



## An Influence of Competency Development and Empowerment on Employees Performance in Telecom

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### Abstract

The competitive business environment of the telecommunication sector has proposed that employees should be competently developed and empowered to reduce absenteeism and employee turnover and have better outcomes concerning growth. The primary purpose of this study is to analyze Employees Performance through Competency Development and Empowerment Employees. This research has been conducted in the telecommunication sector, preferably Vodafone Idea Limited. This study is quantitative and empirical. Data has been collected primarily by circulating the questionnaire to the study's respondents. Method of convenience sampling has been adopted for the research among the employees of Vodafone Idea in Uttarakhand and the Western Uttar Pradesh region, India. Frequency and descriptive statistics and Correlation, ANOVA, and multiple regression techniques have been used to analyze data. Findings of the study have been mentioned for adequate implications and future perspectives.

**Key Words:** Competency Development, Empowerment of Employees, Employees Performance and Telecommunication.

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## **1. Introduction**

A competitive business environment is urged to have competent employees who can tap their potential to that of the organization. Through the advent of globalization, the organizational structures got complex. They came up with technological obsolescence, which allowed the organizations to be competent and flexible enough to meet the changing demand and supply. Competencies are the personal characteristics of an individual to achieve higher performance. It includes aptitude, knowledge, and abilities. Employees are required to have emotional stability at the workplace. It involves problem-solving and a critical thinking approach to develop the organization. It is a positive growth in an individual employee where an individual develops an ability to learn, flexibility to adapt to the dynamic environment, and creativity in nature contribute the organization with innovative ideas regardless of their job (Abraham, 2001)<sup>[1]</sup>. While engaging in an organization, an employee requires making proper decisions to perform tasks efficiently. Empowerment employs employees in various activities, especially decision-making, which builds confidence among employees (Rani, 2016)<sup>[14]</sup>.

### **1.1 Competency Development**

Competency refers to an individual's abilities, experiences, emotional stability, qualities. To be competent enough, an individual must be updated with all the rates, such as technological up-gradation at the workplace. There are two significant competencies types viz., hard and soft competencies. Complex competencies refer to organizational performance, whereas soft competencies refer to the competencies of an individual employee (Kolibáčová, 2015)<sup>[11]</sup>. The growing competition gives rise to competencies. CD helps to improve the learning and functional capabilities of employees. Employees get opportunities to get actively engaged in different types of activities. An employee in an organization possesses majorly three different kinds of competencies viz., emotional competence, social competence, and intellectual competence. Leaders play a very significant role in building the competencies of employees through influencing their skills and motivating them towards the better achievement of their goals (Ryan, 2012)<sup>[15]</sup>. The skilled management and competency among the employees are strongly connected to the contributions made by the organization to retain their qualitative workforce for making them a competitive advantage and become the significant strength for the organization (Draganidis, 2006)<sup>[8]</sup>. Competency development enhances self-confidence (Boyatzis, 2002)<sup>[4]</sup>. To have empowered employees, management should allow employees to participate in the decision-making process (Yadav, 2021).

### **1.2 Empowerment of Employees**

Empowerment of employees is essential as far as the organization's growth is concerned. Empowerment is a motivational tool to encourage employees to adapt to the dynamic work culture continuously. Empowerment enables the organization's workforce to be capable enough to take the Initiative and be responsive to competitiveness. Empowerment is considered the sharing of knowledge that helps in the decision-making process in the organization. It improves talent based on intellect (Maheshwari, 2020). Organizations require an empowered team if they want to achieve competitive advantage and adapt to a dynamically changing business environment (Soetanto, 2008)<sup>[17]</sup>. Employees who are assigned leads to improved work performance. It is somewhat delegation of the responsibilities from the higher level to lower level

which encourages the employees to have a self- driven approach to achieve the tasks and accomplish the organizational goals(Dewettinck, 2012)<sup>[6]</sup>. Empowerment of the employees leads to increased creativity, effectiveness, and innovation among employees. An individual's motivation increases if a proper authority is delegated to him, enabling the employee to be self-determined and competent enough to choose their task with new ways of learning (Gürbüz, 2009)<sup>[9]</sup>. Empowerment encourages innovation and creativity among employees(Sundbo, 1999)<sup>[18]</sup>.

### **1.3 Employees Performance**

Employee performance is referred to as the ability of employees to work and contribute to the organization to the level of improved quality of work, the quantity of work, and efficiency(Sabuhari, 2020)<sup>[16]</sup>. In the literature, employees performance has been measured based on employees turnover, satisfaction, effectiveness, low rate of absenteeism, and performance of an individual employee as a whole (Venkatraman, 1986)<sup>[19]</sup>. It encompasses the monetary and non-monetary output, which reflects his productivity and performance(Anitha, 2014)<sup>[2]</sup> E.P. is a basis of planned advantage that an organization can achieve if it has competent and empowered employees. An employee's performance can be measured with the level of employee turnover and absenteeism in an organization (Diamantidis, 2019)<sup>[7]</sup>.

### **1.4 Vodafone Idea Limited**

It is a telecommunications company based out of India. It is presently doing its business operations from its headquarters in Mumbai and Gandhinagar. It provides its services on a pan India basis through different generations such as 3G, 4G VoLTE, and the proposed 5G. It is officially called Vodafone Idea Limited but doing its business after the merger as *Vi* chairman of the company was Kumar Mangalam Birla(Birla, 2020)<sup>[21]</sup>. In August 2018, Vodafone Idea merged with Idea cellular to form a new entity called Vodafone Idea Limited. In 2020 a new brand identity called "Vi" got revealed by the company. It was the amalgamation of the brand of both the companies "Vodafone" and "Idea"(Vodafone Idea Limited, n.d.)<sup>[23]</sup>.According to the data, on 31<sup>st</sup> January 2021, the subscriber base of *Vi* had reached approximately 285 million. One of India's third-largest telecommunications mobile networks has made it's sixth-largest worldwide (Limited, 2020)<sup>[22]</sup>.At present, Vodafone carries a stake of 45% in the entity.

## **2. Review of Literature**

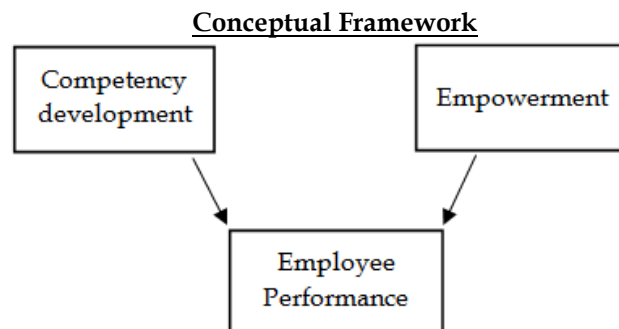
(De Vos, 2011)<sup>[5]</sup> Found in their paper titled, "Competency development and career success Correlation and structural equation modelling-The mediating role of employability," that Initiative taken by the organization for Competency development had positively impacted employability and employee participation. Data techniques for the analysis have been used, such as Correlation and structural equation modeling. Another study was found, with the title "Competency development in business graduates: An industry-driven approach for examining the alignment of undergraduate business education with industry requirements"(Azevedo, 2012)<sup>[3]</sup>. This study found that Job performance resulted in increased relationships among peers and seniors, and it was analyzed through t-tests and factor analysis.(Naim, 2017)<sup>[13]</sup>. Linking knowledge sharing, competency development, and affective commitment: evidence from Indian Gen Y employees" Competent employees are found to be more committed in the study. The data analysis techniques used were Factor analysis- EFA and CFA. (Martini, 2018)<sup>[12]</sup>. The Influence of

Competency has also been evaluated and found its impact on employees' performance through the factors affecting organizational commitment. The employee competency showed positive influence; this study was analyzed through SEM-PLS.

### 3. Statement of the Problem and Research Gap

In the last two decades telecommunications sector has emerged as one of the fastest-growing sectors in India and has been contributing to the economic growth of the nation as well. The research has reviewed how much human resources are competent enough to give the best performance and have lower absenteeism in the organization, preferably in Vodafone Idea. Recently, Vodafone Idea got merged, and it has impacted the company's financial, human resource, and customer aspects. Through this study, primary research questions have been framed. a) Is the workforce of Vodafone Idea competent enough to increase the overall performance with less absenteeism? b) Are the employees empowered to deal with the current merger that happened and have a positive impact on the employees' performance?

**Research Gap-** This is the significant gap as this study has not been undertaken so far by anyone since the Vodafone Idea merger took place. Through this study, an influence of competency development and empowerment among the employees of Vodafone Idea has been evaluated to identify the employees' performance. This research has been done preferably in the Uttarakhand and Western Uttar Pradesh region of India.



### 4. Research Hypotheses

**H<sub>1</sub>:** There is a significant impact of competency development on employee performance in the telecom sector.

**H<sub>2</sub>:** There is a significant impact of empowerment of employees on employee performance in the telecom sector.

### 5. Research Methodology

The data was collected by the primary method of collecting the information through survey method of distribution of questionnaire from the employees of Vodafone Idea Limited in Uttarakhand and Western Uttar Pradesh. Out of the 150 questionnaires circulated to Vodafone Idea Limited employees in Uttarakhand and Western Uttar Pradesh, only 113 were returned. The data collected were analyzed through SPSS 21, using frequencies of control variables such as age, gender, and salary. Competency Development (CD), Empowerment of Employees (E.E.), and

Employees Performance (E.P.) were measured on a five-point Likert scale. The Likert scale ranged from 5 to 1, from strongly disagree to agree, respectively. The CD, E.E., and E.P. items are measured on the statements mentioned in the questionnaire, such as sample statements for CD, "Employees are provided with enough responsibilities to move head according to their specialization." E.E., "Company gives opportunities to employees to participate in decision making." E.P. "Employee turnover has shown a decline."

### 6. Data Analysis and Interpretation

The data Correlation and Multiple regression analysis were adopted based upon the literature review to analyze the data. Reliability and internal consistency have been measured where Cronbach's alpha's values were found to be .842. It represents the adequate convergence among the variables. Data was found to be expected. The data have maintained the validity of the instrument. The active response rate was found to be 75%. The good percentage of males in the sample was 54%. A good portion of the respondents was found to be 58.4% between 20-30 years. Data has been analyzed by Correlation and multiple regression analysis techniques (Table 1 and 2).

Table 1: Correlation

		EP	CD	EE
EP	Pearson Correlation	1	.664**	.654**
	Sig. (2-tailed)		.000	.000
	N	108	108	108
CD	Pearson Correlation	.664**	1	.736**
	Sig. (2-tailed)	.000		.000
	N	108	108	108
EE	Pearson Correlation	.654**	.736**	1
	Sig. (2-tailed)	.000	.000	
	N	108	108	108

\*\*Correlation is found to be significant at the 0.01 level (2-tailed).

**Interpretation:** Correlation analysis is significant at the level of 0.01 which is 2-tailed. It is an index that shows the covariance between the variables. Among the set of variables, i.e., CD, E.E., and E.D., all possible correlation matrices are shown in the table. It has demonstrated the standardized measure of covariance in a standardized way (Zikmund, 2009)<sup>[20]</sup>.

Table 2: Multiple Regression Analysis

Model	Unstandardized Coefficients		Std. Coefficients	t	Sig.
	B	Std. Error	Beta		
Constant	5.438	.758		7.178	.000
CD	.313	.080	.399	3.908	.000
EE	.285	.081	.360	3.530	.001

**Interpretation:** In these multiple regression analysis tables. However, CD and E.E. are independent variables. Here  $R = .709$ ,  $R^2 = .500$  and adjusted  $R^2 = .490$ . Multiple regression data analysis technique has been performed on the data collected from the respondents to analyze the influence of CD and E.E. on E.P. among the employees of Vodafone Idea Limited. It has provided insight into the relationship among independent variables viz., CD and E.E. in their prediction of the dependent measure, E.P. Beta value found to be highest in competency development.  $P < 0.05$  shows that CD and E.E. are significantly influencing E.P. It has been found that CD and E.E. leads to better performance among employees in Vodafone Idea Limited, leading to a lower rate of absenteeism and higher performance.

**Table 3: ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	405.80	2	202.9	52.49	.00
Residual	405.86	105	3.865		
Total	811.66	107			

**Interpretation:** The complete fit model for the F ratio provides by the analysis of ANOVA. In the calculation of this study, the ANOVA table shows that the dependent variable is Employees performance. However, Empowerment of Employees and Competency Development are the independent variables' predictors. F ratio results were found to be highly significant. It is used to identify the significance between the values of means of an independent variable more than one (Hair Jr, 2014)<sup>[10]</sup>.

### 7. Conclusions and Suggestions

CD and E.E. are very significant in telecommunication and service organizations as it motivates the employees and helps to achieve goals with enhanced productivity. It helps to develop a talented and skilled workforce, which becomes a competitive advantage for the organization in the long run. The study shows the significant positive impact of CD and E.E. on E.P. However. Few are suggested to be taken care of for future studies. **First**, apart from CD and E.E. survey can be done to check the work-life balance to assess its impact on the performance of employees. **Second**, performance-based compensation can also be evaluated to check absenteeism and employee turnover. **Third**, this could be done in public sector undertaking to analyze the recruits in the PSU's.

### 8. Limitations

Despite many measures to undertake the research, few limitations remained with the study. **First**, this study is cross-sectional with only convenience sampling based on data collection. **Second**, this study was restricted to only one area and one sector, including one organization that could have been undertaken in other sectors. **Third**, there was a problem in getting the questionnaire filled by the respondents due to their busy schedules and time constraints.

### 9. Future Scope of Research

This research has a future scope as far as the human resource management area is concerned. CD and E.E. help an organization have highly trained personnel, which can effectively help achieve



the mission. CD can also be researched for the performance of the business as a whole for future implications. E.E. leads to better decision-making in the organization. Making CD and E.E. in the telecommunications sector helps to maintain a talented and skilled workforce. Competent employees help to achieve organizational objectives efficiently.

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