
COMPETENCE PLANNING AND ORGANIZATIONAL SUCCESS

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ABSTRACT

This study examined how competence planning enhances organizational success. The specific objectives were to examine how competence mapping enhances customer satisfaction, determined how competence mapping improves quality output, examined how personal development plans enhance customer satisfaction, and determined how personal development plans improve quality output. In addition, the study was anchored on resource-based theory because it emphasized the development of resources to excel in organizational activities. Based on the literature review, the findings revealed that competence planning through competence mapping and personal development plans enhanced organizational success. Specifically, competence mapping enhanced customer satisfaction and improved quality output. Personal development plan also enhances customer satisfaction and improves quality output. Hence, the study concluded that competence planning through competence mapping and personal development plan is a strategy to improve organizational success in terms of providing customer satisfaction and quality output. Thus, the study recommended that organizations should engage in mapping out the competencies that are required for each role and support employees to develop the right competencies for their roles for better performance of their tasks efficiently and effectively, as this will enhance customer satisfaction and quality output that in turn ensures organizational success.

Keywords: Competence planning, competence mapping, personal development plan, customer satisfaction, quality output, organizational success.

Introduction

Many organizations' primary goal is organizational success, driven by the increasingly competitive and dynamic business environment. Globalization, technological advancements, and changing consumer preferences have heightened the need for organizations to strive for excellence in order to survive and thrive (Gunday et al., 2011). The performance of an organization determines its success (Stuggart, 2005). Organizations are recognizing that achieving success is not just about financial performance but also about creating value for all stakeholders, including customers, employees, investors, and the community (Gallouj, 2007). This shift in focus reflects a broader understanding of the role of businesses in society and the importance of sustainable practices.

To achieve organizational success in today's environment, organizations must train their employees (Dems & Silver, 2015) to constantly adapt to changing market conditions, and anticipate future trends. Organizations also need to cultivate ongoing learning and development where workers are encouraged to be determined, and improve their performance and that of the company. Hence, the pursuit of organizational success is a complex and multifaceted endeavor that requires a holistic approach. By aligning their goals, strategies, and values with the needs of their stakeholders, organizations can enhance their competitiveness, drive growth, and make a positive impact on society. These factors interact in complex ways and may vary based on the organization's industry, size, and context.

Although scholars have examined factors that influence organizational success, such as leadership (Avolio et al., 2009), strategy (Porter, 1996), innovation (Tushman & O'Reilly, 1996), organizational culture (Schein, 2010), employee engagement (Harter et al., 2002), customer focus (Reichheld & Sasser, 1990), adaptability (Cameron & Quinn, 2011), and financial management (Brigham & Houston, 2012), however, it appears that much research has not been focused on competence planning as a strong factor that can militate or improve organizational success. Competence planning is the function of employee competence management that determines the types and extent of competencies required for individual and organizational success. The names assigned to this procedure and the particular tasks it comprises vary among academics and institutions. Competency profiling, cataloging, identifying, analyzing, and modeling are some of the terms that have been used to describe it in the literature (Kikeoma, 2000; Munene et al, 2000; Berio & Harzallah, 2005; Marrelli et al., 2005; North and Reinhardt, 2003)

In this study, the chosen notion of competency planning is determined using the management function method. This is due to the fact that planning is a well-recognized management function and the researcher wants to assess planning proficiency from the perspective of a managing function. The concept was used for tasks or activities that included competence mapping, skill, knowledge, and attitude gap analysis, as well as a personal development plan (Zeb-Obipi, 2015). Competency planning, in whatever form it takes, is essential to the operation of organizations and can enhance their success if only management will pay close attention and carefully utilize it as a strategy for achieving organizational objectives. The competency planning task empowers individuals to discern methods by which to convert their competencies into work performance behavior that is both effective and efficient. In addition to identifying and sorting individuals' competencies in their respective work roles and throughout an organization, it ensures their alignment. The process of competency mapping facilitates their more efficient utilization. This type of mapped competency utilization (Zeb-Obipi, 2015) is evidence of an organization's ability to increase customer satisfaction (product quality) and output level with the same resources. Therefore, the importance of engaging in competence-building to achieve organizational success cannot be

overemphasized. Therefore, in light of the identified gap and the importance of competence planning, this study investigated how competence planning can be used to improve organizational success.

Statement of the Problem

Inadequate competence planning can significantly hamper organizational success across various facets. Firstly, it can result in skills gaps within the workforce, leading to decreased productivity, lower work quality, and missed opportunities for innovation (Fitz-Enz, 2009). Secondly, poor competence planning often correlates with high turnover rates, as employees who feel underutilized or unchallenged may seek better opportunities elsewhere (Bishop, 2014). This turnover can incur substantial costs in terms of recruitment, training, and the loss of valuable knowledge (Fitz-Enz, 2009). Furthermore, ineffective competence planning caused low morale and disengagement among employees, resulting in decreased job satisfaction and, ultimately, lower productivity (Bishop, 2014). Additionally, it leads to inefficient resource allocation, such as misallocated training budgets and project assignments, resulting in wasted resources and missed growth opportunities (Fitz-Enz, 2009).

Moreover, without a skilled and knowledgeable workforce, organizations struggle to innovate and adapt to market changes, leading to a loss of competitive advantage and market share (Bishop, 2014). Furthermore, poor competence planning has a negative impact on customer satisfaction because it can result in a lack of expertise in customer-facing roles, leading to diminished customer loyalty and satisfaction (Fitz-enz, 2009), which in turn will affect organizational success. There has been scarce research on whether organizations apply competence planning to their management (Brendan, 2008). This is partly due to the fact that less attention is paid to the quality of services being provided by the organization. This trend changed due to organizations refocusing their efforts on improving services by implanting competence planning in their organizations. However, despite claims that competence planning implementation improves organizations, concern has been raised that not all organisations attempting to develop competence plans are pleased with the process.

Additionally, it has been noted that the executives carrying out the planning competencies failed to align their plans with the financial resources that their firm needed to account for, which impeded the organization's expansion (Stonner, 2008). Employees, on the other hand, have raised concerns that the planning process tends to be inflexible and rigid because it operates in a changing environment, and poor adaptation to a changing environment usually affects organizations negatively. They perceive the competence planning process as unrealistic, and actions can also hinder success (Brendan, 2008). Hence, to address this problem, this study examined how competence planning can be used to enhance organizational success and provided recommendations that will enable organizations to use competence planning as a tool to improve organizational success.

Aim and Objectives of the study

The aim of the study was to examine how competence planning enhances organizational success.

However, the objectives of the study were to:

1. Examine how competence mapping enhance customer satisfaction
2. Determine how competence mapping improve quality output
3. Examine how personal development plan enhances customer satisfaction
4. Ascertain how personal development plan improve quality output

Research Questions

This study was guided by the following research questions.

1. How does competence mapping enhance customer satisfaction?
2. In what ways does competence mapping improve quality output?
3. How does personal development plan enhance customer satisfaction?
4. In what ways does personal development plan improve quality output?

Conceptual Framework

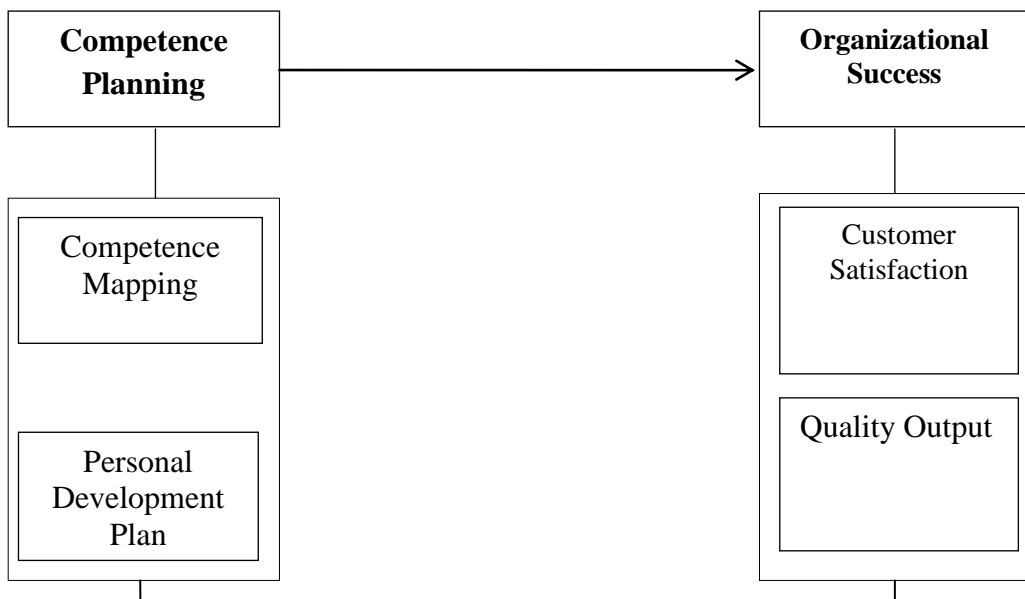


Figure 1: Conceptual Framework of competence planning and organizational success.
Source: Adapted from Zeb-Obipi (2015).

This study is important to different organizations, irrespective of the industry, because it reveals the extent to which competence planning could be used to improve organizational success. This study will also be beneficial to managers, as it will help them learn how to implement competence planning in the workplace. This study will also enrich the wealth of literature and thus serve as reference material for future scholars and researchers.

REVIEW OF RELATED LITERATURE

Conceptual Review

The key variables reviewed in this study include competence planning and organizational success. Competence planning includes two dimensions adapted from Zeb-Obipi (2015): competence mapping and personal development plans, among others. While organizational success has two measures, such as goal attainment and quality output. These variables are reviewed in order to provide a conceptual review for this study.

Concept of Competence Planning

Human resources are an important element in an organization because of their relevance in creating value, flexibility, performance, and formulating the organization's competency and flexibility. Employees carry out their role as professional human resources depending on where they work, the culture of the organization where they work, the type of work, certain

requirements from senior management, their skills, and the values they hold. In carrying out this role, an employee is required to have competency. Competency is a substantial component of the success of human resources in achieving organizational goals (Hajiali et al., 2022). Hence, for employees to perform their roles effectively, there must be effective competency planning by management. Competence planning involves the tasks of competence mapping and personal development planning. Competency comes from the word "competent," which means "ability" (Hajiali et al., 2022).

Meanwhile, according to Faizal et al. (2019), competence (plural: competences) and competency (plural: competencies) have different meanings. Competence refers to work that focuses on the tasks and results needed to complete a job, while competency refers to people that focus on identifying characteristics in the sense of competency. These two terms, however, are interrelated in an organization's human resources management. According to Armstrong & Taylor (2014), competency refers to an individual's basic characteristics for achieving effective or superior performance. Whatever the definition and meaning given to competence, the development of human skills is at the core end of the meaning. Therefore, competence planning could be seen as the strategic process used by organizations to ensure that they have the right people with the right skills in the right positions to achieve their goals. It involves identifying the competencies (knowledge, skills, abilities, and behaviors) that are required for success in various roles within the organization, assessing the current competencies of employees, and developing plans to address any gaps.

Competence Mapping

The process of determining essential abilities for an organization is called competency mapping. Competency mapping is a developing HR approach that matches worker abilities with requirements necessary for success in any profession (Ganesh, 2004). Determining a person's level of possession of the different abilities associated with a job is known as competency mapping. We can determine a person's suitability for a job by comparing their level of adaptability, resourcefulness, ability to work well under pressure, ability to anticipate threats, ability to find solutions, and ability to contribute to innovations with the degree to which each competency is needed for a particular job.

Every well-managed company should have clearly defined jobs with a list of competences needed to carry them out. It aids in determining a person's assets and liabilities. Having a clear knowledge of his advantages and disadvantages can aid him in choosing a job. Thus, in order to compete globally in a knowledge-based economy, it is critical for firms to continuously assess staff capability and enhance it (Gary, 2002). In the current environment, every industry is attempting to reach high levels of effectiveness and efficiency in order to withstand the fierce competition. The two main categories of industry are the manufacturing and service sectors. They make a valiant effort to increase their system's effectiveness.

Every strategy and technique for raising the effectiveness and performance of their operations refers back to a few essential elements, including competence and skill. Hence, in order to improve performance, firms turn their attention to skills and expertise. Competency and competence are highly valued in all businesses, but production industries more so. Rao and Pareek, (1982). Any production organization that wants to increase performance must now map out the skill levels of all of its employees. A method of researching and evaluating the talents that the individuals in question possess is called skills mapping. It is a thorough method of determining each person's degree of expertise. The outcome of skill mapping is a

result that not only indicates an individual's ability level but also points out areas that may be improved via training or other methods.

Competency mapping requires a number of important phases. First, according to Bassi and Van Buren (1998), the department for which competence mapping is necessary is determined. A work description is then prepared, and after that, a job analysis is carried out using a Position Information Questionnaire (PIQ) that employees have filled out (Finegold & Mohrman, 2001). A competency-based job description is created using the PIQ data that has been gathered (Spencer & Spencer, 1993). Based on demonstrated actions, these abilities are subsequently assessed as assessment criteria in performance assessments, resulting in more objective evaluations (Boyatzis, 1982). In addition, the evaluation's findings may be used to pinpoint each person's areas of need for training or development in order to meet the objectives of the company (McBer, 1997). Knowledge, character, motivations, attitude, and abilities are among the competencies assessed under competence mapping; they are tested in accordance with work needs (Boyatzis, 1982). The skills are assessed in accordance with the job specifications.

Personal Development Plan

A personal development plan (PDP) is an organized framework created to improve a person's inherent traits and capabilities, which in turn increases that person's efficacy and resilience, particularly when faced with difficult responsibilities like running their own company (Man & Lau, 2000). Many important qualities are included in a well-rounded PDP, such as self-motivation and self-management (Martin & Stains, 1994), emotional intelligence and self-awareness (Goleman, 1998), determination and self-belief (Thompson & Stout, 1997), and self-control and stress tolerance (Markman & Baron, 2003). A PDP requires determination and self-belief as essential elements. According to Thompson and Stout (1997), self-belief and determination are essential for entrepreneurship success because they both allow people to believe in their own skills and endure in the face of adversity. Other essential components of a PDP include self-awareness and emotional intelligence (EI). According to Goleman (1998), emotional intelligence (EI), which encompasses the knowledge and control of one's own emotions as well as those of others, may have a big influence on a person's capacity to function in challenging work situations. Conversely, self-awareness enables people to identify their advantages and disadvantages, leading to better decision-making (Goleman, 1998).

Moreover, the ability to exercise self-control and tolerate stress is crucial for handling the demands of being an entrepreneur. According to Markman and Baron (2003), both stress tolerance and self-control are essential for successful entrepreneurship because they allow people to manage their behavior and impulses while also maintaining composure and attention under duress. Self-management and self-motivation are two other essential components of a PDP. Martin and Staines (1994) point out that whereas self-management entails skillfully allocating priorities and structuring work to optimize output and accomplish desired results, self-motivation propels people to create and accomplish lofty objectives. As a result, a thorough PDP that includes these traits and skills may greatly improve a person's efficacy in running their own company. People may improve their personal resilience and succeed more by developing traits like self-belief, self-control, emotional intelligence, self-awareness, stress tolerance, self-motivation, and self-management.

Concept of Organizational Success

There are several ways to define organizational success, and no universally accepted definition has been agreed upon so far (Albino et al., 2015). Establishing corporate goals and increasing knowledge are necessary for achieving organizational performance and are unquestionably important company goals. There is no universal agreement on a comprehensive definition of organizational success since it is a complex term that may be understood in a variety of ways (Albino et al., 2015). Nonetheless, defining precise corporate goals and tactics to direct the organization's activities are usually necessary to achieve organizational success (Bryson, 2018). These goals provide workers a context for decision-making and assist in directing their efforts toward a shared purpose, such as output quality and customer happiness (Kotter, 2012).

Furthermore, strong leadership is often necessary to achieve organizational success (Yukl, 2012). Setting the tone for the company, inspiring workers, and spearheading change projects are all important tasks for leaders (Kotter, 1990). Long-term success also depends on developing a strong workforce competency that is in line with the goals and values of the company (Schein, 2010). Moreover, successful resource management—including human, financial, and technical resources—is essential to attaining organizational success (Barney, 1991). According to Wernerfelt (1984), organizations that strategically map out worker skills and deploy resources effectively are better positioned to fulfill their objectives. Attaining client satisfaction and producing high-quality work are necessary for the intricate and continuous process of establishing organizational success. Organizations may increase their prospects of long-term success in the cutthroat business world of today by concentrating on five crucial areas.

Customer Satisfaction

Today's organizations, whether for commercial or nonprofit purposes, are either service- or product-oriented. In order for them to exist, their goal is to please clients, or consumers. Customer satisfaction therefore becomes an organization's primary goal, whether or not it is profitable. Customers are people or organizations who pay a company for the products or services they get. They are essential to a company's success since their purchases have a direct effect on sales and profits. Businesses must comprehend consumer demands, tastes, and habits in order to draw in new business and keep existing clients. There are several kinds of clients, such as: Individual Customers: These are people who buy products or services for their own consumption or usage. Organizational customers are companies, governmental bodies, or other groups that buy products or services for internal use or to resell. Retail Customers: These are people who buy products or services straight from merchants for their own use. Customers that buy items in bulk from manufacturers or distributors to resell to other companies or people are known as wholesale customers. Repeat customers are those who, over time, make many purchases from a company, showing a commitment to the brand or item. New Customers: These are clients that buy from a company for the first time, and they provide possible avenues for expansion.

Therefore, it's critical for organizations to comprehend the requirements and preferences of various consumer groups in order to create focused marketing campaigns, raise the quality of their goods and services, and boost client loyalty and happiness. The psychological state in which consumers perceive the value of a product or service is known as customer satisfaction. Hemple (1997) asserts that the degree to which the perceived value and the actual outcomes of the purchase of products or services diverge determines the level of consumer satisfaction. Within the tourist industry, satisfaction is defined as the anticipation

before to travel as well as the experience after travel, which includes the feeling of having traveled (Baker & Crompton, 2000).

Quality Output

The degree of perfection or superiority of the products or services generated by an organization is referred to as quality output. As high-quality output may result in customer happiness, loyalty, and repeat business, while low-quality can lead to customer discontent, lost revenue, and reputational harm to the company, it is an essential indicator of performance and competitiveness. There are several ways to measure the quality of an output, including process, product, and service quality. Product quality is the whole quality of the things that a company produces, including features, performance, dependability, and durability (Garvin, 1984). Superior product quality is essential since it may boost client loyalty and happiness. On the other side, service quality refers to the caliber of customer care that a company offers. It consists of elements like tangibles, certainty, responsiveness, consistency, and empathy (Parasuraman et al., 1988).

Providing excellent service is crucial to increasing client loyalty and happiness. Another crucial factor is process quality, which refers to the efficacy and efficiency of the procedures utilized in the production of products or provision of services (Juran, 1988). Increased productivity, less waste, and eventually increased levels of customer satisfaction may all be attained by having good process quality. As a result, high-quality production is a crucial sign of organizational success as it shows how well the company can meet or beyond client expectations. Superior goods or services that are dependable, long-lasting, and meet or beyond performance standards are indicative of high-quality output (Garvin, 1984). Businesses that continuously provide high-quality work have a greater chance of gaining the trust and loyalty of their clients as well as favorable word-of-mouth recommendations, all of which may boost their market share and profitability. Additionally, a company's reputation and brand image are enhanced by high-quality production (Keller, 1993). Customers, suppliers, and other stakeholders see organizations that consistently provide high-quality goods and services as more dependable, reputable, and trustworthy. Increased client loyalty, recurring business, and a competitive edge in the market may result from this.

Furthermore, operational efficacy and efficiency are often linked to high-quality output (Deming, 1986). High-quality producing organizations are probably equipped with efficient and productive procedures that save expenses, minimize waste, and boost production. Over time, this may result in enhanced sustainability and financial performance. As a result, high-quality output is a crucial sign of an organization's capacity to satisfy clients' demands and expectations, build its reputation and brand, and increase operational efficacy and efficiency. In today's cutthroat business world, organizations that place a high priority on quality output have a greater chance of long-term success and sustainability.

Competence Mapping and Customer Satisfaction

Competency mapping guarantees that staff members possess the abilities and know-how needed to successfully address client demands. Tammubua and Surapto (2020), who examined the impact of service quality and competence on customer satisfaction and loyalty in border tourism in eastern Indonesia, provide evidence for this. This study uses a quantitative research design to examine the direct and indirect impact hypotheses. There was a questionnaire utilized as the research tool. The 192 visitors that took the PLBN Skouw trip served as the study sample. Using SmartPLS3.0 software, the Partial Least Squares (PLS) analytic approach was used to the study data. The study's findings demonstrated the positive

and substantial impact that competence has on both customer satisfaction and service quality. Additionally, several investigations discovered that customer satisfaction is positively impacted by staff competency (Anwar et al., 2020; Ninpradith et al., 2018; Rosmika & Nurhaida, 2017). Customers' opinions of the quality and happiness of the services they get may be influenced by front-line staff, who are crucial to the service delivery process (Brady & Cronin, 2001). Numerous studies have also shown the direct and substantial impact that a variety of particular talents, like intercultural competence (Ihtiyar et al., 2014) and staff emotional competence (Delcourt et al., 2013), have on customer satisfaction. Employees will be able to satisfy clients by meeting their demands and building connections with them thanks to their skills (Vargo & Lust, 2014).

Competence Mapping and Quality Output

Competency mapping makes ensuring workers have the tools they need to do their jobs well, which produces goods and services of a better quality. This theory is supported by a research conducted in 2015 by Kassean et al., which found a favorable correlation between competency mapping and high-quality output. They discovered that since individuals are more qualified to carry out their jobs, companies that map employee capabilities well often provide higher-quality goods or services (Kassean et al., 2015).

Personal Development Plan and Customer Satisfaction

Customer satisfaction and Personal Development Plans (PDPs) may have a substantial link, especially in service-oriented businesses where employee-customer interactions are vital. Customer satisfaction may be raised by a well-implemented personal development plan that enhances worker competency, communication, problem-solving abilities, motivation, consistency in service delivery, and empowerment. Personal development plan assists staff members in acquiring competencies that are closely linked to providing excellent customer service, which raises customer satisfaction levels. Personal development plan may provide people with special chances to acquire and hone their abilities. Learning and developing new skills and talents while also enhancing an individual's present competences is a crucial part of personal development programs (Beusaert et al., 2011).

Through this process, a person's skill set may be expanded, making them more marketable to employers or more qualified for promotions (Beusaert et al., 2013). This kind of expansion is known as horizontal development in the context of vertical leadership development, or the "adding of more knowledge, skills, and competencies" (Petrie, 2014, p. 6), which is acknowledged as a crucial component of capacity development. Because of the continuous complexity and unpredictability brought about by our VUCA environment, leaders are under more pressure to acquire and use new competencies in order to adapt to change (Jari & Lauraéus, 2019).

Personal Development Plan and Quality Output

Personal development plan assist staff members in enhancing their competencies, which produces work of a better quality. Improving the quality of production in companies is largely dependent on the implementation of Personal Development Plans (PDPs). Employees may identify and build the abilities required to succeed in their professions via a well-structured PDP (Amoróus et al., 2016). Employees are likely to create higher-quality work as their abilities and competences grow (Gallouj, 2007). Moreover, personal development activities may raise staff members' motivation and involvement (Gunday et al., 2011). Motivated workers are more likely to concentrate on delivering high-quality work (Dems and Silver, 2015), which enhances performance as a whole. PDPs may also aid in standardizing

procedures and guarantee that staff members get training that meets the same high standards (Gallouj, 2007). Higher-quality and more consistent production is the result of this standardization (Odhiambo, 2015). Moreover, PDPs often emphasize fostering creativity and strengthening problem-solving abilities (Sundbo & Gallouj, 1998).

Workers with strong problem-solving skills are more likely to provide creative ideas and excellent work (Danneels, 2002). A well-executed PDP that empowers staff members may also increase their dedication to delivering high-quality work (Danneels, 2002). Employees are more likely to do excellent work when they have the freedom to own their work and aim for greatness. Therefore, by improving skills and competences, raising motivation and engagement, standardizing procedures, encouraging creativity and problem-solving, and giving staff members the freedom to thrive at work, a personal development plan may have a good effect on the caliber of output.

Competencies Planning and Organizational Success

By ensuring that the business has the necessary resources to meet its strategic goals, competency planning promotes organizational success. This was consistent with the research conducted by Gunday et al. (2011), which showed how competency planning affects organizational performance. According to the research, companies are more likely to achieve organizational success in terms of profitability, market share, and customer satisfaction when they plan and manage staff competences efficiently (Gunday et al., 2011). Thus, the present said that greater customer happiness and high-quality output are outcomes of competency mapping and personal development plans, respectively. Organizational success is more likely to be attained when quality production and customer satisfaction increase. This cycle demonstrates the connections between competency mapping, personal development plans, customer satisfaction, high-quality work, and organizational performance. When handled well, these connections may reinforce one another.

Theoretical Framework

Since resource utilization is the primary goal of competency planning, this research is based on Barney's (1991) Resource Based View Theory.

Resource-Based Theory

According to the Resource Based View Theory, an organization's unique resources—which its rivals find difficult to replicate—are the reason for variations in its success within a given sector. The concept of competitive advantage is founded on gauging an organization's degree of performance in comparison to its rivals. According to Barney (1991), resource-based theory is a strategic management approach that contends that a firm's capabilities and resources serve as its main sources of competitive advantage and superior performance. This idea states that a company has to ensure that its resources and competencies are valuable, rare, inimitable, and non-substitutable (VRIN) in order to gain a lasting competitive advantage. In addition to intangible assets like organizational culture, expertise, and brand recognition, resources may also comprise concrete assets like manufacturing facilities, technology, and financial resources. The capacity of the company to employ its resources—including people, procedures, and routines—to accomplish its strategic goals are refers to as its capabilities.

According to the resource-based view (RBV) of the company, in order to get a competitive edge, businesses should concentrate on creating and using their special resources and competencies. This is in contrast to conventional strategies, which place greater emphasis on outside variables like industry structure and market circumstances. RBV places a strong

emphasis on the value of internal analysis and the ongoing development and safeguarding of a company's resource base. By doing this, businesses may create a long-lasting competitive edge that is hard for rivals to match. Through the provision of a framework for recognizing, cultivating, and using their distinct resources and skills to obtain competitive advantage, resource-based theory may assist businesses in achieving organizational success. This theory states that companies are more likely to acquire persistent competitive advantage if they own and manage valuable, rare, inimitable, and non-substitutable (VRIN) resources and skills (Barney, 1991).

First off, resource-based theory aids businesses in determining their most valuable assets and competencies. Businesses may determine which resources and competencies are important, uncommon, and challenging for rivals to copy or replace by doing a comprehensive internal examination. With this information, businesses may concentrate their resources and efforts on enhancing and using these essential assets and competencies (Peteraf, 1993). Second, resource-based theory aids businesses in gradually building up their capacities and resources. Through initiatives like organizational learning, training, and research and development, businesses may invest in creating new resources and capabilities or improving current ones (Barney, 1991). Businesses may fortify their competitive position and adjust to shifting market circumstances by consistently enhancing their resources and skills.

Thirdly, resource-based theory assists businesses in using their assets and skills to get a competitive edge. Businesses may access new markets, save prices, or distinguish their goods and services by using their special resources and skills (Barney, 1991). Businesses may provide value for clients and maintain a competitive edge over time by efficiently using their resources and competencies. Therefore, resource-based theory may assist businesses in achieving organizational success by offering a framework for locating, analyzing, and expanding their special resources and competencies. Businesses may improve their ability to compete, adjust to changing market circumstances, and achieve long-term organizational success by concentrating on five crucial areas. In order to understand how businesses may use their distinctive human competency via competence planning, mapping, and personal development plans to achieve organizational success, resource-based theory offers a useful theoretical framework.

Empirical Review

Competency planning has shown to enhance organizational performance in a number of studies. For example, empirical research by Abidin (2010) demonstrates a positive and substantial association between employee competence and employee performance in the Malaysian private service industry. 1136 workers, including managers and staff from three service subsectors, made up the sample. In Selangor, the subsectors were education, cleanliness, and technology information. Information was acquired from the federal regions of Johor, Penang, and Kuala Lumpur. The results demonstrate that performance was significantly influenced by competence.

Wijayanti and Sari (2023) used a literature review approach to investigate the impact of competence on worker performance. They conducted a study of the literature on employee performance, competence, and the relationship between the three. To comprehend their connection, they use the literature review process. In addition to summarizing the information from the literature study, they also included sufficient context and justification. They discovered that employee competence affects employee performance, as suggested by the findings of a number of earlier ideas and studies. This suggests that in order for enterprises to

successfully navigate the difficulties and shifts in their surroundings, they require people who are competent. Competent workers will find it simpler to perform their duties and advance since, for the most part, they already possess the necessary abilities to carry out jobs successfully, efficiently, and competitively.

Setyaningdyah et al. (2013) examined the impact of transformational leadership style and competence on job performance. The study used a quantitative technique to characterize the causal link between variables. The BNI Makassar branch's 129 frontline staff members—customer service and teller—make up the research population. By choosing samples from the whole population, the census technique was used to determine the samples. The study period ran from 2015 to 2016. SEM is the analysis approach used to look at the hypothesis. Competency was shown to have a favorable impact on job performance but not a statistically significant one. Competency was important to the transformative leadership style and had a beneficial impact. The favorable impact of leadership style was noteworthy in relation to job performance.

Dubey and Ali (2011) studied the impact of competence on performance and the inconsistencies that demonstrate the absence of performance. They discovered that this study did not explain why employee competence has little impact on performance. However, only a small number of Indian manufacturing organizations have received the Excellence Award for their overall management practices that have increased worker productivity. The growth of followers is the foundation for transformational leadership. The potential and capacity of followers to meet and even exceed organizational goals are enhanced and directed by a leader.

The link between role ambiguity, competence, and person-job fit with employee job performance in Malaysian SMEs in the service industry was examined by June and Mahmood (2011). The purpose of the research was to investigate the effects of role ambiguity, competence, and person-job fit on workers' job performance in small and medium-sized enterprises (SMEs) in the service sector. The author noted that there is a substantial correlation between workers' job performance and role ambiguity, competence, and person-job fit. A postal survey was used to gather data using a quantitative approach. Out of the 1500 surveys given, 300 were returned and found to be suitable for further study, yielding a 20 percent response rate. The findings showed a substantial correlation between workers' job performance and role ambiguity, competence, and person-job fit. Simultaneously, it was discovered that, among the three independent factors, role ambiguity was the most significant predictor of work success, outperforming person-job fit and ability.

Analyzing competence impact on leadership was the goal of Madiock's (2008) study on competency influence on transformational leadership. The findings of the research demonstrate that competence has a favorable and substantial impact on transformative leadership. Improvements in competence have been shown to enhance transformative leadership. The study conducted by the South African Parastatal Organization revealed discrepancies about the impact of competence on leadership. The study's findings showed that competence had a negative effect on leadership but was not statistically significant.

According to Junus's (2009) study, competence had a detrimental impact on leadership but was not statistically significant. The capacity of a leader to inspire and empower their team members will have an impact on how well they perform. Employee performance, attitude, and conduct are significantly impacted by the actions of their leaders. The traits of followers

that are related to the communication process that takes place between leaders and subordinates affect a leader's performance. A leader is ineffective if they cannot inspire, encourage, and fulfill the needs of their team members in a certain task or setting. Encouraging subordinates to be competent and develop in anticipation of obstacles and job opportunities is the role of a leader. These empirical studies so demonstrate the significance of competence mapping, competency planning, and personal development plans in raising customer happiness, raising output quality, and eventually advancing organizational performance.

Knowledge Gap

Numerous investigations on how competence improves employee performance have been carried out. According to the empirical review, Mukhhopadhyay (2011) and June and Mahmood (2011), for instance, studied the impact of competency on employee performance. Also, a research on impact of staff competence on performance in Malaysia's private service industry was carried out by Abidin (2010). Additionally, research done by Sulaiman et al. (2013) and Setyaningdyah et al. (2013) looked at the impact of competence on performance. Furthermore, the goal of the research on competency effect on transformational leadership by Hersond (2010) was also reviewed. Madiock (2008) examined the impact of competence on leadership. However, these studies did not investigate how competence planning enhances organizational success. Therefore, the present study examined how competence planning improves organizational success to fill this gap in literature.

Finding

With the research objectives, this study determines how competence planning enhances organizational success through competence mapping and personal development plan. The findings from various studies in literature review revealed that it is logical to reason that by competence mapping and personal development plan, an organization can add to, modernize or even link its existing product lines, increase its output and improve quality output. Therefore, the following findings were achieved in this study:

1. Competence mapping enhances customer satisfaction by ensuring that employees have the necessary skills and knowledge to meet customer needs effectively. By mapping out the competencies required for each role, organizations can identify and address skill gaps, leading to improved performance and higher customer satisfaction levels.
2. Competence mapping improves quality output by aligning employee skills and capabilities with job requirements. When employees have the right competencies for their roles, they are better able to perform their tasks efficiently and effectively, leading to higher-quality products or services.
3. Personal development plans enhance customer satisfaction by helping employees develop key competencies that are directly related to customer service and satisfaction. By focusing on areas such as communication, problem-solving, and product knowledge, employees can provide better service, leading to higher levels of customer satisfaction.
4. Personal development plans improve quality output by providing employees with the opportunity to develop their skills and capabilities. As employees grow and develop

through personal development plans, they become more proficient in their roles, leading to higher-quality output.

Conclusion

Organizations are aware of the many obstacles that must be overcome to guarantee effectiveness and efficiency in optimizing their operations in order to maximize earning potential and achieve overall organizational success. The relationship between competence planning and organizational success, with regard to customer service and job satisfaction in particular, provide evidence that a successful organization must engage in competence planning. Therefore, based on the findings, the study concluded that competence planning through competence mapping and personal development plans improve customer satisfaction, which in turn enhance organisational success.

Recommendations

Based on the findings and conclusion, the study recommends the following:

1. Organisations should engage in mapping out the competencies required for each role, identify and address skill gaps, leading to improved performance and higher customer satisfaction levels.
2. Organisations should support employees to develop the right competencies for their roles, to better perform their tasks efficiently and effectively, as this will lead to higher-quality products or services.
3. Organisations should focus on areas such as communication, problem-solving, and product knowledge, to enable employees provide better service, leading to higher levels of customer satisfaction.
4. Organisations should provide employees with the opportunity to develop their skills and capabilities. As employees grow and develop through personal development plans, they become more proficient in their roles, leading to higher-quality output.
5. Organisations should adopt Human capital development theory which emphasized on the importance of investing in employees' skills and capabilities to improve organizational success. By developing human capital through competence mapping and personal development plans, organizations can enhance customer satisfaction and improve quality output.

Contribution to Scholarship

By examining how competence planning enhances organizational success, the study contributes to the theoretical understanding of human resource management and organizational development. It adds to the body of knowledge on how strategic planning for employee competencies can impact overall organizational performance. The study provides practical insights for organizations looking to improve their performance through competence planning. It offers recommendations and best practices based on empirical evidence, helping organizations implement effective competence planning strategies.

Suggestions for Future Research

Further studies can be conducted on exploring new trends such as competency-based education, digital competencies, and the impact of artificial intelligence on workforce competencies and performance. These emerging areas of research are shaping the future of

competence planning practices. Further studies can also be conducted using empirical tools to test the level of relationship between competence planning enhances organizational success.

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