Competency Management:

HR for Adults

Table of Contents

Section	Contents	Page
1	Introduction	3
2	How did Competency Management develop?	9
3	What is a Competency?	21
4	Competency and Recruiting - How do they fit?	55
5	Competency and Development - What is the connection?	73
6	Competency Modeling - What is involved?	95
7	Competency, Compensation, Systems and Organizations - Final Words	111

The Overhead Page

The Note Page

A Note on the Layout of this Binder

This binder contains a copy of each overhead used in this program, as well as other material of relevance.

It is intended to be your "back on-the-job" reference. Please feel free to write whatever comments and notes you find useful in it.

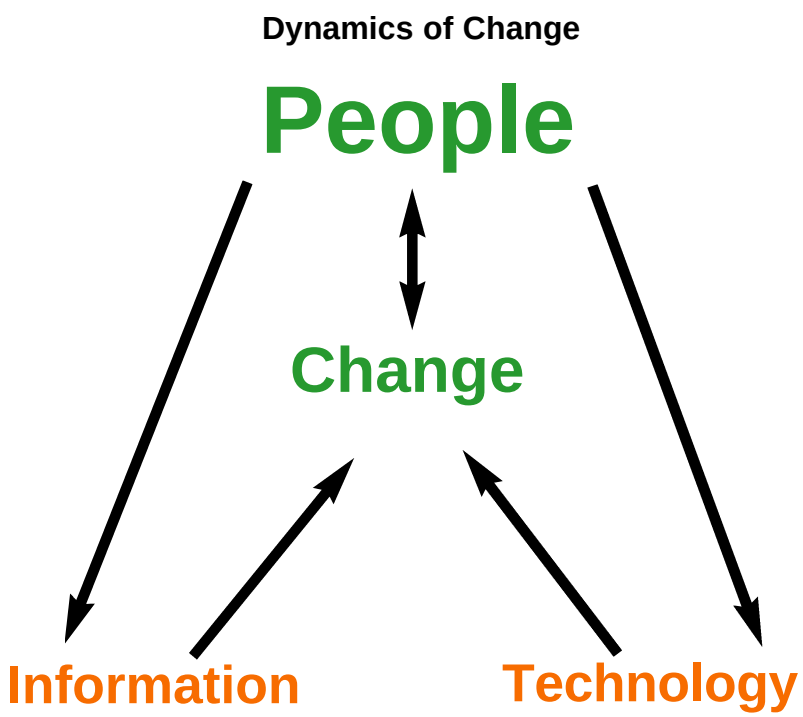
The program is organized into modules. Each module is a separate section. Each module starts with a statement of its objectives.

Each overhead is presented as the top page in a 2 page layout. An associated notes page (the bottom page) provides additional information.

The sequential page number of each page in the entire document is in the box on the lower right hand corner.

Each module's title block is in the right middle bottom of each page. Each overhead page is sequentially numbered within the module. It is followed by an associated note page, which expands on the overhead, or provides room for your own notes.

Who is Roelf Woldring?



- **currently consulting in competency management, business process re-engineering and organizational change**
- **by experience: a systems professional**
- **by training: an organizational psychologist** (currently a research associate at Henley Management College in England, doing research on the cognitive maps and competencies of systems developers)
- **designs and delivers competency development programs in:**
  - IDEF Based Business Process Mapping and Re-engineering
  - Getting the Right Facts: Fact Gathering Interviewing Skills
  - Facilitating Work Teams

Consulting Focus

Typical consulting assignments from the past 8 years include:

- **Competency modeling consultant and project manager for a joint venture involving a major North American document company planning to introduce competency management products and services to the North American market place.**
- **Competency management assessment for Ministry of Consumer and Commercial Relations, Ontario.**
- **Business re-engineering coach for work flow rationalization project teams at: CRS Sirrine Engineers Inc., Greenville, South Carolina; American Savings Bank, Irvine, California; and AT&T Capital Corporation, Morristown, New Jersey.**
- **Advanced consulting facilitation skills training for the business systems architecture consulting team at the Royal Bank of Canada, Toronto. Designed and delivery of advanced interviewing and group facilitation skills training programs for Price Waterhouse Canada.**
- **Project management, systems development methodology and work flow rationalization consulting to the Information Systems Group at Export Development Corporation, Ottawa, Ontario (essentially a business process re-engineering of this IT group).**
- **IDEF-based process re-engineering training for KPMG Peat Marwick (US Financial Services practice), Paramax Corporation (Virginia), U.S. Army (Electronic Communications Command), Wang Laboratories (Boston, Washington), Dynamics Research Corporation (Boston), United States Air Force (Transportation Command), Shawmut Bank (Boston), Prime Computer Vision (Boston), Banco Nacional S.A. (Sao Paulo, Brazil), Reynolds Electrical Engineering Corporation (Las Vegas Nevada Nuclear Test Site).**
- **Advisory business systems architect to a Canadian Imperial Bank of Commerce group responsible for ensuring the preparation of the information and operational models necessary to implement a new information architecture throughout the bank.**
- **Assignment as the Vice-President, Products at Legalware, a Toronto based software product company developing and marketing document modeling and litigation support software. Responsible for the product development and marketing turn around strategies.**
- **Information systems architecture, strategic business system planning and organizational design assignments for Magna International, a Canadian automobile parts manufacturing firm.**

Career History

- Managing Partner, Workplace Competence International, 1994 ...
- Managing Director, Woldring and Company, 1986 -1994
- Director, Corporate Information Systems, TransCanada PipeLines Limited, 1981-1986
- Consultant in private practice, 1977-1981
- Assistant to the Manager of Operations, University Management Systems, McGill University, 1971-1976
- Critical Path Method Analyst, Shawinigan Engineering Limited, 1971
- Analyst, Automated Customer Services, Bank of Nova Scotia, 1969-1971
- A variety of positions, from office boy to programmer analyst in 3 Montreal area firms from 1964 to 1969

Education

- Doctor of Business Administration (DBA) Associate, Henley Management College, Henley-on-Thames, England, 1993 …
- Ph.D. Candidate, Business Administration, University of Massachusetts, 1980 (Left with MBA equivalent).
- Graduate, Trainer Development Program, Centre for Human Relations, Concordia University 1977.
- 2 years additional study in Organizational Psychology and Applied Social Science, 1976.
- B.A., Philosophy and Sociology, Concordia University, Montreal, 1973 (Evening Program).

Administrivia and Logistics

- this facility: where things are

- start and stop times (breaks, lunch, closure ...)

- the equipment: why it is here

- how we will work together today

  - small groups
  - experiential work
  - concepts following
  - discussion

- the material
  (extra copies of the program handout ...,
  WCI Competency Card Q-Sorts,
  The WCI Competency Dictionary software,
  The WCI Recruiting Assistant software ...)

  The bibliography at the back of this binder contains detailed references books mentioned in this module, as well as on other books.

Notes:

Who are you ... (a brief introduction of yourself)

Some hints ...

- name
- where do you work
- what do you do there
- why are you interested in competency management
- what experience have you had with competency management so far
- ....

Here today:

1.

2.

3.

4.

5.

Others ...

How did Competency Management develop?

Module Objectives

- Be aware how competency management started in the academic world
- Be aware of the American Management Association research project into managerial competencies
- Be aware of the British experience with National Vocational Qualifications (NVQs)
- Be aware of the McBer organization and its competency research tradition
- Be aware of the basic conceptual objects which frame any discussion about competency management
- Be aware of the further reading given in the bibliography

Notes:

The Academic Roots: - the 1970s and the 1980s
Dissatisfaction with the traditional concept of Intelligence

- **David McCelland, a Harvard psychologist well known for his work on motivation and power**

  seminal paper: "Testing for competence rather than intelligence" 1976*

- **Bray, Campbell and Grant: publication of the results of the long term AT&T studies of managerial careers, with the surprising finding that "intelligence" increased over the course of a career (famous for developing the "assessment centre" and the "in-box" exercise)**

  Book: "Formative Years in Business: A Long Term AT&T Study of Managerial Lives" 1979*

- **Robert Sternberg, a psychologist now at Yale - publication of a set of books on "practical" intelligence**

  Book: "Practical Intelligence: Nature and origins of competence in the everyday world" 1986*

(* Please see bibliography for full reference information)

Notes:

1. Of course, there were many more academic events than the ones listed. However, each one of these has an important impact in the academic world. They led to consulting work and conferences which impacted the practical world of business. In the case of the AT&T study, the academic world was deeply affected by the practical results achieved by research oriented Human Resource practitioners in a large commercial organization.

2. Competence as an academic concept had some very practical reasons for its success:

   - it allows you to tie ideals of ability and ideas about career together, and see a very real connection between them, in that a person's career development will obviously increase their abilities,

   - intelligence as a concept implies something fixed and unchangeable, whereas competence implies something which can increase or decrease as a result of events in a person's life history, allowing you to tie the two together in a way which applied to academics concerned with practical application of research work.

3. The history of the MENSA SOCIETY, which has many members who have very high intelligence scores, but have not accomplished a great deal that is socially valued, makes it clear that abstract intelligence is not necessarily the key to outstanding life success. Intelligence scores by themselves do not have the predictive power we need to deal with practical problems of performance management, career succession, recruitment and individual development in business.

4. The traditional conceptual solution to this problem combines the idea of intelligence and the idea of motivation. That is, performance is seen as resulting from some combination of the two:

   Performance = function of (Intelligence + Motivation)

   However, motivation is something internal to a person. It is hard to measure from the outside and to observe. It changes over time, and in response to the events in a person's life. Like intelligence, it does not allow us to solve the practical problems encountered in HR any more easily than intelligence.

The American Management Association and The McBer Organization - early 1980's

In the early 80's, the American Management Association spent upwards of $500,000 on a "management competencies" research project

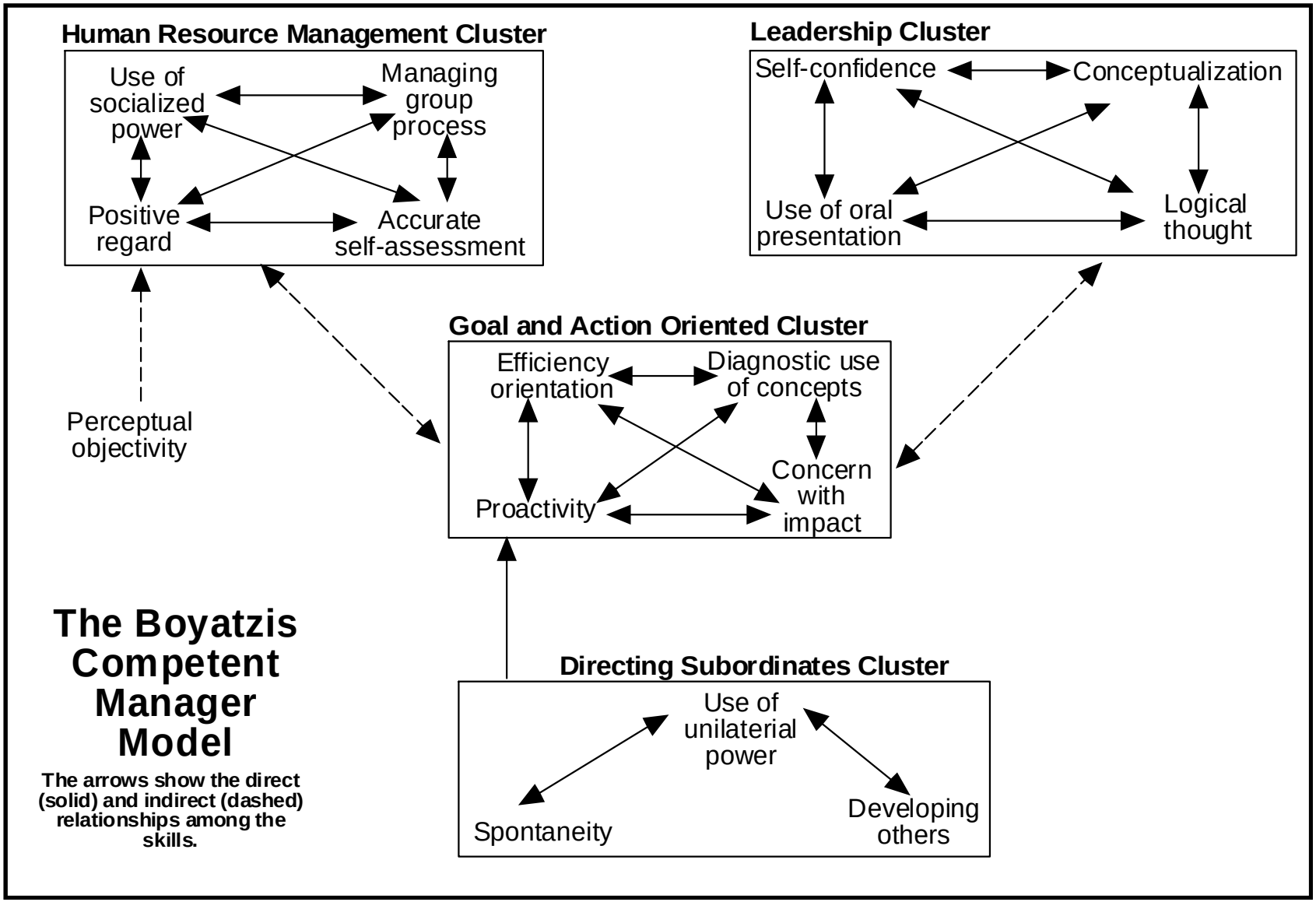
- **put out "request for proposal" for the research - awarded to McBer organization, only respondent which advocated a "criterion" based approach, i.e. one based on first independently identifying "superior" managers and then researching these individuals**

- **Lead to the development of a set of management competency clusters which became the basis of AMA's professional development program**

  - cross industry
  - covered all types of managers

- **research results eventually published by Richard Boyatzis as "The Competent Manager" in 1982 ***

(* Please see bibliography for full reference information)



The model is “very psychological” in that it would be difficult for a business person to really know what was meant by terms like “socialized power”, “diagnostic use of concepts” ....

The British Experience: National Vocational Qualifications "NVQs"

1. an effort to develop a consistent way of evaluating individuals' qualifications:

- national in scope: consistent across country
- are to take into account "on-the-job" experience as well as formal academic training
- the basis for allowing individuals and firms to confidently engage in recruitment dialogue on the basis of an objective "standard"
- seen as part of what it takes to compete in the Common market
- competency based: government to publish and to maintain competency standards which were developed by research consortiums receiving contracts in response to competitive "requests for proposals"

2. embraced positively by unions and management:

- unions saw a "strong" benefit: tied "years of experience" to objective qualifications
- unions eventually saw that "compensation" would become tied to qualifications

- management saw a strong benefit: focused on what a person could do, dealt objectively with the problem of "many years of the "same experience"
- believed it would be the basis of "pay for performance", not pay for seniority

Notes:

1. Very comprehensive approach: a number of multi-year projects to cover work at all levels of British industry.
   E.g. Henley Management College is part of a research group defining competencies at the “company director” level.

2. Builds on British tradition of “on-the-job” training at both the trades apprenticeship level,
   and at the professional level with programs such as the “practical engineer” qualification.

3. Adoption very much up to individual firms. Universities responding to standards in their curriculum planning.

4. Strong acceptance of the fact that “academic” training is simply the beginning of competency -
   practical experience necessary to develop and extend it.

5. There has been a consistent “coordination” effort by the government, but the research results reflect the different approaches used by each group which wins a “research contract”.

6. Strong effort to develop “cross company” definitions of competency - however, still entirely unclear if the most effective breakdown is by “level” (e.g. company director, managing director, manager, worker etc.)
   or by “industry” (e.g. financial services, automotive, ...)

   - probably both are too simplistic by themselves

7. Soft competencies (e.g. management and interpersonal skills) seem to cross industry, while hard competencies (e.g. technical knowledge, ability with machinery of various kinds) seem to be first industry, and then firm specific.

8. The “local expert - focus group” approach to identifying is part of the this tradition.

The McBer Organization:
20 years of research into competencies

1. Started as a research company doing work on various US government research contracts (military, US Foreign Service ...) - moved on to commercial work

2. Strongly associated with David McCelland of Harvard (located in Boston)

3. Did the AMA management competency research project

4. Strong research methodology underlies all of their work
   ==> good empirical foundation to their results

5. During the late 80's, and into the 90's, start to publish their "methods" as much as their results - "The McCelland/McBer" Job Competence Assessment methodology

7. Lyle And Signe Spencer published a major summary of their methods & results:

   "Competency at Work: Models for Superior Performance" 1993 *

8. Now associated with the Hay Organization, a world wide consulting firm famous for its "Hay Point" method for assessing job responsibility and compensation

(* Please see bibliography for full reference information)

Notes:

The McBer approach is based on the insight that individuals may have or demonstrate competencies in their behaviour of which they are not articulately aware.
That is, when asked to describe themselves they would not describe themselves as having these competencies.
However, when you observe their behaviour, they clearly "do" them.

1. advocate criteria approch:
   - first identify superior and average performers,
   - then identify competencies using "behavioural event" interviewing techniques

2. superior and average performers must be classifed as such on the basis of independent criteria such as:

   - measurable job results (e.g. profits achieved, volumes produced, dollars saved, ..., etc.)
   - well designed peer group nomination technique:

     i.e. at least 5 to 7 of the individuals' peers nominate the person as a superior or average performer using a nomination technique such as pair comparisons or ranking of individuals

3. each group is then independently interviewed by "trained" interviewers

   - interviews focus on events of 3 to 5 success experiences and 3 to 5 less successfull experiences
   - interview is tape recorded and transcribed
   - transcript coded for "competencies" using the existing McBer competency dictionary
   - new competencies are added when there is substantial intercoder agreement

4. results for "superior" and "average" performers are then compared

   - allows identification of competencies which contribute to "superior" performance
   - focuses on the "just noticeable differences" between the two groups - the "JND" method
   - leads to competency clusters with various levels of performance

The bibliography:

The bibliography at the back of this binder contains detailed references books mentioned in this module, as well as on other books.

Notes:

What is a Competency?

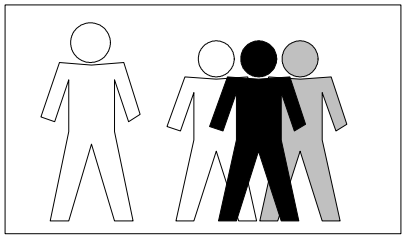
Module Objectives

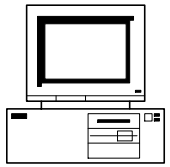
- **Know the main objects which are involved in competency management systems**
- **Understand the relationship between competencies and the sources of human capability**
- **Know the rules for creating competency descriptions**
- **Be able to write competency behaviour descriptions to describe personal competencies and those of others**

Notes:

When we talk about competency management, we are talking about ... ...

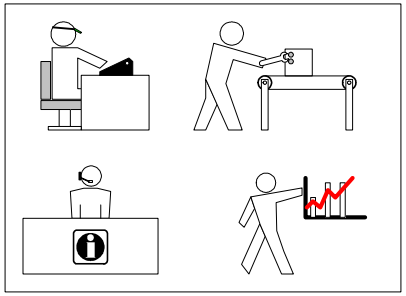
Individuals

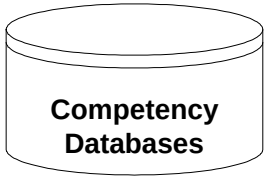




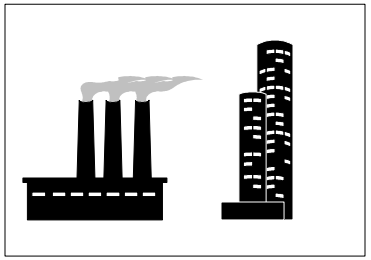
Individual Access To Information

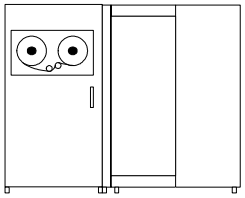
Positions





Organizations





Organizational Information Systems

Notes:

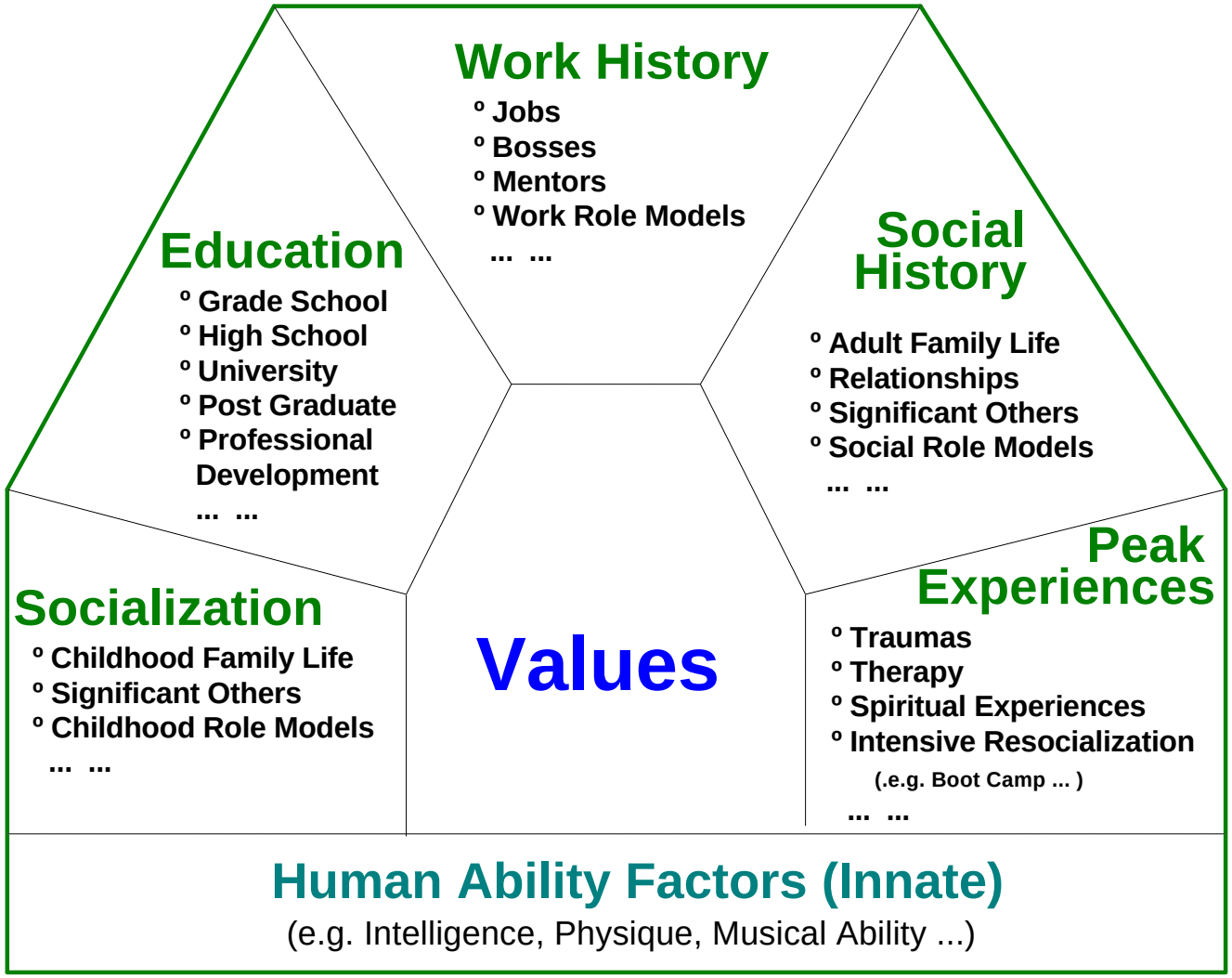
1. By the end of the day, we will have coverved each of these objects,

   and tied them to appropriate processes

2. The sum total (objects + processes) = competency management.

What is a competency ==>

What makes a person capable?



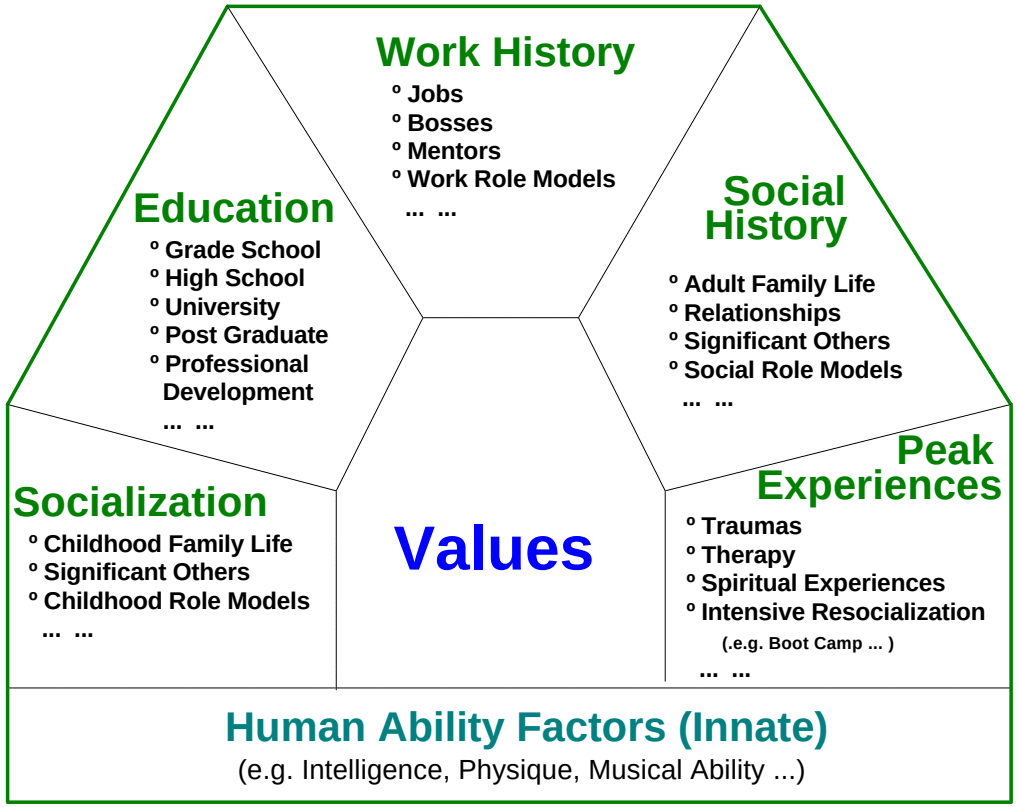
Notes:

**This is too complicated for us
to be able to do very much with it
in business**

We need to be aware of it ....

But we need a simpler way of dealing with competency than trying to deal with all of the factors which underlie personal capability ....

What is a competency ... ...
behaviours which result from personal capability

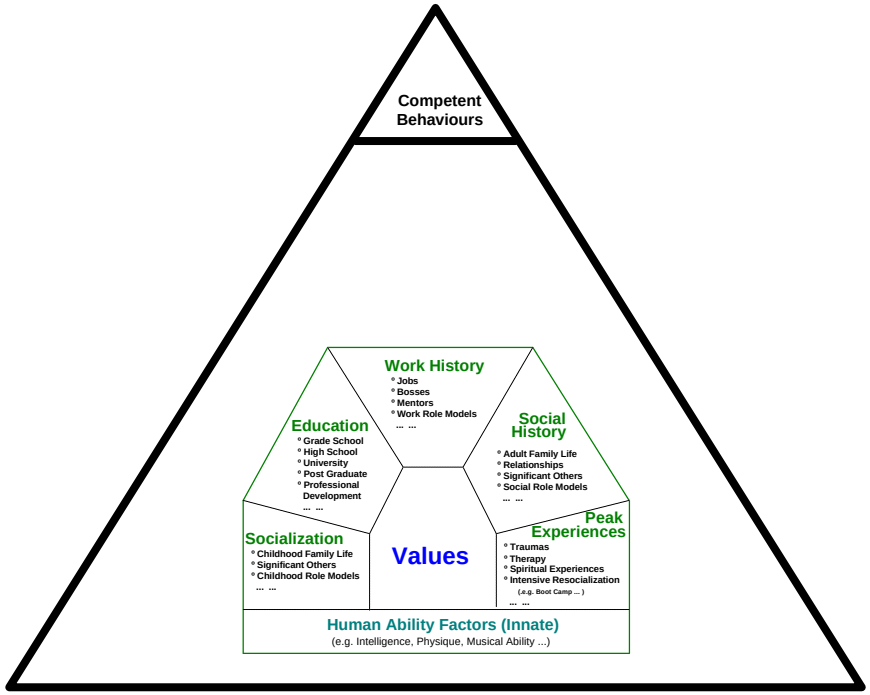


==> **Competent Behaviour**

Notes:

1. This is a major simplication, but a very realistic one.

2. It allows us to pay attention to the TIP of the “ICEBERG” - the behaviour that we can all see, not the underlying factors which lead to it.
   This is what the McBer group calles the “Iceberg” model of human behaviour.



What is a competency? ... ... the answer

1. it is a behaviour

2. it is observable - i.e., you can see a person doing it.

3. it is described in a phrase which starts with a verb
   e.g. make ..., demonstrate ..., ...

4. it must pass two tests:

   a. When I read a competency description,
      I must be able to ask myself "Can I do this?" and answer yes or no.

   b. When I describe other people, before I say that they have this competency,
      I have to be able to remember examples of when they have behaved
      in this way. I need to be able to identify concrete cases of this behaviour.

Notes:

Two Examples:

1. Finds better, more cost effective ways of doing things.

2. Uses Quark Express on PC Compatibles to prepare seminar material.

Doing it - describing our competencies ... ...

1. Work in your table groups

2. Take 15 minutes, and make a list of the competencies that you have in common:

   - remember the rules:
     1. competency descriptions start with a verb, and describe a behaviour
     2. if you think you have a competency, then you will be able to describe several concrete examples of situations - what you did, how you did it - to your colleagues at the table

   Hint: focus on the management and the general business arena

   Remember: a label like "interpersonal skill" is not a competency description

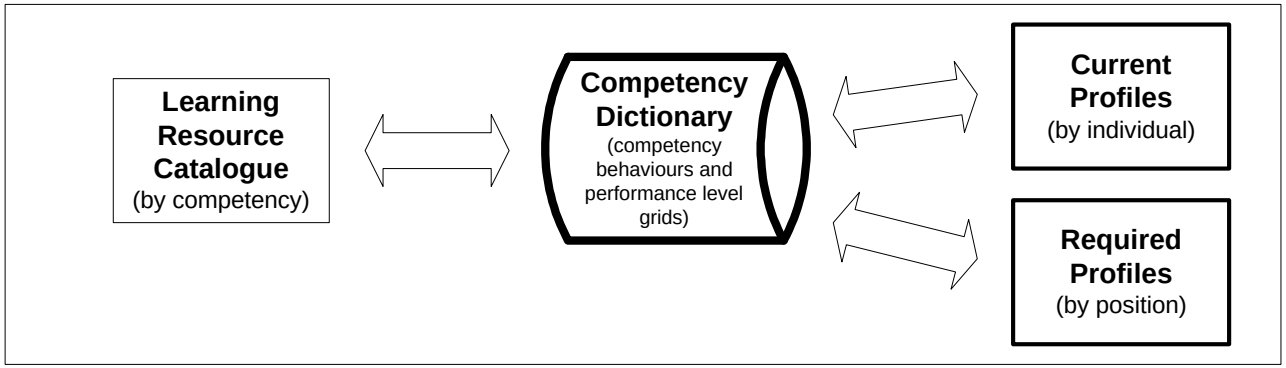
   You must be able to provide specific behaviours which implement this skill

3. When you are through, we will spend some time looking at what each group has come up with ... ...

Working Notes:

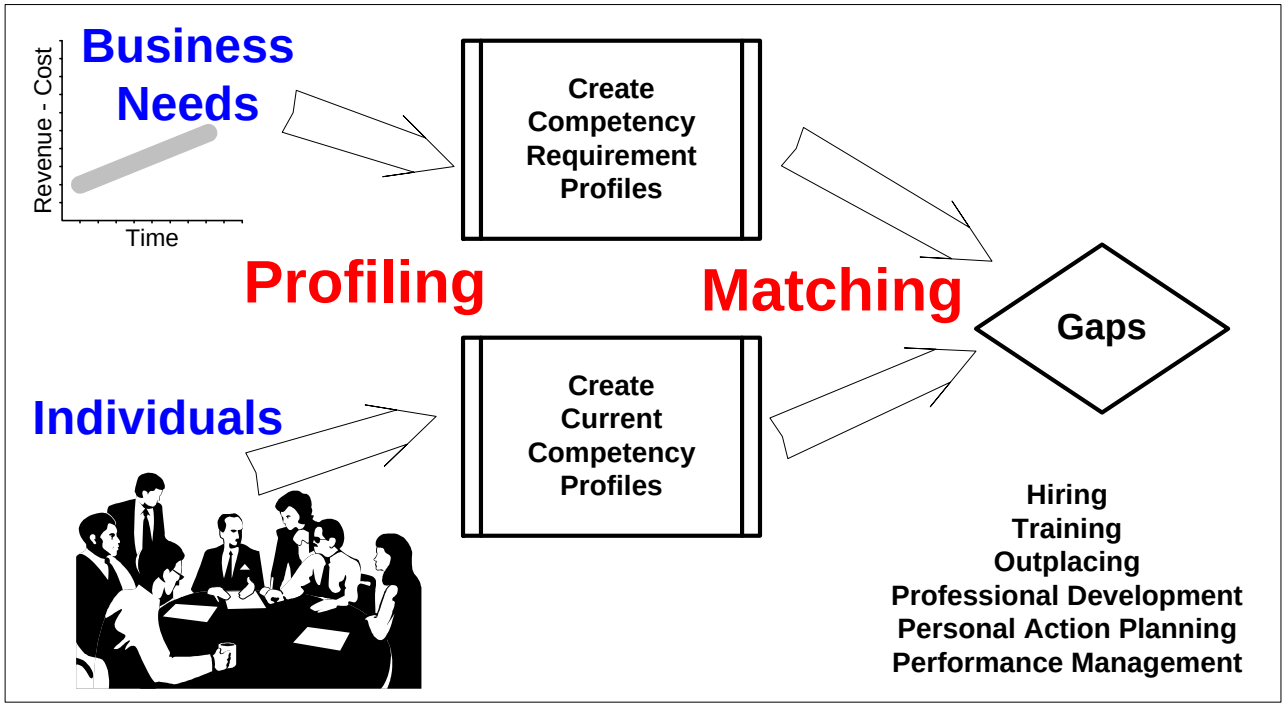
What is competency management?

A system



linked through a set of values

A process



Notes:

1. To be useful in a business setting, competencies have to be able to allow us to deal with change and business needs. If competency management were just another word for “Skill Inventory”, it would not get us very much.

2. To be effective, competency management must be implemented in a way which addresses all 3 elements shown in the diagram.

A system:

automated tools for storing and making competency processes and information available to individuals as they carry out their line or staff roles as employees or contractors

A process:

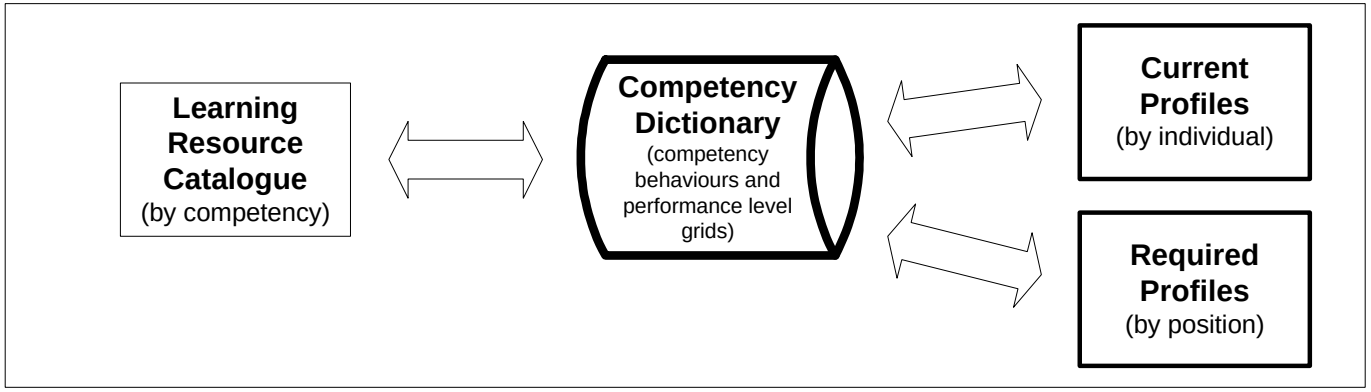
which at its core depends on:

1. individuals describing what they can do in the common language of “competencies”,
2. organizations describing what competencies they need in the same language,
3. processes for matching what individuals can do against what the organization needs,
4. support processes for turning the resulting gaps into hiring, training, outplacing, personal and professional development planning, and performance management actions.

A set of values:

1. **As adults, individuals can and must take personal responsibility for their career development.**
2. **As organizations engaging adults, organizations can and must make all of the information that individuals need to take personal career responsibility available to them.**
3. **The processes and tools which implement competency management will be designed based on the assumption that they will be used by adults who can be trusted, not by child-like people who must be checked, supervised and monitored at every point in case of deceit.**
4. **What is good for an individual may not be of value to an organization; what is good for an organization have not a positive impact on an individual, both sides can deal with this.**

A system



The learning resources catalogue stores all of the ways in which individuals can acquire a competency.

The competency dictionary is <u>the core of the system</u>: it stores the descriptions of all of the competencies relevant to an organization.

Each current profile is a description of the current competencies of an individual.

Each required profile is a description of the competencies required for successful performance in a position in the organization.

Notes:

1. Automated tools make up modern systems. Some HRIS systems are capable of handling competency management needs. Others may have to be supplemented with tools built in-house or purchased commercially.

2. Some organizations have started with competency management as a paper based process. Depending on the size of the organization, this is a reasonable alternative. The best strategy for an organization is often to start with a pilot project. This allows an evaluation of competency management techniques. During it, careful thought can be given to full automation needs.

3. Learning resources tend to be concrete and structured at the lower levels of performance, and unstructured and oriented to on-the-job learning at higher levels of performance. We will come back to learning resources later.

4. Once the structure of the competency dictionary is clear, the structure of "current" and "position" profiles derives from it. In a fully implemented system, an organization would have a current profile for each of its full time and part time employees, as well as for key contractors. As well, it would have a required competency profile for each position.

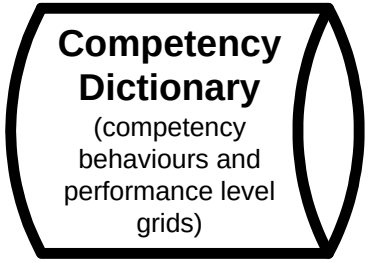
5. Competency position profiles may be associated with an overall job/position description or a job accountability map. The essential differences among them are stated below.

   a. A job or position description describes the **activities** and the **processes** normally handled by an incumbent. It is a description of **the work to be done** in this position. It may include **statements of responsibility**. These may be translated into "job points" as part of a Hay-like compensation analysis.

   b. An accountability map focuses on the **list of results** by which a person in a position or job **will be measured**. It describes **specific results**, which are **measurable**. It may include information on the activities or processes by which these results are to be achieved.

      Usually, it indicates **the relative importance** of the results with respect to one another. Assigning dollar business values to these results is often the beginning of using accountability maps for compensation analysis.

   c. A competency position profile is a **competency model** for a position. It includes all of the competencies **any individual needs to perform successfully**. It usually contains between 40 and 60 competencies, of which 8 to 10 are considered core.



The competency dictionary has competency descriptions as its basic elements.

Each competency description can either be a simple competency description, or have a performance grid associated with it.

Notes:

1. You have already created simple competency descriptions.

   Remember, the rules about competency descriptions.

Competency descriptions:

1. state behaviours

2. describe observable behaviours - that is., others can see a person doing a competency behaviour.

3. are written in sentences which start with a verb
   e.g. make ..., demonstrate ..., ...

4. must pass two tests:

   a. When I read the competency description,
      I must be able to ask myself “Can I do this?” and answer yes or no.

   b. When I describe other people, before I say that they have this competency,
      I have to be able to remember examples of when they have behaved
      in this way. I need to be able to identify concrete cases of this behaviour.

Competency Dictionary
(competency behaviours and performance level grids)

Structuring Competency Dictionaries ...

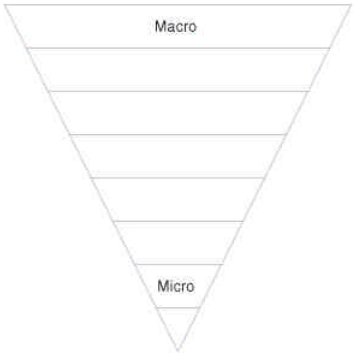
A Hierarchy of Levels

Levels

1 **Competency Models** can have ...

2 **Competency Clusters** can have ...

3 **Competency Areas** can have ...



4 **Competency Behaviours** can have ...

5 **Elements** and 6 **Performance Grids**

Competency Descriptions can be placed in any level

Notes:

1. Different competency dictionaries use different labels for the various levels. It can be very confusing.

2. The point to remember is that the levels simply collect competency descriptions into useful groups.

3. The competency description itself is always the basic unit with which we work.
   It can be placed into any of the levels of a competency dictionary.

4. The point is to adopt a structure in your organization, and stick to it.

An Example:

Level

1 **Competency Model = WCI General Management Model**

2 **Competency Cluster = Impact and Influence**

3 **Competency Area = Achievement Orientation**

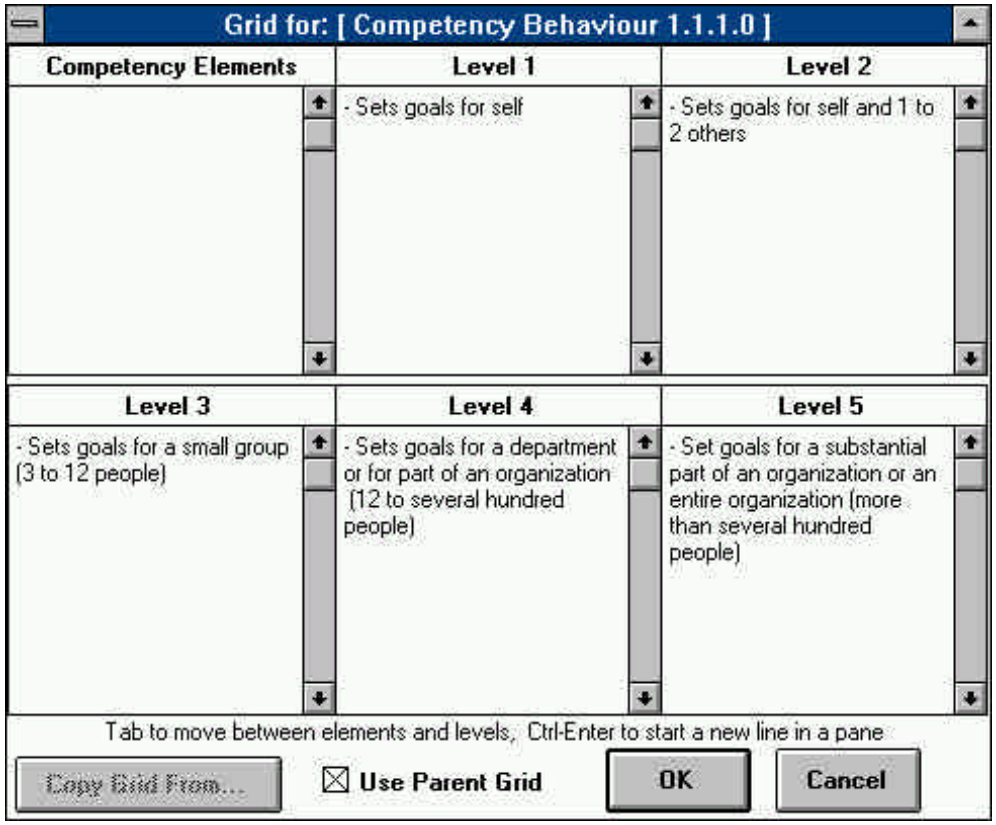
4 **Competency Behaviour =**
Sets challenging concrete goals for self and others (ACH 1)

5 **Competency Component Behaviour =**
Plans in a way which can be communicated and articulated to others

Notes:

1. We will look at parts of the WCI General Management Competency Model at various points in the seminar.

An Example (continued):

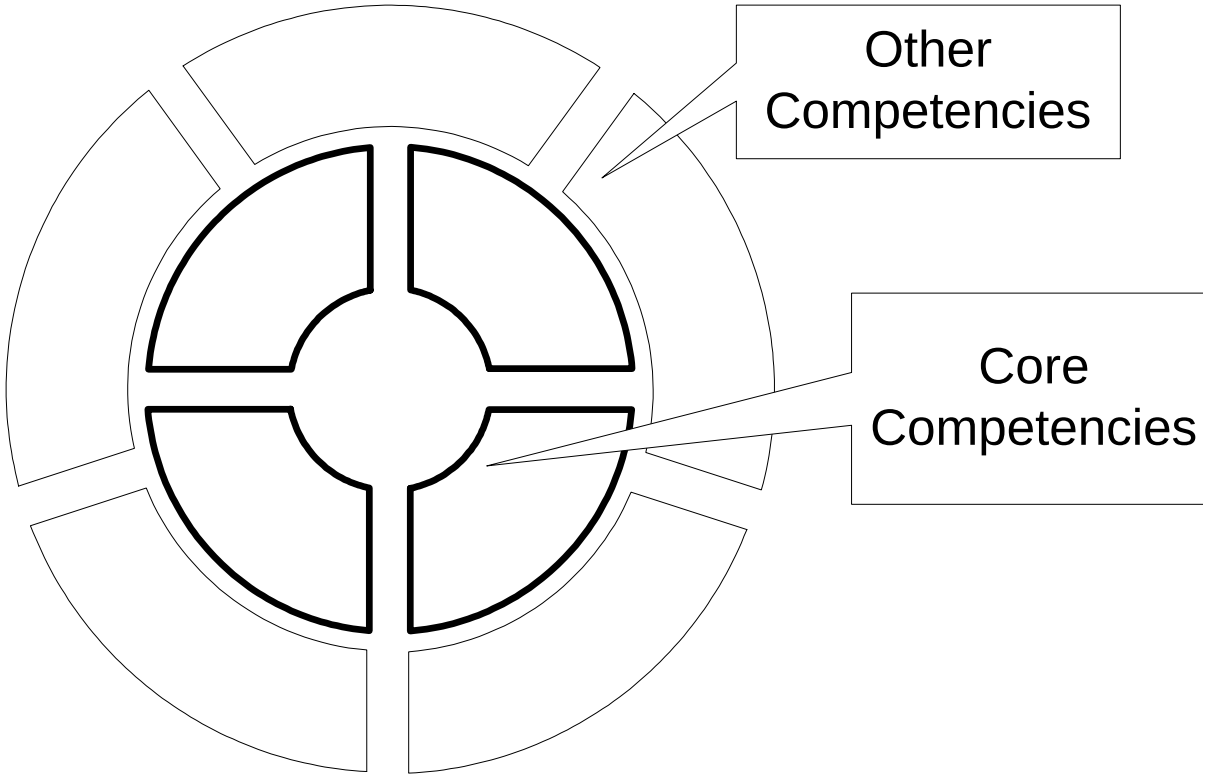


- **Taken from the WCI Competency Dictionary Manager Package**
- **This performance grid is used at both the competency behaviour and the competency sub-behaviour level.**
- **Notice that it is possible to add even more detail in the first panel - the competency element panel.**

Notes:

Structuring Competency Models ...
The Idea of Core Competencies

Core Competencies can account for 60% to 80% of performance in a position over time ...



... but the other competencies may very well be the reason for exceptional performance by a person, or for performance in exceptional circumstances, as well as accounting for the rest of the position performance.

Notes:

1. Ultimately, any model has to be simpler than the real world it is trying to depict. Competency modeling makes compromises based on practice. The idea of core competencies is a useful one, but can be deceiving.

2. It is possible to over simplify to the point at which the model is no longer accurate in its use. Concentrating on only the core competencies runs this risk.

3. WCI's way of dealing with this is to rank order all of the competencies relevant to a position from "most important" to "least important". This generates the core competencies: - the top 10, while still incorporating the remainder.

4. The least important competencies are often very useful in the recruitment process, because they indicate the competencies which may be least useful in a candidate. In order words, if a candidate's strongest competencies are the ones ranked "least important" in the position model, we may question the fit between the two.

5. a. The competencies in a position model tend to be stable over time, as the position stays table.
   b. Performance in the position tends to reflect shifting short term business pressures and issues.
   c. As short term business needs change, the relative importance of the competencies in a position model may change to reflect this. New core competencies may come into play.
   d. Redoing the rank order is often the best way to discover if the core competencies have changed.

Performance grids are another way of handling differing level in required performance ...

1• The problem:
same position, same core competencies, but need different levels of performance from a number of difference incumbents

2. The query:
What is a performance grid?

1• The solution:
use performance grids as the lowest level of the competency model

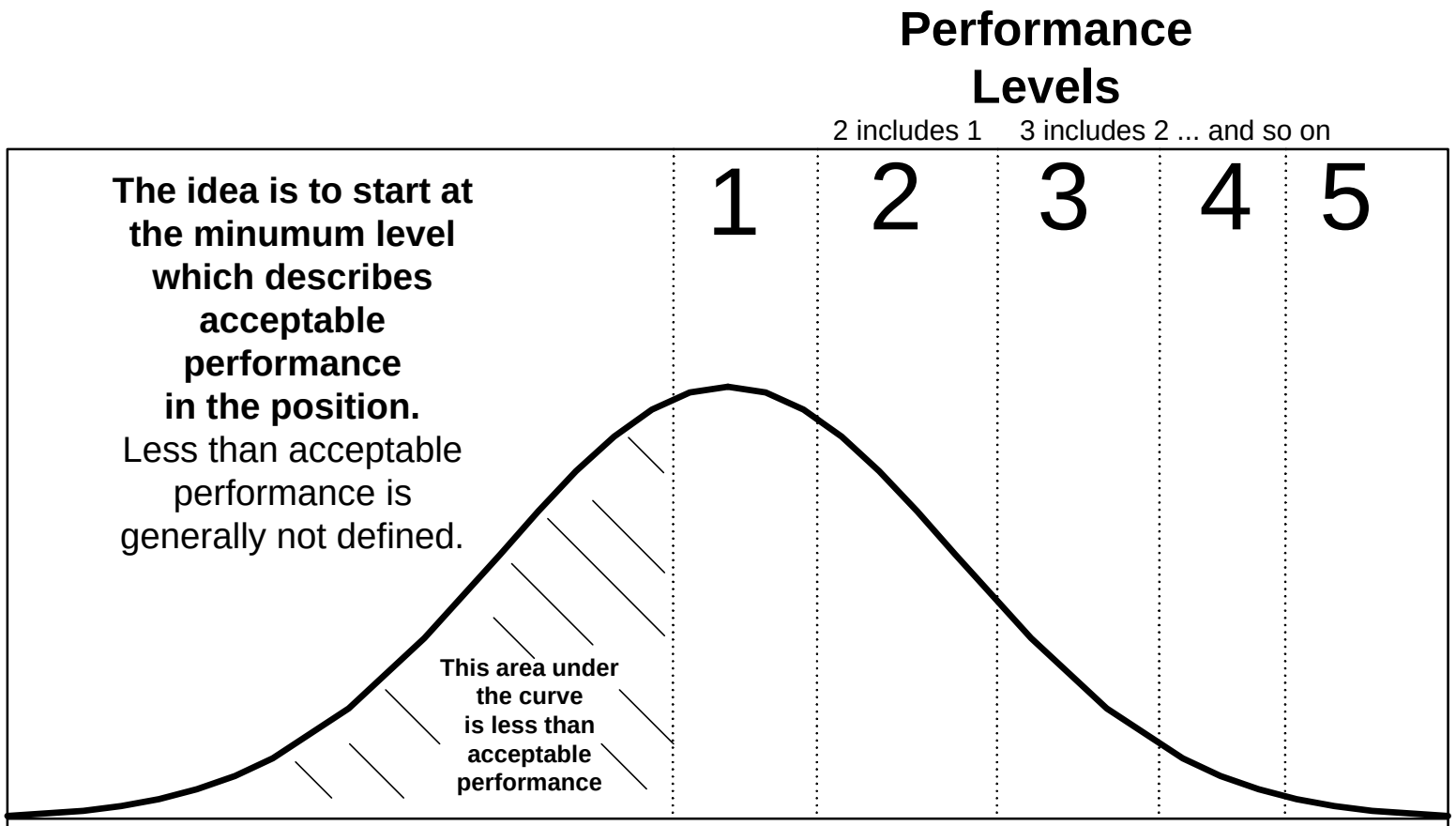
2. The answer:
- a number of competency descriptions;
- arranged into a sequential set;
- so that each subsequent behaviour subsumes the one before it;
- limit yourself from 3 to 5 levels, so that you have a manageable number.

Notes:

1. Performance grids are very useful for depicting different levels of performance in a competency.

2. They also incorporate the idea of “exceptional performance” into their structure.

Setting up performance grids ...
start with entry level behaviour



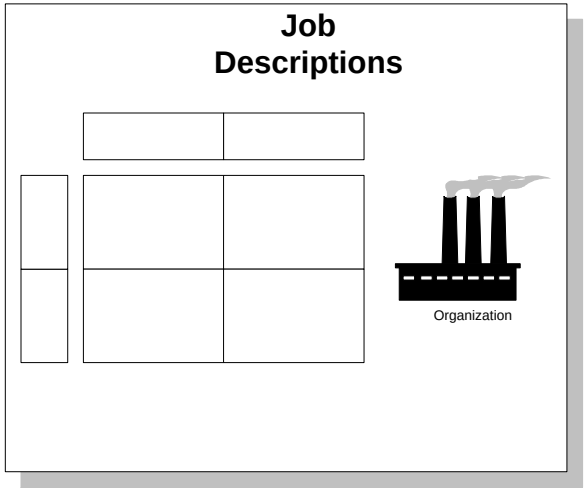
The Structure of Performance Grids

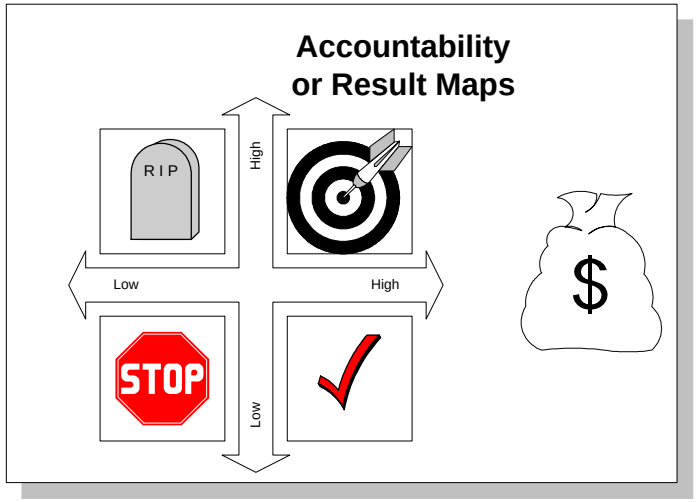
Notes:

The table below provides some of the other structures which have used to set up performance grids.

Numerical	1	2	3	4	5
Performance levels	entry level	beginner, with several months experience	after several months to a year or so of experience	superior, producing more than 75% of people in position	exceptional. producing more than 90% of people in position
Guild type	beginner or entry		journey person		master
Level of supervision required	entry level trainee, being taught the job	capable of working under supervision	capable of working independently with minimal supervision	capable of supervising others	capable of creating new ways of doing this, and of teaching them to others
Type of situation handled	beginner or entry level, in training	basic capability - handles standard situations and problems	capable of handling unusual situations	capable of aiding others to learn how to handle both standard and unusual situations	capable of developing new ways of dealing with both standard and unusual situations
Type of solution implemented to problems	implements standard solutions, followed by checking done by others	implements standard solutions, with little or no need for checking	implements standard solutions, and occasionally comes up with new more effective ones	Implements more effective solutions most of the time, but does so in a way which does not make them available to others	Implements more effective solutions whenever cost justified; communicates them to others so that they become standard

Position Competency Models, Job Descriptions, and Accountability or Result Maps ...

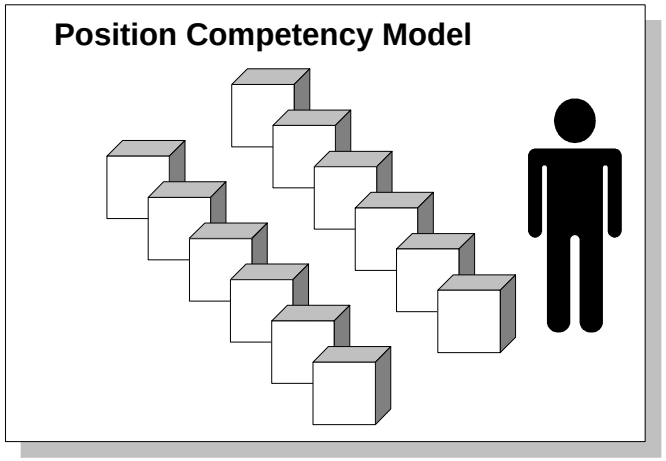




3 Different,

but

Related Views



Notes:

1. A job or position description sets out what the activities and processes normally handled by an incumbent in a job.

   The view is that of the organization and its structure.

2. An accountability map is a list of the results by which the person in a job or position will be measured.

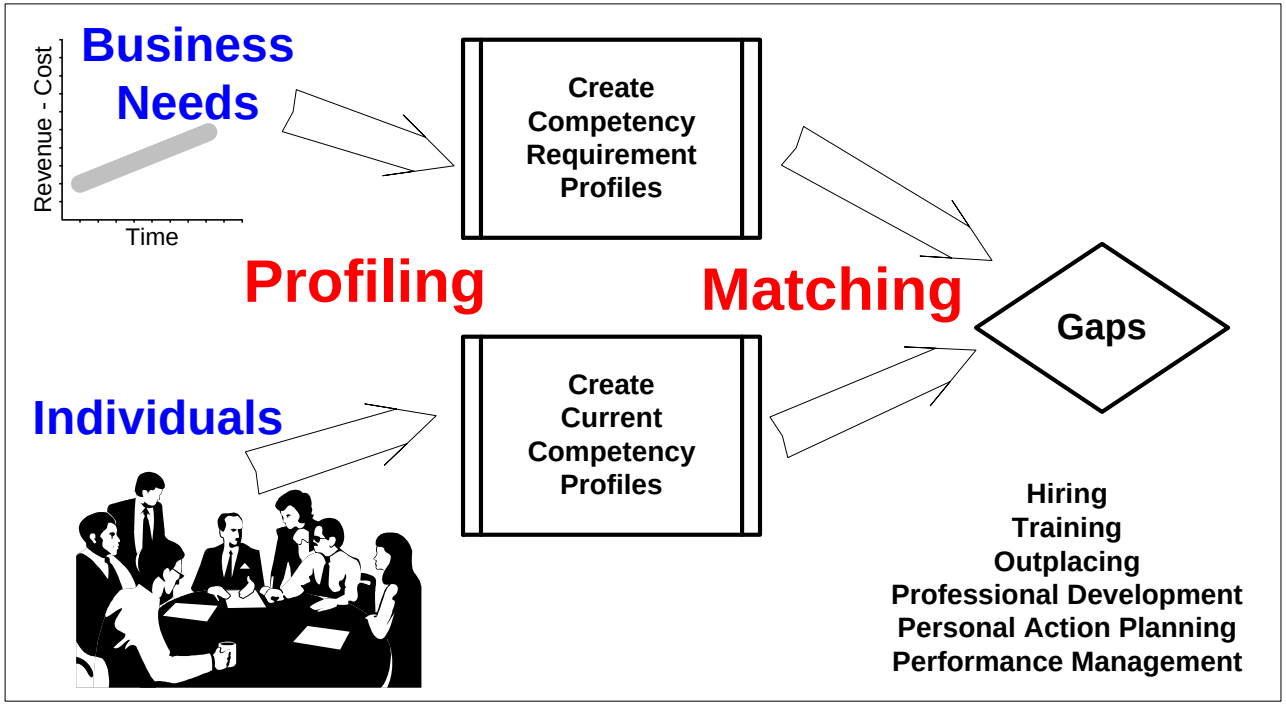
   The view is that of profitability, short and long term.

3. A competency position profile is a competency model for the position.

   The view is that of the individual, and the competencies a person needs to perform successfully in the position.

Competency management is driven by business needs ... and directed to developing individuals

A process



Competency management is a tool for managing change

Notes:

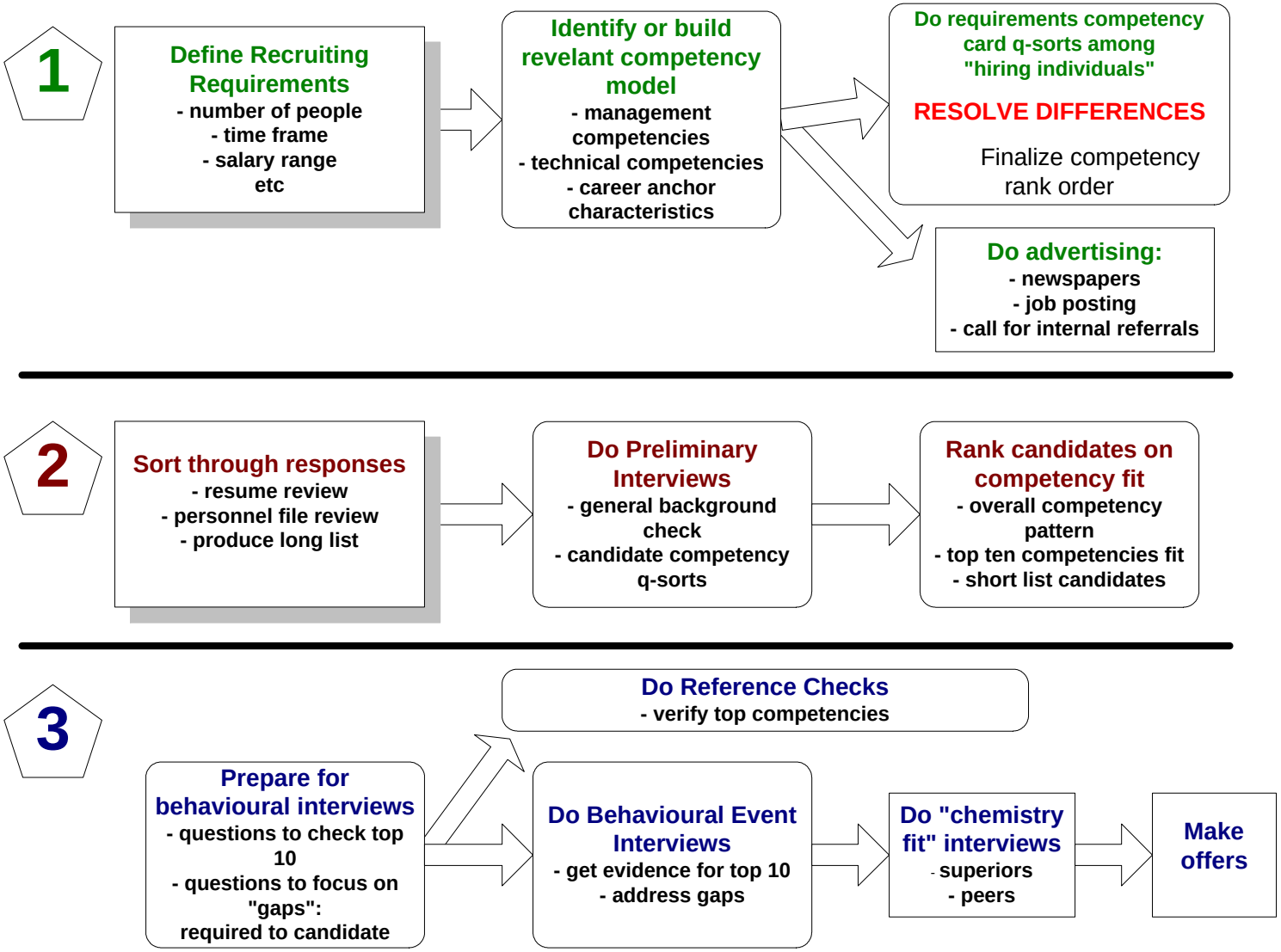
Competency and Recruiting - How do they fit?

Module Objectives

- **Know how to use competency based approaches in the recruitment cycle**
- **Know how to do simple competency q-sorts**
- **Know about the techniques for matching candidates to positions**

Notes:

The competency recruitment / selection process ...



Notes:

1. A competency based process has many of the same characteristics as the regular process.

2. The major differences are as follows:

   - competencies are used to get a consistent picture of requirements
   - during the preliminary interviews, candidates are asked to do a q-sort to describe themselves
   - the short list of candidates is based on individual fit to both the core competencies and the overall profile of position competencies
   - questions for behavioural interviewing are selected based on the individual's fit to the position competency model

Let's do one in order to get a feel for how this works ...

The position:

Director of Special Services

Duties:

1. Manage the special services group - 18 "special service" professionals

2. Provide "special services" to all 3 divisions of the organization, located in Toronto, Boston and Vancouver

3. Maintain the current budget of $2.2 million over the next 3 years by:

   - making better use of automation,
   - reducing travel expenses,
   - using contract professionals in place of full time individuals, whenever possible
   - being a "hands on" person, instead of simply managing the group
   - increasing service levels 25%

General Requirements for Candidates

1. Significant personal experience in providing "special services": 8 to 12 years

2. Previous experience managing well educated professionals

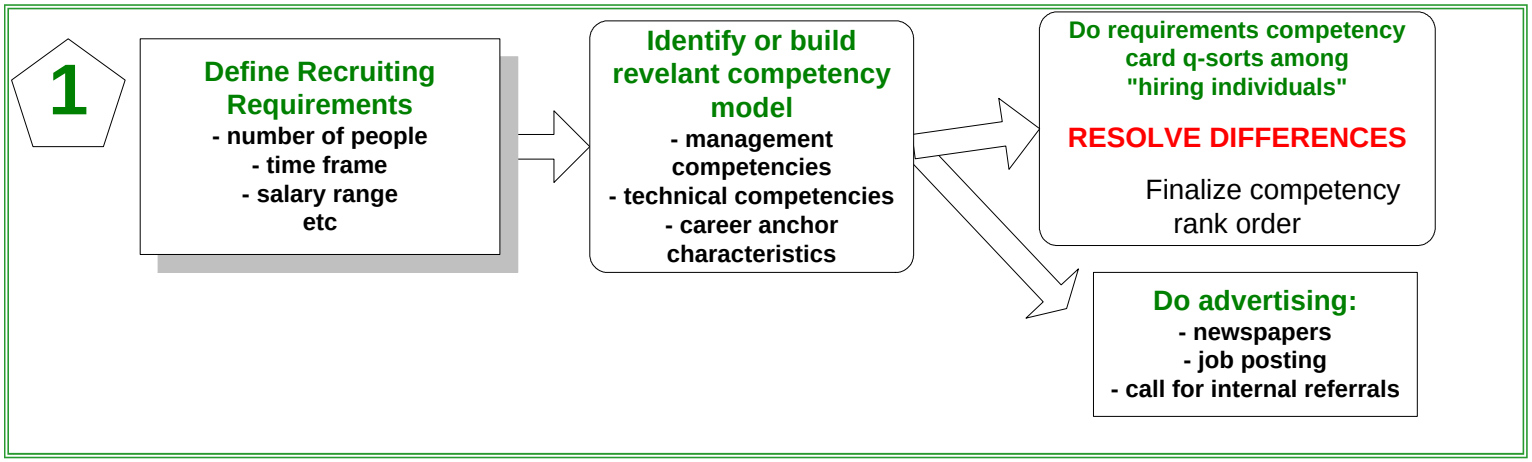
3. Interpersonal skills at the "senior manager" level

4. Demonstrated capacity to improve the productivity of a professional group

5. Administrative skills at the "senior manager" level

Notes:

Starting ...



Questions:

1. Where do we get a relevant competency model?

2. How do we use it to define position requirements?

3. How do we get agreement among the “recruitment” decision makers?

4. What happens if there is no existing competency model?

Answers:

1. If the organization has been doing competency modeling for some time, we will go to the position profile database for an existing model, or one which is close to the current position, modifying it as necessary.

2. The model will contain both managerial competencies and technical competencies. In the first stages of recruitment, we work mostly with the competency descriptions themselves, and less directly with the performance level grids, if they exist.

3. The competency model may identify “core” and other competencies Even if this is the case, it is a good idea to re-examine the model to see it they are **right for this recruitment.**

4. Often there is more than one “decision maker” who has to approve the final candidate. Sometimes this individuals disagree on the final individuals, each preferring one for what appear to be subjective reasons. One way of reducing such differences late in the process is to get them to agree on the most important characteristics. Competency card q-sorts can be used to facilitate this process.

5. Once a final competency model is agreed to, the normal process of advertising, internal posting or asking existing staff for referrals can start. Sometimes, this can go on at the same time as the dialogue with the final decision makers.

6. If no relevant model exists, then one has to be built. We will deal with this in the module on competency modeling.

Competency models have between 40 to 60 competencies, organized into managerial (or interpersonal) and the technical (or professional) components.

The other characteristic of individuals to which it is worth paying attention is their long term career anchors.

(See Edgar Schein’s work in bibliography.)

Rank ordering the competencies ....

1. Put the competencies on small index cards.

2. Have each person rank order the cards from "most important" to "least important.

3. Compare the results across the individuals - identify and resolve any major differences.

4. Finalize the rank order:

   - top 8 to 10 competencies = core
   - bottom 8 to 10 have greatest "poor candidate" discriminating power

5. Use as the "competency position model" for this recruitment.

The Competency Model (simplified) for our Position:

1. Finds better, more cost effective ways of doing things (1 ACH)
2. Seeks information from many different sources to clarify a problem or a task (8 INF)
3. Understands a complex task or process or concept by breaking it down into manageable parts, in a systematic and detailed way (27 ANA)
4. Takes personal responsibility and admits mistakes or short comings, learning from them for the future (36 SEL)
5. Communicates with clients (internal and external), clarifying their needs and taking steps to involve others in activities which meet clients' short and/or long term needs (12 CSO)
6. Does things before being asked to or being forced to by events - seizes the opportunity to act (5 INI)
7. Builds rapport with individuals through informal contacts in the context of day to day work (17 REL)
8. Positions self as a team leader, through actions which ensure that others in the group work effectively to achieve the group's mission or agenda, and objectives (25 LEA)
9. Applies professional or technical knowledge (acquired through formal education or on-the-job development) in the course of day to day work (31 EXP)
10. Modifies own behaviour or approach to meet the expectations of others or the needs of the situation (37 FLX)

Notes:

1. The cards used are part of the WCI Management Competency Dictionary and Card Q-Sort Package. They accompany the WCI Recruiting Assistant software package, and the WCI Competency Dictionary Editor software package, both of which are in the final stages of development. These items can be obtained from WCI.

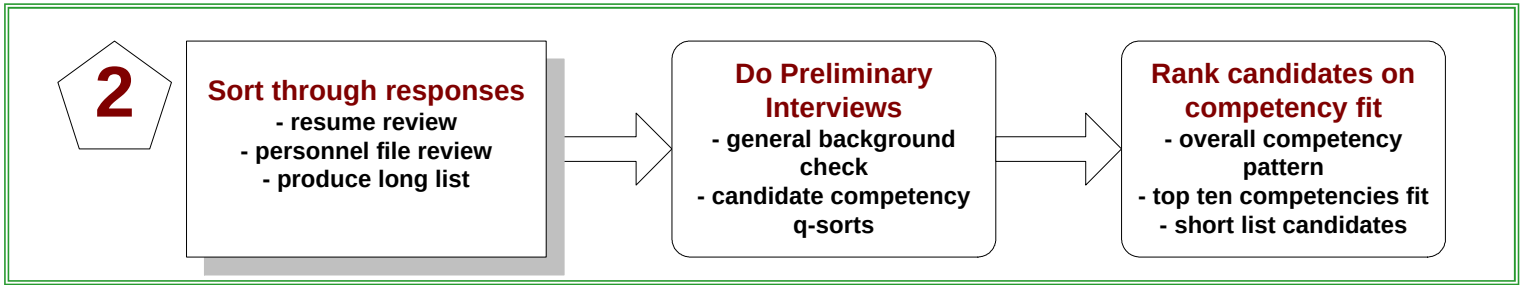
2. Normally, the position profile will contain a mixture of both technical and management positions. Details on how to set up such profiles are beyond the immediate scope of this seminar. Contact WCI for more information about developing such procedures.

3. The simplified competency model contains only 10 competencies. They are the top ten or core competencies for this position. The other competencies (from 30 to 50 more) are important in that they cover many of the other areas which define performance in this position. **However, they have been removed to give us a reasonable set to work with in the time available in the seminar.**

Final Rank Order	The Competency Model (simplified) for our Position:
	1. Finds better, more cost effective ways of doing things (1 ACH)
	2. Seeks information from many different sources to clarify a problem or a task (8 INF)
	3. Understands a complex task or process or concept by breaking it down into manageable parts, in a systematic and detailed way (27 ANA)
	4. Takes personal responsibility and admits mistakes or short comings, learning from them for the future (36 SEL)
	5. Communicates with clients (internal and external), clarifying their needs and taking steps to involve others in activities which meet clients' short and/or long term needs (12 CSO)
	6. Does things before being asked to or being forced to by events - seizes the opportunity to act (5 INI)
	7. Builds rapport with individuals through informal contacts in the context of day to day work (17 REL)
	8. Positions self as a team leader, through actions which ensure that others in the group work effectively to achieve the group's mission or agenda, and objectives (25 LEA)
	9. Applies professional or technical knowledge (acquired through formal education or on-the-job development) in the course of day to day work (31 EXP)
	10. Modifies own behaviour or approach to meet the expectations of others or the needs of the situation (37 FLX)

Candidates

...



1. Although competencies may impact the subjective judgment of the individuals who review resumes and other material submitted by candidates, there is no "easy" way to avoid this step.

2. A list of "reasonable candidates" (usually some number less than 50), organized into sub-groups such as "most likely", "2nd best", and "only if the rest do not work out", must still be produced.

3. The first face to face interview provides an opportunity to reintroduce competency elements.

Structure of the First Interview

1. General background of individual

2. Basic info on position and organization
   (information supplied to candidate)

3. "Interest Readiness" Test

   - introduce Competency Self Descriptive Card Q-Sort
   - if willing to do, proceed
   - Use Accuracy Increasing "We will do references" Cue

Structure of the First Interview

A. Get general background on individual
- **basic review of resume**
- **personal impression of individual**

B. Provide basic information on position and organization to candidate
(info flows from interviewer to candidate)

C. "Interest Readiness" Test

Competency Card Sort Introduction:
- we use "competency" based recruiting - it is part of our general competency based approach to managing our HR resources
- as part of the process of identifying short listed candidates, we are asking you to describe your competencies using this self descriptive card sort procedure
- we will compare your results to our requirements - the individuals who fit best will lead the group that we include in the second round of interviews

Accuracy Increasing Cue

- **during the second round, we will be asking you to provide references as well describe your capabilities in detail - the information you give us during the card sort will be important in structuring this process effectively for both of us**

Competency Self Descriptive Card Sorts Change the Dynamics of Short Listing Candidates ...

From "impression based"
to "competency self description"

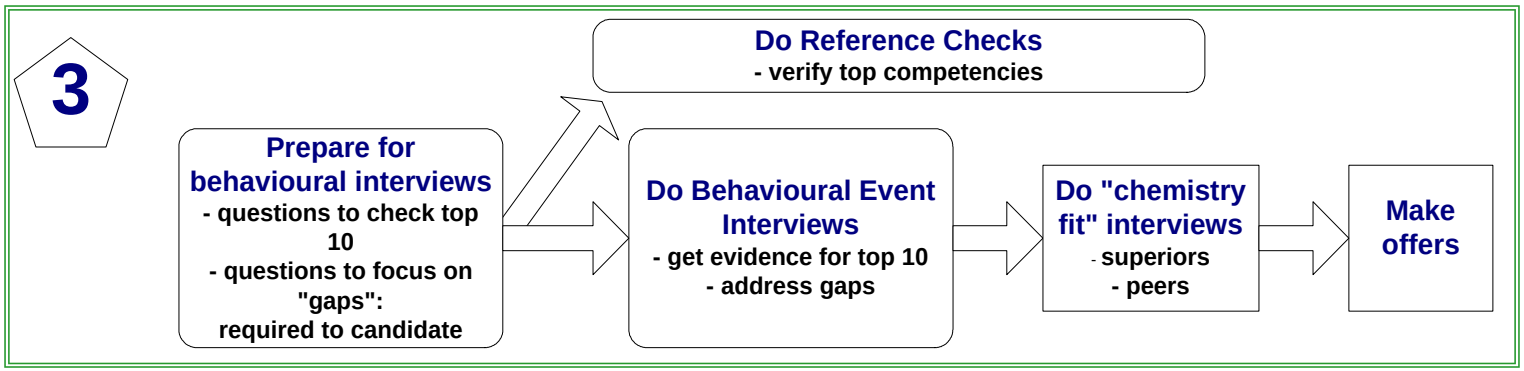
From "focus on core competencies"
to balance between overall fit and core competencies

From "general interview plans"
to infomation for candidate-specific behavioural interview plans

Notes:

The Competency Model (simplified) for our Position:	Candidate Rankings # 1 Rank Order	# 2 Rank Order	# 3 Rank Order	# 4 Rank Order
1. Finds better, more cost effective ways of doing things (1 ACH)				
2. Seeks information from many different sources to clarify a problem or a task (8 INF)				
3. Understands a complex task or process or concept by breaking it down into manageable parts, in a systematic and detailed way (27 ANA)				
4. Takes personal responsibility and admits mistakes or short comings, learning from them for the future (36 SEL)				
5. Communicates with clients (internal and external), clarifying their needs and taking steps to involve others in activities which meet clients' short and/or long term needs (12 CSO)				
6. Does things before being asked to or being forced to by events - seizes the opportunity to act (5 INI)				
7. Builds rapport with individuals through informal contacts in the context of day to day work (17 REL)				
8. Positions self as a team leader, through actions which ensure that others in the group work effectively to achieve the group's mission or agenda, and objectives (25 LEA)				
9. Applies professional or technical knowledge (acquired through formal education or on-the-job development) in the course of day to day work (31 EXP)				
10. Modifies own behaviour or approach to meet the expectations of others or the needs of the situation (37 FLX)				

Detailed Interview Prep ...



The Behavioural Approach to Core Competencies

- for each core competency, ask questions which get the individual to give specific examples of when and how this was done ...

"Tell me about a situation in your career in which you took steps to find and implement a more cost effective way of doing something. I am curious about what you did in this situation"

The Behavioural Appoach to "Position to Individual" Competency Gaps

- for each important competency in which there is a large gap between position requirements and the candidate's description of self, probe for evidence of skill

"We think the ability to gather and to organize information from many different sources is an important component of success in this position. Can you describe a situation where this has been an important part of a job you have held in the past? Describe how YOU handled it ..."

Notes:

1. Behavioural event interviewing has two distinquishing characteristics:

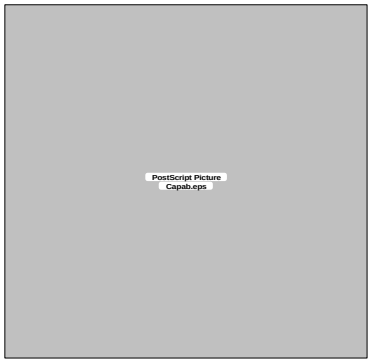
   a. the probes or questions used ask interviewees to response with specific examples which describe what they did - their responses will use “I” language, e.g. “I did ....”, “I took steps ...”

   b. the interviewer listens for “events” which act as evidence of the competency being probed

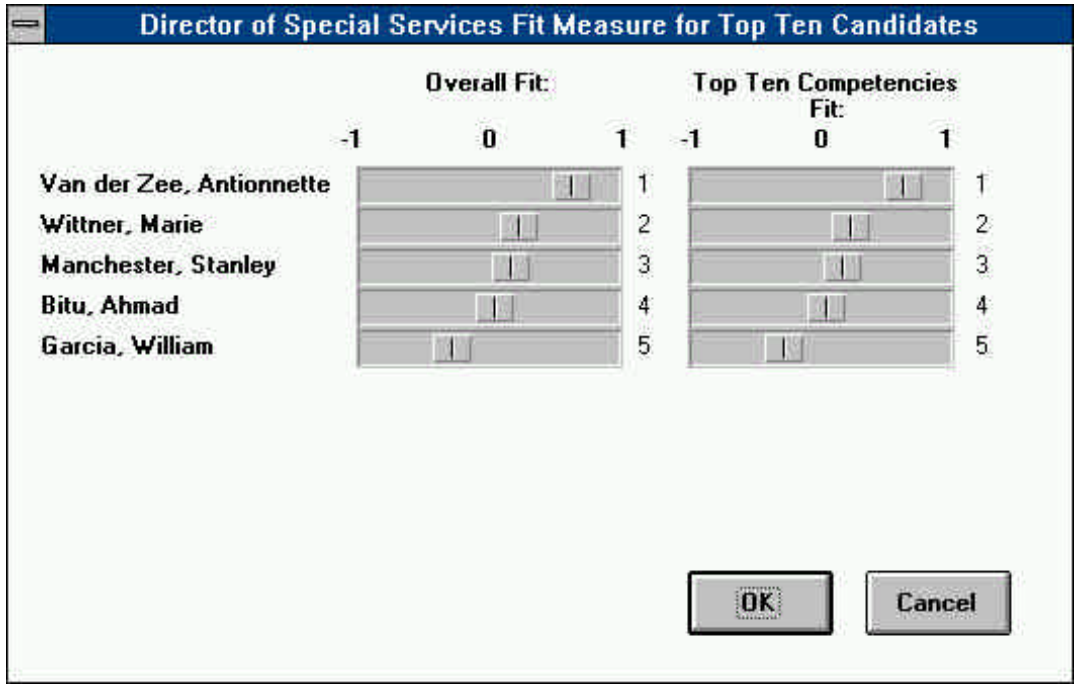
      the evidence is rated on a scale such as:

Very strong evidence that competency is **not** present	**Strong** evidence that competency is **not** present	**Some** evidence that competency **is** present	**Strong** evidence that competency **is** present	**Very strong** evidence that competency **is** present	**Insufficient** evidence **for or against** competency

2. Behavioural event interviewing pays very little attention to all of the background factors which contribute to human capability, since it takes advanced training to be able to relate them to job requirements consistently and effectively.



The WCI Recruiting Assistant ....
A software tool to support this process



WCI Recruiting Assistant v0.9 [C:\AAWORK\PROGRAMS\COMPMGMT\SPECIAL.JOB]

File Job Candidates Help

Director of Special Services

Last Name	First Name	Overall	Top 10 Comp.
Bitu	Ahmad	4	4
Garcia	William	5	5
Manchester	Stanley	3	3
Van der Zee	Antionnette	1	1
Wittner	Marie	2	2

Name: Stanley Manchester
Overall Fit: 0.21
Top Ten Fit: 0.21
Home phone: 617.333.4444
Business phone: 617.555.6666
Interview date: 07/10/95

Candidate Competency Ranks

Job/Current		Description:
6	1	9.1.0 Takes personal responsibility and admits mistakes or short comings, learning from the
5	2	5.1.0 Builds rapport with individuals through informal contacts in the context of day to day
1	3	4.1.0 Communicates with clients, (internal and external), clarifying their needs and taking s
7	4	10.1.0 Modifies own behaviour or approach to meet the expectations of others or the nee
4	5	6.1.0 Positions self as a team leader, through actions which ensure that others in the grou
10	6	8.1.0 Applies professional or technical knowledge (acquired through formal education or o
2	7	1.1.0 Finds better, more cost effective ways of doing things (ACH 2)
9	8	7.1.0 Understands a complex task or process or concept by breaking it down into manage
3	9	2.1.0 Does things before being asked to or being forced to by events - seizes the opportu
8	10	3.1.0 Seeks information from many different sources to clarify a problem or task (INF 8)

Job Competency Ranks

Job/Current		Description:
1	1	4.1.0 Communicates with clients, (internal and external), clarifying their needs and taking s
2	2	1.1.0 Finds better, more cost effective ways of doing things (ACH 2)
3	3	2.1.0 Does things before being asked to or being forced to by events - seizes the opportu
4	4	6.1.0 Positions self as a team leader, through actions which ensure that others in the grou
5	5	5.1.0 Builds rapport with individuals through informal contacts in the context of day to day
6	6	9.1.0 Takes personal responsibility and admits mistakes or short comings, learning from the
7	7	10.1.0 Modifies own behaviour or approach to meet the expectations of others or the nee
8	8	3.1.0 Seeks information from many different sources to clarify a problem or task (INF 8)
9	9	7.1.0 Understands a complex task or process or concept by breaking it down into manage
10	10	8.1.0 Applies professional or technical knowledge (acquired through formal education or o

Manchester, Stanley has been selected....

Competency and Development - What is the connection?

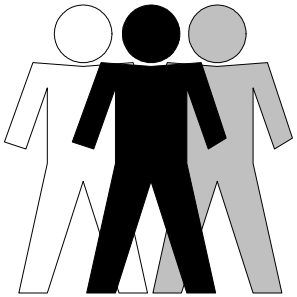
Module Objectives

- **Know about the role of learning resource catalogues in competency development**
- **Know about the competency based personal action planning process**
- **Know about competency based professional development programs**

Notes:

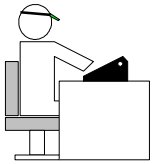
Managing my career - the issues ....

Individual and Ambitions / Career Wants



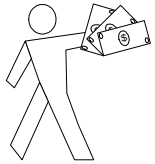
HR Staff Role ?

Positions inside the Organization

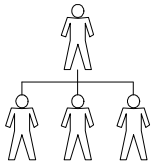


Accounting

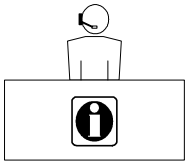
Sales/Marketing



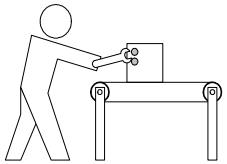
Purchasing



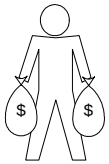
Management



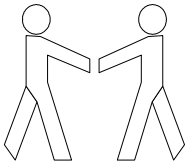
Customer Service



Manufacturing

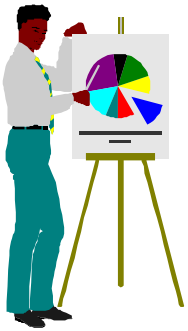


Treasury



Advertising/PR

Careers outside the Organization



Notes:

1. Competency management values state that the individual is capable of and responsible for managing their own career development.

2. Competency management values also state that the organization is capable of and responsible for providing individuals with the information that they need to do this.

3. An organization may choose to implement competency management processes in ways which are not fully consistent with these values. That will impact the ability of the individual to take career responsibility.

4. Obviously an organization will provide information about positions inside the organization. However, as competency models become available for positions outside the organization, individuals will be able to implement the same personal action planning process for these positions.

5. One organization with which WCI has worked has implemented the above values fully. Each individual must take a certain amount of personal development action each year. **Progress on this is tracked and evaluated as a formal part of the performance appraisal process.** However, the **individual is under no obligation** to work towards developing competencies which match any organizational position. Obviously, this has some long term career consequences.

   a. Individuals who do not meet their development goals receive lower evaluations in any one year. Consistent failure to do so over a number of years is a sign that the individual will leave or be asked to leave the organization.

   b. Individuals who consistently choose career development goals which are not directed towards any organizational position are expected to act on them by leaving the organization when appropriate. Poor performance on day to day responsibilities can hasten this process.

   c. Individuals can choose to develop themselves for organizational positions which are far outside their immediate boss's sphere of concern. If a superior creates difficulties for a subordinate who chooses to do so, HR staff become involved as brokers. A superior who does this consistently loses credibility as an organizational player.

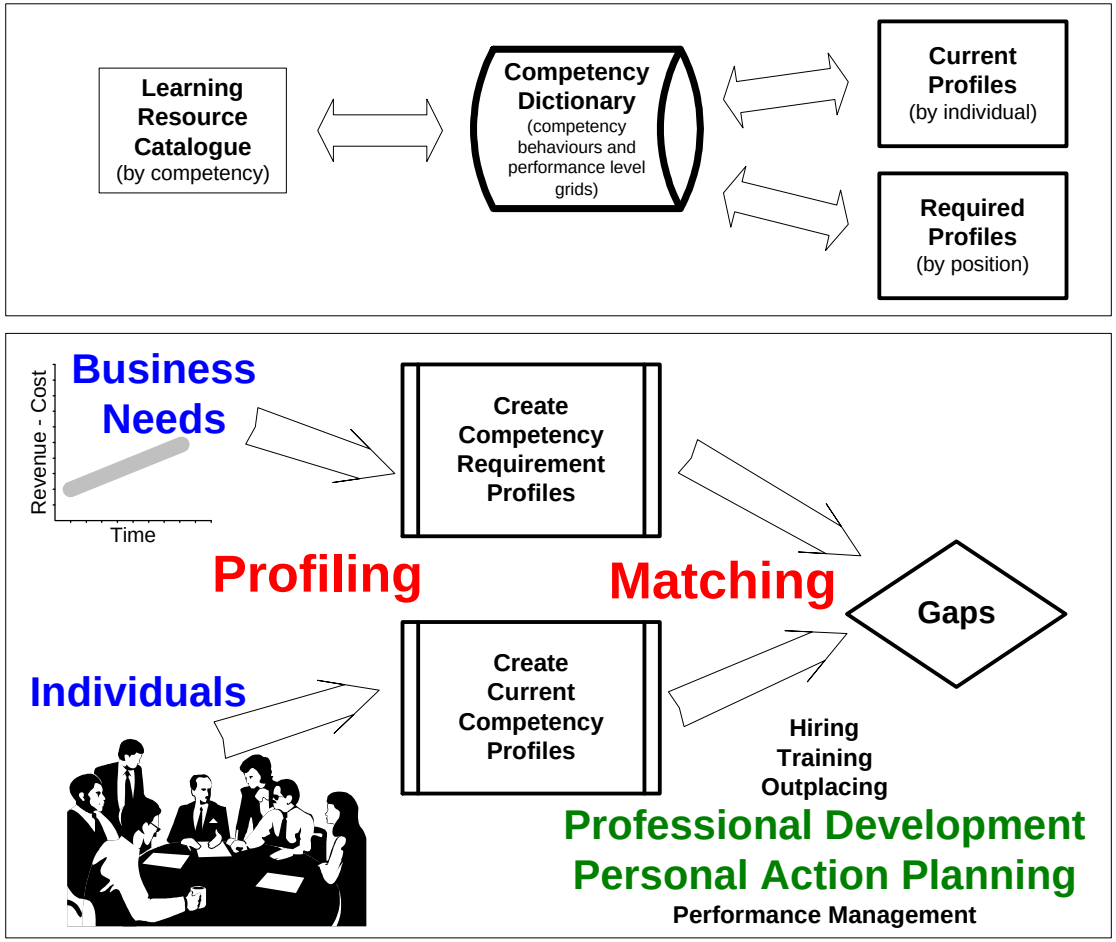
Making this work depends on the availability of information ...

What is competency management?

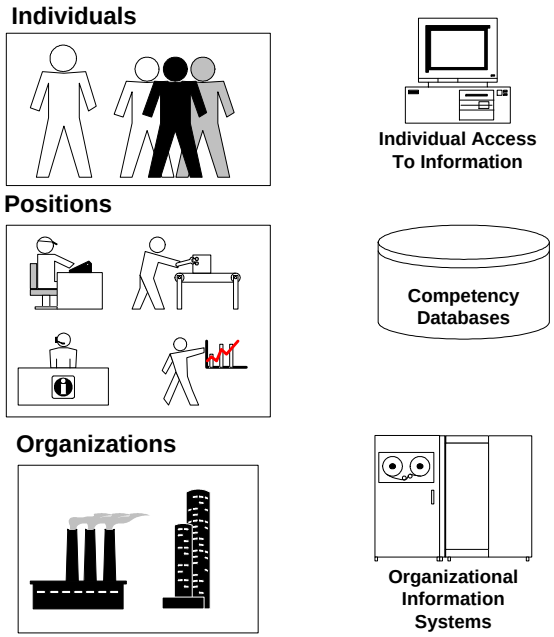
A system

linked through a set of values

A process



Notes:



1. Individuals need access to the position profiles so that they pick the ones they are interested in.

2. They need access to the learning resource catalogue so that they can find appropriate actions for developing competencies.

3. They need to be available to create and update “PERSONAL DEVELOPMENT ACTION PLANS” (abbreviated PDAPs).

4. Managers need access to the individual PDAPs so that they know what the individual is planning.

5. Individuals need access to HR staff for information, counseling, or dispute resolution activities.

6. HR staff need to train individuals and managers in the PDAP process.

7. Although all of this can be done manually, it makes sense to automate if any volume is expected.

What steps does an individual go through ...

1. Get the position profile for the current position - competencies plus performance grids

2. Rate self on the competencies - that is, by reading the competency descriptions determine the level of current performance on each competency

3. Submit self rating to manager - ensure that there is agreement - resolve differences

4. Compare self rating to "required performance levels" for the current position - identify the gaps - self to requirements

5. Evaluate the significance of the gaps in light of personal career plans and wishes

   - if personal development oriented to current position, pick 5 to 7 gaps for action
   - if personal development oriented to another position within the organization, get position profile for that position, and repeat steps 2 and 4, then pick 5 to 7 gaps for action

6. Access the learning resource catalogue for the self to requirements competency gaps, and review action possibilities - develop a personal development action plan (PDAP) for the next 12 months

7. Review PDAP with manager, track progress quarterly, and review accomplishments as part of annual performance appraisal.

Notes:

1. HR staff who become involved in resolving differences between managers and subordinates can take a graduated approach to the problem:

   a. have initial meeting: in effect a joint interview to diagnose the underlying source of the problem

   b. if the problem is a disagreement about self-ratings and manager ratings on existing competencies, do a behavioural event interview with individual to gather independent evidence for the rating, discuss results with manager and individual

   c. if disagreement persists, use a competency based 360º approach to get perceptions from 5 to 7 co-workers

   d. if the problem is disagreement about the areas in which individual wishes to focus the PDAP, then resolution depends on the organization's values about the individual's right to do so

   e. if the problem is part of the annual performance review evaluation of the PDAP,

      - review the quarterly progress tracking done by the individual,
      - if necessary conduct a behavioural event interview to gather concrete evidence on what was done by the individual to expand the competency during the year,
      - include probes designed to gather evidence of new performance capability, since the problem may be the fact that the individual's current work assignment does not provide opportunities to demonstrate these new competencies as part of day-to-day activity

What does this look like ... let's do one - assume you are the Director of Special Services

The Competency Model (simplified) for our Position:

1. Finds better, more cost effective ways of doing things (1 ACH)
2. Seeks information from many different sources to clarify a problem or a task (8 INF)
3. Understands a complex task or process or concept by breaking it down into manageable parts, in a systematic and detailed way (27 ANA)
4. Takes personal responsibility and admits mistakes or short comings, learning from them for the future (36 SEL)
5. Communicates with clients (internal and external), clarifying their needs and taking steps to involve others in activities which meet clients' short and/or long term needs (12 CSO)
6. Does things before being asked to or being forced to by events - seizes the opportunity to act (5 INI)
7. Builds rapport with individuals through informal contacts in the context of day-to-day work (17 REL)
8. Positions self as a team leader, through actions which ensure that others in the group work effectively to achieve the group's mission or agenda, and objectives (25 LEA)
9. Applies professional or technical knowledge (acquired through formal education or on-the-job development) in the course of day to day work (31 EXP)
10. Modifies own behaviour or approach to meet the expectations of others or the needs of the situation (37 FLX)

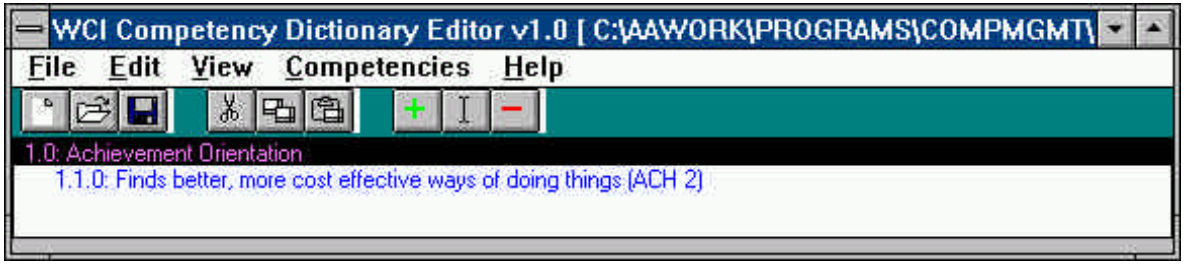
1. Performance grids for the 1st 3 competencies are provided on the next 3 pages ...

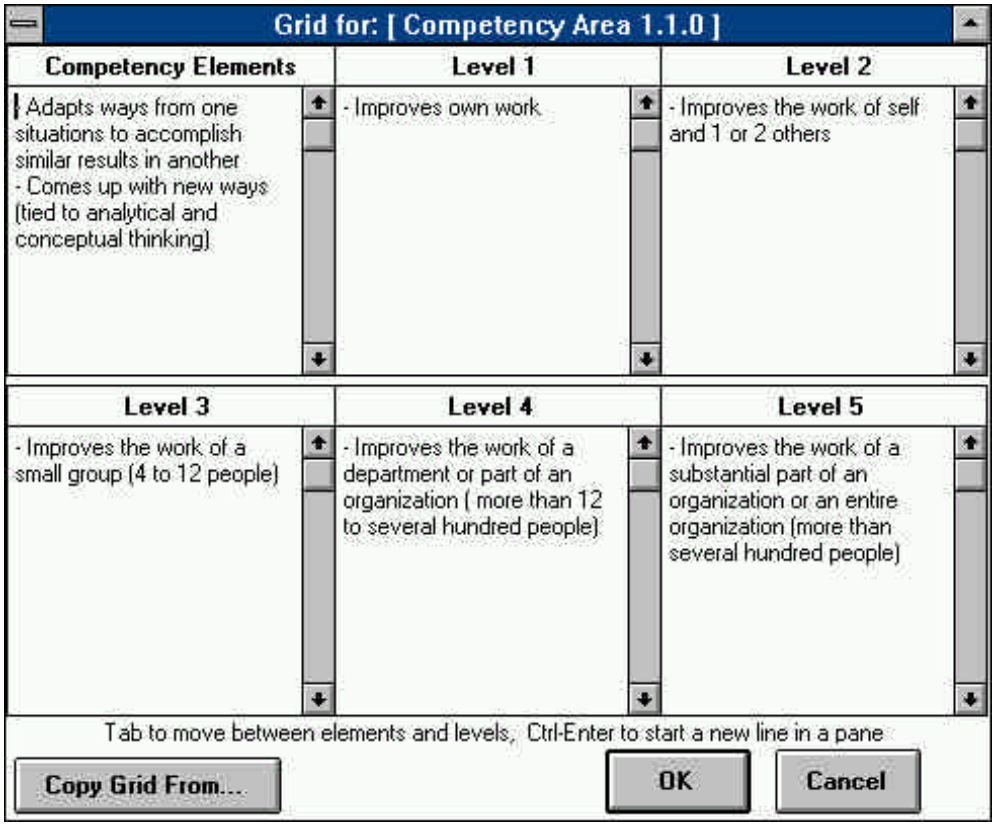
2. Rate yourself on each of these

that is,

1. read each of the levels in each of the performance grids, and decide which level best represents your current competency level

2. put a tick beside the level which you perceive best describes you

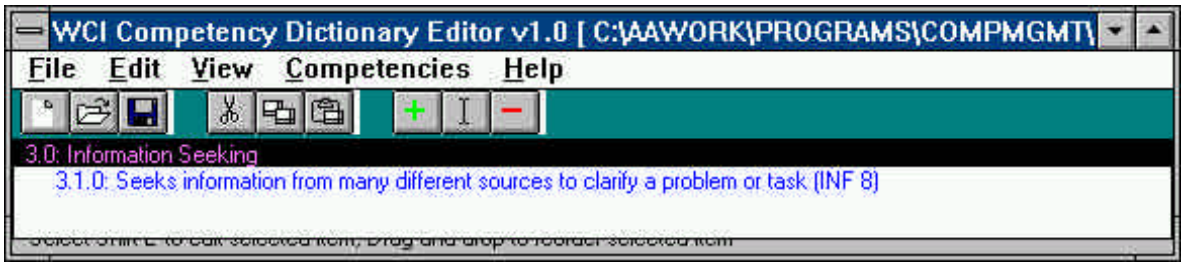


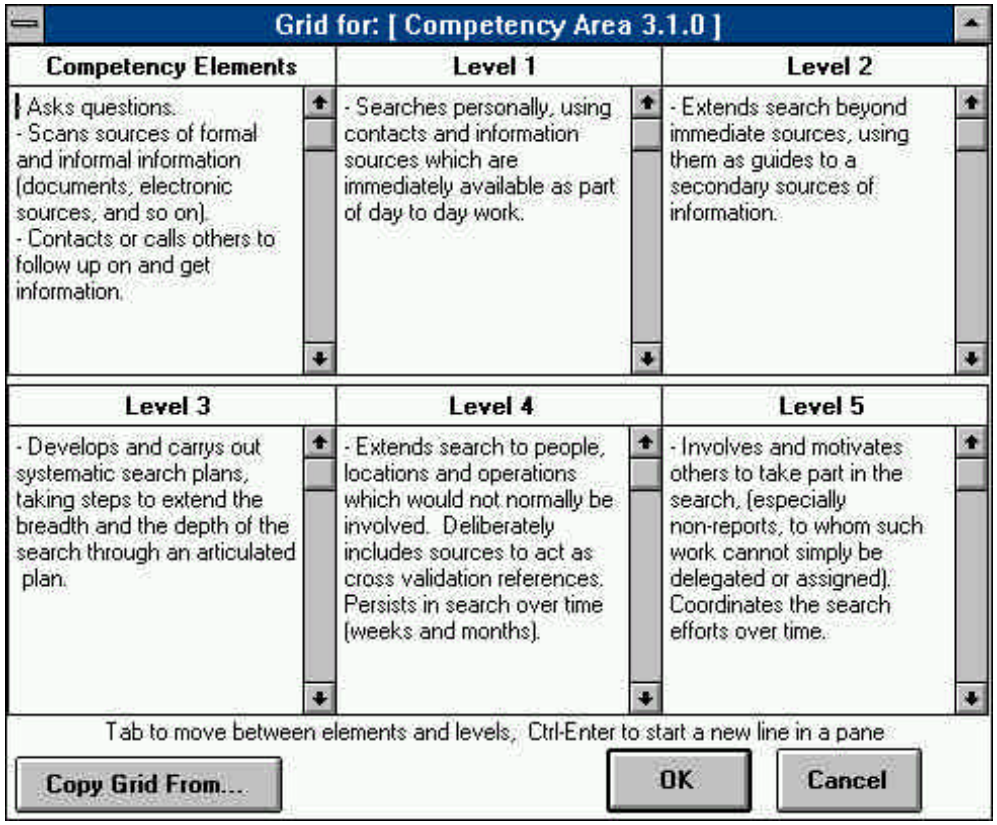


Tick the level which best describes you that is,

level 1 or
level 2 or
level 3 or
level 4 or
level 5

Place the tick anywhere inside one of the performance level boses

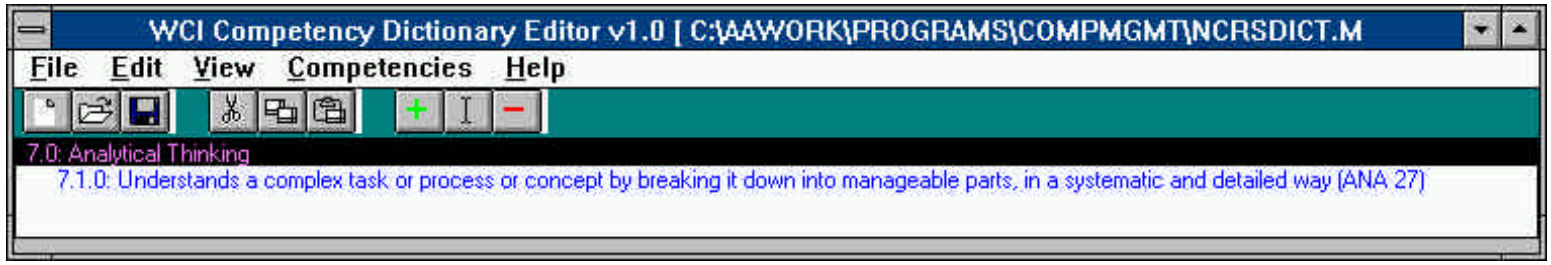


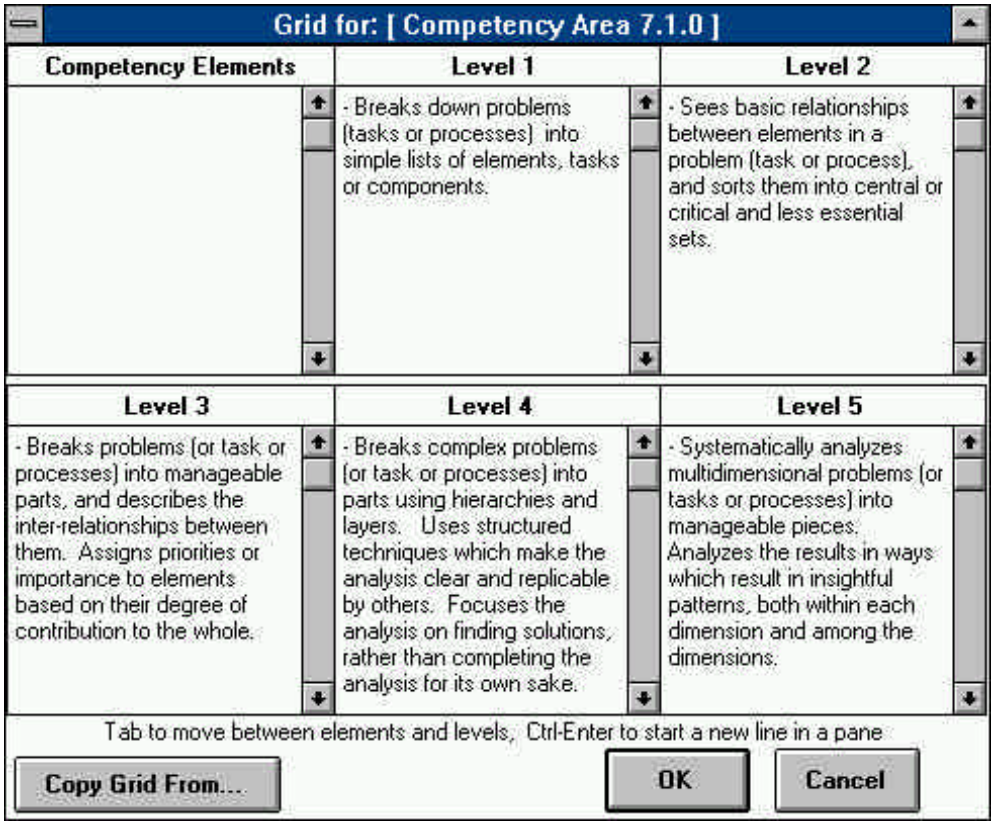


Tick the level which best describes you that is,

level 1 or
level 2 or
level 3 or
level 4 or
level 5

Place the tick anywhere inside one of the performance level boses





Tick the level which best describes you that is,

level 1 or
level 2 or
level 3 or
level 4 or
level 5

Place the tick anywhere inside one of the performance level boses

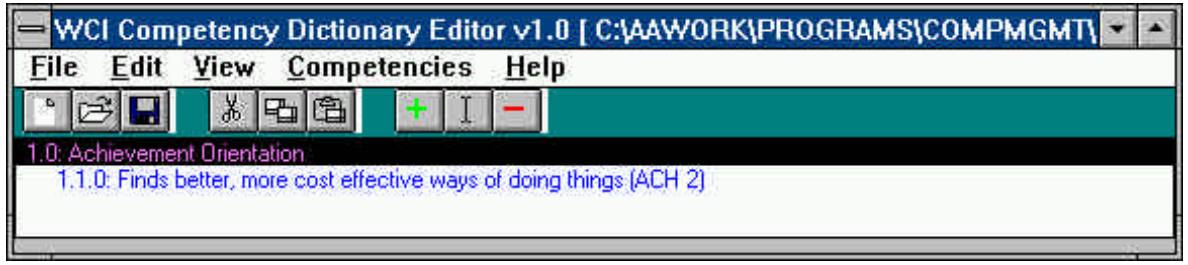
Compare your self descriptive evaluation, to the required levels of performance, indicated by X

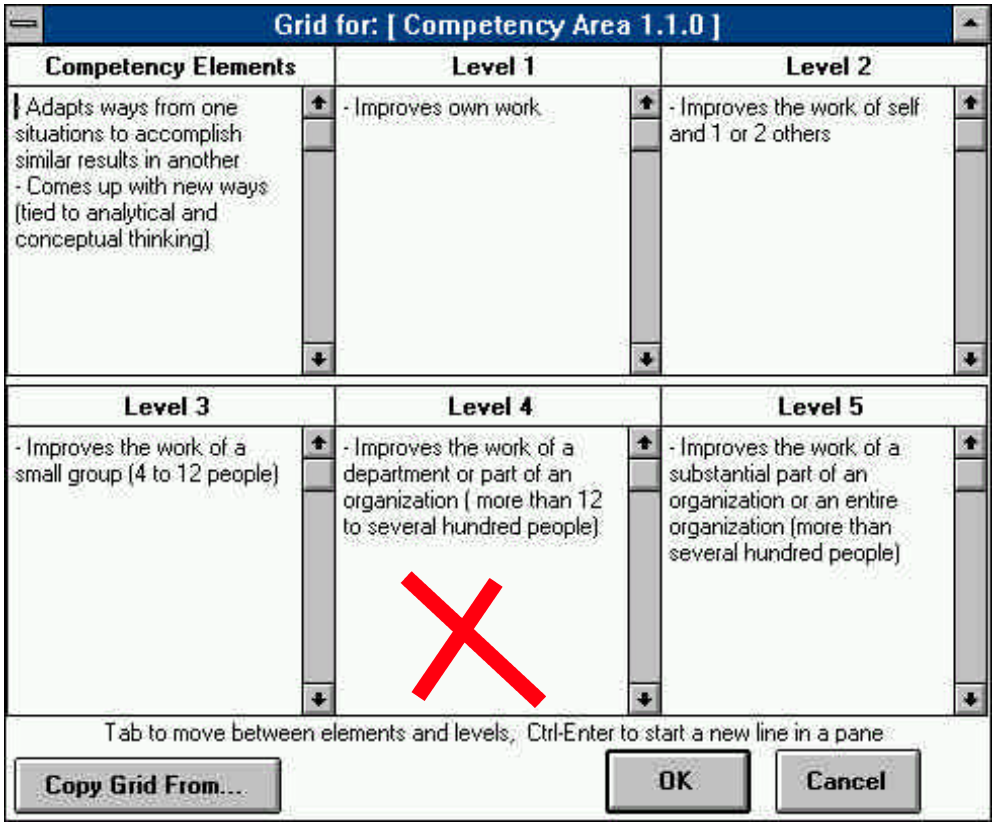
The gap is calculated:

Required Performance Level
- Individual Performance Level
= Performance Gap

The gap could be:

1. negative ==> a performance gap to be addressed in a DPAP
2. zero ==> a match between the individuals and the requirement
3. positive ==> the individual has more capability than required





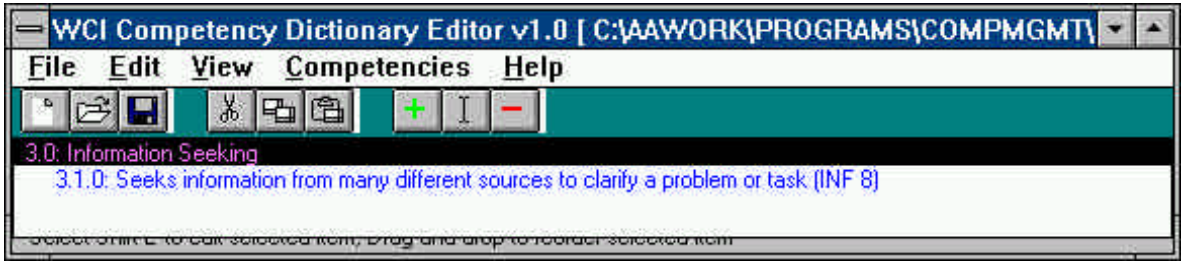
The performance gap is:

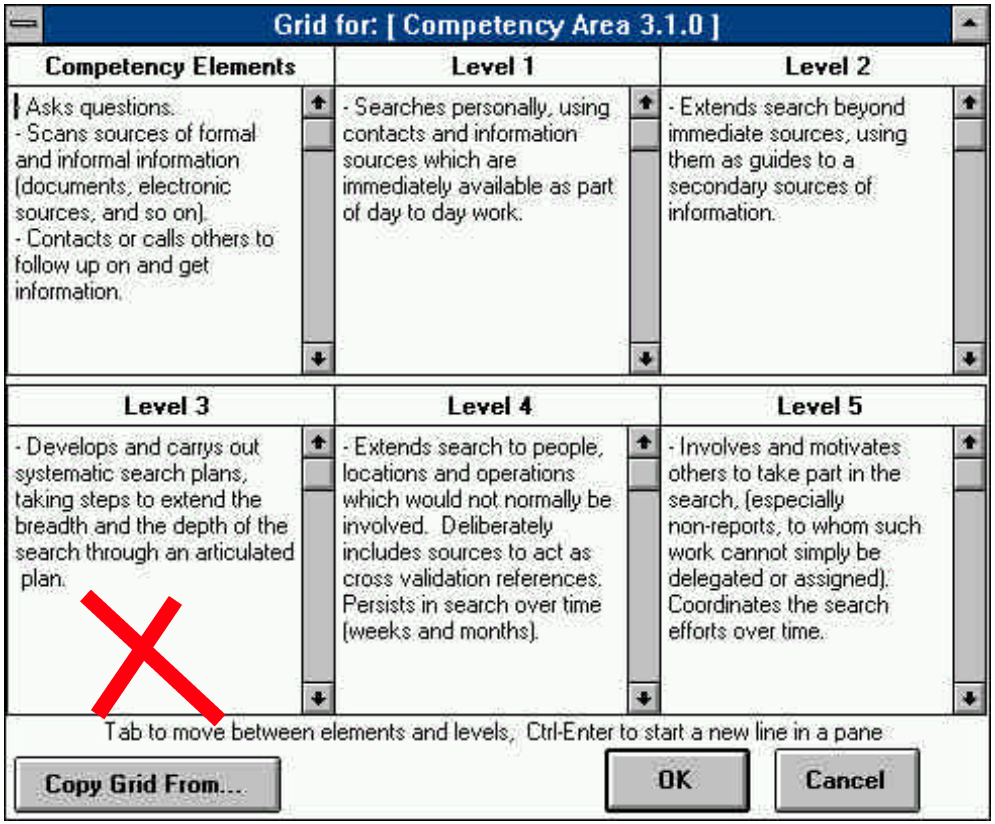
Required _____

- Yours _____

= Gap _____

What action could you take to close this gap ...





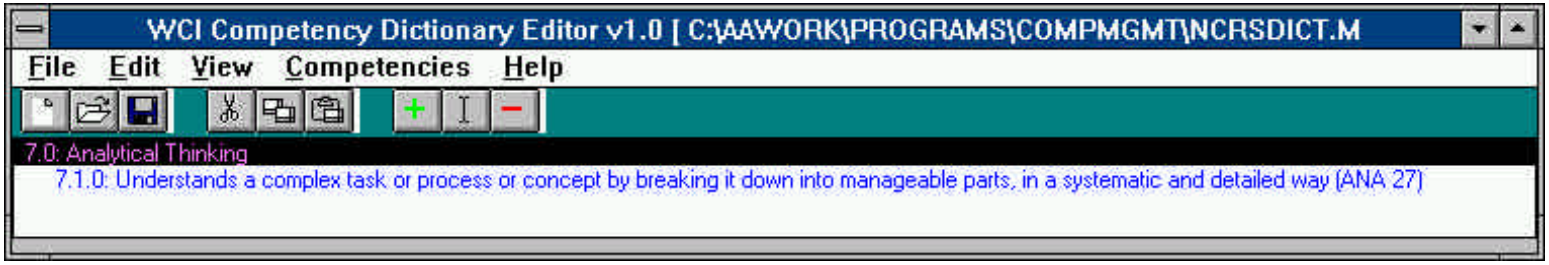
The performance gap is:

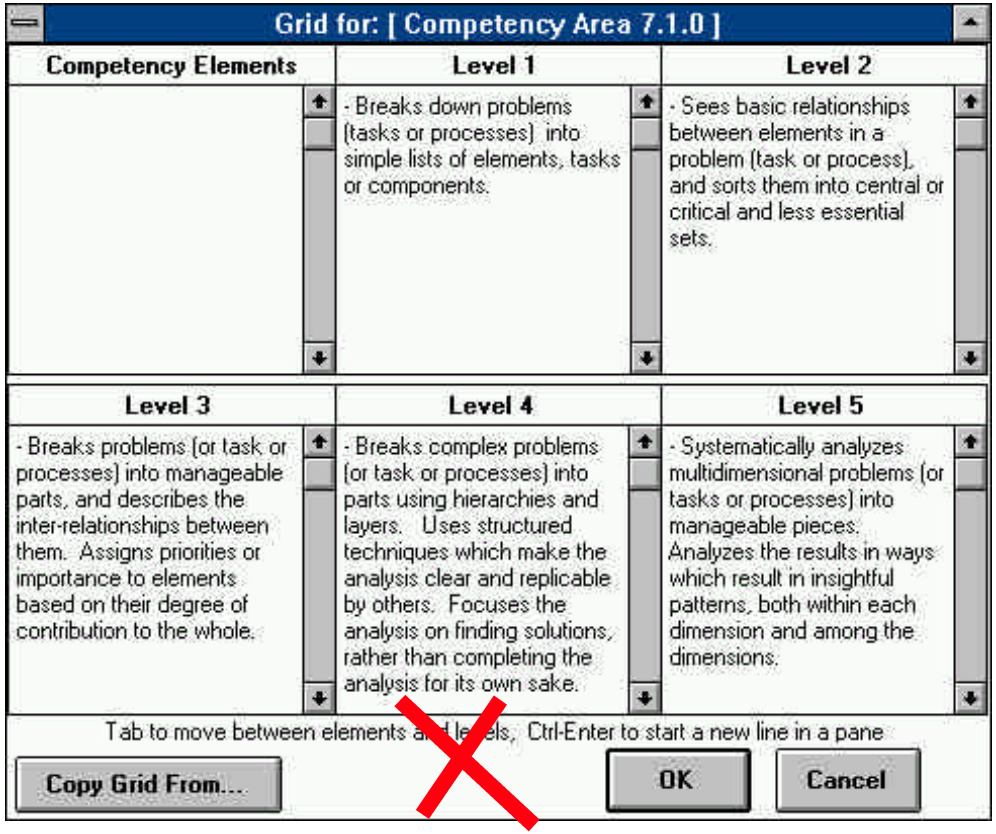
Required _____

- Yours _____

= Gap _____

What action could you take to close this gap ...





The performance gap is:

Required _____

- Yours _____

= Gap _____

What action could you take to close this gap ...

What are learning resources ...

Types of Learning Resources	Sources
1. Books and other publications	1. Publishers /book suppliers
2. "Learning programs": videotape based learning programs, programmed instruction material, computer based training programs	2. HR material distributors
3. Formal courses (several hours to several months)	3. Educational institutions
4. Conferences	4. Professional associations
5. Supervised on-the-job practice / tasks	5. Organization: supervisors
6. Apprenticeship arrangements: working with more experienced individuals for defined periods	6. Organization: supervisors or personal development planning
7. Assignment to "developmental" positions	7. Organization: succession planning
8. Mentoring over a period of years / positions	8. Organization: personal relationships

Notes:

1. A learning resource is simply any experience which increases an individual's capability.

2. Many learning resources are available in the market place. Others are custom developed by an organization.

3. Individuals may set up "learning resource" opportunities informally - learning from others by asking questions is one way in which individuals set up and create such learning resources. In the computer industry, this has lead to extensive exchange of knowledge on networks such as Internet and Compuserve.

4. In a competency based approach, participating in a learning experience **is not** the same thing as doing behaviour which allows others to perceive and to describe a competency.

   Having a "course certificate" is evidence of having **a credential, not a competency.** Doing new behaviour on the job which results in new output from personal performance is evidence of the new competency.

What is a learning resource catalogue ...

Competency Dictionary
(competency behaviours and performance level grids)

Learning Resource Catalogue
(by competency)

A list of all of the competencies relevant to an organization,

with their performance grids,

used to make up individual and position profiles

A list of all of the learning resources relevant to an organization,

each one is cross-referenced to each of the competencies which it address,

down to the performance level grid element

Notes:

1. Learning resource catalogues are developed as part of the competency modeling process, which will be dealt with in a later module.

2. The best source of information about learning resources is the people currently in positions. Individuals often learn and acquire competencies in ways which are surprising to “experts”.

3. Many competencies are acquired on the job - in the informal exchange which occurs between individuals. From an organization’s point of view, that is both a strength and weakness:

   - a strength in that allows individuals to acquired required competencies as part of the normal working process,

   - a weakness in that the highest performance level is often set by the others around an individual, while the organization’s business needs often require performance levels which are being demonstrated outside the organization (by competitors or other organizations).

4. The computer industry is now famous for the extent to which leading edge practitioners depend upon information exchange on electronic networks (Internet, Compuserve and so on) in order to stay up-to-date on their technical competencies. In fact, the ability to access such bodies of information, and shift through them, separating the “wheat” from the “chaff” has become a required competency for certain types of leading edge programming positions.

   This is one example of the kind of continuous learning competency which is likely to spread to other types of “knowledge workers”.

Competencies and professional development ...

From a HR planning point of view ...

Compare:

position profiles to individual profiles

gap =

a. professional development need

or

b. recruitment need

From a HR organization managing training suppliers point of view ...

1. Evaluating training suppliers:

- **competency relevance check**
- **quality control check**

2. Planning a development program:

- **reduce gap between "required" and "current" competencies**

3. Program evaluation:

- **behavioural event interviews/ surveys**
- **peers of participants**
- **evidence of new "intended" competencies**

Notes:

Planning

1. Clearly this requires the ability to analyze and to roll up the details of both the position profiles and the individual profiles databases.

2. Care must be taken to ensure that the planning does not focus on past needs to the exclusion of future ones. It is easier to develop position profiles for existing positions that it is to develop competency models for future required ones.

3. Often the best way to do this needs analysis is to break the organization down into sub-sets.

4. In many cases, the analysis will confirm the existing professional development programs, simply focusing them more clearly on developing competencies.

5. It may also confirm the fact that training without an immediate opportunity to apply is often a wasted investment.

Suppliers

1. Any training supplier can be asked to describe the competencies that the program is designed to increase.

2. Closing the gap between “required competencies” and “delivered competencies” allows selection of programs to proceed in a structured way. It leads to “business” need driven planning of professional development programs.

3. Evaluation becomes a manner of gathering evidence of the demonstration of new on-the-job competencies on the part of the program participants. Survey / interviews with their work peers are the best way to do this.

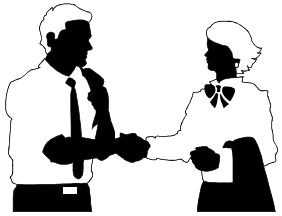
Competency Modeling - What is involved?

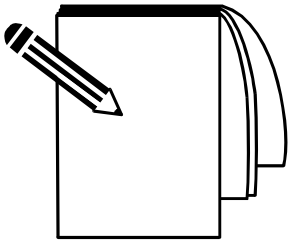
Module Objectives

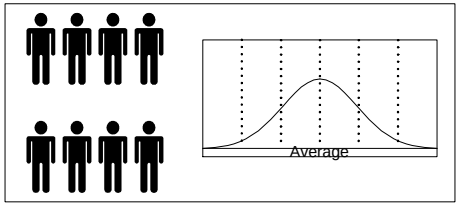
- **Know about the various methods used to develop competency models**
- **Know about the methods used to develop learning resource catalogues**
- **Know how to make decisions on which methods to use, and when**

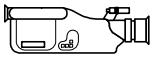
Notes:

Competency Modeling ... alternative 1

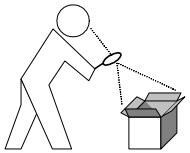








Video or Tape Recorder



1.

Criteria Based Sub-Groups:

- Superior
- Average

2.

Individual Interviews:

- Specially Trained Interviewers
- Recorded

3.

Analysis:

- Superior Competencies
- Shared Competencies

The Job Competency Assessment Method (JCAM)

Developed by the David McCelland and the McBer Consulting Group

Notes:

1. The criteria for separating individuals into the two sub-groups needs to be as **objective as possible:**

   - actual job performance results over a significant period of time
   - peer group nominations
     (- at least 5 to 7 people, selected as randomly as possible, who know the day-to-day work of all of the individuals in both sub-groups)
   - pair wise comparison procedures

2. In the interview, each person is requested to provide as much detail as possible about 2 instances of two situations:

   - describe a work situation in which things went particularly well for you (2 examples)

   - describe a work situation in which things did not go so well for you, where you had clear difficulties (2 examples)

     - what were the circumstances
     - what did you do
     - how did others respond
     - how did you respond to them
     - what things gave you concerns or troubles
     - how did you deal with them
     - and so on ...

3. Each interview is transcribed from the recording. Since each interview lasts about 2 hours, the transcripts are lengthy.

4. An analyst, **not the interviewer**, codes 1/2 of the interview transcripts for each set (superior / average) for competencies. A different analyst then uses this set of competencies to code the remaining transcripts. A competency model is generated.

5. The superior and the average results are compared to clarify the competencies demonstrated by superior performers, but not demonstrated by average performers. The common competencies are identified.

6. If at all possible, the results are validated by repeating the process for another set of superior and average performers.

The Job Competency Assessment Method Approach ...

Strengths:

1. Rigorous in its analytical method

2. Often uncovers "competencies" of which the performer is not consciously aware.

3. Focuses on and analyzes actual behaviour, rather than ideas and perceptions about behaviour

4. Provides the information needed to set up performance level grids

5. Clearly identifies the competencies which are unique to an organization: - those which give it a "competitive edge"

Weaknesses:

1. Resource intensive - interviewers, analysts, transcribers = $

2. Results depend critically on the quality of the initial sub-grouping into superior and average performer sub-groups

3. Care must be taken to ensure that the group interviewed are truly representative of all of the people in this position, otherwise the model is not general

4. Requires special training for interviewers and analysts

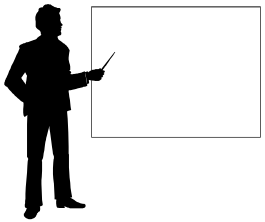
Notes:

1. As competency models are published, the analytical task moves away from identifying a competency in the first place, to using a knowledge of existing competencies to code their presence in behaviour.

2. The methodology was developed by behavioural scientists. Its rigor reflects their concern for creating general models which have wide application.

3. The approach is based on an assumption that competent behaviour is not the same thing as personal awareness of having the competency. In fact, the McBer group has come across many superior performers who behave in ways which clearly lead to superior results, but who do not articulately describe this as a competency. They describe the events in the situation and what they do to respond and to shape future events. But they experience this as normal. They do not describe it as involving a clearly defined ability. They do not analyze the intrapersonal components of how they do things, they just do them.

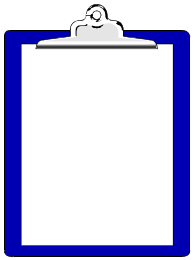
Competency Modeling ... alternative 2

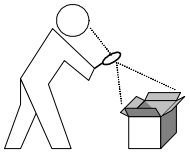


1.

Focus Groups with Subject Matter Experts

- Trained Facilitator
- Local Experts



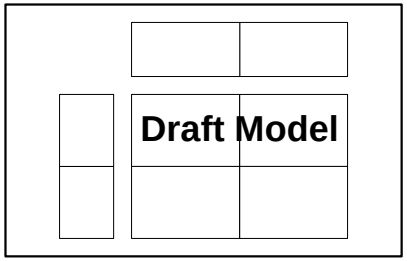


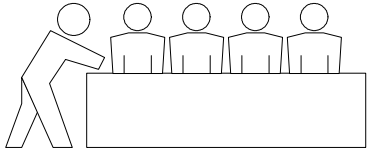
2.

Analysis:

-Write up of Focus Groups Results

- "Competency" Analysts





Validation Meetings

3.

Verification:

- Draft Models
- Review: Local Experts plus Others

The Local Expert Modeling Method (LEMM)

Notes:

1. The question of who will be included in the focus groups is an important one. When the position already exists, individuals who are “local experts” are best. This includes those who manage the position, those who do it, and those who interact with the people in it. New positions are best modeled by similar individuals, except that likely incumbents replace current incumbents.

2. In order to make the focus group work effectively, it is generally necessary to use a framework which pays attention to more than “competency descriptions”. Without a framework, participants have a tough time distinguishing competencies from other factors involved in the job. One such framework is:

   - identify the position outputs - what things and information are produced in concrete terms
   - identify the position inputs - what a person in the position needs in terms of input and things to do the job
   - identify the knowledge required - what a person needs to know about, and to know how to do, in order to turn the inputs into outputs
   - **translate these into a competency model - what a person does with the knowledge to turn the inputs into the outputs.**

   This type of analysis is very similar to any type of job function, information systems or input/output analysis.

3. The facilitator needs to manage the group process. If past competency modeling has been done in the organization, then a “competency analyst” familiar with the relevant parts of the competency dictionary will be added to the focus group participants. This person’s role is to tie the competency identification work done by the other members to competenices which already exist in the organization’s competency dictionary.

4. Although the “not invented here” reaction often occurs in organizations, focus group members benefit from several hours of training in the modeling process **before they start their work.** Exposing them to relevant existing competency models can be done during this training. It is best done in a session which is clearly separate from the actual working session.

5. The focus group session is followed by analytical work by the facilitator and competency analyst. They draft a first version of the competency model. This is then circulated and revised in a series of short meetings with individuals or sub-sets of the focus group.

6. A focus group approach is the best way to develop position competency models for future positions.

The Local Expert Modeling Method ...

Strengths:

1. Taps a wide base of knowledge in the organization
2. Builds commitment to the models, in that those people who will use them are represented by peers during the creation process
3. As more people are involved in building competency models, the body of knowledge about competency management in the organization expands
4. Can focus on the competencies which an organization will need in the future; the one which will give it a "competitive edge"

Weaknesses:

1. Resource intensive - facilitators, analysts, local experts = $
2. Results depend critically on the quality of the people included in the focus groups
3. Models are based on opinion and perception about competencies, rather than an analysis of actual behaviour
4. Suffers from the "not invented here" syndrome - in that each group can re-invent competencies rather than reuse existing ones
5. Competencies of the facilitators and analysts are crucial.

Notes:

1. Once again, as competency models are published, the analytical job can benefit from general modeling work, as well as in-house past work.

2. The methodology has its roots in job functional analysis, market research and a variety of qualitative research techniques used by both academic and business research people.

3. The approach is based on an assumption that the best knowledge about an organization's environment is found by tapping the insight and perceptions of a **group** of people involved in that environment. Experts can aid that discovery process, but not replace it.

Competency Modeling ... alternative 3

The "Same as Except for" Approach

An Existing Position Competency Model + **New Data** = **A New Position Competency Model**

PATTERNS

1. Competencies consistent across industry / performance levels are organization specific

2. Soft (management or interaction) competencies are shared by a job family, technical competencies are position specific

3. Competencies remain mostly the same across similar positions, but performance is required at higher levels in some positions

4. Competencies remain the same for a position over time, but performance is required at higher levels to meet new business pressures (that is, performance level 3 becomes #1 in response to increasing pressure)

Notes:

1. Either the JCAM or the LEMM approaches can be modified to start from an existing competency model. In both cases, the effort required is reduced, but the possibility of missing a unique requirement in the position being modeled is increased.

2. Competency models often have many similarities for similar job families in an industry. In fact, the NVQ (National Vocational Qualifications) effort in Britain is based on finding and documenting such competency models.

3. The level of detail in a competency model can have an impact on its general applicability. The more specific and concrete the behaviour, the less likely the model will fit another environment.

4. Competency models can focus on results (outputs) or task (processes). Modelers make concrete decisions about which to emphasize as they build models. Positions which produce many similar copies of a set of outputs are often best built using process language. Similarly, positions which produce a few unique outputs are easiest to build using an output focus.

   This distinction is more useful while learning the art of competency modeling, than it is in understanding and using competency models.

Competency Modeling ...
Rules of Thumb for Choosing Methods

Situation	Choose
no model exists, superior performers are hard to objectively identify, little past experience with competency modeling	LEMM
no model exists, understanding superior performance important in order to replicate it, little past experience with competency modeling	JCAM
a model exists, needs verification or updates	Same as Except for
position does not exist yet	LEMM (future oriented)
organization has history of competency modeling, with good examples in well organized position profile database	Same as Except for

Notes:

1. Some of the first competency models an organization needs to build are:

   - team leader - competency management pilot project
   - team member - competency analyst
   - team member - focus group facilitator
   - team member - JCAD interviewer

2. The WCI Management Competency Dictionary may be useful in identifying the management competencies required. The technical competencies are usually acquired through trial and error, or through apprenticeship with outside consultants working on the pilot project.

3. Organizations tend to settle on one or the other (JCAD or LEMM) method. Some consultants take strong stances on which is “better” or the “right” way. An internal competency management support group should be equally capable in all 3 methods for developing competency models.

4. In our own work, we use competency card selection methods both to build models and and q-sort methods to identify core competencies. We use existing competency models whenever we can. The competency dictionaries which we work with may come from a number of sources:

   - our prior experience with JCAD work,
   - our prior experience with LEMM work,
   - competency models built previously by our client organizations (when appropriate),
   - published generic competency models available in the literature,
   - industry competency models sold under license by other firms or consultants.

Building Learning Resource Catalogues ...

1. Use the LEMM or the "Same As Except For" Methods to identify Learning Resources since:

   - the best data source on "how to acquire" a competency is the people currently exhibiting it

   - as new competencies are entered into the organization competency dictionary, Learning Resources can be entered with them

   - keeping Learning Resource Catalogues up-to-date is essentially the same task as maintaining an up-to-date inventory of training programs, except that Learning Resources are cross-referenced to competency / performance level grids

2. As a general pattern, learning resources related to lower level performance levels tend to be formally structured (e.g. courses, specific programs, clear learning assignments),

   while learning resources at higher performance levels tend to be less structured (development assignments, informal apprenticeships, mentoring, "working with a person more experienced in the area")

Notes:

Competency, Compensation, Systems and Organizations ... Final Words

Module Objectives

- **Know about the connection between competency modeling and compensation**
- **Know about the need for automated support for competency management**
- **Know the template for evaluating an organization's readiness**

Notes:

Competency and Compensation ...

A focus on Competency ===> Enables Individual Performance ===> Results with business value

A. Competency and Results Based Compensation

B.

Competency Position Profiles using standard Competency Dictionaries

A new basis for Comparative Analysis

=

a replacement for Hay's type point approaches

C. Mixed Compensation Schemes in Flat Organizations

%	%
Pay for Capability:	Pay for Results:
As Evidenced in Competencies	Measured according to contracts between individual and superior
Even though current assignment may not require them all	

Notes:

A1 Competency management naturally aligns with pay for result approaches to compensation

A2 Some individuals are arguing that this means paying people for what they could do.
The structure of the argument goes as follows:

1. An individual has a certain set of capabilities. These can be evidenced in competencies, which are observable by other people. On the basis of this observation, the individual can be “certified” to have the competency.

2. An organization places an individual in a position. This position may not call on all of the individual’s competencies. This is an organizational choice. (Essentially, the individual has competencies not required by the position.)

3. The individual’s competencies may become useful to the organization in the future. That is, they have value to the organization. Therefore, the organization should pay the individual based on their certified competencies. That is, the organization should compensate the individual for certified competencies, whether or not they are applied in the individual’s current position.

B1 At least one information systems HR consulting organization in Toronto as already moving to comparative competencies as the basis for their salary survey consulting. This may work well in industries like information systems, where there is a good chance that “standard” competency dictionaries will be useful to a number of organizations.

C1 An organization which has substantially flattened itself as a result of re-engineering finds that it needs to keep a certain number of senior technical individuals readily available to act as trouble shooters and “special assignment” people. Having flattened, it no longer has “senior technical titles” with high job points in which to place and to hold such people.

It also wants to movitate them to actively pursue value adding activities.

Their compensation package has been split into two portions. The base component is related to their individual competency profiles. The remainder is tied to actual project performance.

Competency and Systems ...

1. Implementing Competency Management in a large organization requires automated support

2. Empowering individuals means giving them access to position profiles, as well as their own competency profiles and personal development action plans (PDAPs)

3. Recruiting and developing individuals means managers and HR professionals need controlled access to <u>individual</u> <u>profiles</u> and <u>position</u> <u>profiles</u>

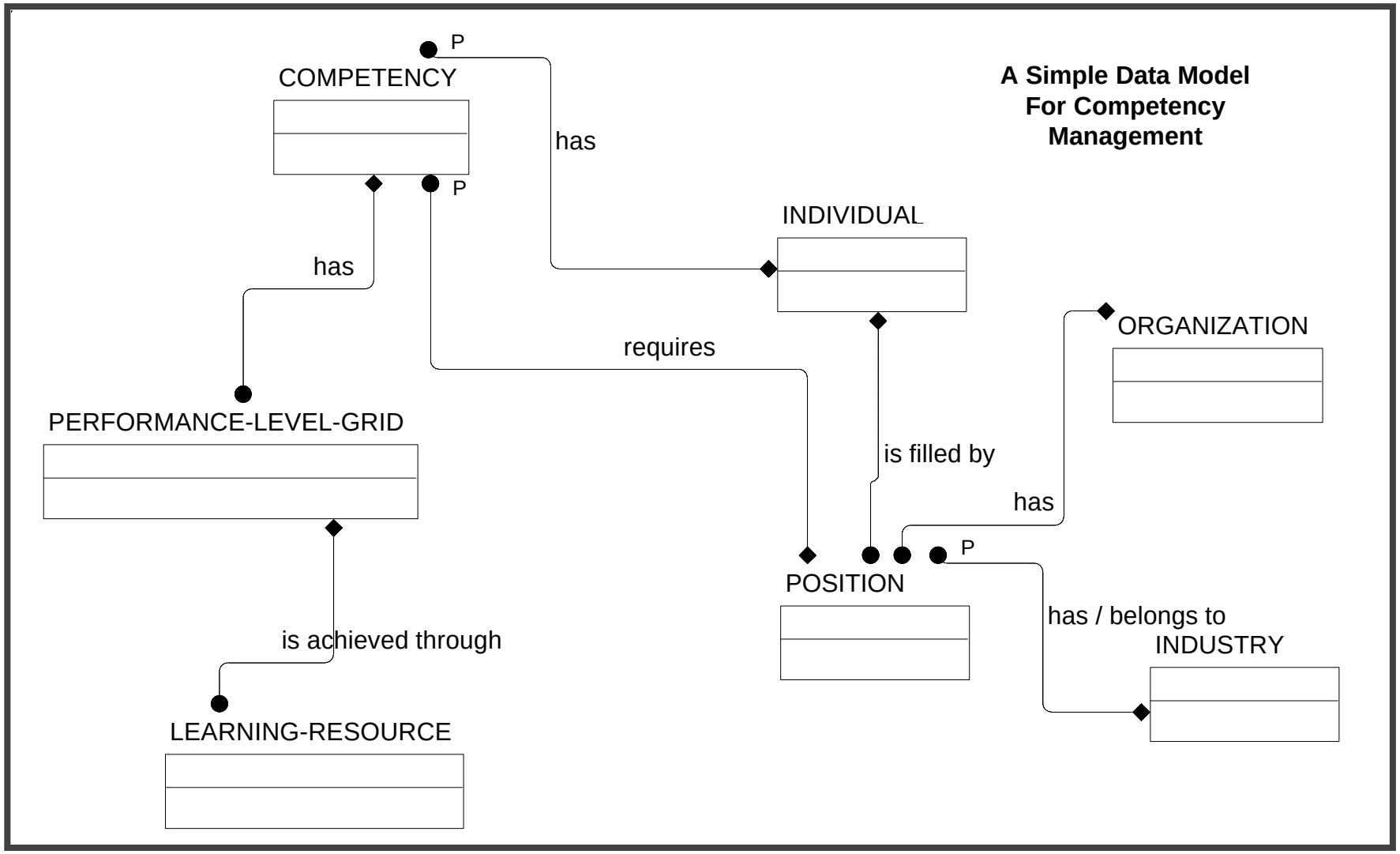
4. Planning professional development means analysing databases to find the gaps.

5. Maintaining a standard language for competency means managing the competency dictionary in a way which creates standards while making it widely available.

6. Integrating competency management in HR practice means building links between competency management systems and the HRIS systems used by the organization.

Competency management uses automation as a tool to manage the organization's HR assets.

Notes:


A Simple Data Model
For Competency
Management
COMPETENCY
P
has
P
INDIVIDUAL
has
requires
ORGANIZATION
PERFORMANCE-LEVEL-GRID
is filled by
has
P
POSITION
has / belongs to
INDUSTRY
is achieved through
LEARNING-RESOURCE

Required Enabling Conditions For Competency Management

Strategic Conditions	1. Significant organizational change or competition 2. Well defined vision of the future 3. Necessary human resources lacking or in scarce supply
Knowledge Work	1. Culture of continuous learning 2. Required Future Competencies [1] Current Competencies
Performance Mgmt	1. Personal responsibility for self development rewarded 2. Tolerance for learning from mistakes (not punished)
Infrastructure	1. Adequate computer processing resources 2. Ability and willingness to build / buy necessary software
HR Competencies	1. Internal HR staff experienced with competency concepts / processes 2. Willingness to use “skill transferring” consultants ($)
Senior Management Commitment	1. Willing to invest personal time and energy needed 2. Will behave as “competency management” models

Notes:

Competency Management and Consultants ...

Services

1. Training ...

2. Project management ...

3. Competency Models ...

4. “Do it for you” consulting services ...

5. “Do it with you” skill transferring consulting services ...

6. Software ...

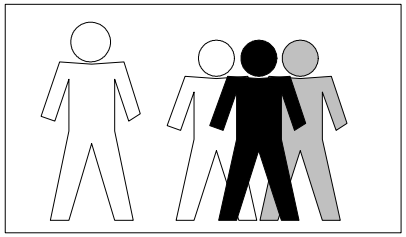
7. References ...

8. Learning from others’ experiences ...

Notes:

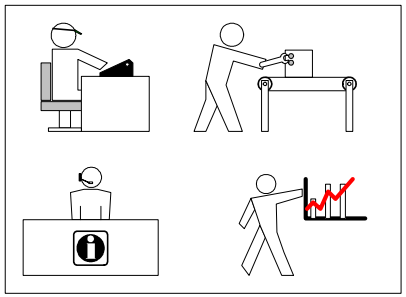
Competency Management ... Final Words (1)

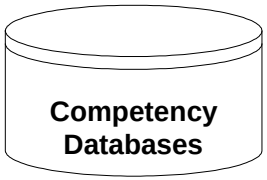
Individuals



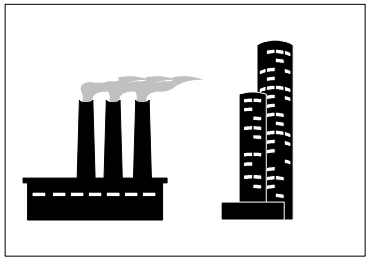
Individual Access To Information

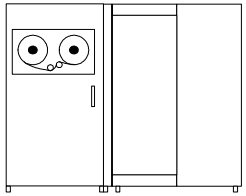
Positions





Organizations





Organizational Information Systems

Notes:

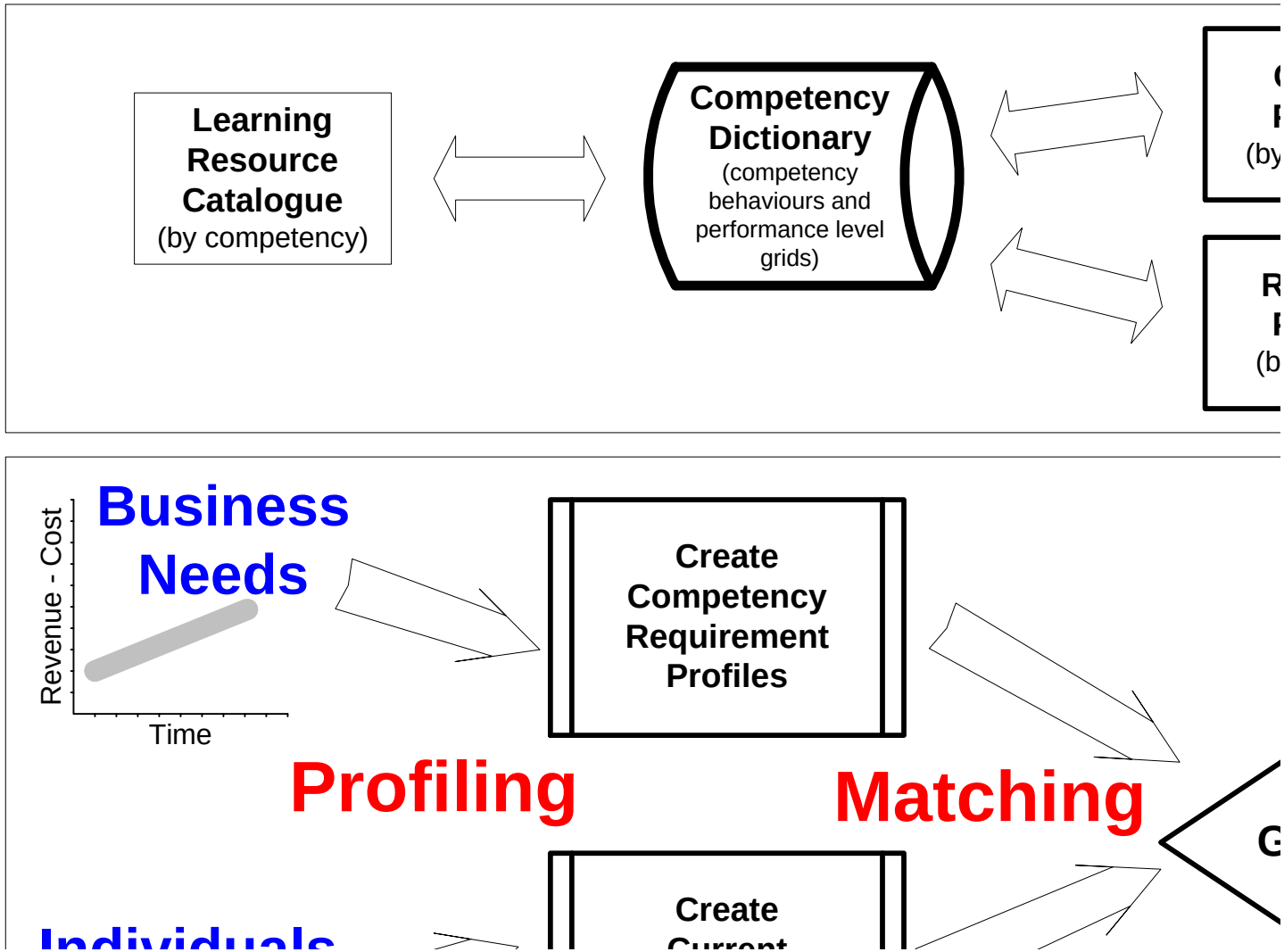
Competency Management ... Final Words (2)

What is competency managemen

A system

linked through a set of values

A process



Notes:

THANK YOU

WCI

Notes:

© All of the material in this binder is the copyrighted property of
Workplace Competence International Limited
Hillsburgh, Ontario, Canada
1995, 2004

519.855.4582
519.855.6759 (fax)

Roelf Woldring: e-mail: woldring@wciltd.com
Lynne Brenegan: e-mail: brenegan@wciltd.com