Employee Competency and Organizational Culture Adaptation in CNX: Basis for Action Plan

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Abstract—This study investigates the relationship between employee competency and organizational culture adaptation in CNX, a business process outsourcing (BPO) company located in Nuvali, Laguna. In today's rapidly evolving service environments, organizational success is increasingly dependent on how well employee skills align with and support cultural adaptability. Using a descriptive-correlational design, this research involved 278 randomly selected CNX employees. A validated researcher-made questionnaire was used to assess employee competency across three dimensions—knowledge, skills, and behavior—and organizational culture adaptation in terms of cultural flexibility, responsiveness, and growth. Data were analyzed using weighted mean, Spearman's rank correlation, and Kruskal-Wallis test. The findings revealed that employee competency was rated highly in all dimensions (overall WM = 3.43), and so was organizational culture adaptation (overall WM = 3.38). A very high positive correlation (ρ = 0.85, p < 0.01) was observed between the two variables, and a significant impact was identified (χ^2 = 153.60, p < 0.01), indicating that higher employee competency strongly influences greater cultural adaptability. These results underscore the importance of integrated competency development in promoting a responsive and growth-oriented organizational culture. Based on the findings, a six-point action plan is proposed to enhance employee performance and sustain organizational adaptability. This study contributes to the growing body of knowledge on human resource development and organizational behavior, with implications for BPO firms seeking strategic alignment between workforce capability and cultural transformation.

Index Terms— Employee competency, organizational culture, adaptability, BPO industry, CNX.

1. Introduction

Organizational effectiveness in the business process outsourcing (BPO) industry is increasingly shaped by the alignment between employee competencies and organizational culture. As companies navigate dynamic technological, economic, and customer-service landscapes, the ability of employees to adapt and contribute meaningfully to evolving workplace environments becomes a key strategic asset. CNX, a leading BPO firm based in Nuvali, Laguna, exemplifies these challenges and opportunities. Like many companies in the industry, CNX places a high value on experience when hiring, seeking candidates who can immediately contribute without extensive onboarding. However, beyond experience, a more sustainable strategy involves developing holistic employee competencies while fostering a culture that is agile, inclusive, and growth-oriented.

Several global business leaders have underscored the centrality of competency development. Tony Hsieh of Zappos, Jack Ma of Alibaba, and Manny V. Pangilinan of PLDT have all emphasized that competencies—especially in communication, adaptability, and customer focus—are critical for service excellence. At CNX, CEO Chris Caldwell has reinforced this view by advocating for a dual focus on skill-building and cultural adaptation as essential drivers of innovation and client satisfaction in a technology-integrated BPO landscape.

This study is grounded in two theoretical frameworks: Spencer and Spencer's Competency Model (1993), which defines competency through knowledge, skills, and behavior; and Schein's Organizational Culture Model (2017), which views culture as operating on the levels of artifacts, espoused values, and basic assumptions. The study aims to determine how employee competencies influence organizational culture adaptation in CNX and proposes an action plan for improving alignment between the two. Ultimately, it seeks to support workforce strategies that enhance employee engagement, service performance, and organizational resilience.

2. Literature Review

A. Employee Competency

Employee competency has long been recognized as a fundamental driver of organizational success. According to Spencer and Spencer's Competency Model (1993), competency is composed of knowledge, skills, and behavior that are causally linked to effective performance. Recent studies have expanded upon this model to reflect evolving workplace demands, particularly in technology-driven sectors like the BPO industry.

Wibowo et al. (2021) emphasized that both explicit knowledge (formal education, training) and tacit knowledge (experiential insights) are essential to building operational competence. Similarly, Putra et al. (2024) identified knowledge as a key enabler of innovation, underscoring the need for ongoing professional development. In the same vein, Setyowati et al. (2020) argued that continuous learning fosters job relevance and organizational agility.

Skill development, particularly in communication, technical

proficiency, and multitasking, is also central to effective performance. Chen et al. (2024) stressed the importance of balancing soft and hard skills in a rapidly digitizing workforce. Emotional intelligence, cognitive flexibility, and digital literacy have become essential competencies, especially in customer-facing roles within the BPO industry.

Behavioral competencies, such as adaptability, teamwork, and integrity, have also gained prominence. Paredes-Saavedra et al. (2024) and Jalinao et al. (2019) found that these traits directly contribute to team cohesion and performance. Behavioral competencies are often fostered through mentorship, coaching, and value-based training initiatives.

B. Organizational Culture Adaptation

Schein's Model of Organizational Culture (2017) describes culture as existing on three levels: artifacts, espoused values, and basic underlying assumptions. For organizations to remain effective, they must regularly reassess and adapt these layers in response to environmental change.

Cultural flexibility, the ability to accommodate diversity and change, has been shown to enhance inclusivity and organizational responsiveness. Sabuhari et al. (2020) and Kołodziej (2022) found that flexible cultures promote innovation, improve decision-making, and reduce employee resistance to change.

Responsiveness, or the speed and effectiveness of organizational reactions to internal and external stimuli, is also essential. Özlen (2021) and Assens-Serra et al. (2021) linked cultural responsiveness to strategic agility, employee engagement, and operational resilience.

Growth-oriented cultures promote employee development and long-term sustainability. Studies by Soyhan et al. (2022) and Umar et al. (2024) showed that when growth is embedded into organizational values, it fosters a climate of innovation, initiative, and learning. Handani (2024) further emphasized that such cultures empower employees and align individual goals with organizational direction.

3. Methodology

A. Research Design

This study employed a descriptive-correlational research design with impact analysis. This design was selected to identify the relationship between employee competency and organizational culture adaptation without manipulating any variables. It allowed for statistical analysis that established both the strength of the relationship and the influence of competency on culture adaptation.

B. Research Locale

The research was conducted at CNX, a business process outsourcing (BPO) company located in Nuvali, Santa Rosa City, Laguna. This site was selected due to the availability of respondents and the organization's relevance to the study's objectives.

C. Respondents of the Study

The study involved 278 employees from CNX, selected from a total population of 1,000 agents. The sample size was determined using the Raosoft Sample Size Calculator, based on a 95% confidence level and a 5% margin of error. The respondents represented a variety of departments and positions within the organization.

D. Sampling Design

A simple random sampling technique was used to ensure that every individual in the population had an equal chance of being selected. This method reduced selection bias and helped capture a broad representation of perspectives within CNX.

E. Instrumentation

A researcher-made questionnaire was developed to assess both employee competency and organizational culture adaptation. The instrument consisted of two main parts: Part I evaluated knowledge, skills, and behavior; Part II measured cultural flexibility, responsiveness, and growth. The questionnaire underwent expert validation and a pilot test. Reliability was confirmed using Cronbach's Alpha to ensure internal consistency.

F. Evaluation and Scoring

Responses were scored using a 4-point Likert scale. For both competency and culture adaptation, the scale was interpreted as follows:

- 3.25 – 4.00 = Strongly Agree (Highly Competent / Highly Adaptable)
- 2.51 – 3.24 = Agree (Competent / Adaptable)
- 1.75 – 2.50 = Disagree (Less Competent / Less Adaptable)
- 1.00 – 1.74 = Strongly Disagree (Not Competent / Not Adaptable)

G. Data Gathering Procedure

Permission was obtained from CNX's Human Resource Department before data collection. Respondents were informed about the study's objectives, and consent was embedded within the survey. Questionnaires were distributed physically and electronically, and responses were collected, encoded, and prepared for analysis.

H. Treatment of Data

The following statistical tools were employed:

- *Weighted Mean*: To assess levels of employee competency and organizational culture adaptation.
- *Spearman's Rank Correlation*: To determine the strength and direction of the relationship between the two variables.
- *Kruskal-Wallis Test*: To assess the impact of competency levels on organizational culture adaptation.

I. Ethical Considerations

This study adhered to ethical research protocols. In accordance with the Data Privacy Act of 2012 (RA 10173), all personal information was treated with strict confidentiality. CNX was anonymized in reporting, and respondents were

assured of voluntary participation, confidentiality, and the right to withdraw at any stage of the research.

4. Results

A. Level of Employee Competency in CNX

The table 1 to 4 shows the Level of employee competency in CNX.

B. Level of Organizational Culture Adaptation in CNX

The table 5 to 8 shows the level of organizational culture adaptation in CNX.

C. Relationship Between Competency and Culture Adaptation

The table 9 shows the relationship between competency and culture adaptation

D. Impact of Employee Competency on Culture Adaptation

The table 10 shows the impact of Employee Competency on Culture Adaptation.

5. Discussion

A. Employee Competency as a Foundational Capability

The findings of this study revealed that CNX employees rated themselves as highly competent across the three primary

Table 1
Level of employee competency in CNX: knowledge

Indicators	Weighted Mean	SD	Verbal Interpretation	Rank
I feel confident in my ability to handle customer inquiries effectively.	3.50	0.50	Highly Competent	1
I am fully knowledgeable about the goods and services that our LOB provides.	3.46	0.53	Highly Competent	2.5
I have a complete understanding of the products and services offered.	3.46	0.55	Highly Competent	2.5
I regularly update my knowledge about changes affecting our services.	3.43	0.55	Highly Competent	4
I can provide accurate information without assistance.	3.39	0.60	Highly Competent	5
Overall Weighted Mean	3.45	-	Highly Competent	-

Table 2
Level of employee competency in CNX: skills

Indicators	Weighted Mean	SD	Verbal Interpretation	Rank
I possess strong communication skills.	3.42	0.52	Highly Competent	1.5
I am skilled at using the software and tools required for my job.	3.39	0.61	Highly Competent	4.5
I manage multiple tasks while maintaining service quality.	3.42	0.56	Highly Competent	1.5
I identify customer needs and provide appropriate solutions.	3.39	0.59	Highly Competent	4.5
I handle stress and difficult customers professionally.	3.41	0.55	Highly Competent	3
Overall Weighted Mean	3.41	-	Highly Competent	-

Table 3
Level of employee competency in CNX: behavior

Indicators	Weighted Mean	SD	Verbal Interpretation	Rank
I engage with customers to understand their needs.	3.48	0.55	Highly Competent	1
I remain calm during high-pressure situations.	3.44	0.55	Highly Competent	3
I collaborate with team members effectively.	3.43	0.56	Highly Competent	4
I use feedback to improve performance.	3.47	0.55	Highly Competent	2
I adapt to new procedures and technologies.	3.40	0.54	Highly Competent	5
Overall Weighted Mean	3.44	-	Highly Competent	-

Table 4
Summary of employee competency

Dimension	Weighted Mean	Verbal Interpretation	Rank
Knowledge	3.45	Highly Competent	1
Behavior	3.44	Highly Competent	2
Skills	3.41	Highly Competent	3
Overall	3.43	Highly Competent	-

Table 5
Organizational culture adaptation: cultural flexibility

Indicators	Weighted Mean	SD	Verbal Interpretation	Rank
Comfortable working with diverse colleagues.	3.44	0.54	Highly Adaptable	1
Adapt communication to fit cultural preferences.	3.38	0.55	Highly Adaptable	2
Understand customer cultural norms.	3.32	0.58	Highly Adaptable	5
Adjust problem-solving based on culture.	3.37	0.53	Highly Adaptable	3.5
Support cultural awareness initiatives.	3.37	0.57	Highly Adaptable	3.5
Overall Weighted Mean	3.38	-	Highly Adaptable	-

Table 6
Organizational culture adaptation: responsiveness

Indicators	Weighted Mean	SD	Verbal Interpretation	Rank
Prompt customer issue response.	3.37	0.57	Highly Adaptable	1.5
Employee feedback is acted upon.	3.37	0.58	Highly Adaptable	1.5
Quick service adaptation to feedback.	3.36	0.58	Highly Adaptable	3.5
Management responds to concerns.	3.36	0.59	Highly Adaptable	3.5
Empowered to address issues proactively.	3.35	0.55	Highly Adaptable	5
Overall Weighted Mean	3.36	-	Highly Adaptable	-

Table 7
Organizational culture adaptation: growth

Indicators	Weighted Mean	SD	Verbal Interpretation	Rank
Access to training and development.	3.44	0.54	Highly Adaptable	1
Team encourages innovation.	3.39	0.56	Highly Adaptable	3.5
Clear career advancement pathways.	3.40	0.56	Highly Adaptable	2
Management supports personal growth.	3.38	0.58	Highly Adaptable	5
Constructive feedback for performance improvement.	3.39	0.59	Highly Adaptable	3.5
Overall Weighted Mean	3.40	-	Highly Adaptable	-

Table 8
Summary of organizational culture adaptation

Dimension	Weighted Mean	Verbal Interpretation	Rank
Growth	3.40	Highly Adaptable	1
Cultural Flexibility	3.38	Highly Adaptable	1
Responsiveness	3.36	Highly Adaptable	2
Overall	3.38	Highly Adaptable	-

Table 9
Correlation between employee competency and organizational culture adaptation

Variables	Spearman's rho (ρ)	p-value	Decision	Interpretation
Employee Competency vs. Culture Adaptation	0.85	< 0.01	Ho Rejected	Very High Positive Correlation

Table 10
Impact of employee competency on organizational culture adaptation

Statistical Test	Value	p-value	Decision	Interpretation
Kruskal-Wallis Test	153.60	< 0.01	Ho Rejected	Significant Impact Exists

domains: knowledge, skills, and behavior. Knowledge received the highest rating, suggesting that agents have a strong grasp of organizational processes and product information—an essential component in the BPO industry where accurate and timely information delivery is critical. Behavioral competency also scored notably high, reinforcing the importance of professionalism, adaptability, and interpersonal skills in customer-facing roles.

This aligns with Spencer and Spencer's (1993) Competency Model, which emphasizes that high-performing individuals demonstrate a blend of cognitive understanding, technical ability, and observable behaviors. The high behavioral ratings further support research by Jalinao and Posadas (2019), who highlighted the influence of collaborative and resilient employee behavior in sustaining performance in service-driven industries.

B. Organizational Culture Adaptation and its Strategic Importance

CNX employees also rated their organization as highly adaptable in terms of cultural flexibility, responsiveness, and growth. The dimension of growth received the highest rating, indicating that CNX fosters an environment where continuous learning and development are valued. Cultural flexibility and responsiveness followed closely, suggesting that the company values inclusivity, feedback, and rapid adaptation to internal and external changes.

These findings reflect Schein's (2017) model, which asserts that organizational culture evolves through interaction between values, practices, and shared assumptions. In a multicultural and high-turnover environment like BPO, responsiveness and flexibility are vital for maintaining morale and operational efficiency. The results support previous studies (Sabuhari et al., 2020; Özlen, 2021) that stress the importance of adaptive cultures in sustaining competitiveness.

C. The Correlation Between Competency and Culture Adaptation

The study established a very high positive correlation ($\rho = 0.85$, $p < 0.01$) between employee competency and organizational culture adaptation. This means that improvements in employee knowledge, skills, or behavior are strongly associated with enhanced cultural adaptability. Employees who feel competent are more likely to align with and support organizational changes, embody company values, and respond proactively to challenges.

This supports the assertion by Paredes-Saavedra et al. (2024) that behavioral competencies such as initiative, openness to feedback, and adaptability strengthen cultural alignment. It also aligns with the findings of Husriadi et al. (2024), who noted that employee empowerment and professional development directly influence organizational responsiveness and cultural engagement.

D. Implications for Human Resource Strategy

The significant impact of employee competency on cultural adaptation ($\chi^2 = 153.60$, $p < 0.01$) suggests that organizations must strategically invest in workforce development. Not only do training and competency development initiatives enhance individual performance, but they also help employees integrate into and shape the organizational culture.

This insight reinforces the call for a holistic approach to human resource management—one that integrates technical training with behavioral development and cultural alignment. The proposed six-point action plan in this study is designed to strengthen this alignment through structured interventions in knowledge development, skills training, cultural engagement, and performance feedback mechanisms.

6. Conclusions

A. *Employee Competency is Highly Developed in CNX*

The study concluded that employees at CNX demonstrate a high level of competency in terms of knowledge, skills, and behavior. Among these, knowledge was rated the highest, indicating that employees possess a strong foundation in organizational operations, service processes, and client-specific information. Behavioral competency closely followed, emphasizing the value of professionalism, adaptability, and collaboration in the workplace.

B. *Organizational Culture is Perceived as Highly Adaptive*

CNX was found to have a highly adaptable organizational culture, particularly in the dimensions of growth, cultural flexibility, and responsiveness. The high rating for growth indicates a positive environment for employee development and continuous learning. Cultural flexibility and responsiveness reflect the organization's ability to manage diversity, encourage innovation, and respond effectively to feedback and change.

C. *A Strong Relationship Exists Between Competency and Culture Adaptation*

Statistical results established a very high positive correlation between employee competency and organizational culture adaptation. Employees who possess higher competency levels are more likely to align with and contribute to an adaptable organizational culture. This relationship reinforces the need for integrated competency development and culture-oriented strategies.

D. *Competency Significantly Impacts Culture Adaptation*

The impact analysis revealed that employee competency significantly influences organizational culture adaptation. This implies that efforts to enhance employee capabilities will result in stronger cultural alignment, greater organizational responsiveness, and improved employee engagement and performance.

E. *Strategic Implications for Workforce Development*

These findings emphasize the importance of a structured and strategic human resource approach that promotes continuous learning, behavioral development, and cultural engagement. The proposed action plan, based on the study's findings, serves as a practical framework for improving both individual competencies and overall cultural adaptability within CNX.

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