

COMPETENCY-BASED SELECTION

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- Remember the little thing we refer to as the science-practice divide in I-O?
- A major reason for this division is lack of consistency and clarity in terminology used by researchers and practitioners
- Among the many topics that epitomize this divide, there is one represented by a single word, used daily in most organizations...

COMPETENCIES

The word ‘competency’ stalked up on the unwary working in the human resources field...while street credibility demanded use of the word, few were certain in their own minds what it meant. This state of confusion has not really abated with the passage of time (p. 29).

- Woodruffe (1993), commenting on prevalence and misunderstanding of “competency”-related language more than a decade after Boyatzis’ (1982) book, *The Competent Manager*

Competencies: Here to Stay

- As of a 1996 ACA survey, more than 75% of companies use competencies in at least one aspect of their HR practices
- Competency-related language is part of most core HR functions
 - Recruitment
 - Selection
 - On-boarding/training
 - Succession planning

Presentation Objectives

- What the heck is a *competency*?
- Where do competencies come from?
- How is competency-based selection different from traditional methods?
- What is the added value of competencies?
- How can I start using competencies?

DEFINITION

Understanding Competencies

- Many definitions of competencies can be found
- Most include some combination of the following:
 - Measurable personal characteristic
 - Related to successful work performance
 - Linked to specific behaviors (ideally)
 - Characterized as a general skill (behavioral or technical), attribute, or attitude
 - Action-focused and linked to company's performance goals and strategy

Understanding Competencies

- Competencies reflect underlying characteristics of individuals that are closely associated with certain behavioral tendencies or capabilities
- These behavioral tendencies then are expected to lead to competent performance within the work domain
- In many cases, a person's competencies may align closely with his/her personality traits or underlying motives
- A competency, therefore, represents **something more than a basic knowledge, skill, or ability requirement for a job**

Comparing KSAOs vs. Competencies

Example KSAOs

- Ability to multitask; ability to be alert; cognitive capacity
- Cognitive ability; proactivity; creativity
- Listening skills; sensitivity to others; assertiveness; emotional intelligence

Related Competencies

- Mental flexibility
- Problem-solving capacity
- Interpersonal skills

Competencies Defined

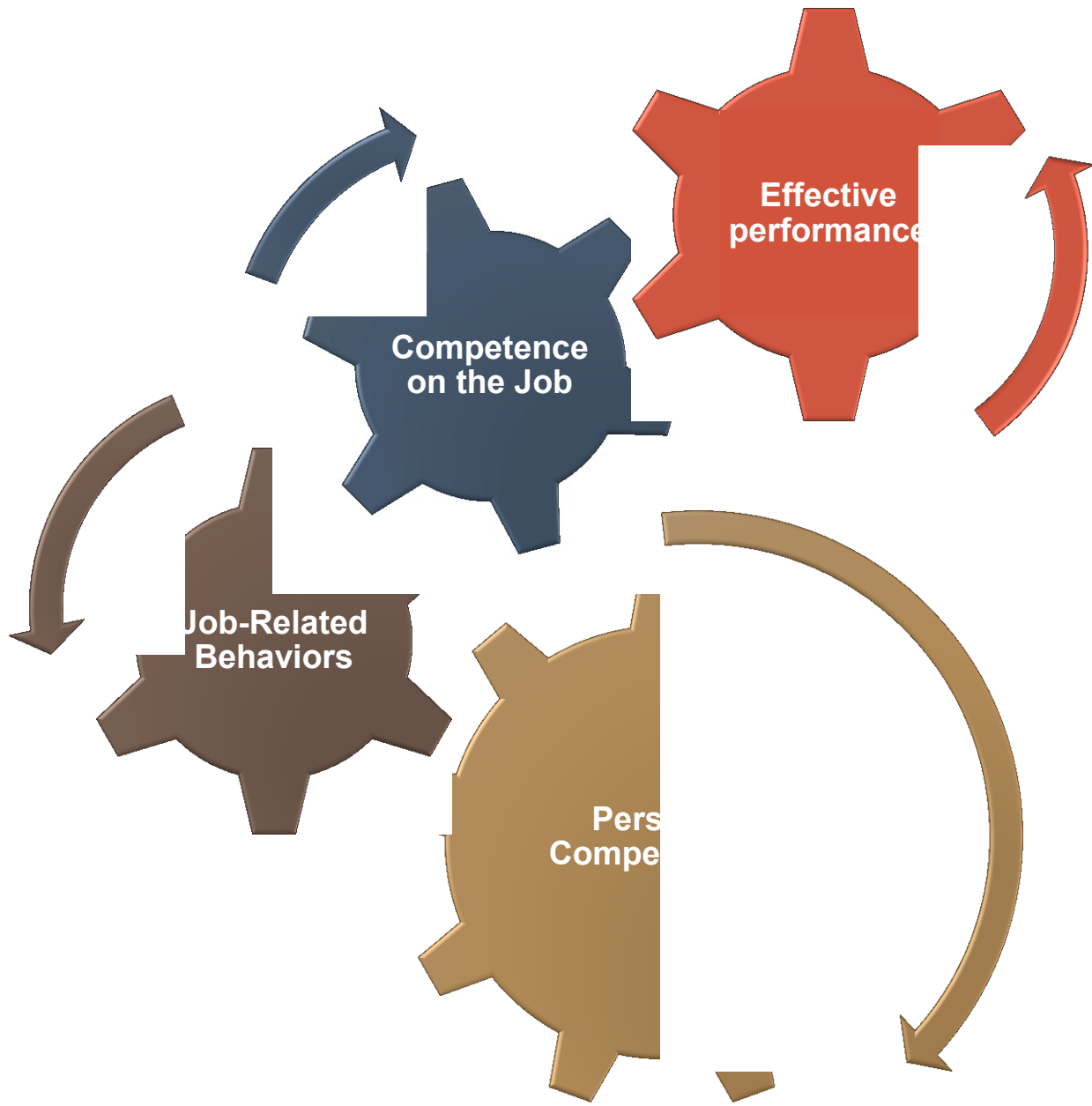
- “[A] characteristic of an individual that underlies effective work performance. A competency can be any human quality...but by our definition, if the knowledge, skill, trait, self-schema, or motive is not explicitly related to effective performance, it is not a competency” (Klemp, 1980, p. 1.4, emphasis in original).
- A cluster of related knowledge, skills, and attitudes that affects a major part of one’s job, correlates with performance on the job, can be measured against well-accepted standards, and can be improved via training and development (Parry, 1996, p. 50).

Competency Defined

- “[A] dimension of overt, manifest behaviour that allows a person to perform competently. Behind it must be both the ability and desire to behave in that competent way...people will only produce competent action in a situation if they know how to and if they value the consequences of the expected outcomes of the action” (Woodruffe, 1993, p. 29, citing also Krampen, 1988).

Competencies...

- “...deal with the behaviours people need to display in order to do the job effectively...and not with the job itself...which requires a number of individual competencies” (Woodruffe, 1993, p. 30)
- ...speak to candidates’ potential to become good at a particular activity by putting into play a constellation of individual differences that set them apart from other candidates
- **...are the underlying attributes of an individual that drive performance-related behaviors**



PAST, PRESENT, AND FUTURE

History of Competencies

Legal (standards of mental capacity)



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graph TD; A[Legal (standards of mental capacity)] --> B[Clinical (ability to function)]; B --> C[Vocational counseling (broad KSAOs)]; C --> D[Education (knowledge)]; D --> E[Industrial psychology (successful performance)];
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Clinical (ability to function)

Vocational counseling (broad KSAOs)

Education (knowledge)

Industrial psychology (successful performance)

Where We Have Been

- Traditional selection and talent management usually involves identifying and assessing a core set of necessary knowledge, skills, abilities, and other characteristics
- These KSAOs are identified via empirical association with performance indicators for critical job tasks in a specific job or position
- This approach works well in situations where sampling of the job tasks is straightforward and where it is possible to track and quantify task performance

So What's the Problem?

- What happens when an employee's job tasks vary substantially from day-to-day and there is no identifiable set of required skills or capabilities?

So What's the Problem?

- What if the primary job tasks can be accomplished with a wide variety of behavioral approaches?

So What's the Problem?

- What if an employee's performance is not fully (or even mostly) internally determined, but rather the result of complex interactions with other people in a changing work context?

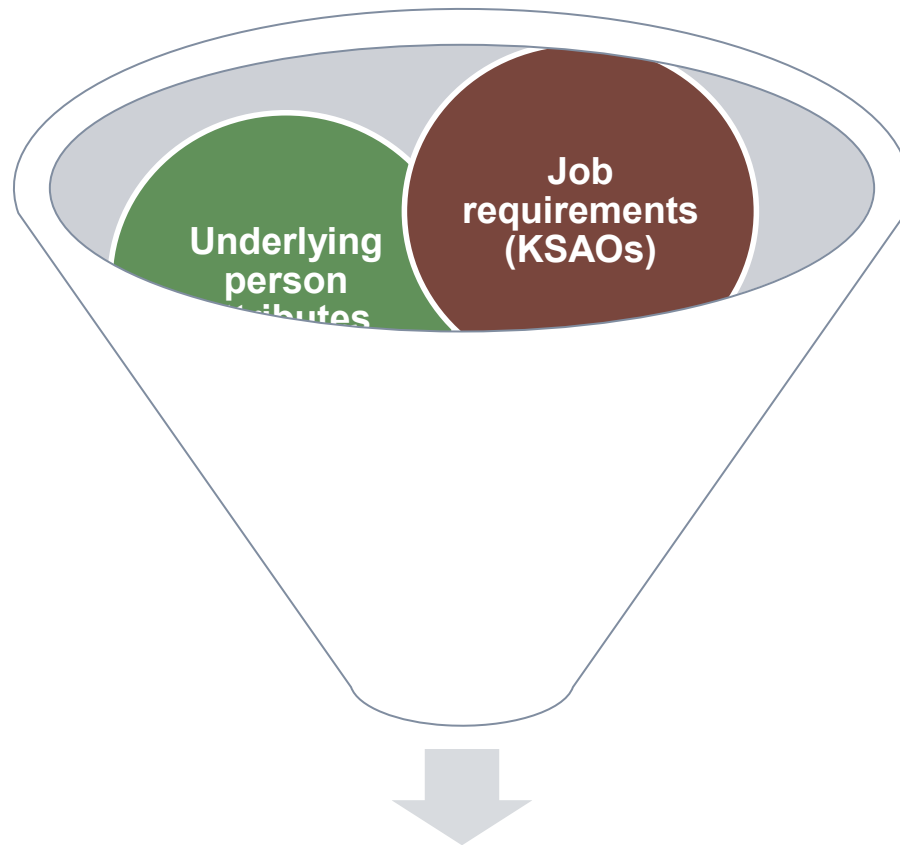
Where We Need to Go

- Organizations exist in a constant state of flux, flexibility, and ambiguity
 - Not possible to rely solely on *job-/task-* or *person-based* methods for identifying and developing effective employees
 - Both methods are needed (see Shippmann et al., 2000)
- Behaviors needed for effective performance vary across business and across levels within the same organization
- Selecting, managing, and developing employees around a common set of behavioral expectations (competencies) can simplify HR functions

Case for Competencies

- Competencies offer an alternative to task-based models of workforce selection and development
- Competency-based selection provides an adaptive way to understand new and existing candidates' current and future potential to contribute to an organization's goals at multiple levels
- Competencies also have organizational level value, permitting organizations to understand competitive (dis)advantages and company-wide developmental opportunities

GETTING STARTED



Competencies

Competency-related Challenges

- Most organizations believe the right mix of competencies for their particular organization is *unique* from every other organization's
 - Research does not necessarily support this view (Zingheim et al., 1996)

Common Competencies

- Customer focus
- Communication
- Team orientation
- Technical expertise
- Results orientation
- Leadership
- Adaptability
- Interpersonal skills
- Adaptive problem solving
- Flexible decision-making
- Leadership potential
- Innovation

Sound familiar?

“Universal” Competencies?

- Organizations share common challenges/shortcomings
 - Environmentally, technologically, economically
- A “universal” competency model may exist
- Key competencies are common sense
- Many organizations “follow the leader”
 - Or purchase from published sets (e.g., Lominger, DDI)
- In selection, considering any standardized set of individual differences may be better than having nothing (the actual competencies may not matter)

Value Beyond Selection: Talent Management

- Competency-based talent management is intuitively linked to the goal of successfully building and maintaining a high-performing workforce
- Competencies allow organizations to set requirements/standards that transcend a job or position
 - Universal or organization-wide competencies
- Competency-based talent management can guide short- and long-term learning and development initiatives

Value Beyond Selection: Talent Management

- Competency-based screening and development can improve longer-term employee-organization fit
 - Maximizes likelihood that employees have more of what it takes to succeed in a wide variety of roles within an organization
- Competencies help to translate an organization's strategic goals into more immediate action steps and milestones in all HR areas
 - Especially if they are used to establish what *is* and what is *desired* (behavioral indicators or benchmarks to achieve)

Value Beyond Selection: Talent Management

- Linking competencies within individual workers to demonstrated competence on the job is especially appealing for organizations that have typically had difficulty evaluating and quantifying performance quality
 - Example: How does one define *good service*?

Getting Started with Competencies

- Limited best-practice guidance regarding use of competencies for selection or talent management
- NOTE: Competencies do not have to replace (nor should they, necessarily) a more traditional consideration of the critical technical skills, knowledge, and abilities required for successful completion of clearly defined job tasks
 - Balancing task-focused and competency-focused elements provides a deeper understanding of a candidate's potential for performance in the well-understood present *and* less-certain future

Competency Implementation Considerations

- Gather data about competencies in question from those who are most likely to be observing each competency in action (such as workers, supervisors, customers, etc.)
- Describe competencies in general and practical terms (to improve the likelihood that these definitions will apply broadly across the organization)
- Identify competency-related behaviors (makes performance-management easier)
- Limit the number of competencies (< 12)
 - Otherwise too complex and less generalizable

Competency Implementation Considerations

- Consider competencies not only found in currently effective performers, but also competencies the organization expects to need in the future
- Consider the benefits of a generic or universal competency set that applies to multiple job positions or the organization broadly
 - Otherwise you may spend too much time generating overly specific models, rather than building your organization
- Maximize return-on-investment in competency-based talent management by aligning most talent management functions around your core competency framework
 - Pay systems, reward options, development initiatives, etc.

Conclusion

- Work environments are complex and ever-changing
- Companies need to become more nimble and adaptive in their selection and talent management processes
- Job task-focused, traditional KSAO selection is limiting
- Person-focused competencies give organizations flexibility and easier alignment with organizational strategy
- Competency-based selection can help organizations adapt to changing realities and develop a workforce that can achieve organizational objectives today and tomorrow

Recommended Readings

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THANK YOU!

Any questions?

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