

## **COMPETENCY MAPPING AND ITS INFLUENCE ON EMPLOYEE RETENTION IN THE TELECOMMUNICATION INDUSTRY IN KENYA**

**Damaris Monari**

Lecturer; Department of Business Administration, Technical University of Mombasa, KENYA.

This paper will examine the influence of competency mapping on employee retention in the telecommunication industry in Kenya

### **ABSTRACT**

Employee retention is a key driver to the success of organisations in a hyper turbulent business environment. The performance of organisations is greatly determined by the ability to attract, maintain and retain workers who can positively contribute to the goals of the organisation. It is imperative that organizations establish talent management practices that can give it a competitive edge and lead to a high level of success. Competency Mapping determines the extent to which the various competencies related to a job are possessed by a job holder. Thus, competency mapping is a process used to identify and list out competencies that are most relevant and significant to carry out job in an effective manner. Competency based management systems set out performance requirements to increase precision and facilitate the recruiting and selection process. It offers a consistent framework for dialog on performance, growth and career issues between the manager and the employee. Critique of existing literature reveals that gaps exist on linking competency mapping to employee retention in the telecommunications industry and the study, therefore, sought to establish the effect of competency mapping on retention of employees in the telecommunication industry in Kenya. The study adopted a descriptive survey design and Slovin's formula was used to calculate the sample size. This yielded a sample size of 104 employees who were selected using stratified random sampling method. Information was collected by use of questionnaires which were subjected to pre-test to ensure both validity and reliability. Data analysis was done using both descriptive and inferential statistics. The study established that competency mapping had a positive influence on employee retention in the telecommunication firms in Kenya and therefore it is recommended that organisations carry out competency mapping in talent management practice in order to enhance employee retention.

**Keywords** – Talent management, Competency Mapping, Employee Retention, Telecommunication Industry.

## 1.0 Background of the Study

Employee retention techniques have evolved in every organization as the primary tasks of handling workers in a turbulent environment (Lee, Hom, Eberly & Li 2018). Recent research on organizational performance determinants has shown that high performing organisations place emphasis on optimizing employee capacity and using that for mutual gain and competitive advantage. In order to ensure that they maintain a competitive edge, it is critical that organisations implement appropriate human capital management practices (Sharda, 2016). Human capital management practices adopted play a crucial role in ensuring person, environment characteristics and organization fit. Organizations should therefore commit to finding employees who are ideally suited to the work requirements, adaptable to formation and job requirements, change and are loyal and committed to the organization. Crane, Henriques, Husted and Matten (2015) clarified further that potential workers want to find organizations, which take advantage of their specific skills and satisfy their particular needs as this enhances their job satisfaction and therefore retention.

There is great demand for productive and competent employees especially in the telecommunications industry, thus this has brought about vicious competition and scramble for the best and talented employees. Organizations have realized that attracting the best talent is increasingly difficult, but that they are also at risk of losing employees to competition. Many organizations' ability to keep the skilled employee is vital for survival. A latest survey of talent management showed at least 75% of CEO's agree to the assertion that the top most agenda for any progressive organisations is employee retention (CIPD 2016). The rate of retention translates to the number of workers retained by a company over a period of time. The higher the retention rate the better for an organisation since it also translates to a saving in terms of money and time and is also a benchmark for organizational success.

### 1.1 Statement of the Problem

Employee retention is one of the biggest problems both in the public and private sectors alike (Muma, Iravo, & Omondi, 2014). In the present competitive business world, there is growing value to effective talent management practices that can guarantee attraction and retention of qualified employees in order for organisations to maintain a competitive advantage in many organizations. Retention of employees have become a challenge for most organisations since they compete for the same talent pool (Kaangwria, 2014). The telecommunications industry is worst hit with some of the companies having over 20% of workers leaving within a year (Muteti, 2013). The key purpose of retention of workers is to avoid loss of talented staff, which may lead to an increase of hiring and training costs for new staff (Wakabi, 2016). The turnover rate at Safaricom Limited was estimated at 6.0% (Saudi Arabia, 2016) and 20% for Airtel (Nanzushi, 2015), while in Telkom Kenya the turnover was estimated at 35% (Muteti, 2013).

Korateng (2014) conducted a study on the influence of talent management on staff retention in Nigeria. The study established that key talent management strategies such as motivation, training, and career development, if adopted, would enhance employee retention. Several studies have been carried out on talent management (Wambui, 2012; Ochieng, 2015; Omondi, 2013; Ndung'u & Omondi, 2015) but the majority of these studies have focused on linking competency mapping to the performance of organisations. There is a dearth of literature on the influence of competency mapping on the retention of employees. Furthermore, the studies previously done focused on other sectors other than the telecommunications industry in Kenya (Waithiegi, 2015; Chepkwony, 2012). This study, therefore, aims to bridge this gap by evaluating the influence of competency mapping on employee retention in the telecommunication industry in Mombasa County.

## **1.2 Objectives of the Study**

The overall objective was to determine how competency mapping influences employee retention in the telecommunication industry in Mombasa County in Kenya.

## **1.3 Study Hypothesis**

**H<sub>01</sub>:** Competency mapping has no significant influence on employee retention in the telecommunication industry in Mombasa County in Kenya.

## **2.0 Theoretical/ Empirical Review**

The study was grounded on the Human Capital theory. A review of the theory provided a clear link between competency mapping and employee retention in the telecommunication industry in Kenya.

### **2.1 Human capital Theory**

Tan (2014) describes human capital as the characteristics to be brought into the workplace by an employee which include intellect, work-energy, enforcement, a positive attitude, reliability, and dedication. The human capital theory focuses on the direct economic impact of human capital expenditure on the growth of any business. Companies must create strategies that aim at increasing their employees' value.

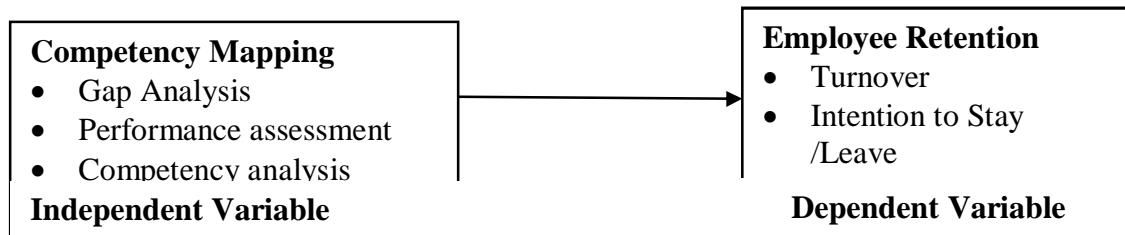
This theory assists in the evaluation of the influence people have on a business entity and the value addition on the shares by providing a measuring yardstick upon which future employees, business plans, and procedures are structured to improve on the effectiveness of Talent Management (Ochieng, 2016). The added value that people can contribute to an organization is emphasized by human capital theory (Armstrong, 2012). It considers people as assets and emphasizes that the investment by organizations in its personnel generates profitable returns. The theory therefore reinforces the beliefs of human resource management and human capital

management. The Human capital theory is closely associated with the resource-oriented perception of the organization, as referred to by Barney (2013).

According to this view, the sustained competitive advantage is achieved when the company has the human resources that cannot be imitated or substituted by its rivals in the market. The competitive advantage a company needs to survive is obtained by using methods different from those used by its competition; therefore, each company will try to find (consciously or not) rare resources that are impossible to imitate, copy or replaced (Buta, 2015). According to the Human Capital theory the stock of knowledge and all that implies the knowledge becomes the ultimate resource for companies, i.e. the resource that ensures / maintains competitive advantage; so human resources in organizations as equivalent to human capital, become in time an important vector in carrying the knowledge that is inimitable (Manolescu, 2003).

The theory is relevant in this research by the consideration of the employee stock of knowledge and capabilities as an asset whose potential value can be improved with investment. These principles are relevant in explaining competency mapping as a human capital management practice that seeks to match the employee's competencies to the organisation. The human capital management practices in the telecommunication's industry can be focused to the improvement of their employee's skills, ensuring a job, skills match as this enhances employee satisfaction and retention.

## 2.2 Conceptual Framework



**Figure 1: Conceptual Framework**

## 2.3 Review of variables

### 2.3.1 Competency Mapping

Competency mapping is a process which is used to identify knowledge, skills and ability needed to perform a task and useful in changing the attitude of employees towards work and organization (Dalvi, 2016). This typically involves an exploration of an individual's abilities in areas such as team management, teamwork and decision-making. It involves breaking down a specific job or role into the tasks or activities of the constituents and defining the skills necessary to carry out the same task effectively i.e. technical management and skills, behavior, intellectual understanding and attitudes (Nagesh, Kulenur, & Jagadeesh, 2017).

Through competency mapping, an individual's strengths and weaknesses can be identified and give direction towards career development prospects. This also enables identification of competency gaps by comparing the expected set of competencies required to perform a task/job with the actual competency of an employee (Jain, 2013). Competency mapping has always been the most precise means for identifying the job, behavioral and personal competencies required for an individual to perform better.

Competency profiling is the process by which skills needed for the jobs are measured, and competence mapping is called the system by which skills of workers are compared with the skills targeted (Königová, Urbancová, & Fejfar, 2012). Competency mapping identifies differences in requirements and ability, describes employee expectations in a way that is measurable, objective and defensible, and allows workers to go further than expectations. It improves the efficacy of training programs, by integrating them with the requirements for success. It offers a shared structure and language to address how key objectives can be applied and communicated. It gives a mutual understanding of the nature and specifications of a particular position and common organizational expectations for professional levels that enable employees to transfer across business boundaries.

Competency mapping also sets out performance requirements to increase precision and facility in the recruiting and selection process. It offers a consistent framework for dialog on performance, growth and career issues between the manager and the employee. Competency mapping defines the success criteria (i.e. performance excellence behavioral standards) that must be effective in their purpose. It encourages a more specific and realistic evaluation of their abilities and specifies specific professional growth areas (Nagesh, Kulenur, & Jagadeesh, 2017).

Competencies serve the purpose of aligning disparate talent processes and are at the very core of any talent management strategy. Competency management enables organizations to identify the critical skills, behaviors, and knowledge required to attract the right talent, manage talent, and develop talent to ensure a sustainable organization (McDonnell & Collings, 2011). It is from this that an organization's competency management can be defined as that activity that aims to safeguard and strengthen an organization's operating capability and competitiveness by means of its knowledge base. Through competence management an organization is able to nurture and develop its core competencies on all levels, right from the general staff through the management in all the critical areas of operation. This demands for proper direction, clear definition, accurate evaluation, careful planning and development (Schweyer, 2012).

### **2.3.2 Employee Retention**

Employee retention is characterized as a range of policies and procedures used by the company to ensure that workers are encouraged to be part of the organization for a longer term. To achieve

their goal, it is crucial that employees remain within the organization for long periods of time so that they can contribute effectively and efficiently (Hyttter 2017).

The principal purpose of the retention of workers is to avoid loss of skilled employees, as this would cause the new employee to lose recruiting and training costs. It will also negatively impact the morale of the other employees in the organization and undermine the loyalty of the organization. The objective of any organization is to recruit the staff, train them, develop and retain such talents. Organizations should follow employee retention techniques to maintain the team's employees, including team empowerment, consistent communication, openness, employee career growth and recognitions, and fair compensation schemes (Armstrong 2014).

The retention rate is the number of workers held by the organization. The retention rate for employees is helpful statistics in assessing the company's success as a benchmark, the company cost employee turnover time and money, such as recruitment and preparation for new employees takes time and money (Dessler, 2011). Creativity and novelty are other component of employee retention. Creativity describes the development of new ideas which are helpful to the ongoing problem (Amabile, 2015). Tushman & Nadler (2016) claimed that innovation consists in developing a new business unit or organization of any job, product, service or process.

The retention programs established in organisations should resolve issues such as a lack of engagement and employee discontent ranging from pay policy, learning and growth, job development, managerial disputes, recruitment and selection and promotion processes (Kumudha, 2016). The retention of employees as an important factor in talent management emphasizes retention of skilled staff. In order to minimize staff turnover in their company, the telecommunications industry should use appropriate techniques including competency mapping, employee job fit and career development in order to enhance retention of employees (Nyanjom, 2013).

### **3.0 Methods**

Descriptive research design was adopted for this study since descriptive research architecture presents the facts and characteristics of a particular population or region in a systematic and precise manner. Rowe and Wilson (2015) stated that the descriptive design represents the personality, circumstance or community and frequency of the phenomenon. The design was therefore found to be relevant for the research. The study was focused on telecommunication companies in Kenya (Safaricom, Telecom and Airtel) and targeted 140 management staff who were composed of lower, medium and the top level managers. Stratification was applied used in selecting the respondents to ensure representativeness.

#### **3.1 Sampling and Sample Size**

A representative sample of 104 management staff was selected using stratified random sampling technique. Stratified sampling is used when a representation of each category of the population group must be included in the sample size (Mugenda & Mugenda, 2013)

### **3.2 Measurement of variables**

A five point likert scale (5-1) was used for each of the statements corresponding to the various parameters of Competency mapping. Multiple regression analysis was used to determine whether the independent variables predict the dependent variable in any way. Employee retention in the telecommunications industry in Kenya, as the dependent variable was regressed against the independent variable Competency mapping.

## **4.0 Findings**

### **4.1 Descriptive Statistics**

On whether Competency mapping is done to determine the issues affecting employee satisfaction and retention in organisations, the overall mean of 3.05 realized showed that most of the respondents agreed that competency mapping was practiced in the organization to a moderate extent. Furthermore, the statement “Competencies gap analysis is done to help identify the training needs” had the highest score (mean=3.6667, SD=1.11270) while the statement “Employees in the organization have opportunities to utilize talent, skills and competencies” had the lowest score (mean=2.4000, SD=0.98561). The overall findings reveal that organizations should conduct periodic competency gap analyses and employees are encouraged to undertake self-development initiatives.

### **4.1 Correlation Analysis Results**

From the correlation analysis done to analyse the relationship between Competency mapping and employee retention. The results indicate a positive and significant correlation is evidenced between Competency mapping and employee retention. This is shown by the fact that it had a coefficient of 0.609 and a p- value of 0.000. This means that as competency mapping increases employee retention also increases in the same direction.

## **5.0 Discussions**

Competency mapping had a mean of 3.05 which implied that most of the respondents agreed to a moderate extent that competency mapping affected employee retention in their organization. The study used Pearson correlation coefficient in testing the significance of the relationship between Competency mapping and employee retention. The Pearson's correlation results indicate a strong positive relationship between competency mapping and retention of employees (p-value = 0,000, r-value = 0,609). This statistically proves that competency mapping has a positive impact on retention of employees or otherwise.

These findings are corroborated by those of Shivanjali and Tripti (2019) who established that competency mapping is key in effective talent management. He concluded that in tying the core competencies with talent management was a win-win proposition since it provides organizations with a means of upgrading and retaining their valuable workforce. Baharin and Hanafi (2018) also noted that workers can be retained for a definite time by incentives and recognitions, but if they successfully leverage employers' abilities and then allocate jobs, they will sustain talent for longer periods.



### **5.1 Conclusions**

The study concluded that competency mapping practice as used by telecommunication firms in Kenya positively and significantly affect employee retention.

### **5.2 Recommendations**

The study proposes that organisation constantly carry out competency mapping and establish programs to train and keep their skills updated in line with the job requirements. Organisations should also promote workforce growth, analyze ability deficiencies and provide workers with opportunities to make use of their talents and skills.

### **5.3 Areas for Future Research**

This study examined Competency mapping and employee retention in the telecommunications industry in Kenya. The study concentrated on describing competency mapping and how as and how it can affect employee retention, the study did not however examine the differences in employee retention rates in the telecommunication industries to establish whether the differences were attributed to competency mapping practice. A further study is therefore recommended to determine whether competency mapping as adopted and practiced adopted could explain the differences in employee retention among various telecommunication companies.



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