

## **USING A COMPETENCY BASED MODEL TO CREATE A HIGH PERFORMING ORGANIZATION: THE CASE OF MODERN FOODS ENTERPRISE PVT. LTD.**

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### **ABSTRACT:**

*This is a study of using a competency-based model to create a high performing organization with effective talent management tools and alignment of goals at Modern Foods. The purpose of this research is to get an understanding of working culture of organization and create a link with dynamic business practices and trends. The study lays emphasis on the competency model that exists within the organization. The main aim lies in recommending the desired changes in the existing model based upon the current business environment. Also, the competencies suggested need to be aligned with the talent management tools and goals of organization. The authors make suggestions about the various competencies within the organization under the value system established. The suggestions were made focusing the individual's and company's future goals, as well as fitting into the working style of the blue collars here. Few recommendations include brining about a change in the existing competencies and adoption of automatized process to manage the HR database with ease.*

**Key Words: Modern Foods, Competency-based Model, Talent Management, High Performing Organization**

### **INTRODUCTION**

#### **Competency-Based Models**

Most organizations are operating in a global, sophisticated, evolving, intensely cutthroat, and extremely volatile environment, and it's likely to stay that way for the foreseeable future (Tarique & Schuler (2010). Several companies are also dealing with issues such as the movement of talent, managing workers from two different generations, and a scarcity of necessary skills and qualifications. Yeonsoo, et al (2014) in their study discuss the herculean challenge of developing and maintaining a robust talent pipeline via efficient human resource management. Their research sought to address the difficulty of recruiting, developing, keeping, and transferring the expertise of engineers, whose capabilities are essential in a knowledge- or innovation-based economy. Garavan, et al (2012) explored the concept of talent development and formulating strategies for the same. These studies bring to light issues such as who should be developed as a talent, what capabilities must be developed by organizations, who should be in responsible for employee progression, what is the appropriate pace of development, as well as what is the framework to assist the development to the forefront of discussion. McCauley & Wakefield (2006) in their study indicate that HR department can set the stage for organizational success by hiring and training talented employees. Talent management has become an imperative amid the current business environment and thus needs to be more connected, broad-based and strategic than before. Naidu (2009) in his study on successful business organizations states that talent management is an area that has caught the attention of HR Heads globally. As the business world evolves at breakneck speed, new methods to managing the talent workforce are necessary. Competency mapping is a notable example of technique to achieve it by identifying and nurturing competencies, HR managers are able to manage performance better, thus leading to successful businesses. In another study, Phillips & Roper (2009) concludes that companies' success is dependent on their ability to manage their people's talents, and how talent is quickly becoming the most critical asset of the organization.

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In a study by Ross (2013), it was highlighted that competency-based models can be used to create high performing organizations through talent management tools. Talent can be identified and developed, provided it is visible and nurtured. Sharma & Bhatnagar (2009) focused on how talent management strategy that is based on competency profiling, becomes significant within Strategic HRM. Tafti et al (2017) conducted a qualitative study to understand the obstacles of managing talent, and their findings indicate that competency-based modeling would contribute in reducing some of these challenges. Using a Competency-based model to create a high performing organization with effective talent management tools and alignment of goals, this research is carried out to get a better understanding of the procedure and practices in Modern Foods Enterprise Pvt. Ltd.

## **ABOUT THE COMPANY**

Modern Foods Enterprises Pvt. Ltd., originally established as Modern Bakeries (India) Limited in 1962, underwent a rebranding in 1982, adopting the name Modern Foods India Ltd. (MFIL). The company's flagship product, Modern Bread, gained widespread recognition through its iconic Blue and Orange Waxed Paper packaging, becoming a staple in Indian households for several decades.

In a landmark move towards economic liberalization, the Government of India selected Modern Foods as the first enterprise for privatization. In 2000, the company was acquired by Hindustan Unilever Ltd. (HUL). Subsequently, in April 2016, the ownership of Modern Foods changed hands once more, with Everstone Capital acquiring full control. The company now operates under the name Modern Foods Enterprises Pvt. Ltd., as a wholly-owned subsidiary of Everstone Capital.

Under its new ownership, Modern Foods has undergone a comprehensive transformation in both brand identity and product portfolio. Over a 12-month period preceding its relaunch, the company invested substantially in production capacity enhancement and research and development at its newly established innovation hub in Chennai. This phase also included extensive market research, strategic planning, and brand redesign initiatives aimed at revitalizing its presence in the Indian bakery segment.

The current product offerings have been strategically repositioned to align with contemporary consumer preferences for health and nutrition. Notable additions to the product line include Milk Plus bread fortified with calcium, Hi-Fiber Brown bread enriched with high-quality wheat fibre, 100% Whole-Wheat bread, and an innovative Multigrain Superseed Bread, which features Omega-3 enriched flour and a topping of nutrient-rich superseeds.

The brand's renewed positioning—articulated through the tagline “Thrive, and taste life to the fullest”—underscores its commitment to providing consumers with healthier, nutritious, and sensorially appealing bakery products. As of recent data, Modern Foods maintains a robust distribution network, with its products available in approximately 100,000 retail outlets across India, supported by a manufacturing infrastructure comprising 40 production units.

## **VISION**

*“Reclaim leadership to become the preferred choice of every Indian consumer through unrelenting focus on Quality, offering Tasty, Nutritious, and Healthy Products”*

## **TARGETS**

*Leadership in Fresh Bakery with top quartile industry margins*

## **MISSION**

**Product Mission:** “To create, distribute, and sell low-cost, high-quality bread, baked goods, and packaged foods for all meals and snacking occasions. Our goal is to make our goods as delicious as they are nutritious, with a strong focus on using wholesome, natural, healthy, and nutritional ingredients. To make a significant difference in the health, well-being, and quality of life of everyone who buys and uses the product”.

**Social Mission:** “To run the firm in such a way that it actively recognizes the central role that business plays in our society, by inventing new methods to improve people's health, well-being, and quality of life in our local communities and across the country”.

## **OBJECTIVES OF THE STUDY**

*The objectives of the study are:*

- To identify the existing Competency-Based Model (CBM) at Modern Foods and its role within the organization*
- To study the existing Talent Management tools at Modern Foods*
- To study the relationship between CBM and Talent Management at Modern Foods*

## **METHODS**

This study is on Competency Based Model (CBM) and how it is used to create high performing organizations with effective talent management tools and alignment of goals with Modern Foods. This study is confined to a very specific topic of CBM within the HR department. It has been done using secondary sources of information as available to the organization, as well as primary survey in the form of an interview conducted through a structured questionnaire. The scope of the study is limited only to the interaction with the HR Head and the team members. Secondary information was collected through web sources, company reports and manuals as made available. Primary survey was conducted through the face-to-face interview conducted in person. A thorough understanding of the nature of manufacturing industry and the business of company, the working of company by going through company handbook and website was done. An analysis of their business model and their inter-relationship was conducted. The current business practices were identified.

## **FINDINGS**

It was observed that the organization considers various factors and checks on parameters before concluding any decision. It has been found and observed that the organization follows a dynamic environment i.e. it constantly drives the working of organization to choose latest business trend and working style. While mapping the existing competency it has been observed that the values within the department alters as and when compared with other departments. Therefore, the competency must be designed in a way that it satisfies the values and ethos of each and every department of organization irrespective of the working style within it. The existing competency talks about, business acumen, self-belief, customer centricity, innovation, adaptability and more. These have been designed to give a base of working style within the premises irrespective of roles a person-play within the body. But one competency serves different purpose when allocated on different level. Therefore, when innovation is described, it serves different purpose from top managers and gives a different angle when served by the executives.

*Competency mapping and choosing the right competencies for the organization is the most important aspect when deciding the working culture. Generally, the companies which defines a set of competencies have been those, who prefer to have a healthy working style within the organization and provides a smooth working culture to its employees. Such an initiative leads to the increase in trust of employee by assuring them about the environment the organization has built in. The competencies when defined clearly helps an organization to perform better. It supports the company ethos and suggest an employee to prescribe the methods and way of working so that each employee is aligned with the same, and every employee works on same goals.*

*Competency-based HRM (Human Resource Management) at Modern Foods ensured tangible and measurable outcomes while evaluating the performance of the employees. By this approach, the organization can achieve the set targets and goals. The entire working becomes streamlined, and with the focus on the competencies, the employees are able to contribute better to the organization.*



**Figure 1: Existing Competencies at Modern Foods**

*The existing competencies include:*

- *Self-belief- Being confident in oneself, acting on the basis of one's convictions; Self Aware of one's capabilities without being arrogant*
- *Customer Centricity- Demonstrate commitment to meet customer need, goes beyond expressed and apparent needs, and continuously raises the standards of product to meet customer expectations.*
- *Adaptability- A process to look at the broader picture and absorb the new or upcoming changes. This removes the barriers and accelerate the ways of working with an organization.*
- *Innovation- Encouragement of new ideas to promote design and plans to meet the requirement of the company.*
- *Drive for Results- Enthusiasm and desire to meet and exceed objectives*
- *Business Acumen- Act as a complete depository of information for all functions of an organization (Financial, accounting, marketing and operational functions of an organization) with the ability to make fair judgments and quick decisions while dealing with business situations.*
- *Financial Acumen- Management of finances in a way that it is fiscally possible without laying any extra burden in terms of cost to the company.*
- *Team Management & Team Building- Usage of appropriate means of working style to build fairly a comfortable work environment for each and every individual to perform up to the maximum potential.*
- *People Management & People Development- Manages people development, their performance with the goal of optimizing efficient use of talent.*

*The company aims at acquiring the enthusiastic working professionals by various job portals, like, Naukri.com and LinkedIn. The company have maintained an account on same to acquire fresh talent from there and keep a track of their working style. For effective organizational performance, the organization makes sure that the individual and company goals are aligned together so that the employee while working can keep both set of objectives in mind and work efficiently. This process generally takes place during the interview sessions so that proper alignment is maintained from the beginning.*

## **RECOMMENDATIONS**

*The business trends in latest serves the purpose of being in the competition and fight amongst competitors. The fight or the competitive spirit not only lies in the market but it also, lies amongst the workforce and working culture. Considering such a scenario, it has been recommended that the organization must live in a dynamic environment and the changes must be suggested with the update in the market. Absorbing changes help an organization to stay versatile and expand business. The earlier concepts were no longer applicable to the organization and requires an update in the procedure. For this, various researches took place, theoretical concepts were studied for in depth understanding and then, after identifying pros and cons few recommendations were made.*

**The recommended competencies include:**

- *Respect for diversity- The tendency of people within an organization to come up together for a common objective irrespective of any differences on basis of cast, color or creed*
- *Emotional Intelligence- An ability of person to keep his or her emotions in control and taking right decision as and when organization demands.*
- *Decisioning- The level of an individual to understand the present scenario and take wise decision in favor of company.*
- *Ethical and Moral Practice- The ability of an individual to practice the suggested and ethical way of doing business*
- *Ability to change- The ability of an individual to adapt the sudden changes within the organization without resisting it*
- *Initiative/ Perseverance- An individual's potential to initiate and take the step forward to do well for organization.*
- *Meeting work expectations- An employee's need to perform up to the standard and beyond. Ability to meet timelines*
- *Stress Management- Aptitude of an individual must reflect the choice of work over stressed environment*



**Figure 2: Expected Competencies at Modern Foods**

### CONCLUSION AND FUTURE SCOPE

A competency model defines the attributes required for the successful execution of the role which further provides an opportunity to the supervisors to discuss and focus on improvements areas. Therefore, it has been mapped, analyzed and changes have been recommended to create the organizations' culture in a way that it is focused on overall developing of an employee and tends to become a high performing organization. Keeping in view of ever-changing business trend it has been observed that the recommendations made above has to be revisited after a particular time period to understand its lasting effectiveness and requirement of changes.

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