Elucidating the Effect of Learning Ability on Employees' Potential : A Study of IT Sector in India

Anju Verma [1]
Pradeep Singh [2]

Abstract

It is seen that information technology (IT), being a knowledge-based sector, always faces a question of employee retention. Organizations have tried to get the answer of this question by exploring the ways to improve employees' satisfaction with their organizations. Proper exploitation of employees' potential may be felt as an answer to this question. Employees' potential is enhanced by improving learning ability. Thus, this study was designed with an aim to explore the effect of learning ability on employees' potential. An exhaustive literature review was done in order to confirm the variables of the study as well as to get the clear directions for the current research. A total of 455 employees of various IT sectors were investigated during the study. The survey was conducted during May 2016 and September 2017. Primary data were collected using a well-structured questionnaire. Employees' potential was explained through four dimensions, namely technical competencies, managerial competencies, interpersonal competencies, and personal competencies. The effect of learning ability on employees' potential was expounded by applying regression models. The results concluded that learning ability came out as a strong predictor of personal competencies and moderate predictor for managerial competencies. Technical competencies were not found to be significantly related to learning ability. Furthermore, a vice versa effect of personal competencies on learning ability was also extracted. In addition, managerial competencies, interpersonal competencies, and personal competencies exhibited a strong relationship.

Keywords : **employees' potential, learning ability, managerial competencies, personal competencies, technical competencies**

JEL Classification : C12, C42, M12, M51

Paper Submission Date : September 12, 2019 ; Paper sent back for Revision : January 12, 2020 ; Paper Acceptance Date : January 17, 2020

Schumacher (2009) defined potential employees as who produce excellent work performance consistently, but potential employees are not similar to high performers. High potential employees are the people who have the potential to assume higher positions in the future and they normally score well on various leadership assessment criteria. Hiltrop (1999) stated that companies need skilled and talented workforce in order to achieve core competence. Employees' potential acts as a crucial factor that makes a company more economically competitive. If employees' potential is not identified or succession planning in this regard is not conducted, then the business world might have to face shortage of future leaders (Hagemann & Stroope, 2013). The evaluation or identification of hidden talent and skills of a person is done through potential appraisal. The person might be or might not be aware of those skills and talents.

Potential appraisal has gained added importance today (Walia & Tomar, 2010). It is a mechanism with a futuristic approach to identify and ensure the potential of a given employee to occupy higher position. It is also

[1] *Associate Professor,* Haryana School of Business, Guru Jambheshwar University of Science & Technology, Hisar – 125 001, Haryana. (E-mail : anjuverma.gju@gmail.com) ; ORCID ID : http://orcid.org/0000-0002-5976-0931
[2] *Research Scholar,* Haryana School of Business, Guru Jambheshwar University of Science & Technology, Hisar – 125 001, Haryana. (E-mail : pradeep19tomar@gmail.com) ; ORCID ID : https://orcid.org/0000-0001-5815-7025

DOI : 10.17010/pijom/2020/v13i2/150561

assumed that once potential is identified, it can be reshaped and redeveloped continuously to enhance effectiveness of the concerned individual. Therefore, there should be a clear understanding about what the higher level roles require and various mechanisms identified to measure these latent qualities (Mankidy, 1996).

The literature concerning the learning organization emphasized the role of the facilitators in organizational learning (Goh & Richards, 1997). Of all the possible factors, the focus is on the human resources employed by the organizations and the way in which they are managed, because organizational learning is based on the individual learning of the people. The human resource system influences the capacity of the organizations to generate new knowledge and stimulate learning. Therefore, a connection between learning ability and employees' potential may be assumed. Thus, the present study is designed to explore the relationship between learning ability and employees' potentials as well as to demonstrate the effect of learning ability on employees' potential. To take the support of previous research in this regard, exhaustive literature review has been done and explained.

Review of Literature

Schumacher (2009) suggested that besides the common practice to identify high-potential employees, other tools can also be used such as reviewing the individual resumes (that includes the career history and skill-developmental needs) and one-to-one interview to assess their accomplishments, mistakes, and failures. Stumpf, Doh, and Tymon Jr. (2010) examined the strength of HR practices in India and their impact on employees' career success, performance, and potential. A total of 28 Indian companies under five industry groupings – business process outsourcing, information technology (IT), engineering and manufacturing, pharmaceuticals, and banking and financial services – constituted the sample for the study. Primary data were collected from the employees of the sample companies. They concluded a link among HR practices, performance management, professional development, and normalization. As the results were a bit confusing, more research in this regard is needed.

Govaerts, Kyndt, Dochy, and Baert (2011) investigated the influence of learning and working climate on the retention of talented employees. Data were collected from 972 respondents using a questionnaire that was distributed during 2008 and 2009. The results of the study stated that if the organization wants to retain the talented (high-potential) employees, it becomes imperative to pay attention more on the learning of employees. The employees good in learning will stay longer with the organizations.

Lo'pez - Cabrales, Real, and Valle (2011) reviewed that those business organizations that shifted their focus on learning need to incorporate potential-based selections and appraisals. It is also necessary to consider that learning is directly associated with an organization's human capital of greater value and uniqueness. A positive linkage was assumed between the potential appraisals and learning ability to assess a person against the prospective job and the main objective was to formulate a potential pool in the company. Dries, Vantilborgh, and Pepermans (2012) checked the role of learning agility and career variety in the identification and development of high-potential employees. They conducted a survey using a case-control design where past performance of the employees was considered as a base to identify high potentials and non - high potentials. Employees identified as high potentials represented the cases, and the control group was composed of a matched subsample of non - high potentials. They came out with the result that learning agility was a strong predictor of being identified as a high potential or not.

James and Mathew (2012) conducted a survey on IT industry where turnover was seen as a big challenge. The study was an attempt to examine the effect of retention strategies on employees' turnover. They came out with the thought that the organizations have to understand the requirements of the employees as the need of one employee would be different from the other. Moreover, it is not feasible for the organizations to satisfy every employee's demands. Thus, it becomes more essential for the organizations to make employees feel how much they are valuable for the organizations. Fernández - Mesa, Ferreras - Mendez, Alegre, and Chiva (2014) confirmed in their study that technical competencies played a critical role in internal and external learning competencies. They also

identified that internal and external learning competencies are directly related to the technical competencies. Chandhana and Easow (2018) conducted a study in the IT sector with an aim to understand the perceptions of employees and appraisers toward 360° performance appraisal. The data were analyzed using multivariate analysis including factor analysis and paired *t* - test. Mismatched opinions were found between employees and appraisers related to performance appraisal, which resulted in failure of appraisal. Furthermore, the study also came out with the key success factors that are beneficial for the industry and academicians for establishing innovations in the appraisal system. Colman (2018) measured the impact of employee learning at work. It was a review paper based on the comparative practices of two companies in Ghana. They concluded three key factors that are required in order to assess the impact of employee learning at the work place. Those factors were organizational culture, theory of change, and support systems. Das, Pathak, and Das (2018) strained to explore the key competencies for industrial relation managers. They outlined competencies such as achievement orientation, integrity, persuasive ability, and emotional competence as differentiating competencies for industrial relations practitioners.

Lakshminarayanan, Pai, and Ramaprasad (2016) tried to establish the relationship between managerial competencies and job performance across sectors. Further, the aim of this study was to determine the role of self-efficacy in the relationship between managerial competencies and job performance. The results stated that self-management competency portrayed itself as the most influencing factor followed by relationship management and analytical skills. Self-efficacy was found as the partial mediator for the relationship between competencies and job performance. Verma and Singh (2018) analyzed the influence of demographics on managerial competencies of IT employees. They concluded that male respondents were better in planning and organizing at the workplace than female respondents. Married IT professionals were better in technical knowledge, planning and organizing, goal setting and perseverance, risk taking, and flexibility and adaptability than unmarried respondents.

Aggarwal (2019) studied potential in terms of entrepreneurs. She extracted precursors of entrepreneurial intention and separated them out into institutional, social, and psychological factors. All these variables were then convened under "Entrepreneurial Potentiality." This was a conceptual research paper explicitly defining all the determinants of entrepreneurial potentiality. Zhu, Law, Sun, and Yang (2019) conducted a study on Chinese people with disabilities with an objective to explore the role of team learning climate in thriving employees with disabilities. A sample of 485 employees in 114 teams was surveyed. The results demonstrated the importance of team-learning climate to nurture employees thriving with disabilities. Prathibha (2020) examined the role of faculty members in students' expectations and perceived learning outcomes among 250 engineering college students studying in Chennai. The results confirmed the fact that the teachers played the single-most important role in student learning outcomes. It was observed that the students were profoundly affected by the behaviors and attitudes of their teachers.

Research Gap

The IT sector, being one of the most intense knowledge - driven industries, is suffering from a problem of high attrition. Employees' potential mapping is the right answer to this problem. Learning ability may help to improve employees' potential in terms of competencies. Thus, the review of existing literature was sculpted to explore the theoretical framework for the importance of employees' potential in terms of competencies and learning ability in organizational setups. The review further identified many key studies that viewed employees' potential as well as learning ability with different aspects. The various dimensions of employees' potential in terms of competencies are identified by the researchers. It is also manifested from previous studies that a connection may be assumed between employees' potential and learning ability. However, not enough research is done in this regard. Hence, it could be treated as the gap for the present study and could be bridged up by exploring the relationship between

learning ability and employees' potential. Hence, an effect of learning ability on employees' potential could be determined.

Research Methodology

This study is based on descriptive cum exploratory research design. The primary data were collected during May 2016 – September 2017. The major objective of the study is explained as follows :

- To elucidate the effect of learning ability on employees' potential in the IT sector in India.

In order to attain the major objectives of the study, four sub - objectives are explained:

(i) To calculate the effect of learning ability on technical competencies of IT employees.

(ii) To calculate the effect of learning ability on managerial competencies of IT employees.

(iii) To calculate the effect of learning ability on interpersonal competencies of IT employees.

(iv) To calculate the effect of learning ability on personal competencies of IT employees.

The null hypothesis for the study is :

- $\mathbf{H_{01}}$**=** Learning ability does not affect employees' potential in the IT sector in India.

The sub-hypotheses are explained as follows :

- $\mathbf{H_{02}}$**=** Learning ability does not affect technical competencies of IT employees.
- $\mathbf{H_{03}}$**=** Learning ability does not affect managerial competencies of IT employees.
- $\mathbf{H_{04}}$**=** Learning ability does not affect interpersonal competencies of IT employees.
- $\mathbf{H_{05}}$**=** Learning ability does not affect personal competencies of IT employees.

Primary data were collected through survey method. The employees of IT sector were treated as the sample unit for the study. Initially, a total of 500 questionnaires were distributed among the respondents. Out of 500, 455 questionnaires turned up. A total of 455 questionnaires became a part of the final data analysis and 35 half-filled questionnaires were discarded. Hence, 455 employees of IT companies situated in Gurugram, Faridabad, Noida, Delhi, Bengaluru, and Mumbai were examined in order to attain the major objectives of the study.

Efforts were made to make the sample more representative, more purposeful, and in accordance with the objectives of the study. Stratified convenience sampling technique was adopted in order to choose the ultimate unit, that is, IT professionals from various IT companies. For primary data collection, a structured questionnaire consisting of three sections was developed. The items of the questionnaire were adapted from the studies conducted by Mankidy (1996), Conner (2000) ; Lombardo and Eichinger (2000) ; Pepermans, Vloeberghs, and Perkisas (2003) ; Arnold (2005), Lindsey and Kleiner (2005) ; Snipes (2005) ; Stone and Liyanearachchi (2007) ; Whitt (2006), Kassim (2006) ; Hytter (2007) ; Dries and Pepermans (2007) ; Schumacher (2009) ; and Kyndt, Dochy, Michielsen, and Moeyaert (2009).

Pearson correlation is applied to check the relationship between learning ability and the four dimensions of employees' potential. Thereafter, the effect of learning ability on employees' potential is elucidated by using regression models. The results are then compiled and explained.

Analysis and Results

It is propounded in Table 1 that technical competencies are not found to be significantly related with learning ability as the correlation values are insignificant at 0.05 or 0.01 significant level. However, managerial competencies, planning and organizing (r =.221 at p <.01), flexibility and adaptability (r =.101 at p <.05), and information seeking (r =.125 at p <.01) are found to be significant and positively related with learning ability.

It means that learning ability pertains to increased planning and organizing, flexibility and adaptability, and information seeking. For interpersonal competencies, it is observed that only team building r =.159**) is found to be significant and positively related with learning ability. Hence, it is justified to say that learning ability provides a platform to improve team building. In case of personal competencies, it is evident in Table 1 that initiative (r =.455 at p <.01), integrity (r =.118 at p <.05), and self-confidence (r =.114 at p <.05) have a significant and positive relationship with learning ability. Learning ability inculcates the skill of initiation among the IT employees. They show their integrity more towards their organizations and they are more self-confident.

(1) Influence of Learning Ability on Technical Competencies : The influence of learning ability on potential competencies is analyzed by applying multiple linear regression models. As per Table 1, no association is found between learning ability and technical competencies (technical skill and technical knowledge), thereby the multiple linear regression model is not computed. Rest of the competencies reported are : association with learning ability, which is analyzed by applying multiple linear regression models. Thus, the hypothesis H_{02} is fully supported by the data.

Table 1. Association Between Potential Determinants and Learning Ability

Dimensions and Sub-Dimensions of Potential Competencies		Learning Ability
Technical Competencies	Technical skill	–0.011
	Technical knowledge	0.019
Managerial Competencies	Planning and organizing	0.221**
	Goal setting and perseverance	0.008
	Risk taking	–0.054
	Problem solving	0.033
	Flexibility and adaptability	0.101*
	Information seeking	0.125**
Interpersonal Competencies	Communication skills	0.058
	Negotiation ability	–0.056
	Team building	0.159**
	Sociability	0.068
	Cooperation	–0.009
	Motivating	0.032
Personal Competencies	Creativity	–0.021
	Initiative	0.455**
	Integrity	0.118*
	Locus of control	0.037
	Drive and energy	0.061
	Self-confidence	0.114*
	Autonomy	0.028

(2) Influence of Learning Ability on Managerial Competencies : Table 2 depicts the causal relationship between learning ability and managerial competencies. The results of multiple linear regression models are presented where managerial competencies (planning and organizing, goal setting and perseverance, risk taking, problem solving and decision-making, flexibility and adaptability, and information seeking) act as dependent variables and learning ability is in a position of the independent variable. It is evident from the analysis that learning ability is found as a predictor of managerial competencies in terms of planning and organizing (t = 4.834, p<.00), flexibility and adaptability (t = 2.154, p <.05), and information seeking (t = 2.687, p <.00).The values of beta (β) come out as moderate to low.

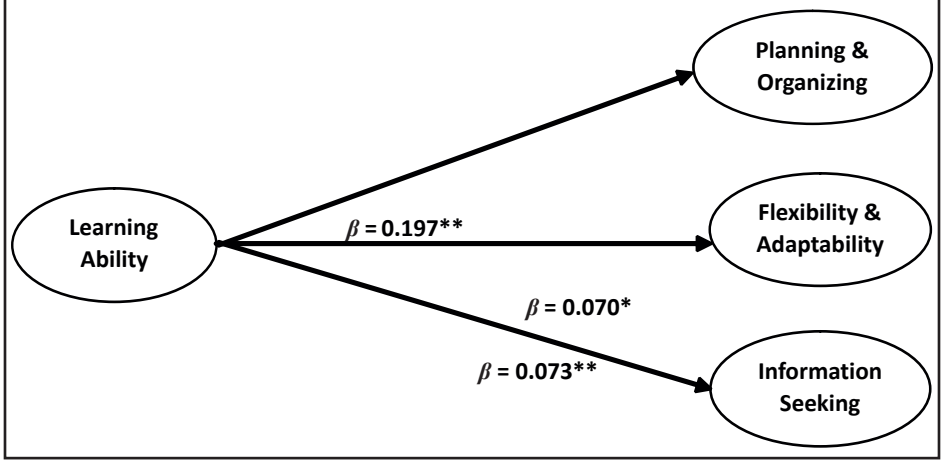
Figure 1 clearly explains the causal relationship between learning ability and managerial competencies and a path diagram is used for directing the influence of learning ability on managerial competencies. It means that the employees who are good in learning ability become more planned and organized (β = 0.197) at their work place. They take regular feedback for their improvement and invest time and energy for their self-improvement. They believe in logical and systematic approach in work-related activities. They think creatively for accomplishing their work. Learning ability is found to be a low predictor of flexibility and adaptability as β = 0.070. Learning ability leads to increased flexibility and adaptive behavior at the work place. The employees who get sufficient opportunities to learn, tend to be more flexible and adaptive toward the working environment. Further, learning ability is found as a low predictor of information seeking behavior, as the value of β = 0.073. The learning opportunities encourage the employees to dig out more information related to their jobs.

Improved learning ability leads to reduced risk-taking attitudes at their work place. The employees are able to take right decisions and do not believe in shortcuts. They do not go for risky ideas. They do not prefer to take

Table 2. Influence of Learning Ability on Managerial Competencies

Managerial Competencies (Dependent Variable)		Constant	Learning Ability (Independent Variable)
Planning and Organizing	β	3.052	**0.197**
	t-value	20.000	**4.834**
	Sig. value	0.000	**0.000**
Goal Setting and Perseverance	β	3.730	0.007
	t-value	25.487	0.178
	Sig. value	0.000	0.859
Risk Taking	β	3.554	–0.064
	t-value	17.067	–1.156
	Sig. value	0.000	0.248
Problem Solving	β	3.381	0.030
	t-value	21.091	0.711
	Sig. value	0.000	0.477
Flexibility and Adaptability	β	3.716	**0.070**
	t-value	30.543	**2.154**
	Sig. value	0.000	**0.032**
Information Seeking	β	3.813	**0.073**
	t-value	37.580	**2.683**
	Sig. value	0.000	**0.008**

Figure 1. Influence of Learning Ability on Managerial Competencies



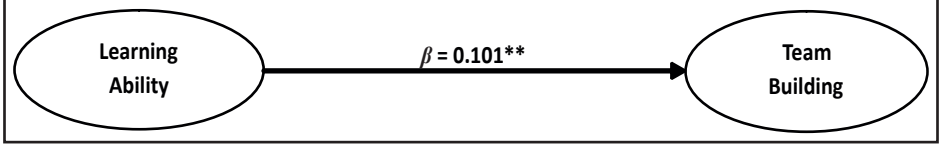
chances of being a failure if they are not confirmed about any decision. Hence, learning ability provides a shoulder to improve managerial competencies. Learning ability does not come out as a predictor for rest of the factors of managerial competencies (goal setting and perseverance, risk taking, and problem solving). Hence, the hypothesis (H_{03}) in this regard is partially accepted.

(3) Influence of Learning Ability on Interpersonal Competencies : Table 3 indicates the results of multiple linear regression models where interpersonal competencies (communication skills, negotiation ability, team building,

Table 3. Influence of Learning Ability on Interpersonal Competencies

Interpersonal Competencies (Dependent Variable)		Constant	Learning Ability (Independent Variable)
Communication Skills	β	3.529	0.054
	t-value	21.315	1.229
	Sig. value	0.000	0.220
Negotiation Ability	β	4.102	–0.042
	t-value	30.876	–1.189
	Sig. value	0.000	0.235
Team Building	β	3.664	**0.101**
	t-value	32.971	**3.422**
	Sig. value	0.000	**0.001**
Sociability	β	3.727	0.048
	t-value	30.154	1.458
	Sig. value	0.000	0.146
Cooperation	β	3.919	–0.007
	t-value	29.950	–0.187
	Sig. value	0.000	0.852
Motivating	β	4.130	0.016
	t-value	46.167	0.682
	Sig. value	0.000	0.496

Figure 2. Influence of Learning Ability on Interpersonal Competencies



sociability, cooperation, and motivating) act as dependent variables and learning ability is behaving as an independent variable. Learning ability comes out as the predictor of team building only ($t = 3.422, p < .001$) as per Table 3. Although the value of β is low, even then, it predicts interpersonal competencies in terms of team building. It means that the employees of the Indian IT sector, who get enough opportunities to learn, promote team building for accomplishing their work.

They promote trust, pride, and team spirit at the work place. They believe more in collectivism rather than individualism. They believe in facilitating cooperation and motivate team members to accomplish team goals. They believe in learning through teamwork. Hence, with enhanced learning ability, team building is also enhanced. Rest of the factors of interpersonal competencies (communication skills, negotiation ability, sociability, cooperation, and motivating) are not predicted by learning ability as the respective values of beta are not found to be significant.

Figure 2 clearly explains this relationship. Hence, the hypothesis H_{04} in this regard is partially accepted for communication skills, negotiation ability, sociability, cooperation, and motivating. Learning ability is found to be an effective predictor of interpersonal competencies only in terms of team building.

(4) Influence of Learning Ability on Personal Competencies : Table 4 portrays the results of multiple linear regression models where interpersonal competencies (creativity, initiative, integrity, locus of control, drive and energy, self-confidence, and autonomy) act as dependent variables and learning ability participates as an independent variable. It is further evident from the analysis that learning ability exhibits a high predictor value for initiative ($t = 10.882, p < 0.000, \beta = 0.461$) and considerably low predictor values for integrity ($t = 2.533, p < 0.05, \beta = 0.085$) and self-confidence ($t = 2.439, p < 0.05, \beta = 0.082$), indicating that learning ability comes out as a strong predictor for initiative ; whereas, it is found to be a low predictor for integrity and self-confidence.

Table 4. Influence of Learning Ability on Personal Competencies

Personal Competencies (Dependent Variable)		Constant	Learning Ability (Independent Variable)
Creativity	β	3.981	–0.019
	t-value	25.955	–0.452
	Sig. value	0.000	0.651
Initiative	β	2.105	**0.461**
	t-value	13.253	**10.882**
	Sig. value	0.000	**0.000**
Integrity	β	3.830	**0.085**
	t-value	30.454	**2.533**
	Sig. value	0.000	**0.012**
Locus of Control	β	3.704	0.029
	t-value	26.367	0.785
	Sig. value	0.000	0.433

Drive and Energy	β	3.233	0.064
	t-value	17.483	1.307
	Sig. value	0.000	0.192
Self-Confidence	β	3.590	**0.082**
	t-value	28.444	**2.439**
	Sig. value	0.000	**0.015**
Autonomy	β	3.635	0.022
	t-value	26.036	0.587
	Sig. value	0.000	0.557

Figure 3. Influence of Learning Ability on Personal Competencies

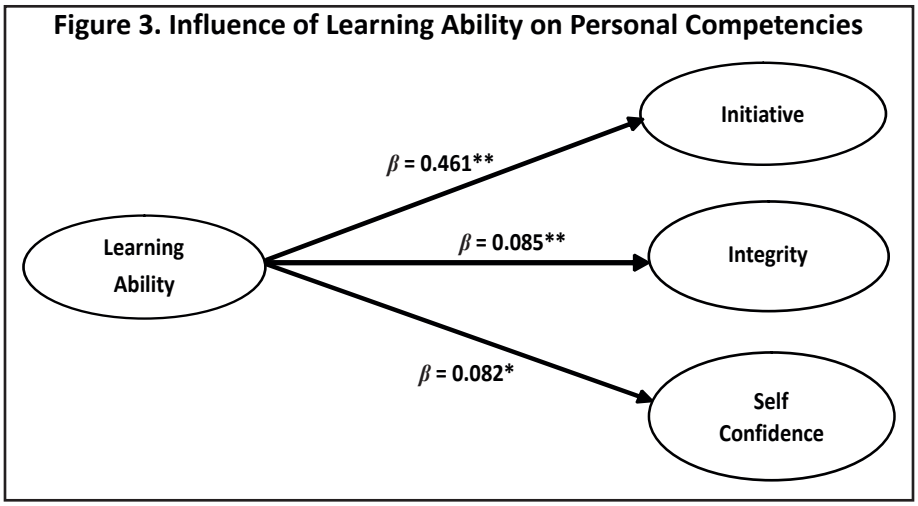


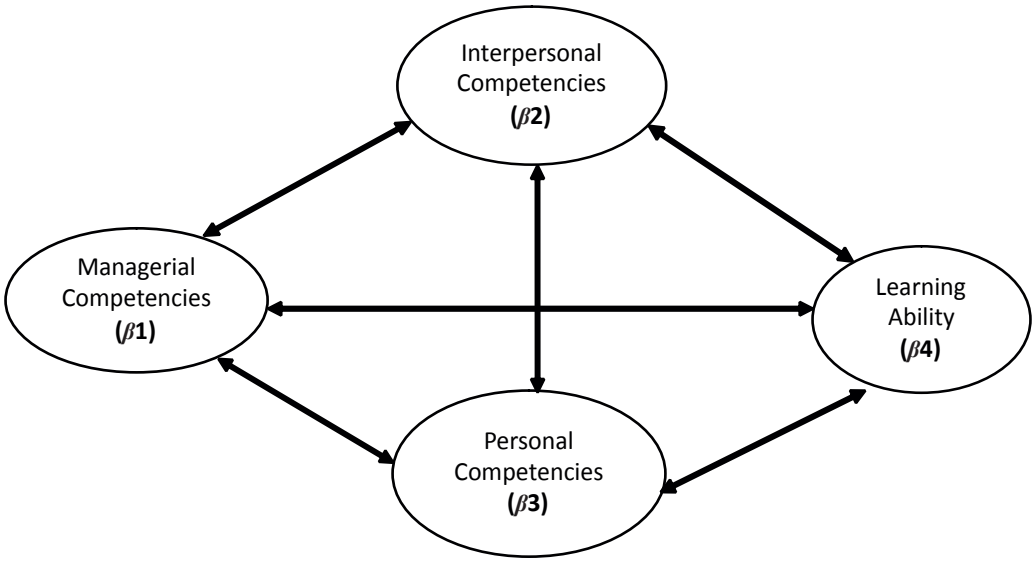
Figure 3 clearly explains this relationship. This relationship evidently argues that the employees of the Indian IT sector who have opportunities for learning take initiatives at their work place. It is because the employees who intend to learn more might get confidence and initiation for the assigned task. They are ready to take extra responsibilities. They act as volunteers. Further, it is seen that the Indian IT employees with better learning ability like to deal with challenges and beat those challenges confidently. As their learning ability increases, the integrity with their environment also increases. Their self-confidence is also boosted up as learning ability enhances their awareness levels. Thus, improved learning ability helps in enhancing initiative, integrity, and self-confidence among employees.

Learning ability is not found as a predictor for rest of the factors of personal competencies (creativity, integrity, locus of control, drive and energy, and autonomy). Hence, the hypothesis (H_{05}) in this regard is partially accepted, as it is evident from the above analysis that learning ability is an effective predictor of personal competencies in terms of initiative, integrity, and self-confidence.

(5) Model Construction and Estimation - Learning Ability and Employee Potential : As the main objective of this study is to elucidate the effect of learning ability on employees' potential, the (following) hypotheses are tested through a model wherein a series of linear regression equations are studied simultaneously. The specifications of the model are depicted in Figure 4.

The model (Figure 4) is explained by causal relationships among the dimensions of employees' potential and learning ability. Each path arrow indicates the causal relationship of one variable with other, denoted by β. The

Figure 4. Effect of Learning Ability on Employees' Potential (Default Model)



hypotheses formulated to study the causal relationships among the dependent and independent variables are tested in two ways ; first, the effect of learning ability on employees' potential (managerial competencies, interpersonal competencies, and personal competencies) is investigated. Afterwards, the vice versa effects are also investigated in the following terms : managerial competencies affect interpersonal competencies, personal competencies, and learning ability. Interpersonal competencies are assumed to affect managerial competencies, personal competencies, and learning ability. Similarly, personal competencies are also supposed to influence managerial competencies, interpersonal competencies, and learning ability.

Model Estimation

The model is validated using a series of linear regression equations. Causal relationships among the variables are estimated by a separate linear regression equation, where each causing variable is taken as an independent variable (x) and the resultant variable is taken as a dependent variable (y) as described in Figure 5. The influence of x on y is explained in Figure 5 as βyx (where, x and y are 1, 2, 3...). The linear regression equation confirms significant causal relationships for most of the specified paths. The path analysis reveals the findings as depicted in Table 5.

↳ The value of Beta for managerial competencies (β1) is 0.221 (β21), which exhibits moderate influence over interpersonal competencies (β2) of IT sector employees. On the other side, it shows comparatively high effect (β31= 0.367) on personal competencies (β3) ; whereas, on learning ability (β4), it has moderate influence. The values of t-test for β21 and β31 are (4.830) found to be significant at the 0.000 levels ; however, the value of t-test for β41 is (1.664) not found to be significant at p >.05 level. This indicates that the paths between managerial competencies (β1) and interpersonal competencies (β2), and between managerial competencies (β1) and personal competencies (β3) are significant, although the path between managerial competencies (β1) and learning ability (β4) is not found to be significant.

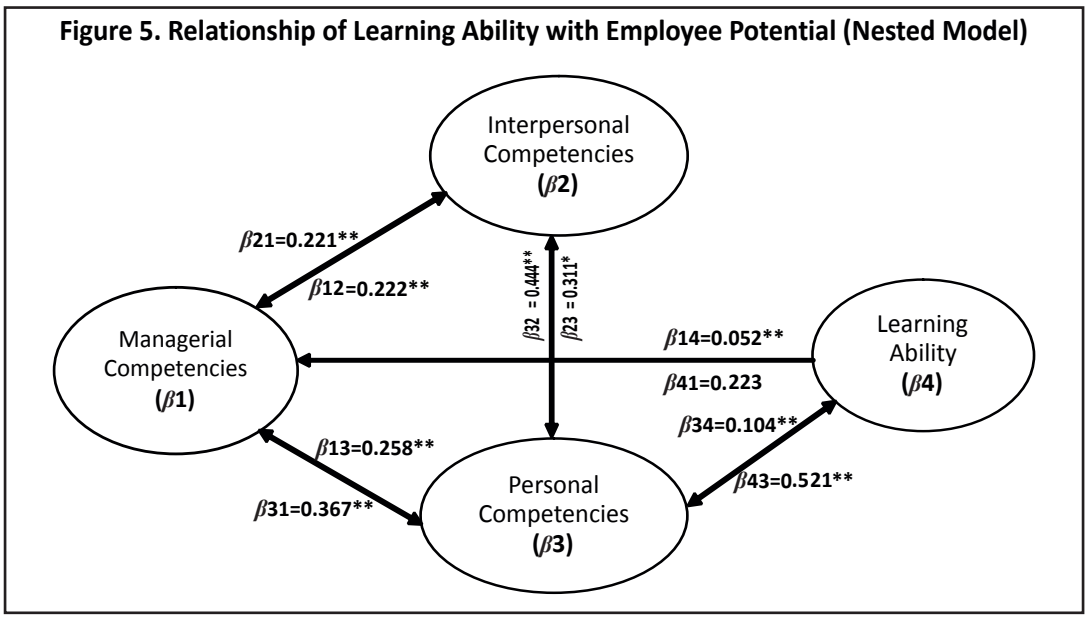
Table 5. Path Analysis Matrix

Dimensions	β-value	*t*-value	Sig. level
β21	0.221	4.830	0.000
β12	0.222	4.830	0.000
β31	0.367	6.884	0.000
β13	0.258	6.884	0.000
β32	0.444	8.517	0.000
β23	0.311	8.517	0.000
β41	**0.223**	**1.664**	**0.097**
β14	0.052	3.108	0.002
β43	0.521	4.425	0.000
β34	0.104	5.282	0.000
β42	**–0.060**	**–0.439**	**0.661**
β24	**0.029**	**1.694**	**0.091**

- Interpersonal competencies (β2) portray moderate impact (β12 = 0.222) on managerial competencies and high influence on personal competencies (β32 = 0.444) ; whereas, the variable has no impact (β42 = –0.060) on learning ability (β4). The values of *t*-test for β12 and β32 are (4.830 and 8.517, respectively) found to be significant at .000 levels, but for β42, the value is (–0.439) found to be insignificant at p>.05 levels. This indicates that the paths between interpersonal competencies (β2) and managerial competencies (β1), and between interpersonal competencies (β2) and personal competencies (β3) are significant ; whereas, the path (β42) between interpersonal competencies (β2) and learning ability (β4) is not significant.

- Personal competencies (β3) show moderate impact (β13 = 0.258) on managerial competencies, comparatively high impact on interpersonal competencies (β23 = 0.311), and very high influence on learning ability

Figure 5. Relationship of Learning Ability with Employee Potential (Nested Model)



(β43 = 0.521). The values of *t*-test for β13, β23, and β43 are (6.884, 8.517, and 4.425, respectively) found to be significant at 0.000 significant levels. This indicates that the paths between personal competencies (β3) and managerial competencies (β1), personal competencies (β3) and interpersonal competencies (β2), and personal competencies (β3) and learning ability (β4) are significant.

Thus, this study comes out with the argument that the major hypothesis (H_{01}) of the current study is partially accepted. Interpersonal competencies are not affected by learning ability. Personal competencies are found to be affected by learning ability and vice versa as is confirmed (Figure 5) by the two-way effect between personal competencies and learning ability. It is also concluded that managerial competencies are found to be affected by learning ability, while vice versa effect is not confirmed between managerial competencies and learning ability. Hence, employees' potential in the IT sector in India is partially affected by learning ability.

Conclusion

Employees' potential is categorized broadly into four dimensions namely, technical competencies, managerial competencies, interpersonal competencies, and personal competencies, which exhibit the relation with learning ability. Learning ability and the dimensions of employees' potential are found to be predictors of each other. Learning ability confirms itself as a strong predictor of personal competencies and moderate predictor of managerial competencies. It may be inferred that there are other factors that might have an influence on managerial competencies. With respect to interpersonal competencies, neither learning ability nor interpersonal competencies represent themselves as predictors of each other.

Managerial, interpersonal, and personal competencies are found to be strong predictors of each other as the two-way path analysis is found to be significant. Managerial competencies lead to enhanced interpersonal and personal competencies and vice-versa. In case of learning ability, personal competencies are found to be strong predictors and vice-versa ; whereas, managerial and interpersonal competencies do not show any influence on learning ability.

Managerial, Economic, and Social Implications

Management thinkers have recognized that manpower is the most significant and crucial resource for a business entity. In a highly competitive environment, the efficient performance of employees is crucial to the success of a business enterprise, but an efficient performance cannot be achieved without the solid foundation of an efficient potential in the concerned employees. Employees can improve their potential with their learning abilities up to a certain extent. In this term, the present study would be beneficial to the employees to know the competencies that are to be enhanced by their learning abilities.

The causal relationships between learning abilities and required competencies are evidences from this study. Organizations would be able to manage the potential of the employees effectively and efficiently. Thereby, attrition rate, absenteeism, and other human resource–related problems would be minimized. Potential employees would also contribute for uplifting the economic and social environment. The present study also enriches the existing literature by providing better insights into the potential in terms of technical, managerial, interpersonal, and personal competencies. Further, explaining the relationships of learning abilities and the dimensions of employees' potential would get a chance to improve one's own potential.

Limitations of the Study and Future Research Directions

As the present study is confined to the IT sector only, future research may be conducted in other knowledge-based

sectors too. This study is dedicated to determine the effect of learning ability on employees' potential, and the effect of other variables on employees' potential may be studied. Further, a comparative study across organizations as well as countries may be done. The study would be more robust if some more variables were taken along with the variables taken for the study. Mediating as well as moderating effects of some independent variables may be checked.

Authors' Contribution

Dr. Pradeep Singh conceived the idea, developed the theory, and performed the computations in consultation with Dr. Anju Verma. Primary data were collected by Dr. Pradeep Singh. Dr. Anju Verma verified the analytical methods. She encouraged Dr. Pradeep Singh to elucidate the effect of learning ability on employees' potential in the IT sector and supervised the findings of this work. She also edited the research paper and provided the direction to Dr. Pradeep Singh for presentation of this research. Both authors discussed the results and contributed to the final manuscript.

Conflict of Interest

The authors certify that they have no affiliations with or involvement in any organization or entity with any financial interest (such as honoraria, educational grants, participation in speakers' bureaus, membership, employment, consultancies, stock ownership, or other equity interest ; expert testimony or patent-licensing arrangements) or non - financial interest (such as personal or professional relationships, affiliations, knowledge, or beliefs) in the subject matter or materials discussed in this manuscript.

Funding Acknowledgment

The authors received no financial support for the research, authorship, and/or for the publication of this article.

References

Aggarwal, V. (2019). A conceptual study on factors of entrepreneurial potentiality and their impact on entrepreneurial intention with the moderating role of entrepreneurship education. *Prabandhan: Indian Journal of Management, 12*(6), 7 – 19. https://doi.org/10.17010/pijom/2019/v12i6/144932

Arnold, E. (2005). Managing human resources to improve employee retention. *The Health Care Manager, 24*(2), 132–140. https://doi.org10.1097/00126450-200504000-00006

Chandhana, K., & Easow, D. T. (2018). A descriptive study on the blind spots of performance appraisal in the IT sector : A contemporary 360 degree approach. *Prabandhan: Indian Journal of Management, 11*(4), 27 – 36. https://doi.org/10.17010/pijom/2018/v11i4/122833

Colman, C. A. (2018). Measuring the impact of employee learning at work : A review of the practices of two companies in Ghana. *Journal of Entrepreneurship & Organization Management, 7*(3), 1–6. https://doi.org/10.4172/2169-026X.1000251

Conner, J. (2000). Developing the global leaders of tomorrow. *Human Resource Management, 39*(2–3), 147–157.

Das, M. R., Pathak, P., & Das, M. R. (2018). Key competencies for industrial relations managers : A case study from West Bengal. *Prabandhan: Indian Journal of Management, 11*(10), 7–21. https://doi.org/10.17010/pijom/2018/v11i10/132508

Dries, N., & Pepermans, R. (2007). Using emotional intelligence to identify high potential : A meta competency perspective. *Leadership & Organization Development Journal, 28*(8), 749–770. https://doi.org/10.1108/01437730710835470

Dries, N., Vantilborgh, T., & Pepermans, R. (2012). The role of learning agility and career variety in the identification and development of high potential employees. *Personnel Review, 41*(3), 340–358. https://doi.org/10.1108/00483481211212977

Fernández - Mesa, A., Ferreras - Mendez, L. J., Alegre, J., & Chiva, R. (2014). IT competency and the commercial success of innovation. *Industrial Management & Data Systems, 114*(4), 550–567. https://doi.org/10.1108/IMDS-09-2013-0389

Goh, S., & Richards, G. (1997). Benchmarking the learning capability of organizations. *European Management Journal, 15*(5), 575–583. https://doi.org/10.1016/S0263-2373(97)00036-4

Govaerts, N., Kyndt, E., Dochy, F., & Baert H. (2011). Influence of learning and working climate on the retention of talented employees. *Journal of Workplace Learning, 23*(1), 35–55. https://doi.org/10.1108/13665621111097245

Hagemann, B., & Stroope, S. (2013). Developing the next generation of leaders. *Industrial and Commercial Training, 45*(2), 123–126. https://doi.org10.1108/00197851311309570

Hiltrop, J. - M. (1999). The quest for the best : Human resource practices to attract and retain talent. *European Management Journal, 17*(4), 422–430. https://doi.org10.1016/S0263-2373(99)00022-5

Hytter, A. (2007). Retention strategies in France and Sweden. *Irish Journal of Management, 28*(1), 59–79.

James, L., & Mathew, L. (2012). Employee retention strategies : IT industry. *SCMS Journal of Indian Management, 9*(3), 79–87. http://140.234.252.185/c/articles/82189790/employee-retention-strategies-industry

Kassim, N. M. (2006). Telecommunication industry in Malaysia: Demographics effect on customer expectations, performance, satisfaction and retention. *Asia Pacific Business Review, 12*(4), 437– 463. https://doi.org10.1080/13602380600571401

Kyndt, E., Dochy, F., Michielsen, M., & Moeyaert, B. (2009). Employee retention : Organisational and personal perspectives. *Vocations and Learning, 2*(3), 195–215. https://doi.org10.10.07/s12186-009-9024-7

Lakshminarayanan, S., Pai, Y. P., & Ramaprasad, B. S. (2016). Managerial competencies, self-efficacy, and job performance: A path analytic approach. *Prabandhan: Indian Journal of Management, 9*(10), 7 – 22 https://doi.org10.17010/pijom/2016/v9i10/103068

Lindsey, G., & Kleiner, B. (2005). Nurse residency program: An effective tool for recruitment and retention. *Journal of Health Care Finance, 31*(3), 25–32.

Lo'pez-Cabrales, A. L., Real, J. C., & Valle, R. (2011). Relationships between human resource management practices and organizational learning capability. *Personnel Review, 40*(3), 344–363. https://doi.org/10.1108/00483481111118658

Lombardo, M. M., & Eichinger, R. W. (2000). High potentials as high learners. *Human Resource Management, 39*(4), 321–339. https://doi.org/10.1002/1099-050X(200024)

Mankidy, A. (1996). Developing potential appraisal system for banks. *Indian Journal of Industrial Relations, 31*(4), 465–481.

Pepermans, R., Vloeberghs, D., & Perkisas, B. (2003). High potential identification policies: An empirical study among Belgian companies. *Journal of Management Development, 22*(8), 660–678. https://doi.org/10.1108/02621710310487846

Prathibha, S. (2020). A study on professors' adeptness and students' expectations on perceived student learning outcomes. *Prabandhan: Indian Journal of Management, 13*(1), 19–32. https://doi.org/10.17010/pijom/2020/v13i1/149945

Schumacher, S. (2009). *High potential employees.* New York, NY : Prism Business Media.

Snipes, J. (2005). Identifying and cultivating high-potential employees. *Chief Learning Officer Magazine, 4*(11), 54–64.

Stone, M., & Liyanearachchi, D. (2007). Managing retention — Who does it well ? *Journal of Database Marketing & Customer Strategy Management, 14*(2), 90–103. https://doi.org10.1057/palgrave.dbm.3250042

Stumpf, S. A., Doh, J. P., & Tymon Jr., W. G. (2010). The strength of HR practices in India and their effects on employee career success, performance, and potential. *Human Resource Management, 49*(3), 353–375. https://doi.org10.1002/hrm.20361

Verma, A., & Singh, P. (2018). Elucidating the influence of demographics on managerial competencies of Indian IT sector employees. *International Journal of Research in Economics and Social Sciences, 8*(1), 811–825.

Walia, V., & Tomar, P. (2010). *Human resource management: Text and cases.* Rohtak: Yogiraj Publishing House.

Whitt, W. (2006). The impact of increased employee retention on performance in a customer contact center. *Manufacturing & Service Operations Management, 8*(3), 235–252. https://doi.org/10.1287/msom.1060.0106

Zhu, X., Law, K. S., Sun, C., & Yang, D. (2019). Thriving of employees with disabilities: The roles of job self-efficacy, inclusion, and team-learning climate. *Human Resource Management, 58*(1), 21–34. https://doi.org/10.1002/hrm.21920

About the Authors

Dr. Anju Verma has a total experience of 16 years in teaching, research, and administration. Her areas of interest include human resource management, organizational and human behavior, and general management. She has two edited books and has 40 research papers to her credit. She has completed two research projects (one major funded by UGC - New Delhi and one minor funded by GJUS & T-Hisar, Haryana, India).

Dr. Pradeep Singh has a total experience of more than 10 years in teaching, research, and management. He is presently working as an Assistant Professor in MDU-CPAS (Centre for Professional and Allied Studies), Sector – 40, Gurugram. He has one book titled Human Resource Management- Text & Cases and eight research papers to his credit.