EMPLOYEE CORE COMPETENCIES AND ORGANIZATIONAL EXCELLENCE: AN INTERPRETATIVE ANALYSIS

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ABSTRACT

Having strong and critical work-related competency is deemed important among professional employees in an organization. Developing professional competencies is a critical activity in an organization in order to achieve excellent competitive advantage. Improvement of employee competencies have also been found to produce significant organisational performance namely organisational profits, productivity; increase in employee engagement as well as career development. With respect to employee competency, literature indicates that competencies requirement varies according to positions, jobs and organization. As a result, many organizations have defined their respective scope of competency differently. Nonetheless, as argued by several scholars, a set of crucial competencies or 'core competency' need to be established and identified regardless of roles, positions and levels that exist in the organizations. These core competencies are essential in order to perform the job well. Therefore, this study is intended to investigate what are the core competencies needed among professional employees, particularly in Malaysian service-based industry or organizations. To answer the research objective, a qualitative approach using an in-depth interview was employed. Fifteen Human Resource Directors and Managers from various sectors in Malaysian service-based industry were interviewed for the purpose of data collection. The information was analysed using thematic analysis technique. The findings revealed that there are four critical competencies that are required by employees namely functional competency, communication competency, leadership competency, and cognitive competency. An employee who have acquired these competencies are viewed as invaluable resource or asset for the organization.

INTRODUCTION

Work-related competency is deemed important among professional employees in order to perform their job well as well as to achieve organizational excellent competitive advantage. Thus, developing professional competencies is a critical activity in an organization. However, the term competency has no single definition (Hoffman, 1999; Palan, 2005). The definition of competency varies according to roles, positions and even organisation (Hoffman, 1999; Jubb & Robotham, 1997; Levenson, 2005; Lucia & Lepsinger, 1999; Palan, 2005; Rabiah, Masturah, Siti Mariam, & Zaini, 2007; Thomson & Mabey, 1994). Those researching the field, as well as practitioners, have evolved several meanings that serve as a focus for their efforts to implement the competency approach to their work. For instance Hoffman (1999) stated that, there are two schools of thought that defined the concept of competency: (1) The American approach that view competency as the underlying attributes of a person while (2) The British approach that view competency as a set of performances and standards (p.284). Clearly from Hoffman point of view, the concept of competency then can be classified into two major categories namely; (1) personal competencies and (2) task or job-based competencies. Thus competencies is viewed as an observable performance, the standards or quality of the outcome of the person's performance and the underlying attributes of a person (Hoffman, 1999; Lee & Salleh, 2009; Levenson, 2005; Palan, 2005; Woodruffe, 1992). According to Blanchard and Thacker as cited by Junaidah (2008, p.261) "competency is a cluster of related knowledge, skills, and attitudes that differentiate high performers from average performers". An employee who is knowledgable is a competent person in which it can be valued and measured internally and externally in several tangible aspects such as productivity (Jabar et al., 2010). A competency definition offered by Woodruffe (1992, p.17) is "the set of behaviour patterns that the incumbent needs to bring to a position in order to perform its tasks and functions with competence". Hence, competency as implied by Woodruffe refers to employee behaviours that is critical to accomplish work effectively and efficiently. Parry (1998) defined competencies as a cluster of related knowledge, attitudes and skills that affect a major part of one's job; that correlates with performance on the job; that can be measured against well-accepted standards; and that can be improved via training and development.

Many organisations developed competence-based training to improve employee performance and measure their employees against pre-determined standards (Maimunah 2011). This is because improvement of employee competencies have also found to produce significant organisational performance in terms of financial aspect namely organisational profits or revenues, productivity (Asree, Zain, & Razalli, 2010; Brooks & Nafukho, 2006; Calantone, Cavusgil, & Zhao, 2002; Jabar et al., 2010; King, Fowler, & Zeithaml, 2001; Levenson, 2005; Palan, 2005; Rose, Kumar, & Abdullah, 2006); and while in terms of non-financial, competency resulted in an increase in employee engagement and career development (Adanu, 2007; Caniëls & Kirschner, 2010; Eddy, Tannenbaum, Lorenzet, & Smith-Jentsch, 2005; Homer, 2001; Inkson, 2008; Junaidah, 2008; Levenson, 2005; Lockhart, 2013). Competency that is associated with behavioral attributes determine job and organizational performance (Lee & Salleh, 2009). In a study by McEnrue (1984) about employee ability and job performance among 340 managers in public utility revealed that perceived competence of the employee did act to moderate the relationship between role clarity and job performance. His findings indicated that despite the role ambiguity they encounter as opposed to role clarity, the more competent employees perform their job well than their less competent counterparts. Thus, in many critical situations, competent employees have the ability to perform their job well than those who are less competent. McEnrue further suggested that organizations should emphasize more on employee competency in order to improve job performance. Lucia & Lepsinger (1999) posit that competency is not only essential to perform work effectively but it is also needed to be demonstrated in performing job. Competencies that accentuate on an outstanding performance have emerged as critical issue because they are merely linked to individual employees rather than to jobs (Junaidah, 2008; Lucia & Lepsinger, 1999). Homer (2001) observes that employee competency is the most important foundation for successful organization process and profit.

In this regards the paper is presented based on the following sections. The next section will highlight the attributes and issues related to core competencies. The subsequent section deals with the research methodology that was employed in this study followed by data analysis and interpretation. The final section is on discussions and recommendations.

CORE COMPETENCY

The term competency is subjected to many understanding and has no consistency across different organisations (Hoffman, 1999; Jubb & Robotham, 1997; Palan, 2005); varying tasks and positions due to its nature (Lucia & Lepsinger, 1999; Rabiah et al., 2007) and making it as general management tools will defeat the purpose of competency measurement (Thomson & Mabey, 1994). Competency tenets tend to be standardized but in reality each position and job is unique on its own thus requiring different aspects of measurement. Competencies shall be categorised differently and evaluated independently as well as displayed consistently (Jubb & Robotham, 1997). Organisation should ensure that the competence of organisational members are assessed, maintained, demonstrated and continually improved (Rabiah et al. 2007; Smith & Robertson 1992). With respect to employee competency, literature indicates that competencies requirement varies according to positions, jobs and organization. As a result, many organizations have defined their respective scope of competency differently. Nonetheless, as argued by several scholars such as Lucia & Lepsinger (1999); Parry (1998); and Woodruffe (1992), a set of crucial competencies or 'core competency' need to be established and identified regardless of roles, positions and levels that exist in the organizations. These core competencies are essential in order to perform the job well. Woodruffe (1992, p. 21) termed core competencies as generic competencies. Woodruffe posits that regardless of different types of organizations (either large or small) and positions (either lower, middle and upper level), the generic competencies list help organization to determine the dimensions of competency expected from their employees. He further claimed that these generic competencies can be classified into job or task-based competency and personal-based competency.

However, Hollenbeck & McCall in Levenson (2005) argue that building or developing competency model that suits with the organization is difficult as competency requirements change over time. Due to that, to identify which competency yields the best predictors of performance is almost cumbersome and requires careful analysis. On that argument also, therefore having large number of competencies set might give a wrong signal to organizations to determine which competency or competencies are actually the best predictors of organizational performance thus, careful selection of competency sets will definitely help to identify the predictors of organizational performance. Several studies on competency and organizational performance (see Spreitzer, Mc Call & Mahoney (1997); Bray, Campbell, & Grant (1974); Dulewicz & Herbert (1996); Russel (2001); and Levenson, Van der Stede, & Cohen (2005) reveal that in determining organizational performance, only a subset of competencies appear as an important predictors (Levenson, 2005). These arguments are further supported by Cheng et.al (2005) in which to perform effectively, organizations should identify, develop and blend together personal competencies and task-specific or job-based competencies. They termed personal competencies as macro competency while job-based competency as micro competency. They further suggested a new

competency approach called hybrid approach (multidimensional) that combines these two types of competencies together with the role-focused approach.

In view of set of competencies required in service-based industry, Ejler et al. (2011) stated that the commodity that demanded, wanted and expected by clients or customers is competences or competencies of the employees employed by the service providers. Dickson et.al as quoted in Tomé (2011) acknowledge several types of important competencies such as knowledge and skills about people, business, technology, and technical. Thus, they call for education providers such as universities and other higher learning institutions to focus on these aspects in order to equip the graduates with relevant skills and knowledge that serve service-based industry better. Meanwhile in the area of tax, auditing and accounting, Palmer et.al as quoted in Udin et al. (2012, p. 430) suggest several types of competencies that they need to master, such as communication skills, interpersonal skills, general business knowledge, accounting knowledge, problem-solving skills, information technology, personal attitudes and capabilities, and computer skills. In a study conducted by Junaidah (2008) on 268 Malaysian managers from various disciplines such as human resource, marketing, sales, production, and sports revealed three main competency groups mostly required for managers namely communication competency, managerial competency and job knowledge competency. In the area of HRM for instance, there are several proficiencies that are required to be mastered by HR Manager namely HR, business, leadership, and learning proficiencies (Dessler, 2008); change mastery; and personal credibility (Snell & Bohlander 2013). In a study on competency and organizational performance, it was found that the following competencies: namely able to be agent of change, able to make risky decisions, able to be a strategist, able to work in a team; able to communicate; and able to make quick decisions, yield positive organizational performance (Levenson, 2005).

With respect to professional competency, Cheetham & Chivers (2000) posit that there are two types of major competency: the functional competency (which stresses on skills required to perform task or job effectively and efficiently) and personal competency (characterised by personal attributes or behaviours required to perform effectively). Cheetam and Chivers two major type of competencies are in parellel with classification of competency as suggested by Hoffman (1999). While competency as an employee set of behaviours are supported by Woodruffe, (1992) and Junaidah (2008). Meanwhile Berge et al, (2002) echo that competency such as problem solving, analytical thinking and leadership are closely associated with high performance on a job. In developing organizational pool of talents especially professionals, Kermally (2004) posits that there are a few aspects that an organization need to focus namely functional talent, leadership, creativity and decision making skills. In a study by Jones & Fear (1994) to members of the Institute of Personnel and Development (IPD) of Cardiff branch, United Kingdom (UK) reveals that in terms of required competencies, their respondents indicate several areas that were considered as important such as functional skills; financial and budgeting skills, marketing and PR skills, computerized information systems skills, and computer skills. With respect to core or generic competencies that determine one employability, a study by Heijden et al. (2008) revealed that employability of professionals is increased if they have strong combination of occupational expertise and four other generic competencies such as anticipation and optimization, personal flexibility, corporate sense, and lastly balance. Since there are quite a number of competency types, Parry (1998) has grouped the most common core competencies into four clusters namely administrative, communication, supervisory, and lastly cognitive competency. On one hand, in the field of HRM for instance, scholars (see Dessler 2008; Maimunah 2011; Mathis & Jackson 2003; Snell & Bohlander 2013) agreed that at least there are four core competencies required namely administrative; leadership, business sense; and lastly managing people competency. Scholars in this field continue to debate on the types or clusters of competency required among professional members in an organization that can lead towards organizational excellence.

Given the above arguments, therefore the objective of the study is to identify what are the most critical competencies required by professional employees in the organization particularly in service-based organizations. The main motivation to conduct this study is to find out in a more in-depth manner the critical set of competencies needed to have by professional employees based on top management perspective. Hence, the next section deals with the research methodology that was employed in this study in order to find out, what are the core competencies required among professionals in the Malaysian service-based organizations or industry followed by data analysis and interpretation.

RESEARCH METHODOLOGY

The motivation of this study is to investigate the core competencies needed among professional employees from top management point of view. A qualitative study was employed through an in-depth interviews with 15 HR Directors and HR Managers in Malaysian service-based industry located in the Klang Valley which comprise of three different states (Selangor, Kuala Lumpur and Putrajaya). An in-depth interview allows the researcher to conduct an intensive individual interviews with a small number of respondents to explore and to gauge their perspectives on a particular idea, issue, program or situation (Kumar, Salim, & Ramayah, 2013). This is

pertinent in getting rich comments and feedback from them and allows the researcher to probe further in order to have a better understanding about the problem or issue being studied.

Given the fact that service-based industry is huge in nature, therefore four different sectors were identified and chosen namely Multi-National Corporations (MNC), Government-Linked Corporations (GLC), Small Medium Enterprises (SME) and Malaysian Government Agencies (MGA). These four sectors represent service-based industry in which each sector operates in a different type of service businesses. The data collected was audiotaped, transcribed and analysed using thematic analysis technique. The list of the informants who were involved in the interviews are depicted in Table 1. The selection of the informants is based on their expertise and capability in the area being studied. They have agreed to participate and be part of this study and consent letters of agreement were given to them in which they can either freely be involved or withdraw from this study. *Pseudonyms* were used to ensure that their privacy and confidentiality are highly protected.

TABLE 1. LIST OF INFORMANTS' PROFILE

Respondent	Position	Type of Sector	Nature of Service Business	Location
R1 Organization A	Associate Manager (Learning and Development)	MNC	Delivery of Goods and Documents	Selangor, MALAYSIA
R2 Organization B	Human Resources Manager	SME	Hotel and Hospitality	Selangor, MALAYSIA
R3 Organization C	Principal Assistant Director	MGA	Advisory and Enforcement of Medical Policy	Putrajaya, MALAYSIA
R4 Organization D	Deputy Director	MGA	Advisory and Enforcement of Agricultural Policy	Kuala Lumpur, MALAYSIA
R5 Organization E	Assistant General Manager (Career Development, Specialist and Talent Management)	GLC	Telecommunication	Kuala Lumpur, MALAYSIA
R6 Organization F	Head (Learning and Human Capital Development)	GLC	Banking	Selangor, MALAYSIA
R7 Organization G	Human Resources Manager	GLC	Utilities	Selangor, MALAYSIA
R8 Organization H	Head (Corporate and Business Resourcing)	MNC	Banking	Kuala Lumpur, MALAYSIA
R9 Organization I	Group General Manager Human Resources	GLC	Hospitality	Selangor, MALAYSIA
R10 Organization J	Industrial Relations Manager	MNC	Consumer Products	Selangor, MALAYSIA
R11 Organization K	Human Resources Manager	MNC	Asset Consultancy	Kuala Lumpur, MALAYSIA
R12 Organization L	Senior Director (Talent Management)	MNC	Financial Services	Kuala Lumpur, MALAYSIA
R13 Organization M	Director / Partner	SME	Consultancy	Selangor, MALAYSIA
R14 Organization N	Assistant Vice President (Learning and Development)	MNC	Financial Services	Kuala Lumpur, MALAYSIA
R15 Organization O	Director / Partner	SME	Consultancy	Selangor MALAYSIA

Table 1 above shows the list of respondents who represent various sectors namely MNC (6 respondents: R1, R8, R10, R11, R12, R14); GLC (4 respondents: R5, R6, R7, R9); SME (3 respondents: R2, R13, R15) and MGA (2 respondents: R3, R4). An in-depth face-to-face interview was conducted as a research approach for this study because this method allows the researcher to develop an extensive analysis by providing rich detailed information and provide new and fresh insight. A set of interview questions were developed to assess the core competencies required from professionals employed by an organization based on top management views or perspective. An analysis of subject-matter-expert views are important as it features the actual scenario on how these different sectors see; interpret; regulate; implement; and enforce required competencies amongst their professional staff. Subsequently, the next section will discuss the data analysis and interpretations of the findings obtained from this study.

RESEARCH RESULTS AND INTERPRETATION

The following is the summary analysis of the main findings in relation to the core competency requirements among professional employees in the organization from the top management perspective. There are at least four core competencies that have been identified from the findings. These four core competencies are required by organizations regardless of positions and nature of work of professionals in the organization. Each respondent was asked to identify what are the core competencies needed among their professional employees. Their responses were analyzed and tabled as depicted in Table 2 below.

TABLE 2. SUMMARY ANALYSIS OF CORE COMPETENCY

Informants	Functional	Leadership	Communication	Cognitive
R1	✓	✓	✓	✓
R2	✓	✓	✓	✓
R3	✓	✓	✓	✓
R4	✓	✓	✓	✓
R5	✓	✓	✓	✓
R6	✓	✓	✓	✓
R7	✓	✓	✓	✓
R8	✓	X	✓	X
R9	✓	X	✓	X
R10	✓	X	✓	X
R11	✓	X	✓	X
R12	✓	✓	✓	✓
R13	✓	✓	✓	✓
R14	✓	✓	✓	✓
R15	✓	X	✓	X
Total	15/15	10/15	15/15	10/15
%	100%	67%	100%	67%

Types of Core Competency spans Functional, Leadership, Communication, Cognitive columns.

Based on Table 2 above, it clearly shows that there are at least four types of core competencies that are critical in the organizations namely functional competency, leadership competency, communication competency, and lastly cognitive competency. Majority of the respondents indicate that functional skill and communication skill are the top two important skills required in the service-based industry in Malaysia. All informants R1-R15 (100% or 15/15) agreed that for service-based business to sustain, functional and communication skill are the most important competencies to convince and gain customers' trust.

With regards to functional skills R8, R10, R7 and R15 said that:

"(The competency required) depends on the job function and units. The importance of the skills and competencies are based on the job description and translated into a learning roadmap" [R8].

"You see, common competencies in human resource are all about services like doing accurate work, not entering wrong data, getting people admitted to the hospital due to accident at work place, falling sick etc. That kind of things they cannot say forget to do or delay which has caused in enhancing the injury or fatality. That kind of things none of the companies will tolerate. It is expected of you. In terms of work concern, any excuses we take are lame excuses" [R10].

"When we talk about (employee) competency, we will look at the technical component and a few soft skill components [R7].

"I believe in this profession, your bread and butter is still your measurement (technical) and your contractual knowledge especially if you are doing the plan form or the JKR form. You must be very competent in that because the client may ask you what the contract says about this and that. Which clause say this? You must know this. At least if you cannot quote the clause, at least you must know what does the clause say or what does it imply? That's the bread and butter. 80% of it but I think the next thing that you must have is the communication skills. Communication skill is definitely important" [R15].

Functional competency is therefore a must to have among professionals in which they are expected to be competent and have better understanding pertaining to their job or work. Functional as one of the important core competencies is also supported by several authors such as Heijden et al. (2008); Dessler (2008); Junaidah (2008); Kermally (2004); Parry (1998); Snell & Bohlander (2013); Tomé (2011) and Udin et al.(2012).

In terms of communication skills, the following are the statements that reflect communication competency as pointed out by R3, R5, R11 and R14:

"I think when we deal with the industry, definitely communication is very important that our staff must have" [R3].

"Across the company the common competencies are business communication, presentation skills, analytical skills, adaptability, innovation, entrepreneurial skills, technical and leadership skills" [R5].

"I think the other skill is communication skill. Sometimes outside people think that everyone (in the organization) will know the property price since we are in property business. When they call, they don't bother to call up the finance (department); then they will ask this and that. So first their communication skill must be very good then of course your service, your politeness to the clients will be very good as well" [R11].

"Regardless of any position, across the board we have identified several common competencies that the staff should have such as leadership skills which include decision-making and problem-solving, communication skills, influencing skills, teamwork, integrity, professionalism, philosophy and policies as well as culture. This applies to all lower and upper level" [R14].

Research findings also revealed that communication competency is identified as important despite different positions and nature of work these professionals have in their respective organizations. All respondents (15/15 or 100%) agreed that communication competency is critical in the organization and is expected from their professional employees. Furthermore previous studies also indicate that communication is critical in the organization. Poor communication skills among professional employees in the organization has resulted in incompetent decision making that affected organizational performance (Johnnie, 1993; Junaidah, 2008; Maimunah, 2011; Parry, 1998; Udin et al., 2012).

With regards to leadership competency, majority of informants (67% or 10/15) agreed that leadership competency is crucial in their organization especially at executive position or level. Executives are expected to have this skill as to guide their subordinates. As pointed out by R13, R6, R5, and R1 the following are statements that reflect leadership as one of the core and critical competency is needed among professionals in the organization.

"I feel that as a QS working in a construction industry, they would need to have or they would need to be able to lead and manage. They must also observe and see how their boss lead and manage because we don't only have to deal with the people in the office, we also deal with architects and engineers" [R13].

"Yes, at this level they must have that soft skills in leadership so that they can perform efficiently and based on management expectations. So we have just started but did not roll-out yet. That means the common one would be things like we want the executives to go through 7 habit programs, supervisory programs, leaders like the head and section heads they need to go through leadership programs. To me executives' levels who are supervisors should go through supervisory skills programs and have one-core values programs. Our core value is X. We call it X. So everybody at all levels has to go through that program" [R6].

"Most of the time our competencies that we have in training department are technical competency plus leadership competency" [R5].

"Leadership skill is the main competency. Mainly focus on people who are managing people. We call this group of people as people's managers. They can be the supervisor, they can be the team leaders, and they can be the managers, senior managers, junior managers or even directors. Whoever have people reported to them, they need to have this set of competencies" [R1].

Despite the importance of leadership competency among professional employees in the organization as agreed by scholars (Cory, 2005; Dessler, 2008; Graetz, Rimmer, Lawrence, & Smith, 2006; Kermally, 2004; Maimunah, 2011; Parry, 1998; Rose et al., 2006; Snell & Bohlander, 2013; Stankosky, 2006); however, R3, R13 and R15 pointed out that at executive level, leadership competency is not a common core competency as it is something that can be developed in tandem with time and experience. R15 and R3 said that:

"To me, leadership skills you learn, it is who, is guiding you. You may follow that person and you will learn. It's the style. You may like the person's style, you may follow it" [R15].

"If you are talking about management, leadership, teamwork, so these things you cannot get from proper training. No. You need to really engage with your director or your superior to get their skills" [R3].

With regards to cognitive competency, majority of the respondents (10/15 or 67%) agreed that this cognitive competency is important in the organization especially among their professional employees. For instance, R5 commented that:

"I would think that across the company, the common competencies are communication (business communication), presentation skills, the analytical skills, adaptability, innovative (innovation), entrepreneurial" [R5].

Research findings also reveals that in terms of cognitive competency, the professional staff in the organization should be able to acquire some analytical skills and able to make decision. Findings that indicate cognitive ability as one of the critical competencies is in tandem with several scholars. They agreed that professional employees should be able to handle and overcome problems related to work and also be able to make sound decision-making that benefited their organizations (Bonn, 2001; Hamid, 2003; Kermally, 2004; López-Cabrales, Real, & Valle, 2011; Lucia & Lepsinger, 1999; Parry, 1998; Udin et al., 2012). However, interestingly several respondents argued that this requires some experience in functional area which make them fit to make decision and solve problems related to work. As pointed out by R13:

"In terms of problem solving skills, I suppose it comes with experience because in the construction industry, each project is different. So you might have this problem in this project, you may not face the same problem in other projects. So the technical skills must be very good before you will be able to solve the problems. Just like the engineering also, I think they have the same view. For decision-making skills it is also based on their competency in technical aspect. So if they are well-versed in their technical skills, then they can make sound decisions" [R13].

On the other hand, even though majority of the informants (10/15 or 67%) agreed that executives or professional staff should have a strong capability and confidence in decision-making and problem-solving, few of them (5/15 or 33%) namely R8, R9, R10, R11, and R15 did not mention or see this competency as a critical competency. As R15 pointed out, at executive level, cognitive competency is less important as the clients would like to meet and get a firm decision from the director rather than the executives:

"I think in my profession, if there is decision-making to be done, the clients will say, I want your director to be there. They will call me and I know that they want some decisions to be made" [R15].

Interestingly, this study also found that several informants (R1, R3, R9, R10, R13, and R14; 40% or 6/15) stressed on team working or collaboration among professional employees as an important competency. For instance R3, R9 and R10 argued that:

"Yes, team work is important because when you need to solve a problem you need to have one leader to guide you and then also, the team to work on it. So, I think that's the important thing that we need to have" [R3].

"If you want my opinion, I go for collaboration, teamwork and communication. This is the common one. I think this is the top three. When we hire people, I have to make sure that they have these 3, because they are important. If you cannot collaborate with other departments, it is tough. Teamwork you know, is like a football team, so only the squad brings this championship not the player" [R9].

"What we need to emphasize is teamwork. It must be there you know. It's currently lacking in my department especially in HR department" [R10].

Another interesting findings of this study found that attitude of employee (as pointed out by R11) and knowledge about business acumen (as highlighted by R1, R7, R9, and R12) are also paramount to service-based business. With regards to attitude as a critical competency skill, R11 commented that:

"Let's say we do have vacancies, honestly if you want to do sales, you don't need to have sales experience. What I emphasized is, you must have the right attitude. You see in the sales line, an agent when they want to close the sales; clients have to pay 3% deposit. When we take people's money, I want to make sure this agent won't use this money. There is a lot of agencies out there, they do have these kind of agents that give them problems. They are not honest; I would say; not professional" [R11].

For attitudes, professional employees are expected to be honest and act professionally at all times which reflect their respective organization and profession good image. On business acumen competency, some informants highlighted that it is one of the critical skills that executive level and above should have. For instance R9 said that:

"We need people who can deliver in accordance to the organization's direction. So, in order to do that they must understand where the organization is going, am I right? So knowledge on industry is important. That's why business acumen or knowledge of respective industries within the group is important and this one can be also one of the barriers, because not many people are equipped with business acumen competency" [R9].

Based on the research findings and interpretation made to the responses derived from the informants, therefore this study has identified several core competencies which are critical in the organization particularly in the service-based industry. These core competency emerged as an important competency attribute from top management point of view. The professional employees that they hire are expected to master and equip themselves well with several core competencies in order to perform well in their work as discussed above. The subsequent section deals with the conclusions and recommendations which made up the final part of this paper.

CONCLUSIONS AND RECOMMENDATIONS

This paper concludes that regardless of different positions, tasks, and nature of service-based businesses; core competencies play a salient role for organizational excellent performance. The onus to identify and develop these so called 'core competencies' is on the organizational effort and initiatives. This is pertinent especially in service-based organizations that rely on their human capital to distinguish themselves with their rivals through highly-trained and competent professional employees. The findings of this study thus, provide useful information with respect to identifying a set of core competencies required from professionals in the organization.

Based on the findings obtained from interviews, several competencies have emerged and are regarded as important by the top management in the service-based organizations or industry in Malaysia. However, regardless of different positions and the nature of work in these respective organizations, there are at least four core competencies that organizations consider as critical, in which the professional employees are expected to have. The core competencies that have been identified as critical for organizational excellence are functional, communication, leadership, and cognitive competencies. Therefore, professionals should ensure that they are well-equipped with these competencies and continuously develop them in order to facilitate their day-to-day work and deal with different level of colleagues in their respective organizations. Not only that, future professionals should also equip themselves with these critical core competencies in order to compete with others in the highly competitive job market. Thus, this findings suggest that first, organizations shall identify several types of critical competencies needed and expected among their professional employees. Secondly, organizations shall take into consideration the importance of developing core competencies among their professionals as it will determine organizational competitive advantage and excellent organizational performance. Thirdly, once core or critical competencies have been identified, organizations can determine and develop specific competencies, tailored to the jobs or positions respectively.

However, the findings from this study need to be used with caution as it is qualitative in nature and involved a small number of respondents. Thus, generalization cannot be made to the whole population of service-based industry. Future research should consider collecting data based on quantitative approach using survey in an acceptable sample size amount. In addition future research should also employ longitudinal study to determine the cause and effect changes overtime with respect to professional competency. Nevertheless, this study is insightful and will contribute to the existing body of knowledge with respect to HRD and employee competency. Furthermore, this study also provides useful information for the service-based organizations to relook into their current practice of developing and identifying core competencies among professional employees. Organizations can perhaps emphasize more on developing these core competencies which can be applied across the board in the organizations regardless of positions, nature of work and types of services offered.

ENDNOTES

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