



A STUDY ON COMPETENCY GAP ANALYSIS AND ITS INFLUENCE ON WORKFORCE EFFECTIVENESS

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ABSTRACT

Competency Gap Analysis is an important strategic tool used by organizations to identify the difference between the existing skills of employees and the competencies required to achieve organizational goals. In today's competitive and rapidly evolving business environment, organizations must continuously evaluate and develop their workforce capabilities to maintain productivity and innovation. Competency gap analysis helps managers understand where employees currently stand in terms of knowledge, skills, and abilities, and what improvements are necessary to meet performance expectations.

This study examines the concept and significance of competency gap analysis in human resource development and organizational performance. It focuses on identifying skill deficiencies, evaluating employee competencies, and designing appropriate training and development programs to bridge the identified gaps. The analysis also highlights the role of competency mapping, performance appraisal, and learning interventions in improving workforce efficiency.

By systematically assessing competency gaps, organizations can make informed decisions related to recruitment, training, career development, and succession planning. The findings emphasize that effective competency gap analysis not only enhances employee performance but also contributes to overall organizational growth, adaptability, and long-term sustainability.

1. INTRODUCTION

In today's dynamic and highly competitive business environment, organizations must continuously enhance employee capabilities to achieve sustainable growth and superior performance. Rapid technological advancements, globalization, and changing market demands require employees to possess updated knowledge, skills, abilities, and behavioral competencies. In this context, **Competency Gap Analysis (CGA)** has emerged as a strategic human resource management tool that helps organizations identify the gap between existing employee competencies and the competencies required to perform effectively.

Competency Gap Analysis is a systematic process of assessing the difference between the current skill levels of employees and the desired competency standards needed to meet organizational goals. It enables organizations to understand performance deficiencies, skill shortages, and

developmental needs at individual, team, and organizational levels. By identifying these gaps, management can design targeted training programs, development initiatives, succession planning strategies, and performance improvement plans.

Workforce performance and productivity are directly influenced by the alignment between employee competencies and job requirements. When employees lack critical skills or behavioral competencies, it results in reduced efficiency, errors, lower morale, and decreased organizational effectiveness. Conversely, when competencies are clearly defined, measured, and developed, employees perform more confidently and efficiently, leading to improved productivity and organizational success.

Competency Gap Analysis not only enhances individual performance but also supports strategic workforce planning. It helps organizations anticipate future skill requirements, adapt to technological changes,



and remain competitive in the industry. Furthermore, it promotes a culture of continuous learning and professional development, ensuring that employees are equipped to handle emerging challenges.

Therefore, the study of the role of Competency Gap Analysis in enhancing workforce performance and productivity is significant for understanding how structured competency assessment and development contribute to organizational excellence. This research aims to explore how identifying and addressing competency gaps can lead to improved employee performance, higher productivity levels, and sustainable organizational growth.

NEED OF STUDY:

- To identify the gap between existing employee competencies and required job competencies.
- To enhance workforce performance through systematic competency assessment.
- To improve organizational productivity by aligning skills with job requirements.
- To support effective training and development programs.
- To assist in strategic workforce and succession planning.
- To reduce performance deficiencies and operational inefficiencies.
- To adapt to technological advancements and changing market demands.
- To promote continuous learning and professional growth among employees.
- To strengthen talent management and retention strategies.
- To provide data-driven insights for better managerial decision-making.

SCOPE OF THE STUDY:

- To examine the existing competencies of employees within the organization.

- To identify gaps between required job competencies and current skill levels.
- To analyze the impact of competency gaps on workforce performance.
- To study the relationship between competency alignment and productivity.
- To evaluate the effectiveness of training and development programs in bridging gaps.
- To assess the role of competency gap analysis in strategic HR planning.
- To focus on selected departments or employees within the organization.
- To cover a specific time period of data collection and analysis.
- To concentrate on human resource and performance-related aspects.

OBJECTIVES OF THE STUDY:

- To identify the key competencies required for effective job performance within the organization.
- To assess the existing competency levels of employees.
- To determine the gap between required competencies and current employee capabilities.
- To analyze the impact of competency gaps on employee performance.
- To examine the relationship between competency alignment and workforce productivity.
- To evaluate the effectiveness of training and development programs in bridging competency gaps.
- To study the role of competency gap analysis in improving employee efficiency and effectiveness.
- To assess the contribution of competency gap analysis to strategic human resource planning.
- To provide recommendations for minimizing competency gaps within the organization.



- To enhance overall organizational performance through systematic competency development.

II. RESEARCH METHODOLOGY

1. Research Design

The study adopts a **descriptive research design**, as it aims to analyze the existing competency levels of employees and examine the relationship between competency gaps, performance, and productivity.

2. Research Approach

A **quantitative research approach** is primarily used to collect measurable data through structured questionnaires. Qualitative insights may also be included through informal discussions or interviews with HR managers.

3. Sources of Data

- **Primary Data:**
 - Collected through structured questionnaires, employee surveys, and interviews with managers or HR personnel.
- **Secondary Data:**
 - Collected from company records, HR reports, training manuals, journals, books, research articles, and official websites.

4. Sampling Method

- **Sampling Technique:**
 - Simple random sampling or convenience sampling (based on accessibility).
- **Sample Size:**
 - A selected number of employees from different departments of the organization.

5. Data Collection Tools

- Structured questionnaire
- Interview schedule

6. Data Analysis Techniques

- Percentage analysis
- Tabulation
- Charts and graphs

LIMITATION OF THE STUDY

- The study is limited to a specific organization or selected departments,

which may restrict generalization of results.

- The sample size may be limited, affecting the overall representation of the workforce.
- The study depends on the accuracy and honesty of respondents' responses.
- Time constraints may limit in-depth analysis of all competency areas.
- The research focuses mainly on HR and performance aspects, excluding detailed financial analysis.
- Rapid changes in technology and job requirements may alter competency needs over time.
- Secondary data used in the study may not fully reflect current organizational practices.
- Personal bias of respondents may influence survey results.
- The study may not cover all external factors affecting workforce productivity.
- Findings are applicable only to the period during which the study was conducted.

III. COMPETENCY GAP ANALYSIS

INTRODUCTION

Competency gap analysis (also called skills-gap analysis or competency mapping) is a systematic process for identifying the differences between the competencies an organisation currently has and those it needs to meet strategic goals. The activity sits at the nexus of HR strategy, learning & development (L&D), and performance management and is widely proposed as a lever for improving individual performance, team productivity, and organisational outcomes.

Definitions and conceptual clarity

Literature shows some variability in terms: "skill gap," "competency gap," and "competency mapping" are often used overlappingly, but scholarship stresses distinct emphases — **skills** (specific technical abilities), **competencies** (skills + behaviours +



attitudes), and **mapping** (the translation of role requirements into observable/assessable items). Several recent reviews call for a common operational definition because measurement and intervention design hinge on what exactly is being measured.

Methods used in competency gap analyses

Job/role analysis & competency modeling: subject-matter expert workshops, DACUM, behavioral event interviews.

- **Assessment of current state:** self-assessments, supervisor ratings, 360° feedback, tests/simulations.
- **Gap quantification:** difference scores between “required” and “current” competencies (qualitative and quantitative).
- **Prioritisation & ROI appraisal:** identifying critical gaps that constrain strategic objectives and estimating impact/cost. Practical toolkits and platforms (LMS, talent platforms) increasingly support these steps.

Methodological Approaches to Competency Gap Analysis

Academic literature identifies several established methodologies for conducting competency gap analyses:

Job and Role Analysis

Job analysis methods (e.g., DACUM, behavioral event interviews) map required competencies for roles. These often involve subject matter expert workshops and competency modelling to create competency frameworks. Such frameworks articulate expected behaviour and proficiency levels per role.

Current State Assessment

Tools to measure existing competencies include:

- Self-report surveys
- 360° feedback
- Performance appraisals
- Objective tests/simulations
- These assessments generate data on proficiency levels against required standards.

Quantifying Gaps

Gap measurement involves comparing *required competency levels* with *actual results*. Quantitative scores (e.g., difference scores or weighted discrepancy indices) can be used to prioritise gaps. More advanced organisations adopt analytics or AI tools for real-time gap tracking and modelling.

Identify competency gaps

The function “Identify competency gaps” contains two steps:

- 1) The calculation of overall competency gaps, which is done in the Competency Analyzer, and
- 2) The prioritization of the competency gaps calculated, i. e. the selection of those competency gaps that are to be filled through learning activities. The prioritization of competency gaps is done in the Competency-oriented Process Simulator.

Design learning process

Design of the learning process can be divided into two steps:

- 1) The choosing or creating of a suitable learning process template. This is the task of the Didactical Learning Modeller.
- 2) The assignment of learning resources to the templates, which is done in the Learning Process Configurator.

Execute learning process

Execution of the learning process mainly consists in a learner running through the process. Competency improvement of the learner is assessed during and at the end of the learning process.

Monitor learning performance

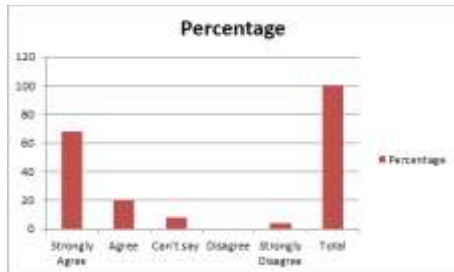
Performance monitoring contains an evaluation of the learning process based on soft criteria and of the business process based on performance indicators.

IV. DATA ANALYSIS & INTERPRETATION

1. Is the Training program introduced new concepts in your area of working?



Particulars	Strongly Agree	Agree	Can't say	Disagree	Strongly Disagree	Total
No. of Employees	68	20	8	0	4	100
Percentage	68	20	8	0	4	100

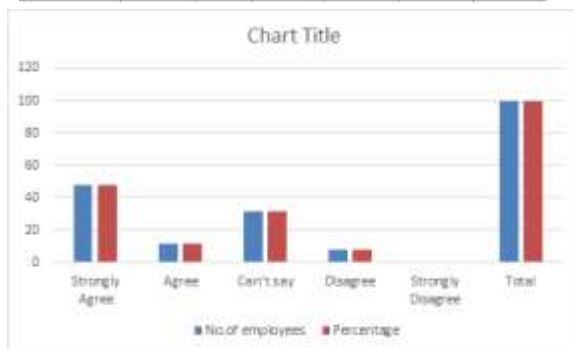


INTERPRETATION:

From the above information most of the executives agree that the Training program introduced new concepts in their area of work place.

2. Is the Training program introduced new concepts in area of your personality development/Human relations?

Particulars	Strongly Agree	Agree	Can't say	Disagree	Strongly Disagree	Total
No. of employees	48	12	32	8	0	100
Percentage	48	12	32	8	0	100

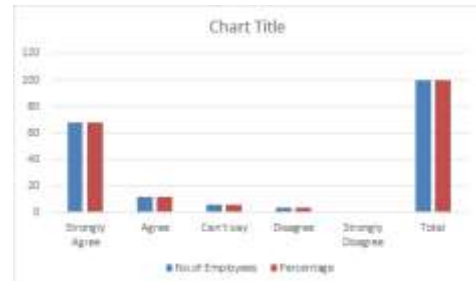


INTERPRETATION:

From the above information most of the executives agree that the training program introduced new concepts in area of their personality development/Human relations.

3. Is the Training program useful to you in your present job?

Particulars	Strongly Agree	Agree	Can't say	Disagree	Strongly Disagree	Total
No. of Employees	68	12	6	4	0	100
Percentage	68	12	6	4	0	100

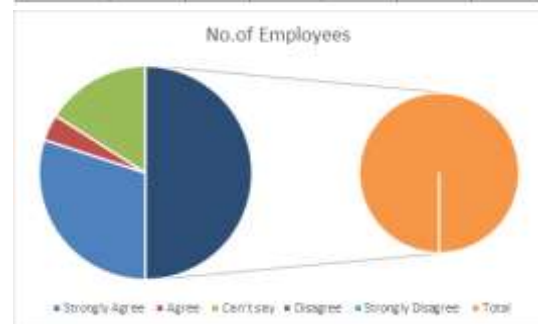


INTERPRETATION:

From the above information most of the executives agree that the training program useful to them in their present job.

4. Is the Training program helps you to prepare you for the future jobs in your area of working?

Particulars	Strongly Agree	Agree	Can't say	Disagree	Strongly Disagree	Total
No. of Employees	60	8	32	0	0	100
Percentage	60	8	32	0	0	100



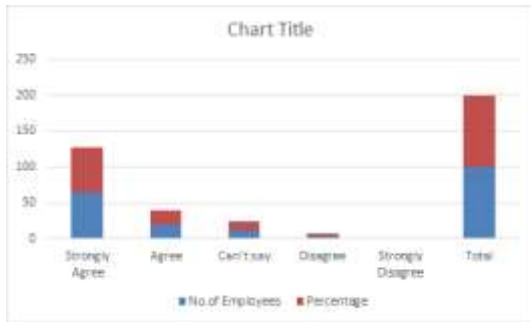
INTERPRETATION:

From the above information most of the employees agree that the Training program helps to prepare them for the future jobs in their area of working.

5. Is it helps you to take new challenges in your present job?



Particulars	Strongly Agree	Agree	Can't say	Disagree	Strongly Disagree	Total
No.of Employees	64	20	12	4	0	100
Percentage	64	20	12	4	0	100

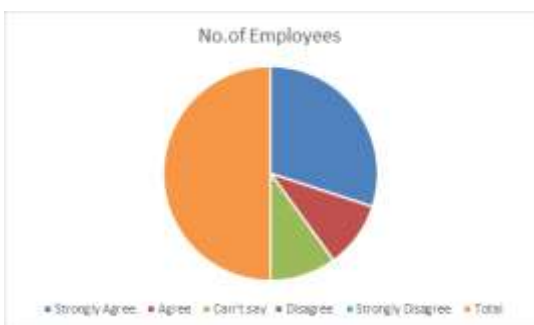


INTERPRETATION:

From the above information most of the employees agree that the Training Program helps them to take new challenges in their present job.

6. Is the Training program helps you to take new roles in this organization?

Particulars	Strongly Agree	Agree	Can't say	Disagree	Strongly Disagree	Total
No.of Employees	60	20	20	0	0	100
Percentage	60	20	20	0	0	100



INTERPRETATION:

From the above information most of the employees agree that the Training

Program helps them to take new roles in that organization.

V. FINDINGS, CONCLUSION, SUGGESTIONS

FINDINGS

- There is a healthy relationship between the peers, subordinates, superiors.
- In this organization maximum no. of employees are agree with the management considering their ideas and suggestions on some occasions only.
- In this organization Competency Gap programs will helps the employees in achieving both individual goals and organizational goals.
- Maximum no. of employees are satisfied with the Competency Gap conducted by HERITAGE.

SUGGESTIONS

- HERITAGE should conduct more and more Competency Gap programs related to the functional competencies of employees.
- HERITAGE should ensure that whenever they take feedback from employees their suggestions are taken into consideration and implemented as soon as possible this will make employees to give honest and appreciate feedback.
- HERITAGE in this regard should conduct a forum for feedback so that real time information is available with respect to training needs of the employees.
- Aim of any company is to be ensure that all employees apply techniques learnt in training program on the job hence at each level skill base training should be given.
- The need is for the management to bring the most efficient trainers to the training programs. Trainers can be selected on basic of their rating in the corporate world.



- Here the management has to improve the quality of Training programmers in HERITAGE a quality based approaches can be used.
- While evaluating the Training programmers the feedback will be collected each and every day in Training period. And also the feedback form can be distributed to the employees every day in the lunch break.

CONCLUSION

- Employers are gained knowledge at work place after attending this Training program.
- For new joiners in organization training method are conducted like coaching and besides orientation programs.
- Training will be very useful to employees in their present job.
- Training program helps employees to take new challenges in their present job.
- Most of the employees are using new skills in their present job.
- According to the training program employees to take new roles in the organization.
- With the help of training program employees will increase their productivity.
- After this Training program they are doing their job more confidently.
- Training program brought positive impact on employee behavior.

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