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Title: Strategic competency development and mapping system: a tool for building a sustainable national competitive advantage in the era of globalization

One of the fundamental goals of strategic management is to inspire customer loyalty and build a sustainable competitive advantage. However, it is becoming increasingly difficult to consistently do so in the technology and capital intensive global business environment. Organizations today face a plethora of unprecedented formidable challenges and unless managements are versatile, perspicacious and quick to conceive and incorporate continuous change, and improvement across all levels, their organizations will struggle to survive in the globally competitive economy of the future.

In the global business environment an organization's competitive advantage is linked with the national competitive advantage of its home country. The national competitive advantage, as per Porter, is derived from the nation's ability to make the best possible use of the available factors of production; the prevailing demand conditions in the home country; existence of related and supporting industries; and, the strategies, structures and rivalries among firms that shape the dynamics of particular industries. In addition, national competitive advantage is also shaped by government policy.

One of the major but silent disruptions caused by globalization (and the internet) is rapidly evolving customer needs, along with a growing ability to source products and services from diverse suppliers spread across the globe. This continuously increasing onslaught of global competition is likely to make it difficult for local (Indian) organizations to sustain their current competitive advantage unless they develop and implement strategies to cope with the impending disruption; because of a deteriorating factor advantage (which, in India's case, is chiefly the availability of a highly skilled work force). While explaining why governmental intervention is needed to ensure that the quality of India's workforce continues to be a factor advantage for India, this paper makes a case for meaningful governmental intervention to address this issue (of an increasingly deteriorating factor advantage) for Indian organizations and suggests one effective way to do it.

The paper recommends that the Government of India must develop a strategic competency development and mapping system (SCDMS) for Indian organizations. This SCDMS must be used to assess, develop and continuously improve technical, cognitive-emotional and behavioral competencies of employees across all levels. Such a system will ensure that the organization's core competencies reside mainly in the skills and competencies of its employees; that they are distributed across all levels; and that they continue to meet and exceed global standards, thus translating into a sustainable competitive advantage. By implementing the SCDMS the government can hope to effectively build and sustain India's national competitive advantage in the global economy.

Finally, this paper lists some of the key critical global competencies that an SCDMS should be designed to develop in order to effectively meet the impending challenges of the 21st century. Thus, the paper makes a case for revamping the nation's current approach to education, and employee training and development, and proposes a conceptual model for designing a strategic competency development and mapping system which will help shape and develop India's national competitive advantage.