
Skill Gap Assessment at RCCPL Private Limited, Butibori, Nagpur

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Abstract

Organization continually search for ways to improve their training programs. Skill gap assessment is a significant management tool that measures the difference between the existing skills and the required skills in an employee. It determines what training needs exist and thus helps in designing appropriate and effective training programs. It is important for the organization to take control on skills of the employees to sustain competitive edge. Thus, conducting skill gap assessment is central to the success of an organization. In this study, skill gap assessment is undertaken on the employees of RCCPL Private Limited Nagpur, to identify the skill deficiencies in them and suggest improvements to meet the present and future requirements of the organization. The sample size taken is 40 employees. The data was collected using a structured questionnaire followed by interviews with the departmental heads. The major findings reveal that many employees out of the total sample feel that they lack communication skills and ICT (Information and Communication Technologies) skills and thus a skill gap exist in this area. This assessment will help the organization to plan suitable training initiatives for their employees and will help the organization to gain maximum benefit from the training investment.

Keywords

Skill Gap Assessment, Training needs, Performance

Introduction

All kinds of organizations have started to realize that the only way to create a competitive edge in today's business environment is to develop the skills and competencies of its people. An organization is only as better as its employees are. In constantly changing work environments, in order to meet the growing challenges at work, it is essential for employees to possess skills. In today's business era it is necessary for organizations to invest in skill building for their employees to ensure improved productivity and performance. But the decisions made about these investments must be based on some concrete facts and analysis and this is where skill gap analysis plays a crucial role. A skill gap analysis aims at identifying the gap between the requirements of job and the competencies of employees. In simple words, it finds a mismatch between the skills your employees have and the skills your employees need. The basic motive of carrying out a skill gap assessment is to bridge the gap between the actual and wanted skills by finding out inconsistencies (Rothwell and Kazanas 1998). Carrying out skill gap assessment before undertaking a training activity guarantees the success of the training program. It brings harmony between the individual skill needs and the organizations desire for effective performance. (Potter et al. 2003). The organizations which fail to indulge in continuous skill building end up losing in competition.

According to human capital theory, training employees is never as viewed as cost but is considered as an investment made by the organizations for improving its performance. Organizations must ensure that the resources and money invested in skill training should reap positive returns in terms of productivity, quality and performance. Investigating which skills must be build is a crucial condition for any effective training programme. Simply throwing skill training at employees will never lead to improved performance. Organizations that carry out skill building activities without systematic skill gap analysis run the risk of doing it wrong or doing too less or over doing it, ultimately misusing its resources. Effective skill gap assessment or training need analysis includes systematic planning & implementation to make sure that organizational requirements are considered and there is no wastage of resources.

There can be two approaches to skill building, a reactive approach which is focusing on the current skill requirements and other is a proactive approach which is forward looking and aims at developing the future skill needs. But there are various weaknesses of a reactive approach. Anderson (1994) suggest that reactive approach to skill building fails to create a link between the skills developed and the strategic objectives of the organizations and thus fails to sustain the organizational performance in the long run. Wright and Geroy (1992) said that proactive approach to skill development makes greater contributions to organization's productivity and are more suitable for the organization's success in the long run. Therefore it can be said that skill gap assessment done in a systematic and proactive fashion leads to guaranteed improved performance.

Analyzing skill gap is not a one-time activity. Global competition and changing market requirements has made it mandatory for all kinds of organizations to carry out skill gap analysis and skill building regularly for survival. It is an on-going process of collecting information to find the training requirements for smooth achievement of organizational objectives. (Brown, 2002). It is the process of gathering data about a spoken or implied skill requirement of employees which can be fulfilled by suitable training. (Barbazette, 2006). A systematic skill gap assessment ensures that your organizations employees have all the required skills to ensure the success of your company. Skill gap analysis helps in developing those skills that are vital for effective job performance. (Noe, Hollenbeck, Gerhart, and Wright, 2008).

As today's workplaces are highly dynamic, employee's competencies and skills quickly deteriorates and becomes obsolete. Thus it is of paramount importance for organizations to plan adequate training programs to hone new skills to its employees to meet the growing challenges and needs of current business. In this study, a skill gap assessment is carried out on the employees of MP Birla Cement, Butitori, Nagpur. As the company is experiencing various strategic changes. This study will help them to find the skill gap existing in their manufacturing firm and will enable them to design suitable training initiative for its employees.

About the Company

The Birla Corporation Limited is the flagship company of MP Birla Group. The Company is primarily engaged in the manufacturing of cement as its core business activity. It has significant presence in the jute goods industry as well. The Company has acquired 100% shares of Reliance Cement Company Private Limited (Reliance Cement), a subsidiary of Reliance Infrastructure Limited (RIL). After this acquisition, Reliance Cement has become a wholly-owned material subsidiary of Birla Corporation Limited. This acquisition provides Birla Corporation Limited with the ownership of high-quality assets, taking its total capacity from 10 MTPA to 15.5 MTPA. Now the name of Company has been changed as RCCPL Private Limited.

Training at RCCPL Private Limited

Company strongly believes that training is an integral part of its business and a crucial factor in transforming itself into a Learning Organization. Training mainly focuses on the development of both functional competencies and behavioural attributes. A career planning program is designed to meet the role requirements, wherein potential employees are groomed and developed to take critical leadership roles in the future. In view of the current market scenario, skilled workforce, leader development and to develop a high performance culture with limited resources are the key challenges in the organization.

RCCPL identifies the needs of employees through mutual dialogue with the reporting supervisor. Accordingly, the Annual Training Plan for all levels in different categories such as Behavioral, Technical, Functional, OH&S etc. are formulated. Further, skilled labor availability in view of current market scenario is a critical challenge for the cement industry today. More flexible labor strategies to meet these challenges improve organizational performance and better utilize the current pool of skilled workers are planned. One potential solution is the multi-skilling concept. Multi-skilling is a labor utilization strategy where workers possess a range of skills appropriate for more than one work process and are used flexibly on a specific project or within an organization. Workers can be assigned tasks based on their ability to perform the needed skill / task unrestricted by traditional job descriptions or work boundaries. Evaluation of the training program is captured through feedback from participants. The feedback contains factors such as rating on Faculty, coordination for the program, & the content of training. After a month of training completion, the reporting officer evaluates subordinate & rates learning from the session. Overall improvement of the participants as per defined levels, indicate efficiency and effectiveness of training program.

The Competencies of the Employees are Mapped on the below mentioned Levels.

Level E: At this competency level – Individual is neither able to do the job nor has a knowledge of the subject / equipment handling.

Level D: At this competency level – Individual has gained knowledge about the subject either On the job / Classroom training or over the subject matter / Operation & Maintenance of equipment.

Level C: At this competency level – Individual has sufficient knowledge about the subject / O&M of Equipment and is able to perform the activity or maintain the equipment in healthy condition with support.

Level B: At this competency level – Individual has complete knowledge about the subject / O&M of Equipment and is able to perform the activity or maintain the equipment in healthy condition independently. The -individual will have absolute ownership of the task assigned to him for that Subject / Equipment.

Level A: At this competency level – Individual has gained absolute knowledge about the subject. Individual has developed a skill to train other peer members over the subject matter or O&M of equipment.

The company believes that in the changing business scenario, employees not only require technical skills to perform their jobs effectively but they also require behavioural skills. Thus this study has focused on carrying out a skill gap assessment on the employees of this company to assess if the employees possess all the

behavioural skills which are essential for the growth and success of the enterprise in today's competitive world. This study will also help the organization to plan appropriate training programs for its employees.

Material & Methods

The skill gap assessment was conducted using a structured questionnaire followed by interview with the unit heads. Referring to literature review and past studies, five behavioural skills of particular importance to the sector were identified. The five behavioural skills are Communication Skills, ICT (Information, Communication & Technology), Team Skills, Planning and achievement, Time Management. There were total 17 statements made. The identified five behavioural skills along with their respective statements were put to Likert five point scale. The designed questionnaire was shown to the HR head of M.P Birla Cement and after incorporating the suggestions given by the HR head the questionnaire was finalized.

The data collection was divided into two phases. In the first phase the data was collected from the employees with the help of a structured questionnaire. In the second phase the findings of the first phase were discussed with unit heads and the skill gap of employees was identified.

The sample size taken was 40 employees working in MP Birla Cement, Butibori, and Nagpur. Out of the total employees surveyed, 30 were staff on Company Rolls, 4 were staff on fixed term rolls and 6 were workers on contract rolls. There are in total 60 employees working in MP Birla Cement, Nagpur. Sampling technique used for the study is convenience sampling. The respondents were selected based on their availability in the respective departments.

For the purpose of data collection, researchers had visited the company and the questionnaires were distributed to the employees and the findings of the questionnaire were then discussed with the unit heads to validate the results. The data collected with help of questionnaire was analysed using Descriptive statistics. In the questionnaire, the employees were asked to select the appropriate option from "Strongly agree", "Agree", "Neutral", "Disagree", "Strongly disagree" depending upon whether the employees possess the skills mentioned in the questionnaire or not. The frequency of strongly agree, agree, neutral, disagree and strongly disagree for each question and respondent was determined. For the matter of representation, frequency of agree and strongly agree was summed up as Expert and can train others, whereas frequency of disagree and strongly disagree was summed up & shown as Requires Training. And the frequency of neutral was named as Unsure.

Results and Discussion

The Table below shows the Skill Gap Analysis

Data represents the **percentage of employees** requiring or not requiring training in the specified skills.

Communication Skills	E	U	R
Good in communication both writing and oral	40	12.5	47.5
Confident in conveying information	40	15	45
Able to give opinion clearly and convince others	35	15	50
ICT	E	U	R
Good at word processing such as Microsoft Word	47.5	10	42.5
Good at data processing such as Microsoft Excel	30	15	55
Able to present information using audio visual such as Power Point	42.5	12.5	45
Able to use technical software's to carry out job functions.	52.5	17.5	30
Team Work	E	U	R
Able to guide subordinates	72.5	10	17.5
Able to work well in teams	77.5	7.5	15
Able to contribute personal knowledge and expertise to the team work	82.5	5	12.5
Planning and Achievement	E	U	R
Able to make work plan	82.5	2.5	15
Able to achieve work targets	80	7.5	12.5
Establishing goals and objectives of work.	75	7.5	17.5
Able to prioritize work activities	75	10	15
Time Management	E	U	R
I do tasks in order of their importance.	80	12.5	7.5
I can complete the tasks assigned to me on time.	77.5	12.5	10
I have a daily "to do" list that I update regularly	75	15	10

In above table “E” stands for **percentage of employees who are expert in these skills and can train others the same**. “U” stands for the **percentage of employees who are unsure if they possess these skills or not** & “R” stands for the **percentage of employees who do not possess these skills and thus requires training**.

The above gap analysis reveals that 47.5 % employees feel that they are not good in communication both writing and oral, 45% employees feel that they are not confident in conveying information and 50% employees are not able to give opinion clearly and convince. When these findings were discussed with the respective unit heads, they were also of the view that many of their subordinates require improvement in their communication skills thus a skill gap is identified. Thus the organization must plan for appropriate training programs to improve the communication skills of the employees.

Also it is found that 55% employees believe that they are not good at data processing such as Microsoft Excel and 45% employee feel that they are not able to present information using audio visual such as Power Point. When respective unit heads were consulted about these findings they also suggested that many employee need upgradation in their ICT skills. Thus a skill gap is identified in ICT. The organization should plan suitable training initiative to upgrade ICT skills of its employees.

Conclusion

The study revealed that out of the five broad skills namely; Communication Skills, ICT (Information, Communication & Technology), Team Skills, Planning and achievement, Time Management, employees working in MP Birla Cement possess all the skills necessary to carry out their job effectively except Communication skills and ICT skills. Skill Gap Analysis revealed that many employees feel that they lack communication skills and ICT skills and this thought was supported by the suggestions given by the unit heads. In today's scenario, for any organization to sustain in this competitive business environment, employees with good communication skills are an essential requirement. Thus suitable training initiative must be undertaken to improve the communication skills of the employees. Also now a days technological skills are becoming more important than before, and their importance isn't getting diminished anytime soon thus organization should plan appropriate training programs to upgrade the ICT skills of its employees.

Future Scope of Research

In this study a skill gap assessment has been carried out only to assess the behavioural skills of the employees. Thus the future study can concentrate on analysing the technical skills of the employees. The study was restricted to employees working in RCCPL Private Limited, Butibori, Nagpur thus findings of the research cannot be generalized. So future studies can focus on identifying the training needs and skill gap for employees working in other companies and factories of Butibori and Nagpur.

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