COMPETENCY MANAGEMENT – THE BIGGER PICTURE

By Andrew Harding

Introduction

One of the most common frustrations that many of us are exposed to in our daily life is the increasing number of people that we deal with who are simply incompetent in their jobs. Think about all the numerous, recent occasions where you have personally experienced inferior service, inappropriate and unwilling attitudes to service, limited job knowledge and appalling communications which leave you in a desperate state of frustration and despair!

Whether it is the slow and unresponsive service from a waiter in your chosen restaurant, the inability of an administrator, manning a call centre to process your complaint, the poor workmanship from the building contractors that you have commissioned to renovate your home or the blatant rudeness and disinterest displayed by a departmental store cashier attending to your purchases, it all links back to the crisis of competence. The litany of evidence of, sub standard work and unacceptable conduct appears to be a growing trend that has escalated out of proportion. So what is being done by those responsible for managing and supervising their employees, who collectively carry out their work with little regard to established work ethics, a professional service ethos and personal pride?

The examples of incompetent skills and knowledge and the astonishing absence of remedial actions from responsible management and supervision is not only gauged from our personal experiences but vividly portrayed on a daily basis across our business and public service sectors. There has been a barrage of public complaints in recent months highlighting the uncaring treatment and incompetence from local authority and municipalities, regarding rate disputes and service delivery and an ongoing, relentless media coverage focusing on government departments and parastatal organisations, where gross under-spending of approved budgets, mismanagement, fraud and corruption grabs the headlines on a daily basis.

Within big business, it is true to say that the current spotlight on the performance and competence challenges has resulted in a variety of projects and initiatives being launched to address the critical skills crisis. The introduction of competence management and design of performance standards, across the different roles within the company structures, is a vital component of an organisation's talent management strategy. It still remains an enigma, however, that these remedies have not been

a widespread success. This is surprising because, in our experience, the rationale for introducing the methodology and processes relating to competency management directly impacts and supports the critical strategic challenges regarding governance, career management, employment equity, performance management and technical skills development.

There has been extensive coverage within the national debate that economic growth, new business investment and the creation of employment opportunities are the priority goals of government. These endeavours will be significantly compromised unless there is a serious commitment across the public and private sectors to address and improve the lack of work ethic, lack of accountability, inadequate consequence management and disregard for customer satisfaction.

Many South African organisations have been busy with some form of programme or initiative over the past few years, especially since the inception of SAQA and the NQF. Yet often these programmes are implemented to conform merely with the requirements of the relevant SETA to ensure that the company receives a refund on their skills development levies.

If we accept the reality that much of what is going wrong in the country is due to incompetence – the poor record and image of government and municipality service delivery and professional, management and technical skills deficiencies across the business structures, why is it that given all the relevant focus on competency development does it appear that so many programmes are still unable to deliver a successful outcome?

Part of the reason is that competency development programmes are often run as isolated initiatives, however, the real need for competency management extends a lot deeper into organisations than is often realised. So why is competency development so important to organisations and why does it need to be managed effectively?

Competency profiles and standards help to define what it takes to be successful in every role in the organisation. These help to drive high performance through the following:

- Competency management provides an **integrated** framework and tools to ensure **all** levels of staff are competent for both current and future jobs in line with strategic goals

- It defines the standard of competence required at each level – employees know what is expected of them

- It provides employees with a simple to use learning platform and tools to learn and acquire competencies

- Provides professional standards against which to recruit and reduces recruitment and selection costs.

- Facilitates performance improvement and productivity and addresses under-performance

- Competency development assists in development of critical and scarce skills and facilitates multi-skilling and increased individual value add

- Provides rigorous, credible and objective assessment criteria to determine potential and competence.

- Assists with accelerated development of employment equity candidates

- Supports development of employees as part of succession planning to ensure that the right people with the right skills are in the right place at the right time

- Builds a life-long learning organisation - builds individual and organizational capability to meet strategic projects and goals

- Competency development can be aligned with National or Professional qualifications, thus supporting employees in attaining recognised qualifications

- Competency management creates a foundation for, and is a critical component of, any talent management strategy

APPLICATION OF COMPETENCY MANAGEMENT

As mentioned above competency management impacts on broader aspects of the organisation that is often considered or realised as illustrated in the diagram below.
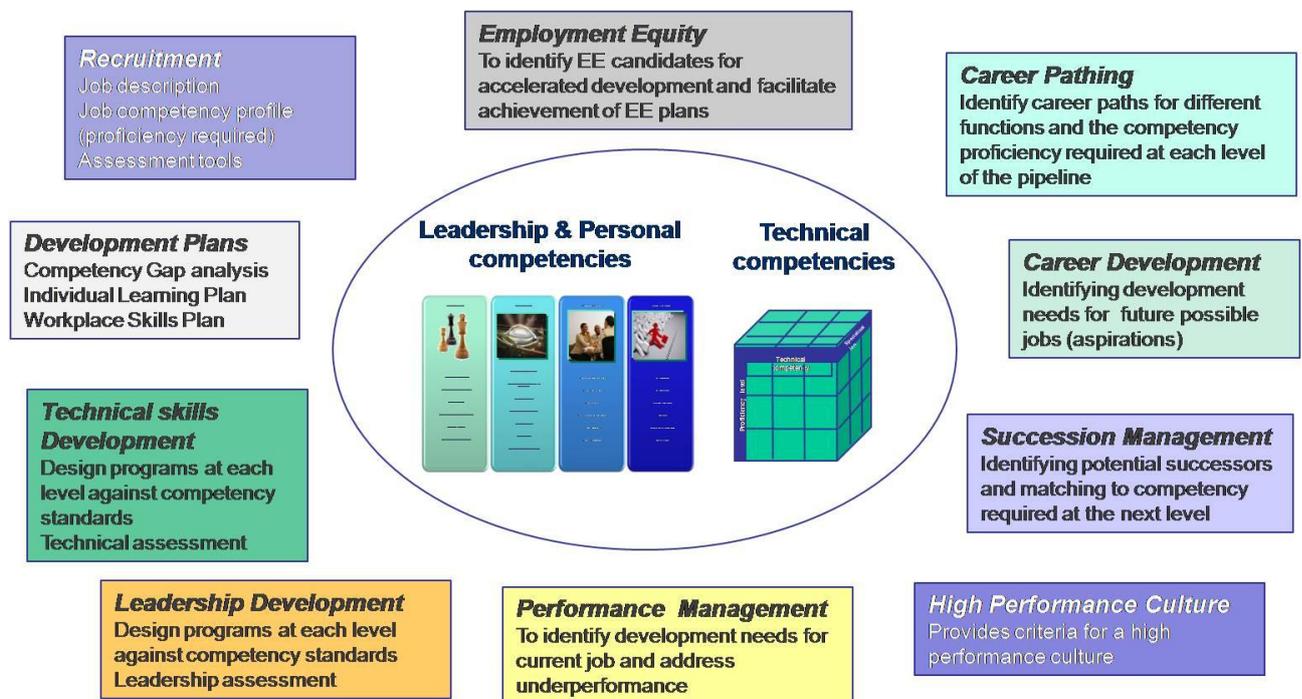
As can be seen above competency development doesn't only impact the organisation from a training perspective, but has a much larger influence on the organisation in the following ways:

- It supports the development of **employment equity** candidates to fast track their development and support the organisation with achieving its EE targets

- It supports the **career pathing** process by providing building blocks for career development along the pipeline (ref Talent Management Strategy for explanation of pipeline)

- It assists with **career development** at an individual level as it makes for easy identification of competencies required to progress to the next level

- It assists the organisation with **succession planning**, as organisational needs are translated into required competencies for identified talent to achieve in order to progress
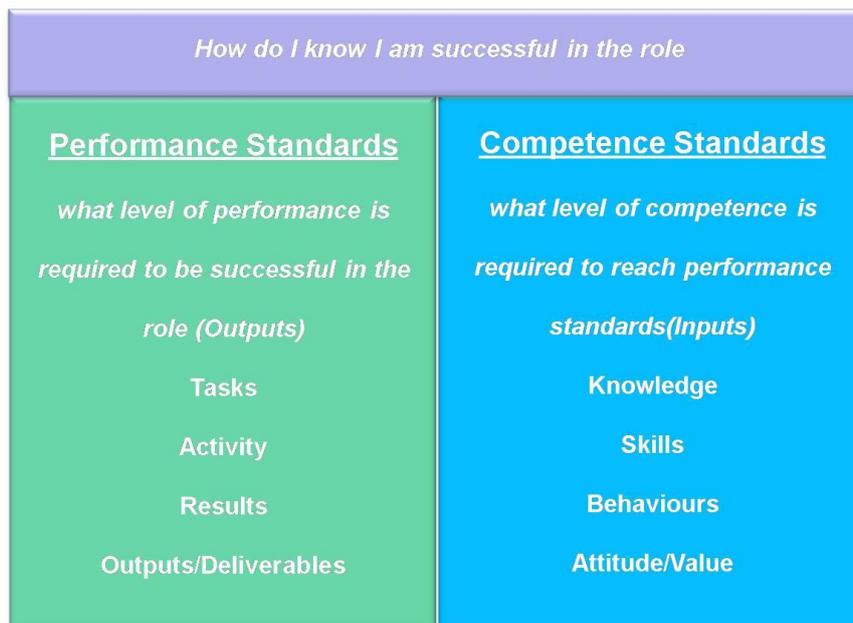
- A competency development process forms part of creating a **high performance culture**, through providing criteria for development linked to organisational strategy

- It supports **Performance Management** by providing a framework for development of employees in current jobs to enable them to perform at the level expected, and it can assist in identifying competency gaps that may be causing underperformance and ensuring that development plans can be put in place to address the gaps

- **Leadership Development** is supported through identifying leadership competencies required at different levels of the organisation and developing programmes to deliver said competencies

- **Technical skills development** can take place in a professional way

- Competency development provides a means for developing both individual and strategic organisational **development plans** which can be integrated into the Workplace Skills Plan

- The **recruitment** process is also supported by having identified competencies and proficiency levels as benchmarks against which to recruit. Selected individuals can be placed on an immediate customised programme for fast track development into their new role

Performance Standards (outputs) vs. Competency Standards (inputs)

There is a very strong link between competence and performance, yet often this link is not considered or taken into account, a solid performance management process needs to exist alongside the competency management process to ensure effective delivery of results.

In order to function effectively in a role there are two main requirements for employees; they must be competent to perform the role effectively, and they must be able to perform to the required standards of the role.

The performance standards are the outputs of the role and the competencies needed to achieve the desired standard are the inputs, this is represented below.

How do I know I am successful in the role

| Performance Standards	Competence Standards
what level of performance is required to be successful in the role (Outputs)	*what level of competence is required to reach performance standards(Inputs)*
Tasks	Knowledge
Activity	Skills
Results	Behaviours
Outputs/Deliverables	Attitude/Value

Competency definition and enablers

Competency itself is defined by three main aspects, **Knowledge**, **Skills** and **Behaviours**. **Knowledge** is acquired through formal studies and research, **Skills** are developed over time through experience and training, **and Behaviours** are how the individual presents themselves to the world.

Enablers are other aspects of the individual that impact on developing and demonstrating competence (see table below).
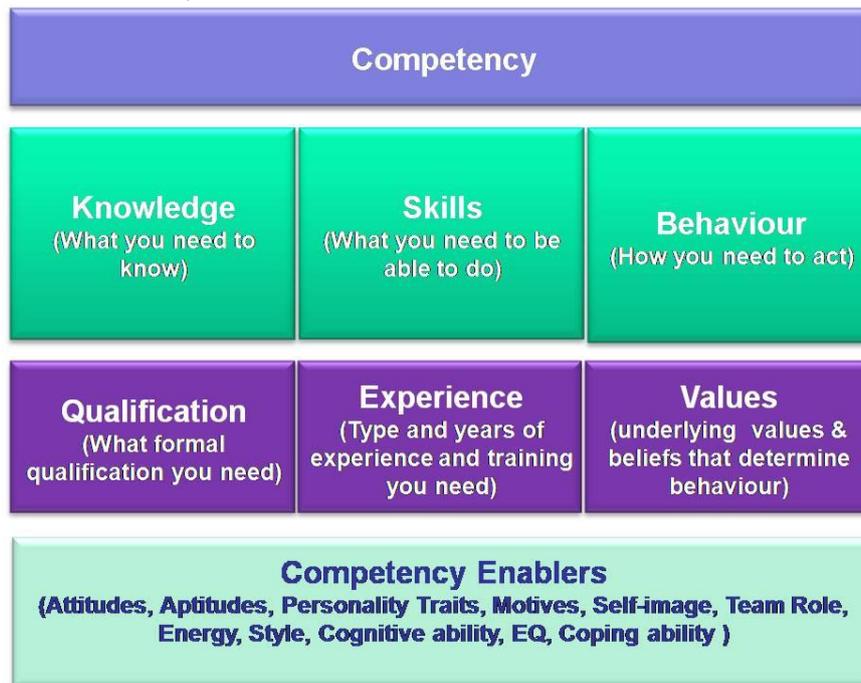
THE COMPETENCY MANAGEMENT FRAMEWORK

A good competency management framework like the one below, is key to ensuring the effective implementation of a competency development and management. This is explained in more detail below.
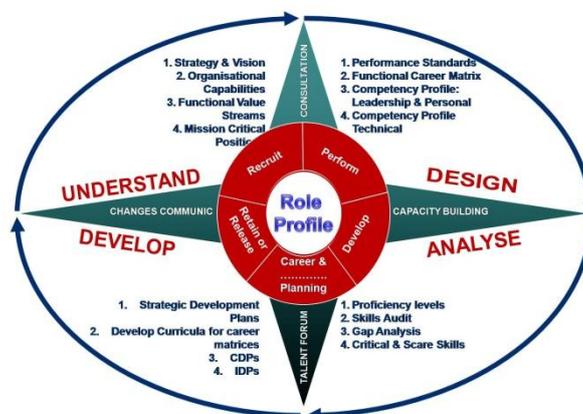
1) Role Profile

Central to competency management is an accurate Role or Job Competency Profile per post which defines the competencies and proficiency levels required for the post. An accurate Role Profile assists with recruiting people with the right skills, understanding performance requirements, identifying competence gaps and designing short-term and long-term development plans and career paths.

2) Understanding

In order to develop effective functional and individual competency profiles, it is important to understand the organisations' Strategy and Vision (what the organisation wants to achieve and how to get there), Organisational Capabilities (the core activities that the organisation needs to be good at), Functional Value Streams (the core activities in each functional area that add value) and the Mission Critical Positions (the core posts that are critical to the success of the organisation).

3) Design

Performance and competency standards need to be designed for each level of the organisation which will guide the inputs and outputs required for success at each level. Each post can then be mapped to these levels. A Leadership and Personal competency profile can then be developed to guide the knowledge skills and behaviours required by people in the organisation. In addition, technical or functional competency profiles for each core function needs to be developed to outline the knowledge, skills and behaviours required for technical delivery and excellence. A master competency framework is thus available for the design of individual competency profiles for each post pulling from both the leadership/personal and technical/functional competencies.

4) Analysis

Posts are analysed to determine the proficiency level required for leadership/personal and technical/functional competencies. Current or future employees can then be assessed against the requirements of the profile and understand the gaps requiring development. Individual skills gaps are then fed into an overall skills audit to highlight unit specific and or organisational skills gaps. Specific attention needs to be paid to significant competency gaps in critical and scarce skills.

5) Development

Competency gaps inform Individual Learning Plans (ILP) and Career Plans (CDP) as well as strategic development plans to uplift important skill or behaviour areas of the organisation. Curricula and learning solutions are put in place to address the requirements identified in the Analysis stage

As the organisational strategy changes, roles are reassessed and the cycle begins again. In order for the competency management process to operate effectively and add value to the organisation there are a few critical drivers. Comprehensive **consultation** with the various stakeholders is required. **Capacity building** of HR and Line takes place throughout the process to ensure successful implementation. Information from the analysis step is fed through to the **Talent Management Committee (TMC)** as part of the talent management review process. Robust **change management** and **communication** is essential at every step in the process.

COMPETENCY PROFILES – A SIMPLE OR COMPLEX APPROACH?

The competency needs within organisations differ significantly based on the nature of the organisation, it's complexity, it's processes and even the number of employees, these factors all have an impact on the approach to competency management that needs to be considered when developing a competency profiling approach.

Some key aspects of competency profiling are highlighted below:

- Future focused – build competency profiling into strategic planning

- Shift the focus from the job to the organisation

- Shift from focus on role profiles to competency models and flexible menus

- Align competency models with local legislation and professional standards

- Speed up the analysis through developing capacity in the organisation to continuously work with and update competencies

- Use both the language of work (performance outputs) and the language of people (competencies)

- Keep it simple and user friendly to answer the questions:

    – Where do I fit in? What is the work? What competencies do I need? How can I prepare for the future?

- Democratise the process – involvement and empowerment

When developing competency profiles there are a number of options that should be considered:

1) Broad based generic competencies

Broad based generic competencies are usually applicable to numerous roles and levels in the organisation, and are generally proficiency based. Proficiency descriptors can be developed and tailored to the organisations needs and can be very simple or complex depending on requirements.

2) Role competency definitions

Role competency definitions are specific to a role and are generally suitable for those roles that have unique or very specific competence requirements, these roles would generally be assessed against a clearly defined level of competence against specific criteria.

3) The Hybrid mix

The hybrid mix is a combination of the other two options mentioned above and would consist of a combination of generic competencies (e.g. leadership) to be performed at a desired level of proficiency, with specific competencies (e.g. technical or functional) assessed against specific competency criteria.

Conclusion

In order for competency management to deliver real return and benefit to an organisation, a well thought through design process and framework for delivery are essential. The degree of impact on the organisation's processes and practices means that the Competency Management process needs to be clearly defined and understood at all levels and across all functions in the organisation.

All areas where competency management system interfaces with the rest of the business need to be clearly identified and processes and procedures should be put in place as required.

Line management involvement in the process is critical and they need to be consulted right from the start and should be included in all aspects of design and implementation as much as possible. Without Line management buy-in achieving success will be difficult.

Competency Management should not be viewed as just another standalone bolt-on process or initiative from HR, it needs to be backed and supported at senior levels of the organisation with a clear understanding of the huge potential benefit it can deliver when aligned with overall strategic and people management objectives.

ABOUT THE AUTHOR

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Andrew has over 20 years of experience in numerous middle and senior management positions and consulting roles. He has worked for and consulted to large corporations such as South African Breweries, Amalgamated Beverage Industries, BHP Billiton, Aberdare Cables, Lonmin Platinum, Clover Dairies, RMB and numerous others. During this time he has held positions in the fields of QA/QC, Production Management, Manufacturing Development, Project Management, and Learning and Development. Andrew has developed a passion for World Class/Lean Manufacturing, Change Management, Organisational Development and Human Resource Development supported by a natural flair for and interest in IS/IT and has performed consulting roles in these areas.

He is passionate about empowering and developing people at all levels and generously shares his knowledge and expertise. Andrew is an accomplished facilitator using interactive techniques, coaching and sharing of real-life experience and examples. His emphasis is ensuring pragmatic application in the workplace for sustainable change.

For the last 7 years Andrew has been an independent consultant focusing on talent management, strategic alignment, competency management, HR capacity building, change management, operational excellence and the implementation of best practices at the front line.

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