

PCMM IN ORGANIZATIONAL EXCELLENCE

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Abstract

The people CMM describes an evolutionary improvement path from ad hoc, inconsistently performed workforce practices, to a mature infrastructure of practices for continuously elevating workforce capability. The People CMM has proven popular because it allows organizations to characterize the maturity of their workforce practices against a benchmark being used by other organizations. Many workforce benchmarks focus on employee attitudes and satisfaction rather than workforce practices. Although attitudes and satisfaction are important predictors of outcomes such as turnover, they do not always provide the guidance necessary for identifying which practices should be improved next. In contrast, the stages framework of the People CMM helps organizations prioritize for their improvement actions. This paper is an attempt at assessing the adaptation of PCMM in BPO enterprises in Chennai city.

Key Words: *Maturity Model, Organizational Excellence, CMM., BPO*

Introduction

Outsourcing HR in India is yet to experience a matured market. The increasing number of suppliers and services available in the market provides more opportunities as well as complications in finalizing contracts and managing HR issues. The companies gradually should plan and strengthen their HR department and reduce their dependency on HR firms. Hence sourcing Information Technology remains a problem area.

BPO

Business process outsourcing (BPO) is a broad term referring to outsourcing in all fields. A BPO differentiates itself by either putting in new technology or applying existing technology in a new way to improve a process. It is the delegation of one or more IT-intensive business processes to an external provider that in turn owns administers and manages the selected process based on defined and measurable performance criteria. BPO is one of the fastest growing segments of the Information Technology Enabled Services (ITES) industry.

PCMM

The People Capability Maturity Model is a roadmap for implementing workforce practices that continuously improve the capability of an organization's workforce. Since an

organization cannot implement all of the best workforce practices in an afternoon, the people CMM introduces them in stages. Each progressive level of the people CMM produces a unique transformation in the organization's culture by equipping it with more powerful practices for attracting, developing, organizing, motivating and retaining its workforce. Thus PCMM establishes an integrated system of workforce practices that matures through increasing alignment with the organizations business objectives, performance and changing needs. The PCMM's primary objective is to improve the capability of the workforce.

Origin

DoD (Department of Defence, USA), the biggest buyer of software needed a system to evaluate the capability of software suppliers. It funded a project in SEI (Software Engineering Institute) at Carnegie Mellon University and the CMM was developed. CMM stands for Capability Maturity Model and is used to assess the capability of software suppliers to develop software. Bill Curtis, who had been associated with development of CMM, thus conceived the idea of creating "People CMM", a model to measure capability of software organization in Engine for improvement in HR practices. Organization is assessed by SEI or authorized assessors based on processes and technology used and their capability to develop software is certified between Level 1 (Lowest) to Level 5 (Highest).

Objectives of the Study

The objectives of the study are

1. To know the opinion of the top officials on implementation of PCMM in BPO enterprises.
2. To find the reason for implementing PCMM in BPO enterprises.
3. To find the impact of PCMM training given to the employees.

Statement of the Problem

The need of the hour is to take a holistic view of the organization's business, culture, technology and talent needs and adapt solutions based on an integrated and proactive approach towards developing & engaging talent, growing the business and delighting the customers.

The practices included in the People CMM® have been chosen from past global experience because they have significant impact on individual, team, unit and organizational performance. The method of transformation is different at each level, and requires capabilities established at earlier levels. Consequently, each maturity level provides a foundation of practices on which practices at subsequent maturity levels can be built. Hence this study was initiated to understand the impact of PCMM in BPO enterprises.

Sample Selection

The researcher has adopted a Non-probability Sampling Technique in order to select the sample from a relatively large population framework in each organization. Samples were selected by using judgment sampling procedure - that is, using researcher's judgment in administering the questionnaire and conducting personal interview with only those

employees who can spare time for filling the survey. Therefore the researcher selected 60 as her sample size.

Scope of the Study

The study helps in analyzing the effectiveness and importance of implementation of PCMM in BPO enterprises. This study shows the improvements in all the key process areas of Human Resource Management after the implementation of PCMM. It will induce other companies to implement in their organizations to face the competitive world.

Tools Used

The Likert type scaling technique was adopted to know the organizational commitment of the employees, treatment of supervisors and opinion on implementation of Level 2, Level 3, Level 4 and Level 5 key practices of PCMM. Percentage method has been adopted. Chi square test was adopted to find the relationship between the age of the respondents and the reason for implementing PCMM in BPO's.

Likert's Ranking Method (Weighted Arithmetic Men) was used and it is presented in the Table below:

For I rank - 7 Marks , II Rank - 6 Marks, III Rank - 5 Marks, IV Rank - 4, Marks, V Rank - 3 Marks, VI Rank - 2 Marks and VII Rank - 1 Mark.

Table 1 Shortage Issue Faced by the BPO Enterprises

Shortage Issues	I	II	III	IV	V	VI	VII	Tot	Avg	Rank
High turnover of employees	147	114	60	24	6	0	0	351	5.85	I
Unfinished work	105	66	35	32	6	22	6	272	4.53	IV
Increased workloads, overtime and benefits	70	36	65	80	24	18	4	297	4.95	III
Loss of critical knowledge	28	54	25	136	39	14	5	301	5.02	II
Escalating salaries & benefits	14	12	45	72	42	22	13	220	3.67	V
Increased service costs	35	18	30	72	24	24	17	220	3.67	V
Staffing shortfalls	21	60	40	4	39	20	15	199	3.32	VII

Source: Primary data

Interpretation

It is evident from the above Table 1 that, the major shortage issue being faced in BPO company is high turnover of employees and it ranks first followed by Loss of critical knowledge with second rank, Increased workloads, overtime and benefits with third rank, Unfinished work with fourth rank, Escalating salaries & benefits and Increased service costs with fifth rank respectively, and Staffing shortfalls with seventh rank.

Respondent's Opinion on Workforce

The respondent's opinions on the workforce are tabulated below.

SA - Strongly Agree - 5 Marks, A- Agree - 4 Marks, N- No opinion - 3 Marks, DA- DisAgree - 2 Marks and SDA - Strongly DisAgree - 1 Mark.

Table 2 Respondent's Opinion on Workforce

Opinion	SA	A	N	DA	SDA	Score	Rank
Gives clear idea of business objectives to members	135	76	27	6	2	246	I
Successful business is a reflection of the quality of their work	115	72	18	8	9	222	II
Respect them as knowledge workers	65	76	6	28	12	187	V
Providing paychecks, healthcare and other fringe benefits	75	40	30	16	17	178	VII
Providing budgets for necessary travel	80	40	27	16	17	180	VI
Clear communication of business and project requirements	95	52	60	10	3	220	III
Selection of key members to attend the meeting	40	68	66	14	6	194	IV

Source: Primary Data

Interpretation

With regard to the opinion of workforce of BPO enterprises, the respondents opined that they give clear idea of business objectives to members and it occupies the First Rank, Successful business is a reflection of the quality of their work with second rank, Clear communication of business and project requirements with third rank, Selection of key members to attend the meeting with fourth rank, respecting the employees as knowledge workers with fifth rank, Providing budgets for necessary travel with sixth rank and Providing paychecks, healthcare and other fringe benefits with seventh rank.

Hypothesis - Chi Square Test

Ho - There is association with the age of the respondents and the reason for implementing PCMM practices.

Ha - There is no association with the age of the respondents and the reason for implementing PCMM practices.

Table 3 Observed Frequency Table

Reason	Age of the respondents			Total
	Below 20 yrs	Between 21-40	Between 41-60	
Simple	9.17	10	5.83	25
Systematic	4.4	4.8	2.8	12
Flexibility	4.76	5.2	3.04	13
Compactable	3.67	4	2.33	10
Total	22	24	14	60

Source: Primary Data

Table 4 Expected Frequency Table

Reason	Age of the respondents			Total
	Below 20 yrs	Between 21-40	Between 41-60	
Simple	10	8	7	25
Systematic	5	3	4	12
Flexibility	6	4	3	13
Compactable	5	3	2	10
Total	22	24	14	60

Source: Primary Data

The calculated value (3.36) is less than the Table value (7.05). Hence the hypothesis is accepted. Therefore it is known that, there is association with the age of the respondents and the reason for implementing PCMM practices.

Findings of the Study

The findings of the study are listed below:

- The study reveals that 48% of the respondents are Team members. 54% of them have an job experience between 2 - 4 years.
- It is known that 58% of them are aware about the various concepts of PCMM.
- It evident that 40% of them have 3 to 6 years of experience in PCMM level companies.
- It is clear that almost all the employees (100%) are benefited through Training given by the concern.

Conclusion

Each progressive level of the PCMM produces a unique transformation in the organization's culture by equipping it with more powerful practices for attracting, developing, organizing, motivating and retaining its workforce. Each workforce competency represents a unique integration of knowledge, skills and process abilities acquired through specialized education or work experience. Thus it is clear that PCMM helps in organizational excellence.

References

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