4-d	Growth Predilection*
4-e	Team Work*
	* Core Competencies

2. **Identification of candidate competencies which need development**

	Role - Senior Manager, R&D						
Sl.No	**Competency**	**Average Competency Score (All Ratings)**	**Self**	**Incumbent**	**Immediate Boss**	**Peers**	**Others (if any)**
	1 - Job Related or Functional						
1-a	**Business Awareness***						
1-b	**Technical Expertise***						
1-c	**Process Awareness***						
	2- Managerial						
2-a	**Leadership**						
2-b	**Planning***						
2-c	**Organising***						
2-d	**Execution***						
2-e	**Decision Making**						
2-f	**Delegation***						
2-g	**Analytical Ability***						
2-h	**Cross Functional Focus**						
2-i	**Customer Orientation**						
	3- Cognitive						
3-a	**Innovation***						
3-b	**Strategic***						
	4- Behavioural or Humane						
4-a	**Communication***						
4-b	**Networking**						
4-c	**Influencing**						

4-d	**Growth Predilection***						
4-e	**Team Work***						
	*** Core Competencies**		**Competencies that need development**				

3. **Highest Rated competencies for a candidate by all including self**
4. **Lowest Rated competencies for a candidate by all including self**
5. **Difference Rating -> Self Rating minus All Other' rating gives 'Over-rating Factor' and 'Under-rating Factor'**

	Role - Senior Manager, R&D		
Sl.No	Competency	Self-Rating	Average Competency Score (All Ratings)
	1 - Job Related or Functional		
1-a	Business Awareness*		
1-b	Technical Expertise*		
1-c	Process Awareness*		
	2- Managerial		
2-a	Leadership		
2-b	Planning*		
2-c	Organising*		
2-d	Execution*		
2-e	Decision Making		
2-f	Delegation*		
2-g	Analytical Ability*		
2-h	Cross Functional Focus		
2-i	Customer Orientation		
	3- Cognitive		
3-a	Innovation*		
3-b	Strategic*		
	4- Behavioural or Humane		
4-a	Communication*		
4-b	Networking		
4-c	Influencing		
4-d	Growth Predilection*		
4-e	Team Work*		
	* Core Competencies		Over-Rated
			Under-Rated

6. **Answers to questions like 'What does the boss think of a particular candidate?', 'What do the peers think of a candidate?' etc. may be studied.**

To complement the above studies, the results may be fitted to a normal curve usually a 'Bell Curve' for clearer representation.

Based on the results from the above studies, corrective measures may be initiated by the Talent Management Team of the organisation. Also, Assessment center exercises also help an organisation with its workforce planning, succession planning and career management for its employees.

Performance Management

Performance Management

"Perhaps what you measure is what you get. More likely, what you measure is all you'll get. What you don't (or can't) measure is lost" – H. Thomas Johnson

Consider the following scenario. A Customer care executive is compensated for the number of calls attended in a day. For this employee, the main focus will be to answer as many calls in as little time as possible. The customer satisfaction may go for a toss. A reasonable criteria for his/her performance evaluation would be the number of satisfied customers. The above quote rightly stresses on the fact that metrics are always right. But making sure that those metrics are in-line with measuring how successfully the organisation's pre-laid objectives have been achieved is the essence of an effective performance management.

Objectives of a Performance Management System

At the end of the day, a performance evaluation or appraisal system communicates a message to the employees and therefore the following should be the objectives of the performance appraisal system.

- The appraisal system must inspire the employees to achieve organisation's goals and objectives.
- The organisation must be able to identify development needs of employees and accordingly build the skills and competencies of employees to meet the business needs.
- It should provide a guide for the employees for self-improvement. In addition, provide timely coaching and feedback.
- Rewards and recognitions may be provided to the employees in an objective manner. Subjectivity and biasness are to be removed.

Scope of the Performance Appraisal Model

This model may be used for appraisals of employees ranging from an executive to a manager along with the leadership of an organisation.

Frequency of Appraisal

For a performance appraisal system to achieve the objectives mentioned above, the process has to be continuous. In a project driven organisation, the process may be repeated for every milestone reached. For other organisations, quarterly appraisals are necessary.

Performance Indicators

This model makes use of 2 performance indicators.

Basic Performance Indicators (BPI)

These indicate the extent to which organisation's pre-defined objectives are met using available resources and capacity. For example, Sales targets, Production Units etc.

This can be further subdivided into **core** and **supplementary** performance indicators. These are mentioned below.

Table 26- Performance Indicators

Core Performance Indicator	Supplementary Performance Indicator
Planning – Includes taking Initiative	Clarity of goals and objectives
Organising Resources	Clarity of direction
Implementation	Effective Communication
Collaboration	Innovation
Results	Respect for Policies

Distinguishing Contribution Indicators (DCI)

These indicate the extent to which contribution by an employee is made to an organisation that adds to its capacity or is over and above the defined objectives. The distinguishing initiatives include contribution towards

Quality Improvements
Process Improvements
Elimination of Waste
Development of peers and subordinates

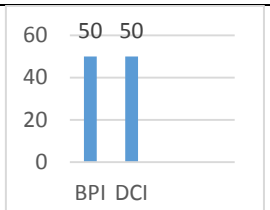
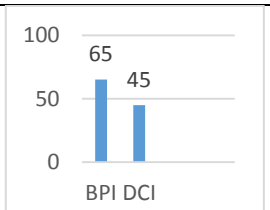
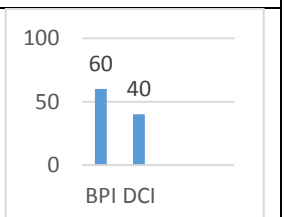
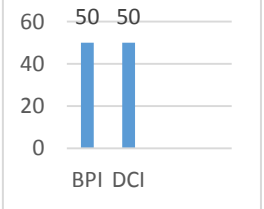
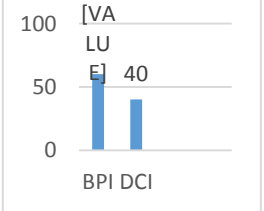
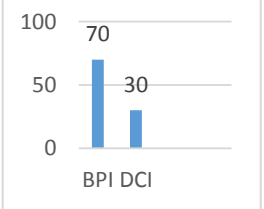
Performance Appraisal Grading Framework

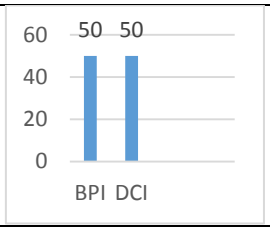
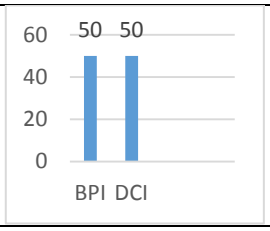
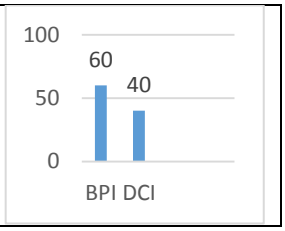
The performance appraisal grading is customised for every job. This is ensured by having different weightage of marks for various performance indicators based on the job.

Therefore, the first step is to perform job analysis as described in the competency framework section. For every job, the analysts with the help of functional experts may rate relative importance of Basic Performance Indicators and Distinguishing Contribution Indicators.

The following table gives **Relative Importance** of the two Performance Indicators for different roles in different types of organisations.

Table 27- Relative Importance of BPI and DCI

		Percentage of BPI/DCI		
Sl. No	**Type of Organisation**	**Leadership**	**Management**	**Executive**
1	**Project Driven –** Similar Products/Services but may adopt different processes			
2	**Product Based –** Similar Product/Service using same standardised processes			

3	**Mix of Project/Product or R&D Driven**			

Within each BPI and DCI, weightage is given to individual factors. For example

Basic Performance Indicators (BPI)

Table 28- Weightages for CPIs and SPIs

Core Performance Indicator	Weightage (on 100)	Supplementary Performance Indicator	Weightage (on 100)
Planning – Includes taking Initiative	25	Clarity of goals and objectives	30
Organising Resources	25	Clarity of direction	20
Implementation	30	Effective Communication	25
Collaboration	10	Innovation	10
Results	10	Respect for Policies	15

CPI and SPI may either have same or different weights according to the discretion of the organisation. For simplicity, we may assume equal weights for both.

Distinguishing Contribution Indicators (DCI)

Table 29- Weightages for DCIs

Core Performance Indicator	Weightage (on 100)
Quality Improvements	25
Process Improvements	20
Elimination of Waste	20
Development of peers and subordinates	35

A final **Performance Indicator Factor** is calculated by taking into account the relative weights of both BPI and DCI based on the type of organisation and is given by the formula

Equation 1- Performance Indicator Factor

$$\boldsymbol{Performance\ Indicator\ Factor\ (PIF) = (BPI) * \alpha + (DCI) * \beta}$$

$$\boldsymbol{where\ \alpha \rightarrow Weightage\ Associated\ with\ BPI\ ;\quad \beta \rightarrow Weightage\ Associated\ with\ DCI}$$

This PIF is used in evaluations, 9-Box Grid of succession planning and career management etc.

Grading Scales for Performance Appraisals

The grading is done by the appraise for every performance indicators mentioned above based 6 point behavioural rating scale developed during competency mapping. An example of behaviours for Communication under the 6-point rating is defined in the Competency Mapping Framework under

the heading - Behavioural Competency Judging Criteria for 'Communication'. This may be developed for all indicators in a similar way.

The composition and interpretation of the ratings is as shown below.

Interpretation of the Ratings

Rating	Marks	Grade	Interpretation
1	0-39	Inadequate	Unsatisfactory
2	40-55	Needs Improvement	Satisfactory but needs improvement
3	56-69	Satisfactory with scope for improvement	Acceptable performance. But huge scope for improvement.
4	70-81	Expectation met	Meets Expectations
5	82-92	Expectations Exceeded	Exceeds expectations
6	93-100	Exceptional	Adds value apart from regular work

Normalization Procedure

Consider a scenario where there are 3 Appraisers. Appraiser 1 usually rates his employees in the range 4-7 on a scale of 1-10; Appraiser 2 rates 9-10 and Appraiser 3 rates 6-8. Every candidate would wish to have Appraiser 2 as his appraiser. Although one may understand the variability with different rating styles of different appraisers, this may sometimes prove to be unfair to better performers as compared to average performers. In order to balance this phenomenon out, we make use of 'Normalization' process as described below.

- Mean value of the Performance Indicator Factor for an employee given by all reviewers at the same level in an organization is calculated and is denoted by 'P'.
- Mean value of Performance Indicator Factor given by each of the appraisers at the same level is calculated and is denoted by 'Pi'.
- A Correction Factor (CF) is then calculated for every appraiser and is denoted by CF= Pi/P.
- Performance Indicator Factor of each employee is then divided by his/her appraiser's CF which gives his/her normalized value, which is used for making management decisions.

As an example to explain the process of normalisation, consider 2 candidates 'X and 'Y' and 3 appraisers - 'A1', 'A2' and 'A3'. A1 usually rates candidates in the range 4-7 on a scale of 1-10; A2 rates 7-10 and A3 rates 3-6. Both candidates 'X' and 'Y' undergo an appraisal process and are rated by all 3 appraisers. Assuming their raw PIF as shown in the table, we compute the normalised score for 'X' and 'Y' for each appraiser.

Appraiser/Candidate	X	Y	P_i	CF for X	CF for Y
A1	5	7	6	1	1.058
A2	7	7	7	1.167	1.234
A3	6	3	4.5	0.75	0.793
P	6	5.67			

In the table above, the value of 'P' for candidates X is the average of the PIFs by all appraisers and similarly, the 'P' value for Y is the average of the PIFs by the same appraisers.

'P_i's are average of PIFs awarded by a particular appraiser to every employee. Correction Factors for each appraiser is calculated using the formula CF= Pi/P. For example, CF for the candidate for appraiser A2 is calculated as (Pi/P) = (7/6) = 1.167. The table below shows the normalised scores of both candidates and compares this to their raw scores.

Normalised Score for	A1	A2	A3
X	6	5.141	8
Y	5.36	4.594	7.15
Raw Scores for			
X	5	7	6
Y	7	7	3

As one may observe, a raw score of 3 on a scale of 1-10 for candidate Y by appraiser A3 is normalised to a score of 7.15 and thus may remove any biases or errors against candidate Y.

Performance Appraisal – The Process

The above procedure is described for performance appraisal. Similar procedure may be employed for competency assessment of every employee. Based on these results, corrective and developmental initiatives may be taken by both the employee and the organisation. The process would be beneficial when there is two way communication between employee and appraiser and by conducting these assessments periodically; preferably one half yearly performance and competency assessment for developmental purpose and an annual performance and competency assessment for determining compensation for the employee in addition to his/her developmental initiatives.

Based on the results of performance appraisal and competency assessment of an employee, appropriate feedback and employee development plans are formulated.

Feedback Objectives

- To give candid feedback about employee performance against set goals.
- Assess the application of employee knowledge, skills and competencies.
- Understand employee Performance, Growth Values and Overall Ratings.
- To discuss employee career interests.
- Identify employee development needs and growth areas.

An example of feedback for an employee named 'Chandra' (imaginary name) for the Competency 'Communication' would be on the lines below.

Table 30- Sample Feedback of an Employee for the Competency 'Communication'

You have made significant progress in this area since last year. Your written skills are good and you are able to convey messages effectively. Although your verbal communication has improved, there is still room for improvement. You could involve your audience more by making your discussions more interesting. You should also be more prepared in your one on one discussions so that you may lead the discussions. You could pursue courses on presentation and communication skills available within the organisation.

Highlights:

- Verbal Communication needs to be improved.
- Should come prepared for meetings and discussions.
- Chandra has made significant progress in terms of written and verbal communications as part of our key projects during the year.
- Needs to speak up more. Sometimes he speaks only when asked to. He knows a lot and should talk about it more often.

This helps in development of an employee as an individual as well as a contributor to the organisation. This is explained in detail in Career Development Section. A sample developmental plan template is as shown

Table 31- Template for Individual Development Plan

Sl.No	Competency/Skill	Inadequate	Needs Improvement	Satisfactory with scope for improvement	Expectation met	Expectations Exceeded	Exceptional	Developmental Activity
1-a	Business Awareness	◯	◯	◯	◯	◯	◯	
	Ideal Behaviour	• Exhibits awareness about industry developments • Exhibits awareness about competitors • Exhibits awareness about legal issues pertaining to business • Knows business issues of the organisation well • Aware of various costs related to the business • Exhibits awareness of current and potential technologies that impact the operations of the firm						
	Observed Behaviour							
1-b	*Technical Expertise*	◯	◯	◯	◯	◯	◯	

	Ideal Behaviour	• Cognizant of the technical processes • Exhibits knowledge of product and its uses • Exhibits awareness of costs of resources involved • Exhibits awareness of safety measures to be undertaken • Cognizant of attributes related to quality of product and efficiency of the process	
	Observed Behaviour		
1-c	*Process Awareness*	⬭ ⬭ ⬭ ⬭ ⬭ ⬭	
	Ideal Behaviour	• Cognizant of business processes • Cognizant of resources required for various processes • Knows and exhibits the importance of documentation	
	Observed Behaviour		

	Succession Stage					
	Suitable for Below Jobs	**Time when Ready**				
		4 Years	2 Years	1 Year	6 Months	Now
1		⬭	⬭	⬭	⬭	⬭
2		⬭	⬭	⬭	⬭	⬭
3		⬭	⬭	⬭	⬭	⬭

And so on for all other identified competencies as mentioned in the competency framework section.

The Performance Management System may be summarised as below.

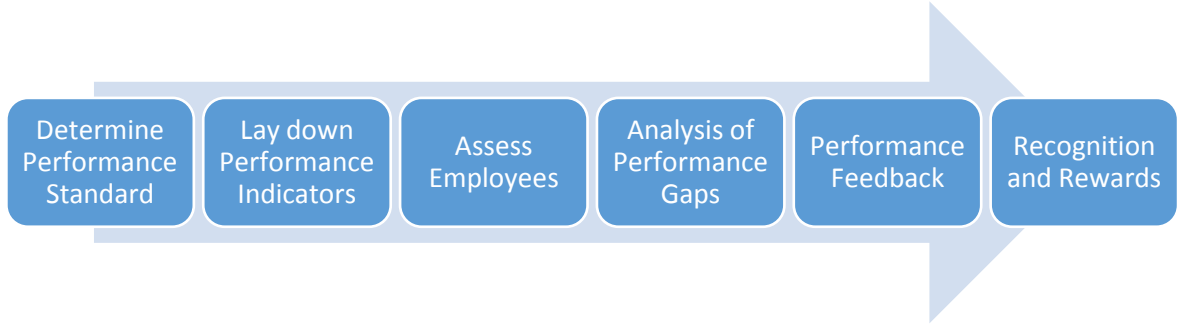


Figure 12- Performance Management System

This may be effectively followed through the below Performance Management Cycle which splits the above activities into various phases.

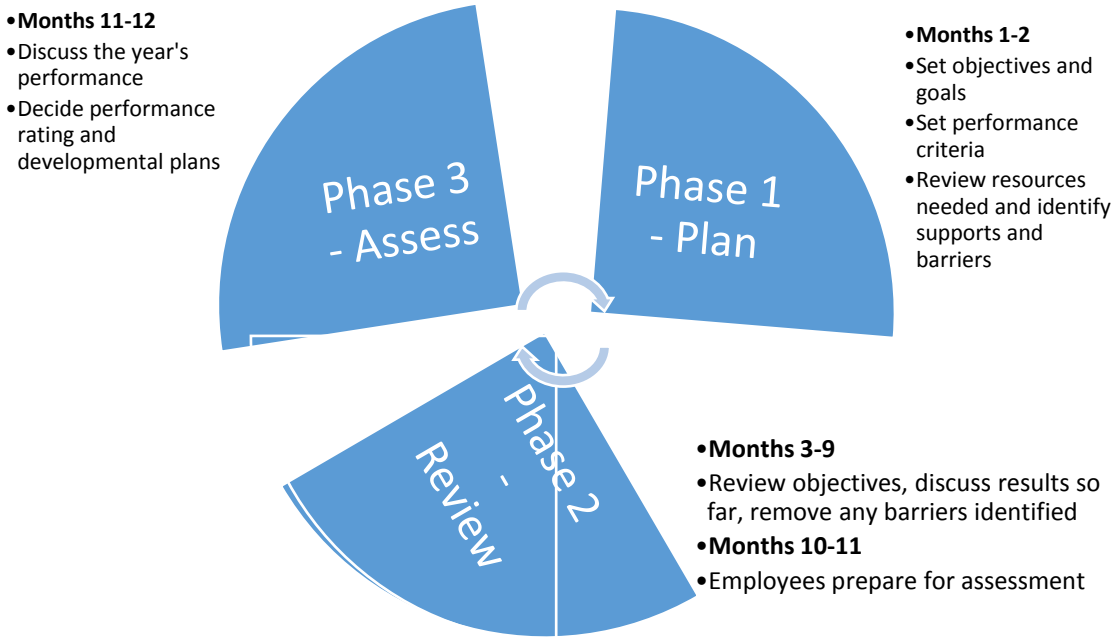


Figure 13- Phases of Performance Management

Succession Planning

Succession Planning

Succession planning may be defined as the process of preparing for and replacing identified employees who have held positions of importance which is/may be critical to organisation's continued success.

In simple words, succession planning refers to the determining of who will fill the critically identified role when it opens. It evaluates the quality and the readiness of the successors. The process could be viewed short term (3-5 years) as well as long term (beyond 5 years) depending on the position identified.

Objectives of Succession Planning

1. To identify and pre-emptively plan for replacements of vital positions by developing an arsenal of potential successors by way of knowledge transfers and employee development.
2. To develop and implement a framework that identifies required competencies for key positions; identifies and prepares potential successors to attain required competencies by means of training and development programs.

Succession Planning Process

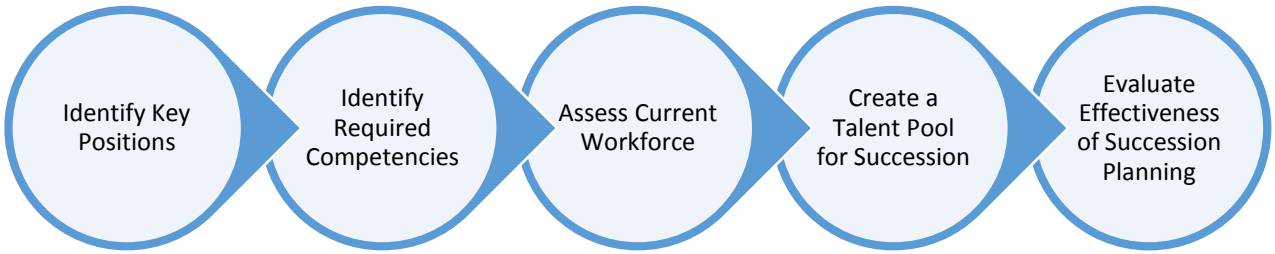


Figure 14- Succession Planning Process

1. Identify Key Positions

Key positions may be defined as those that strongly influence the operational activities that may be critical to the overall business objectives of an organisation.

Tools to identify key positions

- Conduct Workforce Analysis using Software – Develop Workforce Profile for retirement, Workforce Turnover Rates, Current Vacancies, and Projections etc.

- Risk Assessment Index (RAI) Calculator

This is a 5*5 matrix which measures the importance of a position and denotes the priority for succession planning. On one axes, is the **Vacancy Index** and on the other is **Position Criticality Index**

Vacancy Index – This denotes an estimate of when the key position would become vacant. It can be based on employee retirement age (easier to estimate) or could be based on results from a statistical study of employee happiness index (hypothetical guestimate). It ranges from 1 to 5 with 5 denoting highest importance and is described below.

Table 32- Vacancy Index Interpretation

INDEX	MEANING
5	Vacancy likely within 1 year
4	Vacancy likely within 1-2 years
3	Vacancy likely within 2-3 years
2	Vacancy likely within 3-5 years
1	Vacancy likely beyond 5 years

Position Criticality Index - This denotes the level of difficulty or effort needed to prepare for and find replacement for key identified position. The responsibility of identifying the index value for key identified positions may lie with Managers (Top and Mid-level) and would be based on the following guidelines.

Table 33- Position Criticality Index Guidelines

Index	Guidelines
5	• **Knowledge is not documented.** • **May be required to incur long term training costs (3-5 years).** • **No ready alternatives available.**
4	• **Critical knowledge requirements exists for the position** • **Limited documentation exists.** • **May be required to incur training costs (2-4 years).**
3	• **Documentation exists.** • **Other employees may substitute as they possess necessary knowledge and skills** • **Employees may start delivering after 1-2 years of training.**
2	• **Knowledge is procedural and clearly documented.** • **Training employees would require less than 1 year.**
1	• **Most of the knowledge and skills for the position is 'common and well known' by most employees.** • **Replacement may be readily available.**

The Risk Assessment Index is calculated by the product of Vacancy Index and Position Criticality Index and is represented in one of the blocks of the matrix below

Table 34- Risk Assessment Index Matrix

Vacancy Index	**Position Criticality Index**					
		1	**2**	**3**	**4**	**5**
	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5

Based on where the Risk Assessment Index falls in the matrix above, we prepare a priority list in descending order of Risk Assessment Index obtained. The highest RAI will have highest priority. In case of a tie, the position of priority may be chosen arbitrarily.

Colour	Importance
	Top most Priority
	High Priority
	Important but discretionary
	Not Important

2. *Identify Required Competencies*

One of the key aspects of planning for succession is the identification of competencies necessary to be effective in delivering apt performance in the designated role. The section describing the competency framework describes the tools to be used in identifying competencies for various designations. The two most important elements include workforce analysis and job analysis which is described in the section mentioned above.

3. *Assess Current Workforce*

Once key positions are identified and competencies associated with every profile is known, the next step involves accessing current workforce to know the readiness of the workforce to take up key positions in the organisation. This assessment is performed at the 'Assessment Centre' of the organisation. The procedures and tools used for the assessment are described in the Assessment Center section.

Frequency of Assessment – Once every year.

4. *Create a Talent Pool for Succession*

The assessment centre evaluates current workforce for its readiness as seen in the previous step. But this alone may not suffice in identifying the right talent for succession. An organisation is required to look for potential talent both within and outside the organisation for which it may follow one or more of the strategies mentioned below.

- Recruitment
- Employee Development
- Knowledge Transfers
- Employee Retention Activities

The core idea is to develop a 'Talent Pool' of potential successors or key identified positions.

Tool: 9-Box Grid

By using the results from the Assessment Center (Explained in the Assessment center) and by measuring the performance through performance appraisal mechanism (Explained in the Performance Management Section), we develop a 3*3 matrix and place employees into one of the 9 boxes.

The Behaviourally Anchored Rating Scale developed in the Competency Mapping Framework has 6 Grades. The BARS is used for evaluation in case of Assessment Center as well as for Performance Management. The 9-Box Grid has 9 slots. This 3*3 matrix may be imagined to denote the 3 states of assessment – Low, Medium and High for Potential Assessment and Performance Assessment respectively. The BARS may be modified so as to fit the 9-Box Grid seamlessly.

Rating	Marks	Grade	
1	0-39	Inadequate	Low
2	40-55	Needs Improvement	
3	56-69	Satisfactory with scope for improvement	Medium
4	70-81	Expectation met	
5	82-92	Expectations Exceeded	High
6	93-100	Exceptional	

Based on the Average Rating obtained by the candidate in Assessment Center Exercises as well as Performance Management Evaluation, he/she will fall in one of the 9 slots of the 9-Box Grid. The meaning and interpretation of each slot in the grid is mentioned below

Table 35- 9 Box Grid

Potential				
	High (Turn)	**Enigma** High potential but underperforming. Must be an uninteresting job for him/her.	**Growth Employee** Displays high potential. Is a highly valued talent. Needs challenges/rewards and development.	**Future Leader** Displays high potential. Highly suitable for senior position' succession. Reward and promote.
	Moderate (Growth)	**Unsure Hire** Displays moderate potential. Scope for providing better challenge and creating developmental opportunities.	**Core Employee** Ideal candidate for grooming as he/she shows right potential and has positive outlook in terms of performance.	**Impact Performer** Contributes strongly but with motivation and development may be turned into either a Growth Employee or a Future Leader.
	Low (Expertise)	**Wrong Hire** Needs heavy investment in Talent management. May not fit the organisation.	**Effective** Almost reaching a saturation level of performance. Needs motivation for performing better. May become bored and hence may require engagement activities.	**Saturated Professional** Expert in his job but has reached a saturation level. Along with developmental activities, rewards/recognitions and retention strategies required.
		Low	**Moderate**	**High**
		Performance		

Source - http://www.ctp.uk.com/uploaded/documents/White%20Paper%20-%20Talent%20Management%20and%20Succession%20Planning.pdf

Based on where the employee is placed in the grid, appropriate strategies such as Development, Recognition, and More Challenges to the employee etc. may be formulated. The actions to be taken are briefly mentioned in the respective slots in the 9-Box grid above. The detailed explanation, however is given in Career Management section. The basic idea here is to move the employees up towards the Top-Right slot as these employees are highly suited to replace key identified positions.

One needs to make sure that a pool of employees must be already present in the 'Future Leader' Slot before the time for succession comes. This calls for respecting the time constraints associated with the career management and other strategies undertaken for moving the employees up the 9-Box Grid.

Ideal Percentage of Talent Mix to be possessed at any time by an organisation to be effective in Succession planning is shown below. Since an organisation goes through different stages in its lifecycle, the mix of talent required at every stage also varies.

Table 36- Ideal Percentage of Talent Mix - 9 Box Grid Constituents for various stages of organisation lifecycle

15%	**15%**	**5%**		**10%**	**10%**	**5%**		**10%**	**10%**	**15%**
20%	15%	5%		20%	15%	5%		10%	10%	15%
5%	15%	5%		5%	20%	10%		10%	15%	5%
Start-Up				**Growth Stage**				**Mature Stage**		

5. *Evaluate Effectiveness of Succession Planning*

In order to ensure that the succession planning process is working in an organisation, periodic and systematic evaluative and monitoring activities need to be carried out.

- Every organisation is different in terms of business objectives, the path it adopts to achieve the objectives, the culture, the hierarchy of command followed and many such small but important things. Hence, preparing and maintaining success stories for planned successions would act like a folklore which would be both a guide as well as an account of mistakes to avoid.
- Conducting Periodic surveys of employees and exit interviews of candidates leaving the organisation gives an idea of an overall mood of the workforce. Studying their responses statistically would reveal areas of improvement along with knowing 'what is being done well'.
- Calculating the percentage of people who were successful out of all those who filled the critical position through succession planning process gives a statistical confirmation of the process' success. However, the number alone may not be a fair way to judge the effectiveness of the process.

What to look for in measuring the effectiveness of Succession Planning?

- A pool of qualified candidates always exists for an organisation for its key identified positions.
- Key identified positions are filled in a timely and efficient manner seamlessly.
- Managers, peers and other appropriate stakeholders appreciate the competencies and learning interests of others in an organisation.
- Knowledge essential for an organisation's operations are retained when employees leave the organisation or shift to another department or assume a more challenging leadership role in the same organisation.

Career Management

Career Management

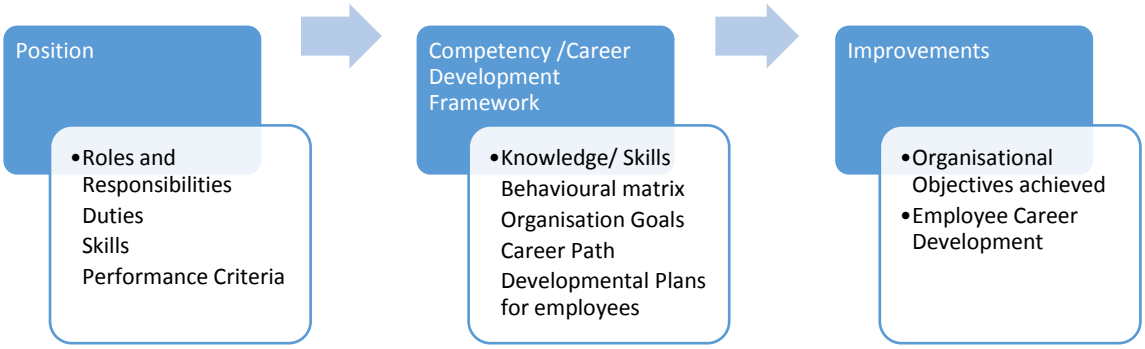
Introduction

Career Management may be defined as a continuous process of devising, implementing and supervising career plans of an employee either by the employee individually or in line with opportunities present within the organisation.

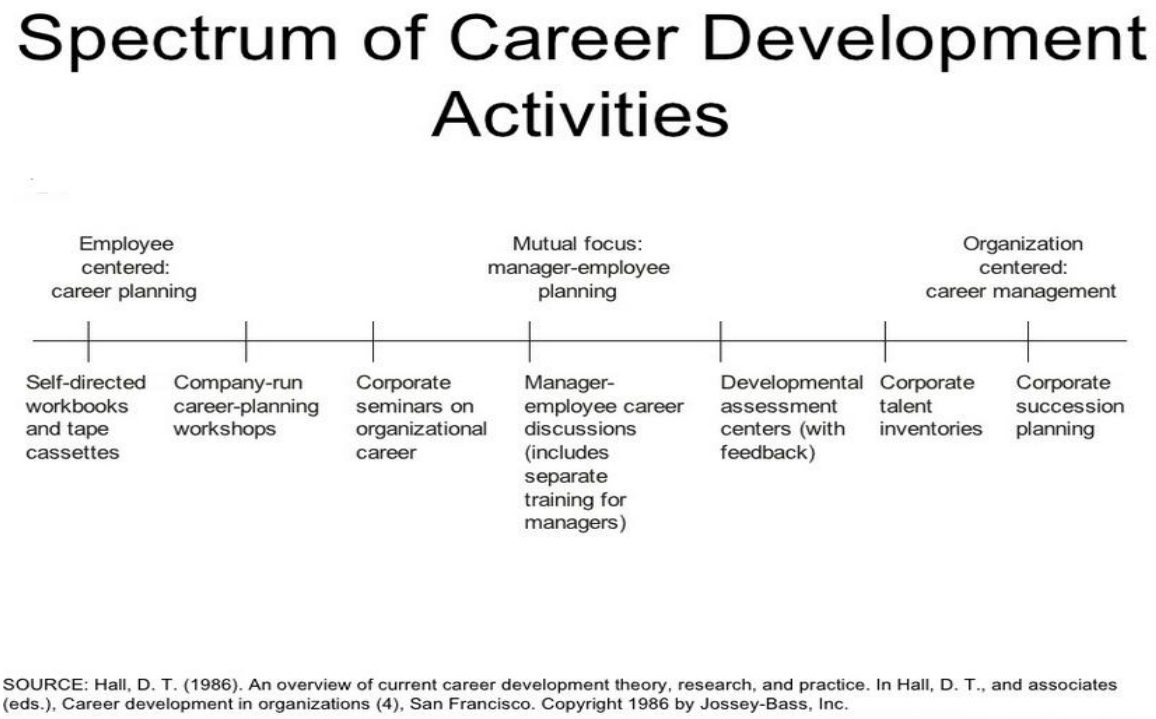
We make use of the competency mapping framework to map the skills of an employee to his/her job. A competency model is devised where group of competencies required for a job are defined using behavioural matrix to determine the extent of proficiency necessary for a job.

This helps employees build their skills relative to desired job which has clear explanations about various levels of performance as defined in the behavioural matrix and helps shape a flexible career path.

The figure below summarises the above points.



Career Management could be viewed in multiple dimensions depending on which entity is being focussed. This is explained by D.T. Hall and is shown in the figure below



SOURCE: Hall, D. T. (1986). An overview of current career development theory, research, and practice. In Hall, D. T., and associates (eds.), Career development in organizations (4), San Francisco. Copyright 1986 by Jossey-Bass, Inc.

Figure 15- Different ways of looking at Career Development

Why Career Management?

The organisation's engagement in working for its employees' career planning helps it maintain sufficient workforce inventory for current as well as future needs. It is this balance that creates a mutually beneficial environment for the two.

This helps the organisation fill key positions in a timely fashion through succession planning.

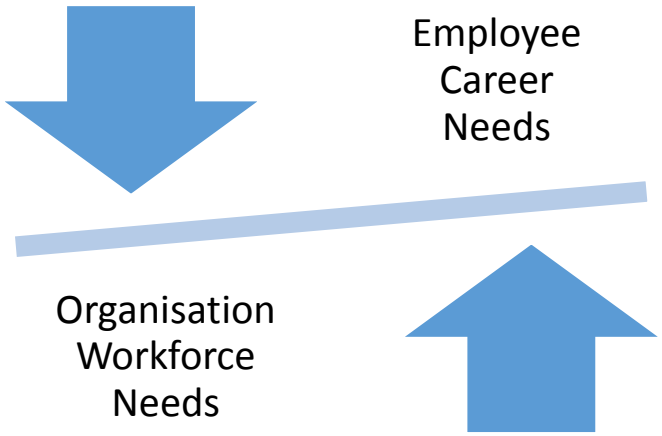


Figure 16- Balancing Employee Career Needs and Organisational Workforce Needs

Career Management – The Process

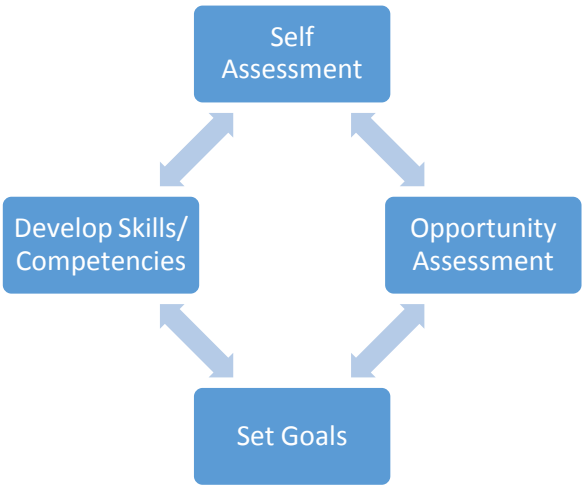


Figure 17- Career Management Process

An organisation should be able to provide a platform to its employees to assess himself/herself, career paths available in the organisation exclusive for the employee and help the employee formulate a plan to traverse the chosen career path successfully.

➢ Self-Assessment

The employee assesses what factors would make him/her irreplaceable in the organisation. These factors determine the value that the employee adds to the organisation. The factors are as below

- **Demand** – Determining current and future market demand for possessed skill set.
- **Ability** – Determining things done to improve the ability in the current position
- **Irreplaceability** – Assessing competition to current position and what makes the employee sustain the job (Domain knowledge, Process knowledge or some other factor).
- **Focus** – Determining ability to focus on activities considered to be valuable.
- **Collaborative Approach** - Determining how well an employee works with others.
- **Authority** – Determining whether an employee is considered an expert at his/her work and consulted in this regard by peers.

Source: Invaluable: The Secret to Becoming Irreplaceable, by Dave Crenshaw

Self-Assessment also includes assessing an employee's Role Fit, Work-Life Balance, Personality Assessment (Myers-Briggs Type Indicator (MBTI)).

Tools for Self-Assessment:

- **Workshops**
  - ❖ Career Planning Workshops
  - ❖ Personality Type And Career Assessment through Myers-Briggs Type Indicator
  - ❖ Career Interests Workshop
  - ❖ Role Fit or Values Related to Job
- **Career Counselling Centers**
- **Online Tools**

➢ Opportunity Assessment

This involves making available to the employees the knowledge of career paths and various job opportunities within the organisation along with knowledge, skills and competencies necessary for those jobs.

An example for **career path** of an employee joining as an executive/ engineer in the chosen manufacturing organisation for the Production Shop department would look like

Junior Engineer by 2014

Senior Engineer by 2017

Manager by 2020

Senior Manager by 2023

General Manager, Plant by 2027

Managing Director by 2030

➢ Set Goals

Figure 18- Goal Setting Process

Once Self-Assessment and career opportunities are looked at, employees are then motivated to set clear and precise career goals. This step also includes setting up individual development plans for employees. A sample Employee Career Development Plan is as shown in the performance management section.

➢ Develop Skills/Competencies

In order to achieve the set goals and ultimately for one's career development, required competencies and skills are to be developed. This development, as planned in the previous step is best achieved using the 70-20-10 rule as described below.

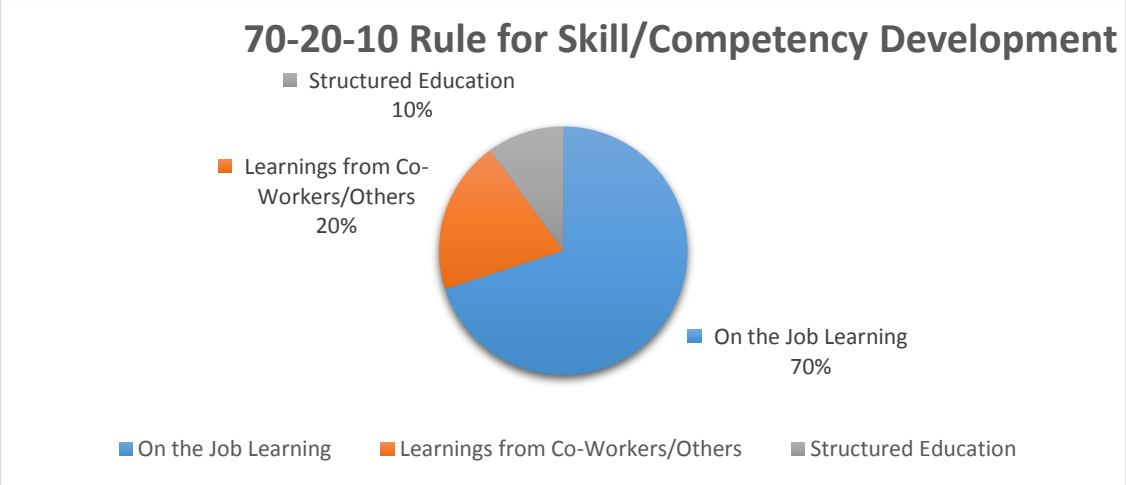


Figure 19- 70:20:10 Rule for Skill/Competency Development

The following table identifies key strategies and the appropriate way to use them for employee development. This should however be used in fulfilment of the 70-20-10 rule described above.

Table 37- Career Development Strategies

STATEGY	EFFECTIVE USE	RIGHT AND WRONG USE
MENTORING PROGRAMS	For the identified High Potential individuals through Assessment Center exercises	**Right:** To build ownership interest in high potential individuals and build familiarity. **Wrong:** To build specific skills.
ON THE JOB TRAINING	A detailed training plan is developed in the sequence - Tell--> Show--> Perform--> Follow up	**Right:** When employee currently holding the job is a role model or is very good at his/her work and can explain to others about the job well.
JOB ROTATION PROGRAMS	1. Individual Development Plan states the objective of Job Rotation. 2. Learnings that the employee may gain is ensured for future work requirements. 3. Employee is continuously monitored through periodic feedback.	**Right:** When there is enough time and sufficient scope for job rotation. **Wrong:** When time and staff act as constraints.
TAILOR-MADE IN HOUSE CLASSROOM COURSES	Have clear learning objectives related to work requirements for individual employees	**Right:** When in-house expertise is missing. When time is not a constraint for learning needs. **Wrong:** When experiential learning is the need of the hour.
IN-HOUSE GROUP COURSES	1. Known learning needs that may be shared across many employees. 2. Training material from commercial publishers is identified.	**Right:** Several employees share a common learning need. When right training materials can be identified.

	3.Courses delivered to groups	
OFF THE JOB DEGREE PROGRAMS	1. Job related courses may be tied with work requirements. 2.An incumbent or a potential successor may be asked to complete the course as part of his/her development plan	**Right:** When specialised individual needs or development activity may not be possible through other training methods.

Conclusion

One of the biggest challenges for any organisation in recent times has been managing talent. This has been the phenomenon globally with demand far exceeding the supply. This coupled with factors like globalisation, changes in demographic composition and improvements in working environments call for an effective Talent Management System which is flexible, scalable, and cost effective for it would integrate most HR functions. A Competency Based Model helps achieve the objective of integrating various HR functions seamlessly.

Appendices

Appendix A – An example showing the implementation of Succession Planning and Career Development

Consider an organisation planning for succession for the position of Manager, R&D Department. We follow the same steps as mentioned in the succession planning process. It is observed that the position under consideration is likely to be vacant in the coming year as the current manager is likely to retire by then.
This makes its **Vacancy Index = 5.**

The characteristics of the position of Manager, R&D Department are

- **Critical knowledge requirements exists for the position**
- **Limited documentation exists.**
- **May be required to incur training costs (2-4 years).**

This makes its **Position Criticality Index = 4.**

Thus **Risk Assessment Index** = **Vacancy Index * Position Criticality Index = 5*4**

Risk Assessment Index = 20

The Risk Assessment Matrix for the position looks like

Vacancy Index	**Position Criticality Index**					
		1	**2**	**3**	**4**	**5**
	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5

For this position of Manager, R&D, the base competency chart which shows the various competencies necessary to serve in this position is as shown

SL.NO	**COMPETENCY**	**RATINGS (1-LEAST REQUIRED, 6 - MOST REQUIRED)**
		1 2 3 4 5 6
	1 - Job Related or Functional	
1-A	Business Awareness	
1-B	Technical Expertise	
1-C	Process Awareness	
	2- Managerial	
2-A	Leadership	
2-B	Planning	
2-C	Organising	
2-D	Execution	
2-E	Decision Making	
2-F	Delegation	
2-G	Analytical Ability	
2-H	Cross Functional Focus	
2-I	Customer Orientation	
	3- Cognitive	

3-A	Innovation	
3-B	Strategic	
	4- Behavioural or Humane	
4-A	Communication	
4-B	Networking	
4-C	Influencing	
4-D	Growth Predilection	
4-E	Team Work	

Competency Type	**Designated Colour for Identification**
Core	
Auxiliary	

It has been decided by stakeholders that

MINIMUM LEVEL OF COMPETENCY REQUIRED

	Core Competency	**Auxiliary Competencies**
LEADER	7	3
MANAGER	5	4
EXECUTIVE	4	3

This signifies that the successor of this position needs to possess at least 5 core and 4 auxiliary competencies from the list above for a claim.

The current workforce is then assessed for readiness to fill the vacancy in the coming year. For simplicity, we can imagine two candidates being assessed and we name them Mr Vikas and Mr Chandra. Both candidates undergo a predesigned one day assessment center exercises listed below.

Exercise	Time Limit
Psychometric tests	1 hour
In-Basket	1.5 hrs.
Presentation	45 minutes. (30 minutes for preparation and 15 minutes for presentation)
Behavioural Interview	20 – 40 minutes.

The results of the candidates may be imagined as below. For sake of simplicity, only the competency 'Communication' is assessed, interpreted and development plans are formed.

Mr Vikas, Senior Engineer, R&D seeking for

	Role - Manager, R&D				
Sl.No	Competency	Minimum Marks	Rated Marks	Grade	Competency Satisfied
	1 - Job Related or Functional				
1-a	Business Awareness*	56-81	60	Satisfactory with scope for improvement	Yes
1-b	Technical Expertise*	70-92	80	Expectation met	Yes
1-c	Process Awareness*	40-69	65	Satisfactory with scope for improvement	Yes
	2- Managerial				
2-a	Leadership	0-55	58	Satisfactory with scope for improvement	Yes
2-b	Planning*	56-81	50	Needs Improvement	No
2-c	Organising*	70-92	75	Expectation met	Yes
2-d	Execution*	70-92	65	Satisfactory with scope for improvement	No
2-e	Decision Making	40-69	30	Inadequate	No
2-f	Delegation*	56-81	50	Needs Improvement	No
2-g	Analytical Ability*	70-92	80	Expectation met	Yes
2-h	Cross Functional Focus	40-69	50	Needs Improvement	Yes
2-i	Customer Orientation	40-69	45	Needs Improvement	Yes
	3- Cognitive				
3-a	Innovation*	70-92	60	Satisfactory with scope for improvement	No
3-b	Strategic	70-92	45	Needs Improvement	No
	4- Behavioural or Humane				
4-a	Communication*	56-81	85	Expectations Exceeded	Yes

4-b	Networking	40-69	50	Needs Improvement	Yes
4-c	Influencing	56-81	55	Needs Improvement	No
4-d	Growth Predilection	70-92	65	Satisfactory with scope for improvement	No
4-e	Team Work*	56-81	60	Satisfactory with scope for improvement	Yes
	* Core Competencies				

Competency Assessment			
Core		**Auxiliary**	
Required	Satisfies	Required	Satisfies
5	7	4	4

Mr Chandra, Senior Engineer, R&D seeking for

	Role - Manager, R&D				
Sl.No	Competency	Minimum Marks	Rated Marks	Grade	Competency Satisfied
	1 - Job Related or Functional				
1-a	Business Awareness*	56-81	25	Inadequate	No
1-b	Technical Expertise*	70-92	65	Satisfactory with scope for improvement	No
1-c	Process Awareness*	40-69	45	Needs Improvement	Yes
	2- Managerial				
2-a	Leadership	0-55	30	Inadequate	Yes
2-b	Planning*	56-81	45	Needs Improvement	No
2-c	Organising*	70-92	50	Needs Improvement	No
2-d	Execution*	70-92	55	Needs Improvement	No
2-e	Decision Making	40-69	20	Inadequate	No
2-f	Delegation*	56-81	40	Needs Improvement	No
2-g	Analytical Ability*	70-92	75	Expectation met	Yes

2-h	Cross Functional Focus	40-69	42	Needs Improvement	Yes
2-i	Customer Orientation	40-69	38	Inadequate	No
	3- Cognitive				
3-a	Innovation*	70-92	50	Needs Improvement	No
3-b	Strategic*	70-92	55	Needs Improvement	No
	4- Behavioural or Humane				
4-a	Communication*	56-81	65	Satisfactory with scope for improvement	Yes
4-b	Networking	40-69	45	Needs Improvement	Yes
4-c	Influencing	56-81	40	Needs Improvement	No
4-d	Growth Predilection*	70-92	45	Needs Improvement	No
4-e	Team Work*	56-81	50	Needs Improvement	No
	* Core Competencies				

Competency Assessment			
Core		**Auxiliary**	
Required	Satisfies	Required	Satisfies
5	3	4	3

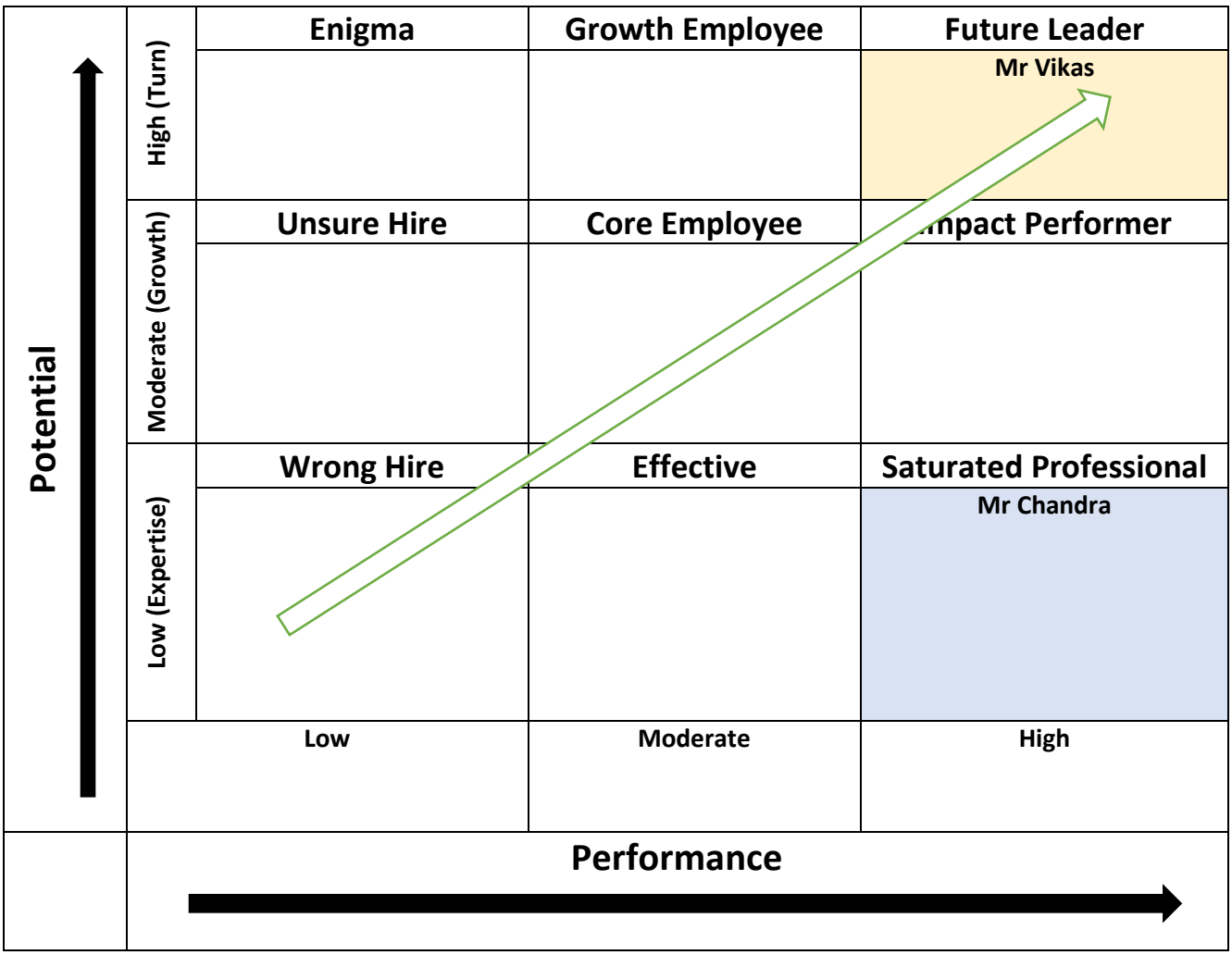
The behavioural competency judging criteria for 'Communication' is mentioned in the Competency Mapping section.

Clearly, from the above results, Mr Chandra fails to qualify the Competency Assessment and Mr Vikas clears it. The Competency Assessment assesses the potential of a candidate for succession.

In a similar manner, a candidate's performance is assessed as described in the Performance Management Section where a **Performance Indicator Factor** is calculated for every candidate after having it normalised to remove errors and bias.

Based on the above, a candidate may be placed in a 9-Box Grid explained in the Performance Management section. Here, we assume the 9-box Grid to accommodate Mr Vikas and Mr Chandra as shown.

Table 38- 9-Box Grid Placement for sample candidates



Mr Vikas is suitable for the promotion and may work on other areas of improvement noted from the Assessment Results.

The Grid indicates that Mr Chandra is a high performer but does not exhibit enough potential for growth.

Now, as far as Mr Chandra is concerned, he wishes to grow in his career and achieve his career targets he set himself. This is shown in his career path as shown

Senior Engineer by 2014

Manager by 2016

Senior Manager by 2020

General Manager, Plant by 2023

Managing Director by 2030

Mr Chandra would need to work on improving his skills and competencies so that he may become a potential candidate for succession considerations in future as well as improve his performance. Therefore, he would need to be equipped with necessary skills and competencies required for serving as a Manager by 2016.

In order to aid Mr Chandra, the organisation works with him by providing guidance along with necessary training and development programs as described in the Career Management Section. This is coupled with periodic feedbacks. Feedback for Mr Chandra's Communication is as shown below.

You have made significant progress in this area since last year. Your written skills are good and you are able to convey messages effectively. Although your verbal communication has improved, there is still room for improvement. You could involve your audience more by making your discussions more interesting. You should also be more prepared in your one on one discussions so that you may lead the discussions. You could pursue courses on presentation and communication skills available within the organisation.

Highlights:

- Verbal Communication needs to be improved.
- Should come prepared for meetings and discussions.
- Chandra has made significant progress in terms of written and verbal communications as part of our key projects during the year.
- Needs to speak up more. Sometimes he speaks only when asked to. He knows a lot and should talk about it more often.

This helps in development of Mr Chandra as an individual as well as a contributor to the organisation. His Individual Development Plan to improve his 'Communication' would look like

Objective	Activity	Duration	Resources Needed	Special Comments (if any)
Improve Communication	Video/Audio tape yourself having discussion with co-workers. Correct your mistakes and repeat exercise	2-3 Months	Recording Gadget	Seek permission of co-workers if necessary.
	Practice asking variety of questions ranging from open ended to closed to clarifying and understand difference in responses received.	3-5 Months	NA	Discuss findings with your Manager and seek clarifications and feedback.
	Join Toastmasters International, an organisation for improving speaking skills	1 year	Membership	NA

	Role-play difficult/ sensitive issues with people you are comfortable with. Determine what words/actions serve as a deterrent and which help the conversation become effective	6 Months	NA	Discuss findings with your Manager and seek clarifications and feedback.
	Observe charismatic people communicating and learn	Always	NA	Discuss findings with your Manager and seek clarifications and feedback.

References

1. Guidelines for Best Practice in Integrated Talent Management, SHL People Performance, [viewed 20 May 2014]. Available from: http://www.shl.com/assets/resources/best-practice-integrated-talent-management.pdf
2. Job Description Writing Guide, [viewed 20 May 2014]. Available from: http://www.hr.pitt.edu/sites/default/files/documents/comp/pdf/jdHowToWrite_printerFriendly.pdf
3. Open Learning World .Com, [viewed 20 May 2014]. Available from: http://www.openlearningworld.com/books/Job%20Analysis%20and%20Evaluation/Job%20Analysis%20and%20Evaluation/Methods%20of%20Collecting%20Job%20Analysis%20Data.html
4. Magnifying glass image - http://www.clipartbest.com/cliparts/LcK/59E/LcK59Ekca.gif
5. Moore, Shelly, Reading the scale: a 5-point system is best for performance reviews, 2010 [viewed 20 May 2014]. Available from: http://blog.bloomware.com/2010/07/07/reading-the-scale-a-5-point-system-is-best-for-performance-reviews/
6. A Best Practices Guide to Workforce Planning for the Canadian Bus industry, [viewed 20 May 2014]. Available from: http://www.busgurus.ca/media/pdf/workforce_-planning-best-practices-guide-en.pdf
7. Public Service Commission of Canada, Managerial In-Basket Exercise (810), [viewed May 2014]. Available from: **http://www.psc-cfp.gc.ca/ppc-cpp/psc-tests-cfp/in-basket-810-eng.htm**
8. Byham, C. William, The Assessment Center Method and Methodology, New Applications and Technologies, DDI, [viewed 20 May 2014]. Available from: **http://www.ddiworld.com/DDIWorld/media/white-papers/AssessmentCenterMethods_mg_ddi.pdf?ext=.pdf**
9. White Papers: Normalization of Performance Evaluation Scores, [viewed 20 May 2014]. Available from: http://empxtrack.com/normalization-performance-evaluation-scores
10. http://hrweb.berkeley.edu/
11. Berzon, Judi, Practical Strategies for Succession Planning and Knowledge Management, [viewed 20 May 2014]. Available from: www.wef.org/WorkArea/DownloadAsset.aspx?id=3671
12. Jennings, Charles and Wargnier, Jerome, Effective Learning with 70:20:10- The new frontier for extended enterprise, [viewed 20 May 2014]. Available from: http://www.hrzone.com/files/siftmedia-hrzone/Cross%20Knowledge%20WP.PDF