

205 HRM: Competency Based Human Resource Management System

Unit no.1. Performance Management System

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1.Introduction of PMS-

Performance management isn't an easy field to navigate. It's constantly evolving. New performance management trends emerge every year and all too often, human resource departments get it wrong. Employees are left feeling deflated, unmotivated and unengaged and managers are frustrated at the poor levels of team and individual employee performance. Thankfully, more and more companies are waking up to the importance (and resulting benefits) of effective performance management systems. The first step towards revitalizing and improving your existing performance processes is to understand what an effective performance management system is.

Performance management includes activities to ensure that goals are consistently being met in an effective and efficient manner. Performance management can focus on performance of the organization, a department, processes to build a product or service, employees, etc. Performance management can be defined as the development of individuals with competence and commitment, working towards the achievement of shared meaningful objectives within an organization which supports and encourages their achievement.

Michael Armstrong have defined performance management is a strategic and integrated approach to delivering sustained success to organizations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributors.

Meaning of Performance management:

Some of the authorities recently have used the expression ‘performance management’ in the place of traditional employee evaluation/performance appraisal. It is described as a systematic and strategic approach to ensuring that employees’ performance, as individuals and team members, enables the organization to achieve competitive advantages by producing the level and quality of products and services that lead to customer satisfaction, and, thereby, the achievement of objectives and the ultimate realization of strategy.

Performance management is a process that enables the workforce by way of creation of an environment in which they can perform to the best of their abilities. Performance management begins with describing a job. Performance appraisal is often used as an alternate term to performance management. The process ends when an employee leaves an organization.

A performance management system includes the following actions:

1. Developing clear job descriptions
2. Determining competency sets and selecting people through an appropriate selection process
3. Negotiating requirements and accomplishment-based performance standards, outcomes, and measures
4. Providing effective orientation, education, and training
5. Imparting on-going coaching and feedback
6. Conducting quarterly performance development discussions
7. Designing effective compensation management and recognition systems that reward people for their significant contributions
8. Providing promotional/career development opportunities for staff.

A strategic and integrated approach to delivering sustained success to organisations by improving the performance of the people who work with it, and by developing the capabilities of teams and individual contributors. – Armstrong and Baron, 1998

Definitions:

Performance management was first introduced by Michel Beer (1976) as a distinctive approach with an innovative appraisal and development system, it was based on the observation, ordinary evaluation and measuring the quality and quantity of production as produced by employees.

According to Ronnie Malcom – ‘Performance management may be defined as a planned and systematic approach to managing the performance of individuals ensuring their personal development and contributing towards organizational goals.’

According to John Storey – ‘Performance management includes the whole cycle of agreeing goals and objectives (which may vary in their degree of specificity), providing feedback, offering coaching and advice and motivating staff to perform at a high level.’

According to Michael Armstrong and Angela Baron – ‘Performance management is a process which contributes to the effective management of individual and teams in order to achieve high levels of organisational performance.’

According to Dr. T. V. Rao – ‘Performance management involves thinking through various facets of performance, identifying critical dimensions of performance, planning, reviewing and developing and enhancing performance and related competencies.’

Scope:

The principal purpose of performance management is to develop and nurture talents in an organization. Job performance (also work performance or simply performance) was considered to be a special case of psychological measurement that provided a quantitative description of the extent to which individuals demonstrated certain characteristics, properties, or traits.

Performance measurement involves the methods or procedures that quantitatively provide the extent to which employees demonstrate certain work behaviours and the result of those behaviours. The work performance of a group of individuals employed in common jobs revealed considerable individual variation.

Performance appraisal is different from performance management.

The Performance management cycle is mostly aligned with financial year of the company.

The performance planning is important because it:

- a. Creates awareness about ‘the big picture’ i.e., Organization’s vision, mission and goals.
- b. Communicates expectations clearly and hence provide role clarity.
- c. Aligns individual goals to organizational goals.
- d. Ensures individual commitment towards goals.

Importance

1. Defining Objectives and Targets – It helps to define the objective, aims, targets, missions, vision, strategy and values of the organisation in order to enable them to achieve in proper way.

2. Opportunities for Learning – Performance management system provide some worthwhile opportunities to create and develop learning aspects and employment advancements. It may be identify the competencies as required for high performance.

3. Fulfil the Managerial Commitment – It is helpful to fulfil the required commitment and assurances as given by the management. These are in the form of work facility, job security, rewards and compensation promotion and career orientation programmes.

4. Fair and Justified Treatment with Workers – Within the purview of performance management, the employees can get fair, justified and optimum behavior from the management. There is a pre-required condition is that there is an utmost need to make fair and justified treatment with employees.
5. Human Resource Planning – Performance appraisal information provides a valuable input for skills inventories and human resource planning (HRP). By providing information about the human resource strengths and weaknesses of the organization, the performance appraisal system helps determine the promotion ability and potential of all employees. It, therefore, constitutes an important information base for developing succession plans, HR programmes and creating new positions in the organisation.
6. Recruitment and Selection – It is used to validate or evaluate the approaches and decisions relating to employees g recruitment and selection. It aims to determine the effectiveness of them on a particular job as well as on organisation as a whole.
7. Training and Development – With a comprehensive role of performance management, it can be assessing the need and requirement of training and development. It can also identify performance deficiencies at the individual as well as organisation level.
8. Motivation – A good plan of performance management aims to motivate work appearances with better work culture. It motivates the employees to better work culture, as well as to develop their efficiency for more and better work performance.
9. Increase in Efficiency and Productivity – An optimum performance plan ensure to raise the efficiency and productivity of employees. A fair, optimistic and rational performance evaluation system motivates the employees to raise their better work performance.
10. Decrease in Turnover of Employees – The performance plan also aims to stabilise the existence of employees as well as to reduce the employees' turnover. It has the signifying role to reduce a wide range of turnover in the enterprise.
11. Career Planning and Development – The performance management helps in identifying employee potential and in planning future growth opportunities for the employee. Information about the strengths, weaknesses and potential of employees can be used to assist them in developing and implementing realistic career plans.
12. Compensation and Reward – A fair and objective performance appraisal system helps in making differential reward decisions, such that the most productive workers or teams are rewarded accordingly. When rewards and compensation are linked to performance, it reinforces the belief that pay raises should be linked to.

13. Better Employee Relations – Performance management aims to maintain better organizational cultural. Any dissatisfaction or grievances can be overcome or managed by using performance data. As such, by using optimum system of appraisal the better and most amicable relations with employees can be developed.

2. Performance planning :

Performance planning is a systematic and structured approach to successfully achieve the desired goals of an individual or team throughout the assessment year. A plan is chalked out for the team or an individual(s) keeping in mind the broader objectives of the organisation. Performance planning is the first step of performance management. Performance planning is the process of determining what and how a job is to be done in such a manner that both the employee and his superior understand what is expected from the employee and how success is defined and measured.

Performance planning for an employee flows from organizational or unit objectives and is undertaken jointly by the employee and his superior.

Need for Performance Planning:

Performance planning is the first step of performance management. Performance planning is the process of determining what and how a job is to be done in such a manner that both the employee and his superior understand what is expected from the employee and how success is defined and measured. Performance planning for an employee flows from organizational or unit objectives and is undertaken jointly by the employee and his superior.

Performance planning is a simple way of ensuring that the employee gives quality inputs that will ensure the output expected from him. Planning gives a sense of direction and ensures good economics for the company. In addition, it ramps up the contribution of the individual and enhances his self-worth.

Planning for performance is the first phase in performance management. Performance planning is a supervisory process of ensuring that the employee delivers quality output consistently over a period of time as per the requirements of the organization.

Performance planning defines expectations- the results to be achieved and skills, knowledge, expertise and capabilities required to attain these results.

i) Planning is setting performance, expectations and goal for teams & individuals to channel their effort toward achieving organizational goal

ii) Involvement of employee in process will help them to understand the goal of the organization. i.e what, why & how.

iii) Planning will result in a formal / informal agreement between employee and his/ her superior.

- ⊙ S-specific-clear and precise
- ⊙ M-measurable-qualitative/quantitative
- ⊙ A-achievable-within capability of employee
- ⊙ R-relevant-to org. goal
- ⊙ T-time bound-placing time limit.
- ⊙ SMART approach helps to define employee obj. on their role.

Process of performance planning:

Step I -Individual goal setting:

It based on the organizational objectives and strategies, dept. goals and objectives are defined. Dept. objectives are then broken into individual job objectives.

a)Setting Objectives

- Objective setting is an integral part of the performance planning process, particularly to create an understanding of how individuals can impact broader business results.
- Objective or goals can be quantitative, achievement based, or qualitative(expectations of behavior)
- Objectives are decision rules which enable management to guide and measure the firm's performance towards its purpose".
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Following factor should be considered in setting objectives:

- ⊙ Forces in environment: employee, customer, government
- ⊙ Realities of enterprise's resources and internal power relationship: Internal power relationships have an impact on objectives in different way
- ⊙ Values system of organization :
Values, as an enduring set of beliefs, shape perceptions about what is good or bad, desirable or undesirable.
- ⊙ Awareness by management:

Awareness of past objectives and development of a firm leads to a choice of objective that had been emphasized in the past due to different reasons

StepII -Linking individual goal to organizational goal:

It consists of defining performance elements i.e what employee has to do. Job consists of some duties and responsibilities that contribute to accomplishing organizational objectives and strategy.

- ⦿ Organizational and individual performance plan is a tool for managing both employee's behavior and output.
- ⦿ It aimed at developing people and improving their performance by aligning personal goals with those of wider organization.
- ⦿ It is job oriented results can be expected from member of the organization.
- ⦿ Superior and subordinate together formulated the individual performance plan.
- ⦿ Performance plan should assist employee in enhancing areas and developing new competencies.

3. Performance Coaching :

Performance Coaching is a process where one person facilitates the development and action planning of another, in order that the individual can bring about changes in their lives. Performance Coaching is not advice giving and does not involve the coach sharing their experience or opinions.

Performance Coaching is a series of conversations or session in which the coachee is encouraged to set achievable goals on the way to larger goals, to develop their self awareness, to identify and overcome any obstacles, to plan and prepare, and Most performance coaching is non-directive, meaning they do not tell the coachee how or what to do. However, directive performance coaching is always a powerful resource in the back pocket of the performance coach when the coachee may have lost their way or need a knowledge intervention. A knowledge intervention is when the coachee cannot move forwards without become conscious of something that they were previously unaware. They cannot know what they do not know.



Identification of Training Needs:

The process of assessing and fixing the gap between the standard competence required for the job and the existing competence in the job holder called as the 'identification of the areas of deficiencies' and the 'resultant gap in the job holder in terms of knowledge, skill and attitude called as the 'training needs'.

Identification of training needs being an important aspect and a prerequisite to designing a training programmes. Identification of training needs is generally based on two processes- identification of standard of knowledge, skill and attitude (KSA) required in the job and identification of the existing level of KSA of the job holder. The comparison between these two processes would provide the information that forms the basis for developing appropriate training programmes, hiring employees may not ensure their success as because changes in business environment may necessitate training of the employees.

The changes that may cause the current employees to undergo training may be

- (1) Introduction of new equipment's or processes,
- (2) Changes in the job responsibilities,
- (3) Increase in the number of accidents and
- (4) Decrease in the employee's productivity or in the quality of output

Job specification:

A **job specification** defines the knowledge, skills and abilities that are required to perform a **job** in an organization. **Job specification** covers aspects like education, work-experience, managerial experience etc which can help accomplish the goals related to the **job**.

Performing gap analysis:

The first step in the needs assessment process is to identify the needs. It is used to check the actual performance of organizations and people against existing standards or to set new standards. The gap between the current and the required skill will identify needs, purpose and objectives of the training.

Training specification:

It is a detailed description of the design and materials used to make something.e.g: schedule, type of training: on the job, off he job trainer, Outcome Module etc.

4.Counseling for Better Performance:

Counseling is a relationship between two persons i.e., a counselor and a counselee. A counselor offers help to the counselee in related issues like problem solving, target achievement etc. Counseling may be formal or informal. Formal Counseling is a planned and systematic way of helping the subordinates by experts. Informal counseling is concerned with day-to-day relationships with the manager and the subordinate where the help is offered but is not as per a formal plan. Performance counseling involves helping an employee to understand his own performance, find his place in relation to others and identify ways to improve upon. It focuses “on analysis of performance of the job and identification of training needs for further improvement”. Sometimes performance counseling is misinterpreted as a process of correcting or controlling the employees behavior by giving him negative feedback in a positive manner Performance counseling is done in regular course of time. It focuses on the entire performance (tasks and behaviors) during a particular period rather than on a specific problem.

Objective :

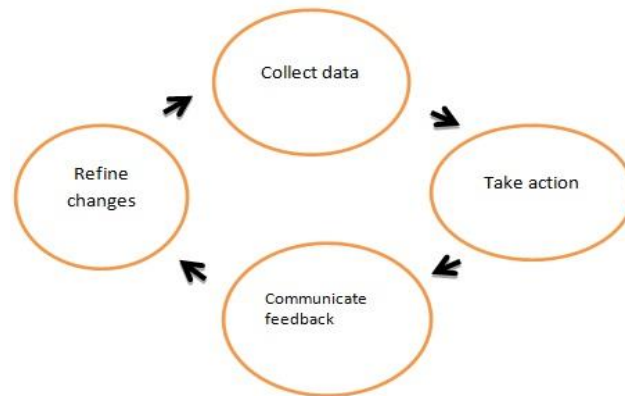
- ⦿ It helps in reviewing the progress made by an employee in concern with his objectives.
- ⦿ helps to develop various plans, which are necessary or required to improve the performance.
- ⦿ provides a friendly work climate and healthy working atmosphere.
- ⦿ helps to realize the actual potential of a manager.
- ⦿ acts as a base to increase the personal and interpersonal effectiveness

Process of Performance Counseling:

- ⦿ Step I – Rapport building
- ⦿ Step-II – Listen with intelligence and understanding
- ⦿ Step-III – Avoid being judgmental
- ⦿ Step IV – Define the problem
- ⦿ Step-V – Plan the action
- ⦿ Step-VI – Stay alert
- ⦿ Step-VII – Conclude the meeting

5.Feedback Mechanism in Organization:

This is where **organizational feedback** plays an important **role**. It helps to understand the performance of employees and managers and how they can improve the output for the benefit of the company. One method of knowing better about employees, is using a 360 degree **feedback mechanism**.



There are basic steps which are followed when doing an organizational feedback:

1. Collect data: Collecting the most important data accurately is the foremost things which companies must do so that they can work and improve on the correct factors and parameters
2. Take action: Once the issues are understood, appropriate actions must be taken to rectify those processes so that improvements are done.
3. Communicate feedback: This is a two way communication process which helps to understand and evaluate whether the actions taken are working in favor of the company or not.
4. Refine changes: Once the feedback is understood thoroughly, changes are incorporated so that the processes and performances are improved further.

Feedback should consist of two way communication which is very important. Further, timeliness and regularity of feedback is highly essential to ensure that the process stays relevant. The content of the organizational feedback should be constructive, and extremely specific for clarity. Finally, the manager must ensure that the employee has understood the feedback and must follow up on a regular basis until the desired results are achieved.

Benefits of feedback :

- ⦿ Improves Performance. Feedback provides a clear expectation of performance. ...
- ⦿ Improves Retention.
- ⦿ Promotes Employee Loyalty.
- ⦿ Decreases Costs.
- ⦿ Increases Sales.

Unit no.2. Introduction to Competency

1. Definition Competency
2. History of Competency,
3. Basic Components of Competency(Knowledge(K),Skill(S), Attitude(A)),
4. Performance Vs Competency,
5. Difference between Competence and Competency,
6. Type of Competency- Generic Vs Key Competency, Functional and Technical Competency, Leadership and managerial Competency,
7. Need for Competency Framework,
8. Myth about Competency

Introduction:

At the heart of any successful activity lies a competence or a skill. In today's competitive world it is becoming particularly important to build on the competitive activities of business. There has been much thinking about business strategy over the last three decades, particularly regarding what competencies a business needs to have in order to compete in a specific environment. Top management has been identifying corporate core competencies and has been working to establish them throughout the organization. Human Resource Development (HRD) builds competency-based models that drive business results. What are strategies? According to Jauch and Glucck (1984)

‘Strategy is a unified, comprehensive and integrated plan that relates the strategic advantages of the firm to the challenges of the environment. It is designed to ensure that the basic objectives of the enterprise are achieved through proper execution by the organization. Businesses have strategies, a formal planning cycle; a mechanism is devised to devote the resources to it in the competitive environment.’

There was a time when an organization had a long-term and short-term strategy. The term would be five, 10, 15 years, but today it has shrunk to a year or two. What are the reasons and the forces behind this? Realities are changing fast. Instead of seeking to create new markets where managers can occupy the competitive advantage by simply being the first ones to get there, they have become too preoccupied with their competitors for existing markets. Competition is to maximize the arena for sharing future opportunities. Organizations, that possess inherent strengths that are core competencies, are likely to have an edge over others.

Following are the factors helps while building competencies for an organizational future.

- Organizations need: A conceptual framework for performance measurement, and management system.
- Effective internal and external communications for successful performance measurement.
- To assign clarity and understanding in accountability for better results.
- Performance management systems for decision-making and not just compilation of data.

- Performance measurement to be linked for compensation, rewards and recognition.
- To share the results and commitments openly with the employees.
- Combine the competency-based interventions into the perspective.

What is a Competency?

“An observable and measurable knowledge, skill, ability or personal characteristic defined in terms of the behaviors required by employees to achieve the performance outcome needs of the organization of excellence.”

The key concepts to highlight in this definition are that competencies are observable and measurable, that they are related to excellent performance, and that they highlight behavior.

Competency is a concept that gives an indication to the employee about the areas and levels of performance that he would be expected to do. It is like a map that shows the employee the kind of behavior that would be valued, recognized, and in some organizations, rewarded as well.

Competency is a cluster of related knowledge, skill, and attitude that affects a major part of one's job (a role or responsibility), and correlates with performance on the job. It can be measured against accepted standards, and can be improved through training and development.

Competency is the behavior that employees must have or acquire as input for a situation in order to achieve high levels of performance, whereas competence relates to a system of minimum standards of an organization or is demonstrated by its performance and outputs.

While measuring organization's performance:

Better results will be found, if more and more are development of competencies more and more will be a competent organization.

Now days it has become one of the key priorities of the organization. Realizing this fact, organizations are looking for competent professionals and thus striving to develop their current staff's competencies.

Is 'competence' and competency the same?

Some dictionaries may present them interchangeably; however, as shown in below Fig 'competence' means a skill and the standard of performance reached, while 'competency' refers to the behavior by which it is achieved. In other words, one describes what people can do while the other focuses on how they do it. Therefore there is an Interface between the two, i.e., the competent application of a skill is likely to make one act in a competent manner and vice versa.

The plural of each word, therefore, gives two different meanings—competences and competencies are not the same. Competences refer to the range of skills which are satisfactorily performed, while a competency refers to the behavior adopted incompetent performance.



There are five types of competency characteristics.

- Motives—The things a person consistently thinks about or wants and that which causes action. Motives ‘drive, direct or select’ behavior towards certain actions or goals and away from others.
- Traits—Physical characteristics and consistent responses to situations or information.
- Self-concept—A person’s attitudes, values or self-image.
- Knowledge—Information a person has in specific content areas.
- Skill—The ability to perform a certain physical or mental task.

1. Definition Competency:

- ▶ (Drucker, 1985) defined competence at individual level as an ability of an employee to offer superior performance in assigned tasks.
- ▶ (Spencer & Spencer, 1993) it is an ability to perform well in terms of qualification, skills and knowledge, to have authority to do something, highly qualified awareness.
- ▶ (Drucker, 1985) defined competence at individual level as an ability of an employee to offer superior performance in assigned tasks.
- ▶ According to (Boyatzis, Stubbs, & Taylor, 2002) competence is an underlying characteristic of a person, motives, traits, abilities, aspects of image or social role, knowledge that a person is able to use.
- ▶ (Spencer & Spencer, 1993) it is an ability to perform well in terms of qualification, skills and knowledge, to have authority to do something, highly qualified awareness.
- ▶ Perhaps, the clearest concept of competencies is offered by (Pacevicius & Kekyllte, 2008)—it is a combination of professional knowledge, abilities and skills as well as an ability to apply them following the requirements of work environment.

2. History of Competency

In the last century business has come full circle in its attitude towards workplace competencies. In the beginning of the 20th century, work brought complex skills to the job. Typical business processes required specific competencies for the task at hand. These competencies could be acquired only through years of on-the-job learning and practice.

Then came the era of scientific management where Frederick Taylor’s and Henry Ford’s use of assembly line shifted competencies from workers to time-and-motion study. Complexity was

minimized and efficiency was maximized with the philosophy and in a depression economy, employees had little value. Process expertise left little scope for training. If the worker could not handle the monotony— boredom, physical strain—a large number of applicants were available to fill openings.

Later, in mid-century, World War II enforced management centric views where officers gave orders to subordinates who obeyed the commands without questions. Thus somebody had to run things and only those in command were assumed to have the information, perspective and abilities to make decisions.

After the war they still lived under a command and control hierarchy. The task broken into smaller tasks, was done by specialists. In the post-war decade the demand was unparalleled and competition was little. The turnaround came when in the early 1960s. McClelland wrote a landmark article in the American Psychologist asserting that IQ and personality tests that were then in common use, were predictors of competency. He felt that companies should hire based upon competencies rather than IQ scores only.

Later McClelland, founder of McBer, a consulting company, was asked by the US Foreign Service (USIA) to develop new methods that could predict human performance. The objective was to eliminate the potential biases of traditional intelligence and aptitude testing. This was the beginning of the field of competence measurement. The next step was for competency concepts to find their way into mainstream business practices.

McClelland (1973) began by asking the USIA's personnel director and some top managers, for the names of their most outstanding employees. He also asked for the names of people whose jobs were secure but who were in no way outstanding. To differentiate between the two groups, McClelland and his colleague asked 50 people to describe three incidents where they felt they had outstanding performance and where they felt they had really messed up. To establish clear picture minute details were asked for—what was said, what was done, when and where it all happened, who else was there and so on. These detailed descriptions enabled them to find out a pattern of what competencies the outstanding performers had demonstrated which others had not. Many of the skills that the panel of experts had identified as crucial to job performance turned out to be irrelevant to the everyday duties of the people interviewed by McClelland.

In order to validate the conclusions about which competencies were necessary, McClelland tested them on another group of officers who had been identified as outstanding and a group who fell into the mediocre category. Using psychological tests for the key competencies, he found that the officers identified as outstanding consistently performed very well on such tests, whereas those rated mediocre performed poorly. Thus it was clear that the key competencies identified were indeed relevant to job performance.

3. Basic Components of Competency (Knowledge(K),Skill(S), Attitude(A)),

1. Knowledge— is the information that you know, including theories, facts and procedures, and the ability to apply this information in different situations.

e.g: reading (one understands the meaning of driving a car)

2. Skill— is about doing something well – your ability to choose and perform the right technique at the right time. It’s usually developed through training and practice.

e.g: practicing (one is shown how to drive a car and is allowed to practice in a non-traffic area)

3. Attitude- It is an individual's inclined state of mind regarding a value and it is precipitated through a responsive expression towards a person, place, thing, or event which in turn influences the individual's thought and action.

Is a psychological construct, a mental and emotional entity that inheres in, or characterizes a person.

They are complex and are an acquired state through experiences.

4. Performance Vs Competency:

- As the two terms are often used in the study and application of human resources, performance and competence help evaluate individuals and their true capabilities. However, several differences between them set them apart.
- Performance refers to the degree to which someone actually performs the competencies. Competence implies only ability. Performance involves ability, motivation, and execution.
- e.g: competence involves “knowing” the language and performance involves “doing” something with the language.
- Competence is the ability of an individual to perform one’s duties or being adequately qualified in order to do so. Performance is an activity or the accomplishment of a given task.
- Competence involves “knowing”. Performance involves “doing”.
- It is difficult to assess competence without evaluating the performance. Competencies are often defined as ‘behaviors’ and assessed by ‘performance’ indicators

5. Difference between Competence and Competency,

<u>Competence</u>	<u>Competency</u>
Based on the results	Based on individual behavior
Describes the feature of the job	Describes the feature of the person
Consists of the various skills and knowledge required to perform a job	Consists mainly of fundamental characteristics of a person which result in effective and/or superior performance on a job
Measured by Performance on the job/efficiency	Measured in terms of behavior/attitude
Are specifically process oriented	Are typically result oriented

Are not transferable since each skill is more specific to perform the job

Are transferable from one person to another

6.Type of Competency-

1. General Competency:

There are some competencies that are essentially required by all human beings irrespective of the type of the organization, position in the organizational hierarchy, nature of products and services, whether it is operating in mild or tough competition, national or multinational, functioning in placid or turbulent environment, and so on. These are generic competencies which are also termed as ‘skeleton competencies’.

Generic competencies include ambition, career aspirations, creativity, originality, compassion, peer relationship, organizing ability, personal learning, interpersonal savvy, self-knowledge, self-development, time management; urge to be a self-starter, etc.

Just as no person can stand without a skeleton, an individual cannot succeed in his/her professional career without having the generic or skeleton competencies.

2. Key Competency

Functional competencies are specific to a specific department or a type of job. Today’s business scenario is very demanding and considers competency mapping very important for its survival and growth. Key competencies include teamwork, responsibility, commercial awareness, communication, leadership, trustworthiness and ethics, results orientation, problem saving, organizational skills etc.

3. Functional competency

Functional competencies are specific to a specific department or a type of job. Today’s business scenario is very demanding and considers competency mapping very important for its survival and growth.

4. Technical Competencies:

It concerned with the effective use of IT systems and computers, or any hard skills necessary for a job role. These competencies include the following:

- i. Competency identification skill
- ii. Computer competencies
- iii. Career development theories and techniques understanding
- iv. Electronic system skill
- v. Facilities selection skill
- vi. Objectives preparation skill
- vii. Performance observation skill

viii. Training and development theories and techniques skill

ix. Research skill.

5. Leadership Competency

An expression of the qualities that make a good leader, turned into measurable behaviors.

List of Leadership Competencies

- Social Intelligence (SI). This is not only one of the best predictors of effective leadership, but it is poorly understood and under-researched. ...
- Interpersonal Skills.
- Emotional Skills/Intelligence (EI).
- Prudence.
- Courage.
- Conflict Management.
- Decision-Making.
- Political Skills.

6. Managerial Competency:

Are the skills, motives and attitudes necessary to a job, and include such characteristics as communication skills, problem solving, customer focus and the ability to work within a team.

The core six managerial competency skills are below:

- Communication Competency.
- Planning and Administration Competency.
- Teamwork Competency.
- Strategic Action Competency.
- Multi Cultural Competency.
- Self Management Competency.

Generic Vs Key Competency-

- **Generic Competences.** Set of skills, knowledge, and attitudes that allow to complete a task in a given context
- **Key competencies** encompass knowledge, skills, attitudes, and values. **Key competencies** work together and influence each other.
- Generic competencies are applicable to a wide range of positions, for example, for all managers across different organizations and industries,
- whereas key competencies in contrast are applicable only for a particular position in a given industry
- key competencies would vary from industry to industry. The general manager (materials) from an FMCG company will not fit into a similar role in the steel industry.

Functional Vs Technical Competency:

- Functional competencies are specific to a specific department or type of job. .
- Functional Competencies. A competency is a skill or attribute that is required to carry out a role effectively. They are normally an important part of job descriptions.
- Functional Competencies vary between roles in a Job Family and between Job Families themselves. They are specific to each Job Family.

- Technical competencies are specific to fluency in operating specific hardware, software, equipment, design calculations, coding, theoretical and practical expertise in the specific domain.
- Technical competencies are behaviors directly related to the the nature of training and the technical proficiency required to exercise effective control.

What is a competency framework?

A competency framework is a model that broadly defines the blueprint for ‘excellent’ performance within an organization or sector. Generally the framework will consist of a number of competencies, which can be generically applied to a broad number of roles within the organization or sector. Each of these competencies is then defined in a way that makes them relevant to the organization or sector, using language that is clear enough to ensure that everyone has a common understanding of what ‘excellent’ job behavior looks like within the generic context. This common understanding then becomes the benchmark against which the performance of an individual, team, project, or even entire organization, can be assessed.

A competency framework defines the attributes and ways of working that are required for organizational success. They emerged in the 1980s as a response to a developing interest in organizational effectiveness and changes in the nature of work.

Competency frameworks offer the opportunity to define what good looks like in any given role ensuring that there is consistency across different roles. They therefore allow the organization to align HR practices so that a consistent method of measurement is available across the employment lifecycle. They are most commonly used for assessment at the recruitment stage, at performance evaluation time and for development.

There are several different types of competency framework:

Behavioural - define how success can be achieved; what people see and experience others doing

Technical – these cover the knowledge and technical skills that are required for job success

Results - these cover what’s achieved, the outcomes of work

7. Need for Competency Framework,

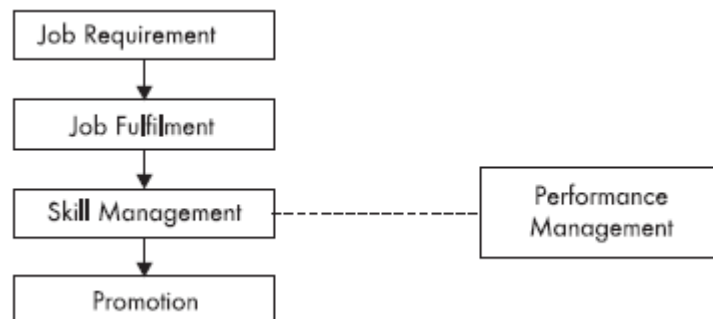
An organisation that neglects to define an expected standard of performance will be one where judgment of good, bad or excellent will be highly subjective. Without a common understanding of good, bad and excellent, judgment cannot be fair and development priorities are difficult to agree upon. A well crafted framework can provide a common language which can be used for the review, evaluation and development of organizations, projects and individuals.

In order to keep a framework simple it must concentrate on the things that will be common to all roles across the organisation or sector. Where activities and contexts are very diverse it becomes difficult to identify actions and skills that are common but it can be easier to agree on what attitudes and approaches could be considered ‘excellent’ within any context. Therefore the simplest and most flexible frameworks will be those that concentrate on behavior i.e. ‘if and how’ things are done rather than on the specific skill and knowledge i.e. ‘what’ is done. Descriptions of ‘how’ something should be done will concentrate on the specifics of what can be objectively observed and it can be identified when an individual is demonstrating excellence within the behavior. It therefore becomes easy to assess individuals or projects simply by comparing actual observation with the framework benchmark.

There are many different framework models but in general the more specific the framework is, regarding what must be done and what must be known, the more complicated the framework will be because it must incorporate the many different permutations that will be applicable to different roles. This is a generic framework and chooses to concentrate on common benchmarks of ‘how’ things should be done. Organizations may wish to define skills and knowledge in more detail in supporting documents (for example, job descriptions). However the framework is the common core and any other supporting descriptions or documentation must acknowledge it as the central point of reference.

8. Myths about Competency

Competence is not performance but is a state of being, a qualification to perform. It is, in relation to performance, a necessary but not sufficient condition. Workers cannot perform to standards without competencies. But competencies cannot guarantee that workers will perform adequately. Sometimes, extremely competent workers may fail on the job due to a variety of personal or environmental factors. Those lacking competencies can make up for a lot of shortcomings with exceptionally hard work. Competence has to be there but it cannot guarantee results, nor can its absence always predict failure. Competency measurement should not be confused with performance measurement. Competencies are all about being qualified to do the work in a particular position. Performance, on the other hand, is the result of the actual work. A blend of these two activities may cause confusion and eventually disaster. The organizations, by mixing them up, may end up doing a poor job of both competency assessment and performance management which is detrimental to the entire organization.



Above fig. shows, it is critical to keep a competency management system separate from a performance management system.

Competence is not process input—The classic four M’s of Total Quality Management as shown below Fig. have nothing to do with a worker’s qualification to do a job. They are resources that are used to complete the process. Herein, manpower denotes the number of people required to perform the process, not their capabilities; materials, methods and machinery are part of the process as designed. These are resources used by the people to complete the process. Thus they are tools, not competence.

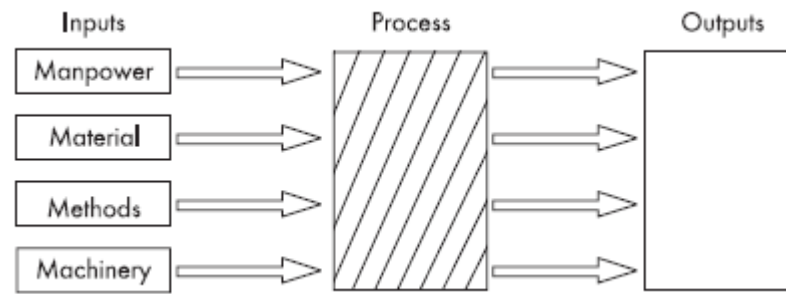


Fig. Input Process Output Model

Competence is not process output—Outputs are the business results of a process. They are productive outcomes of competent workers. Results are not competencies. Process results are just one of the many measures of competence. It is easy to mistake outputs for competence because competence is closely related to output. But these are cause and effect relationships, not equivalencies.

Competence is not a trait—A trait is a distinguishing characteristic of personality. Personality traits are formed at an early age and it is believed that certain elements of personality may be genetically determined. Even with the help of a trained therapist it is hard to change personality. Traits end up being what someone brings to the job. Once people are on the job, typical development activities have little chance of changing personality. It is said ‘hire for traits, train for skills and fire for attitudes’. Traits are attributes such as asking, obedient, reverent, timid, thrifty and courteous. However, traits that have creped into the competency model are openness, team oriented, empathy, achievement oriented, problem solving, etc. Each competency should be defined by what it means. Competency projects deal with performance issues only. Consequently, traits have no place in a competency model.

Competence is not capability or ability—Capability is a workplace capacity. It connotes potential future performance. Ability is a reflection of talent, of being able to perform. Neither of them guarantees performance. One may have sales ability, administrative ability, one may be capable of taking independent action or capable of resolving problems on his/her own. The competency process should consider not what workers can potentially do or what talents they could have, if they choose to use them, but what workers actually need, to be qualified to do. Thus capabilities and abilities are not part of the model.

Competence is not a motivational attitude—Motivational attitudes are integral to the personality of a worker, such as aggression, self-confidence, decisiveness, ambition, commitment. Do not make the mistake of including motivational elements while defining competence.

Unit no.3. Competency Development & its Models

1. Need and Importance of Competency Development,
2. Stages in developing Competency Model,
3. Types of Competency Model
4. Development of Personnel Competency Framework – Lancaster Model of Competency

Introduction:

A competency model is a written description of the competencies required for fully successful or exemplary performance in a job category, work team, department, division, or organization. Competency identification and modeling can be a beginning point for strategic development plans linked to organizational and individual needs. Competency models may also vary by type. Many organizations do not distinguish among competency models that highlight the differences between excellent and fully successful performers, those that identify minimum requirements for job success.

In general, the structure of a competency model, the way in which it is communicated to workers, and the manner of its use reflect the values of the organization's decision makers and leaders.

Competency model

Competency model lists the competencies required for effective performance in:

- a specific job
- job family
- organization
- function or
- process

Individual competencies are organized into competency models to enable people in an organization or profession to: understand, discuss & apply the competencies to workforce performance. Competencies in a model may be organized in a variety of formats. Common approach is to identify several "core" or "key" competencies that are essential for all employees.

Then identify several additional categories of competencies that apply only to specific subgroups. Some competency models are organized according to the type of competency: leadership, personal effectiveness, technical capacity.

Other models may employ a framework based on: job level, with a basic set of competencies for a given job family & additional competencies added cumulatively for each higher job level within job family.

1. Need and Importance of Competency Development:

- Identify the business need or needs that are to be addressed.
- Second, it will help the efforts of all participants to remain focused on the objective.
- Also, it will help to mould selection, training and development, performance appraisal, succession planning, compensation, etc as per need.
- Attracting top talent, retaining key employees, ensuring that skills are available to meet the future challenges, aligning cross-organizational teams to get products to the market faster and also aligning people's behavior with organizational values and strategy.
- Initially, a competency model serves as a guide for job postings and applications Building the competency models in your organization is an ever-evolving process, based on observations, input and feedback from management and hiring managers.
- Competency models also serve to create a more cohesive work environment, as individuals with skills that span their professional expertise and social capabilities are more likely to work well in the same environment.

2. Steps in Developing a Valid Competency Model

There are seven steps in developing a Competency Model:

- Step One: Defining Objectives
- Step Two: Obtain Support of a Sponsor
- Step Three: Develop and Implement a Communication & Education Plan
- Step Four: Plan Methodology
- Step Five: Identify Competencies & Create Competency Model
- Step Six: Apply Competency Model
- Step Seven: Evaluate and Update Competency Model

Step One: Defining Objectives:

For defining objectives, four essential questions to be answered:

- Why is there a need to develop the competency model?
- What is the unit of analysis?
- What is the relevant timeframe?
- How the competency model will be applied?

Step Two: Obtain Support of a Sponsor

- A sponsor is necessary for each competency modeling project. He provides information, resources, support & authorization to ensure its success The key element of support is: commitment & participation of employees, managers, professionals from whom data will be collected Sponsors should have influence & control over relevant units
- He should be the chief executive, department head, program manager, etc.
- How will employees, managers, professionals & other stakeholders be involved?
- How long will it take to develop and apply the model?

- What actions will be taken to ensure the success of both the model development & its application?
- What are some of the potential barriers & what are the plans for addressing them?
- What are the tangible & intangible costs of developing the model?

Step three: Develop and Implement a Communication & Education Plan

- To get success in any competency project, convince those who are stakeholders, Work with people who know the organization well to identify stakeholders. Assess probable level of support that can be expected from each stakeholder
- Informally classify them into three categories:
 - *Committed* - They will participate willingly, provide funding/ resources & will influence others
 - *obedient* - They will do what they are asked to do
 - *Resistant* – They may strongly oppose, refuse to cooperate, delay requested actions, or attempt to stop the study
 - Passive resisters may appear to comply but actually attempt to undermine the study

Plan a communication strategy to address probable concerns. Organizational leaders may fear that their autonomy will be replaced by competency model. To decrease anxiety, emphasize that competency model will provide tools & guidelines for decision-making Create a schedule for communicating with each stakeholder. Communicate at periodic intervals throughout the study to keep everyone informed. Communication plan should specify media to be used: in-person briefings, conference calls, e-mail, voicemail , posters, staff meetings, newsletters, videos, memos

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Step four: Plan Methodology

Select Sample of individuals from whom data to be collected:

- *Using Multiple Groups* - Collect data about required competencies from both job incumbents & others familiar with the work
- *Focus on High Performers* – They will provide accurate data about competencies required for excellent job performance
- *Desirable Characteristics of the Sample* - Ensure that people selected to identify competencies have strong analytical & verbal abilities

- *Selecting a Representative Sample* - Sample should be proportionately similar to the entire population
- **Consider following factors in selecting the data collection methods:**
- *Validity* - The method should accurately reflect required competencies for the job role
- *Reliability* - The method should provide reliable data
- *Application* – The method should take into consideration the application of identified competencies to be applied
- *Efficiency* - Time & other resources required in instrument development, administration & analysis of results
- *Practicality* - The method should be practical
- *Acceptance* - The job incumbents, managers & other stakeholders in the study should accept the method as a reasonable way to collect data
- Use following data collection methods:
 - Literature Review
 - Focus Groups
 - Structured Interviews
 - Behavioral Event Interviews
 - Surveys
 - Observations
 - Work Logs
 - Competency Menus and Databases
- Use Complementary Data Collection Methods
- Plan the Data Recording and Analysis
- Conduct Pilot Testing

Step five: Identify Competencies & Create Competency Model

Job Definition – It describes each of the key elements of the job. A comprehensive job study as follows, helps to define job:

- Input (resources, triggers for action)
- Processes (the actions taken to create the outputs)
- Outputs (deliverables such as products or services)
- Consequences (desired results for client/organization/ individual)
 - Feedback (communication about the work)
 - Conditions (rules, regulations, policies)

Step Five: Identify Competencies & Create Competency Model

Competency identification directly follows the definition of job content. If the job-study focused on 6 elements of work, then identification of competencies will be based on competencies required

for 6 elements If the job study method focused on duties & tasks, then the identification begins with first task and continues through the last task

Assemble the Competency Model

Cluster similar knowledge, skills, abilities & personal characteristics together to avoid creating an broad list. The objective is not to create an exhaustive list of competencies for research purposes. The goal is to create a list of most critical competencies for everyday application in training & personnel management This set of competencies, with a clear definition for each, constitutes the competency model. To remain manageable, the number of competencies should be 20 or less

Develop Behavioral Examples

To complete the competency model, behavioral examples should be developed for each competency. Behavioral examples can be based on information collected while defining job content & identifying competencies. Job incumbents & their supervisors can be asked to provide examples of how the competencies are applied on the job. The purpose of these behavioral examples is to illustrate how competencies are actually demonstrated

Step Six: Apply Competency Model

Competencies identified are used to select, develop, manage, reward & compensate employees Employees know what competencies are required for success & how they will be evaluated

- ***Strategic Workforce Planning***

Develop assessment tools to determine whether employees possess the competencies necessary to meet organizational goals Based on competencies: develop criteria for screening & evaluating resumes. Develop content specifications for written tests, performance tests, etc. Prepare interview guides & rating scales. Create interview questions to find out, how candidates have demonstrated competency in their past work

- ***Training and Development***

Use the competencies to design a curriculum for training and other workforce development activities. Create a multi-rater feedback instrument to assess employee needs for competency development .Prepare development guides for the employees with suggestions to build/strengthen each competency

- ***Performance Management***

Develop guides for managers to help them conduct discussions with their employees about their performance of the competencies. Create rating guides to assist managers in the assessment of each competency. Develop a performance appraisal process & forms that incorporate the competencies.

- ***Succession Planning***

Design tools to help senior leaders assess critical competency gaps in the pool of succession candidates. Develop instruments to assess the competencies of managers who appear to have high potential for advancement. Create guides describing senior-level career paths and the competencies required for each step in those paths

- ***Performance Management***

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- ***Rewards and Recognition***

Design a recognition program based on the demonstration of highly-valued competencies or clusters of competencies. Create a guide for managers to reward the demonstration of specific competencies by their employees

- ***Compensation***

Design a competency-based compensation program where employees' salaries increase, based on proficiency in selected competencies

Step Seven: Evaluate and Update Competency Model

After development & application of competency model, it is to be evaluated to find out its effectiveness. Examine how the competency modeling process & the utility of the model could be improved. Competency model should be revised, if there is any change in:

- organizational strategies
- environmental conditions
- job design
- regulations
- professional practices or
- other key factors

A schedule for reviewing currency of a competency model should be established. If target job/organization has changed significantly, the study for a new competency model should be

conducted. If there is no significant changes - interviews, focus groups, surveys, or SME groups is used to revise & update the model

3. Types of Competency Model –

There is no one single specific set of standards for competency models. Although some themes recur and often are recycled, building a model is somewhat subjective and is based on the overarching company or organizational goals. Competency model styles do shift dramatically, based on industry and job types. For example, the model for an engineering consulting firm is very different from that of a warehousing business that has numerous floor workers. The education, background, and the skill level all make up the framework for a competency model. Positions that require more advanced skills have a higher level of competency requirements, especially in the skill-specific competency department. While there is flexibility within the competency model framework, here are a few common model types.

S.No.	Categories of Competency Model	Major Characteristics	Advantages & Disadvantages
1.	Core Competency Model (one-size-fits-all model)	-closely aligned to vision, values, and mission -applies to all levels/ jobs -provides broad, quick, and consistent impacts	-helps to catalyze changes -can be used with many groups -modest cost but long last impacts and functions -not specific to particular job -more difficult to implement -best for homogeneous work
2.	Functional Competency Model	-built around key business areas -applies to all employees in target functions	-focused and specific efforts -considers on technical aspects -often used for a single job or positions
3.	Job/Role Competency Model	-applies to specific roles in organizations - identifies both core and specific competencies	-unifying, useful in a team-based organizations -narrow if applied to a single job less cost effective if outdated - time consuming
4.	Multiple-Job Model	-provides a common set of generic competencies -can be used with several jobs for a longer period -applied to a wide range of employee groups	-getting popular but most difficult to implement and explain -needs close management supports and HR champions -a quick, low-cost approach -customized for individual jobs

4. Development of Personnel Competency Framework – Lancaster Model of Competency

The Lancaster Model of Managerial Competencies is a universal management competency framework, developed by Burgoyne and Stuart (1976) and first published in Personnel Review. The 11 qualities separated into three groups, as shown in Fig, represent three different levels. The first level forms the foundation level, and comprises of two kinds of basic knowledge and information a manager may need to use in decision making and action taking.

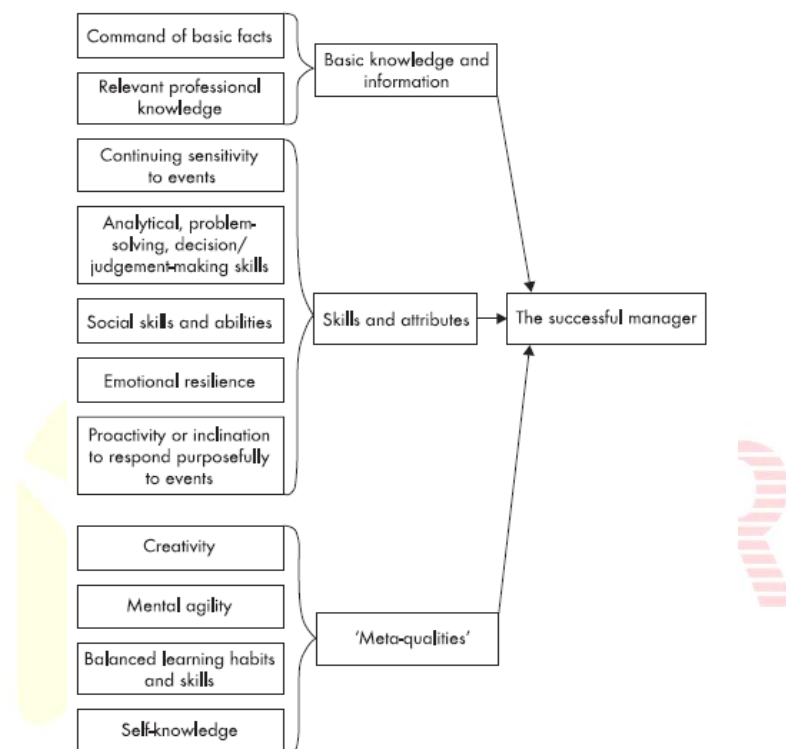


Fig: Lancaster Model of Managerial Competencies

Level One

Competence One: Command of Basic Facts

This competency states that a successful manager should understand the business and have a sound knowledge of basic facts surrounding the business such as short- and long-term goals, product Knowledge, and the roles and relationships between various departments.

Competence Two: Relevant Professional Knowledge

This includes knowledge of a specification such as legislation, management techniques, sources of finance or knowledge of basic background management principles including planning, organizing and controlling. The second category comprises specific skills and attributes that directly affect behavior and performance.

Level Two

Competence One: Continuing Sensitivity to Events

This means the manager is aware of what is going on and is perceptive and open to information: hard information such as figures and facts and soft information such as feelings of other people. As a result, a successful manager is able to respond in a suitable manner to situations as they arise.

Competence Two: Analytical, Problem-solving and Decision-making Skills

A manager must make many decisions—sometimes these can be made using logical, optimizing techniques. At other times it means using the ability to weigh the pros and cons in what is a very uncertain or ambiguous situation, calling for a high level of judgment or even intuition. Consequently, the manager must develop judgment-making skills.

Competence Three: Social Skills and Abilities

Burgoyne and Stuart (1976) describe interpersonal skills as ‘one of the key features of the manager’s job’. A successful manager needs to develop a range of skills such as communicating, delegating, negotiating, resolving conflict, persuading, using and responding to authority and power, all of which are essential to interpersonal activities.

Competence Four: Emotional Resilience

This is the ability to deal with the emotional stress and strain that arises as a consequence of working in situations of authority, leadership, power, targets and deadlines. Burgoyne and Stuart (1976) talk about being resilient in coping with this stress. They explain: ‘Resilient means, that when feeling stressed, we don’t get thick skinned and insensitive but manage to cope by maintaining self-control and by “giving” to some extent.’

Competence Five: Proactively or Inclination to Respond Purposefully to Events

At times managers must respond to the needs of the instant situation, but whilst making such a response, the successful manager considers the longer-term aims and goals and the impact of the Immediate decision. This competence also includes abilities such as dedication and commitment, having a sense of mission and taking responsibility.

The third category consists of qualities that allow a manager to develop and deploy the skills and resources outlined in the second category. The authors have called this third category ‘meta-qualities’ because ‘they allow the manager to develop the situation-specific skills needed in particular circumstances’ (Burgoyne and Stuart 1976).

Level Three

Competence One: Creativity

This is the ability to come up with unique ideas or solutions, and to have the insight to take up useful ideas—either your own ideas or ideas from another source.

Competence Two: Mental Agility

This competence is concerned with being able to grasp problems quickly, to think about several things at once, to understand the whole situation quickly and to ‘think on one’s feet’. ‘Given the hectic nature of managerial work these are particularly necessary qualities for success,’ explain Burgoyne and Stuart (1976).

Competence Three: Balanced Learning Habits and Skills

Successful managers according to Burgoyne et al. exhibit independence as learners rather than depending on an authority figure capable of abstract thinking. Such managers have the ability to use a range of learning processes including use of inputs like teaching, discovery from one's personal experiences and reflection, a process of analyzing and reorganizing pre-existing experiences.

Competence Five: Self-knowledge

The final competence concerns the extent to which managers are aware of their own beliefs, goals, values, feelings, behavior and the part they play in influencing their actions. 'The successful manager therefore needs skills of introspection,' explain Burgoyne and Stuart (1976).

Unit no.4. Competency Mapping

1. Introduction
2. Objectives,
3. Need for competency mapping
4. Purpose of competency mapping
5. Competency based performance effectiveness (Key Result Area (KRA) & Key Performance Indicators(KPI)
6. Applications of Competency Mapping
7. Understanding key steps of the Competency mapping process
8. Steps and Tools used in Competency Mapping
9. Mapping Competency for Recruitment and Selection,
10. Mapping Competency Training and Development,
11. Mapping Competency Performance
12. Mapping Competency Compensation.

1.Introduction

Organizations recognize that they carry out their business through people and they are truly their most valuable resource. Over the last ten years or so, HR professionals have generated a lot of interest in the notion of competencies as a key element and measure of human performance. Competencies are the skills and abilities of an individual that result in better performance in the given area. Competencies include the collection of success factors necessary for achieving important results in a specific job or work role in an organization. Success factors are combinations of knowledge, skills, and attributes that are described in terms of specific behaviors', and are demonstrated by superior performers in those jobs or work roles. Attributes include personal characteristics, traits, motives, values, or ways of thinking that impact an individual's

behavior. Competency refers to the ability to perform effectively the function associated with management at work situation and brings out dimensions of behavior lying behind competent performers, while competence refers to areas of work at which the employee is competent. Competency is underlying characteristics required to perform a given task, activity, or role. It has the following forms—knowledge, skills and attitude. As a cluster of related activities that is knowledge, skills attitudes that affect a major part of one's job (a role or responsibility) that correlates with performance on the job, can be measured against well accepted designed standards, and that can be improved through training and development in the organizations.

This clearly brings forth the linkage of competency to performance of employees as competency indicates 'what the employee can do or has the ability to do' and performance indicates 'what the employee does'. Performance is the stage where assignment of work and responsibilities in commensuration with the ability to deliver is made. Appropriate design of role and responsibility sets is the key to successful performance management system in the organizational context as individual performance influences organizational performance. This refers to competency mapping, which is an important resource in competitive business environment, and is an adjunct to knowledge management and other organizational initiatives. Competency mapping is a process of identifying key competencies for a particular position in an organization, and then using it for a host of HR applications, most notably performance management besides recruitment and selection, training and development, career development, human resource planning, mentoring, etc.

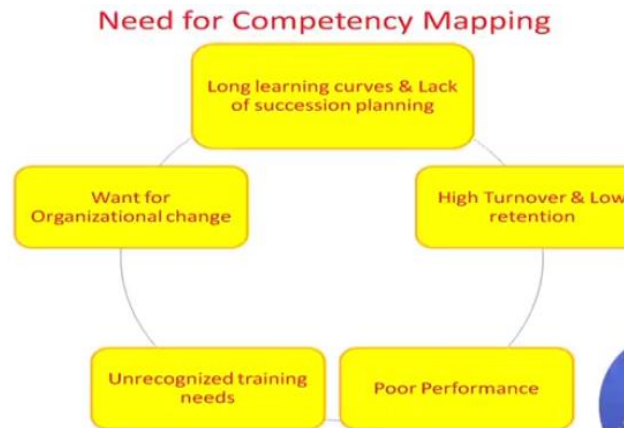
2.Objectives of competency mapping

Main Objective - To identify and describe the factors which are critical to the functioning of a particular job - work so that a match can be established between the skills required to perform a job and actual talent of job holder.

Other objective associated with the competency mapping is

- To hire right kind of people for right job by establishing standards.
- To identify the training and development needs of individual or organization.
- To do job evaluation & formulation of appropriate incentive plans

3.Need for competency mapping:



4.Purpose of competency mapping

Effectiveness of organizations is the summation of the required competencies in the organization

- Gap analysis
- Role clarity
- Selection, growth plans
- Succession planning
- Restructuring
- Inventory of competencies for future planning

5.Competency based performance effectiveness (Key Result Area (KRA) & Key Performance Indicators(KPI)):

KRAs, and KPIs are collectively essential elements of the Performance Management cycle. However, within the cycle, some have a “long-term” focus and some have a “short-term” focus. If Performance Management is to be implemented successfully, the correct documents and measures need to be used correctly, and in the correct place.

Key Result Areas (KRA)

Goals and Objectives are set at organizational level, then “cascaded” throughout the organization to department, and even to individual level if applicable.

“Key Result Areas” or KRAs, also called “Key Performance Areas” (KPAs) refer to general areas of outcomes or outputs for which a role, or a combination of roles, is responsible. These are the areas within the organization where an individual or group, is logically responsible / accountable for the results.

Identifying KRAs helps the business area and the individuals in the business area to:

- Clarify their roles
- Align their roles to the organization’s business or strategic plan
- Focus on results rather than activities
- Communicate their role’s purposes to others

- Set individual and team goals and objectives
- Priorities activities, and improve time/work management
- Make value-added decisions
- A typical area targets three to five KRAs.

Key Performance Indicators

Sets of Key Performance Indicators, or KPIs, are established to measure performance in Key Results Areas (or Key Performance Areas) – and by definition, link back to the achievement of department / organization objectives, and the achievement of the organization’s goals.

6.Applications of Competency Mapping

1.Job Evaluation

By analyzing the key skills to require doing a job a simple job evaluation can be prepared. It can help in allocating existing or new resources to the specific job based on the evaluation process.

2. Project Planning

What key tasks can be performed by what resources in the project can easily be identified through the competency mapping process and helps in project planning?

3. Performance Management

By analyzing any gaps the performance management can be seamlessly conducted

4. Job Analysis

Competency mapping is really useful in preparing job analysis.

5. Succession Planning

The analysis of competencies required for a leadership role and mapping them with proficiency shown by potential leaders a clear roadmap for succession planning can be created.

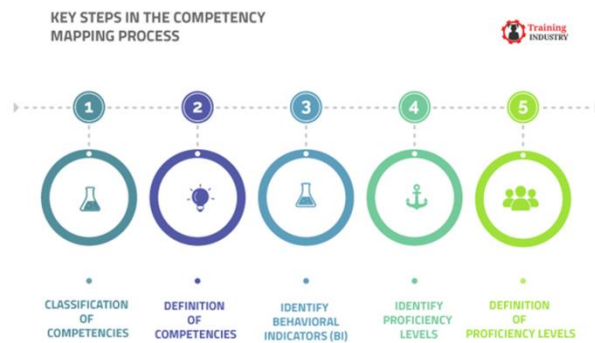
6. Recruitment

By identifying key skills required to do the job developing a competency-based interviewing process the organizations can benefit by hiring the most suitable resources while it helps in all stages of the recruitment process.

7. Individual Development Plan

Any gaps in desired and current proficiency levels help in developing individual development plans and learning roadmap for individuals.

7.Understanding key steps of the Competency Mapping process



There are 5 key steps in any competency mapping process these are not simply the steps but also the construct of the competency map. Each one of the step also from the elements in the competency map that you develop into a framework.

1. Classification of Competencies

Generally, the competencies are classified into two categories. Functional and Behavioral. However, the competency can be classified into more categories depending on the overall objective of developing a competency framework through the process of competency mapping

2. Definition of Competencies

It is very important that competency is defined well.

This helps in providing a clear picture of what exactly is the detail about the set of skills and abilities required to do the job.

3. Identifying Behavioral Indicators (BI)

The key element of any competency mapping process and developing a competency framework is the set of behaviors that defines that competency the behavioral indicators will be assigned.

4. Identifying Proficiency Levels (PL)

Not every person in a department will be at the same level of expertise or in the context of competency mapping, at the same level of proficiency. Therefore, it is critical that within a job role, department, level or grade of employees the desired proficiency levels are defined.

Notice the term 'desired', in the competency mapping process the proficiency levels are desired proficiency levels (DPL) as at this moment you don't know what proficiency levels your employees actually are. Once you assess and measure proficiency levels then you would arrive at actual proficiency levels (APL). We have added the DFL for Level 2 managers in salesforce to give you an insight. A scale of 1 to 5 is used where 5 is the maximum level of proficiency as 1 is the minimum.

5. Definition of Proficiency Levels

As seen in the example above, we have a DPL of 3 that is just two below the maximum. But we do not know what would define a DPL of 4. Therefore, it is extremely important that we clearly define the meaning of each level of proficiency from 1 to level 5 in DPL.

8.Steps and Tools used in Competency Mapping

1. Competency based Interview

Face-to-face interview is the most convenient tool to collect large amount of information. These competency-based interviews may be of various types such as structured, semi-structured or unstructured depending on the person conducting the interview. No matter which type is used, interviews should be carefully designed so as to provide information about the easily observed information and the general disposition and motivation of the employee. The questions prepared should target each competency and highlight the tangible skills and knowledge possessed by the employee, how he or she behaves under certain conditions and how they conduct themselves with other people. The questions focus on linking past job performance with future on the job performance.

A major disadvantage of this tool is that it is subjective and therefore, bias and distortion of flow should be avoided. If handled effectively, interviews can prove to be a powerful technique for getting accurate details and obtaining information which may otherwise be unavailable.

2. Competency based questionnaires

Competency-based questionnaires consist of a list of questions either standardized or developed solely for the purpose of competency mapping. These questionnaires would differ based on who responds to it. For instance, there may be a questionnaire designed for employees, another designed for managers and another for senior-level executives. This is because employees, managers and senior-level executives cannot provide the same information. The competencies required on the job will be known better by the person who is performing that job, that is the sample of competency-based questionnaire is the Common Metric Questionnaire (CMQ) that include five domains, namely, background, contact with people, decision making, physical and mechanical activity and work setting to examine competencies which would assist in improving work performance. Another example is Functional Job Analysis (FJA) which is a qualitative analysis for competencies and breaks the job down to seven parts: things, data, worker instructions, reasoning, people, mathematics and language. Questionnaires like this can be utilized along with interviews in order to substantiate the collected information.

3. Assessment and development centers

Assessment centers are not a location or a place but a process that helps to determine the degree of “fit” or suitability of employees to a specific type of employment or job role. An essential feature of assessment centers is that different elements of the job are simulated in the form of validated test series. The candidates are instructed to complete a number of assessments that are job-role

specific in order to determine whether the key competencies of the candidate are aligned with the competencies required on the job. The series of tests focus mainly on assessing the individual based on their knowledge, skills, attitudes and other behaviors (KSAOs). Along with this, personality and aptitude is also determined using interview and psychometric tests.

4. Critical incident technique

Developed by Flanagan (1954), this technique involves direct observation of the employee in specific on-the-job situations. As a prior step, a list of good and bad on the job behavior is prepared. These behaviors could be in terms of competencies needed and not needed on the job. The crux of the procedure involves observational skills which the supervisors and managers should develop with training. The supervisors and managers are required to note down critical incident on-the-job when the employee was successful or not successful in meeting the job requirements. It is imperative that the recording of observations is done as accurately as possible since the recorded data would be further used to identify and predict competencies that would contribute to success or failure of individual in a specific situation. At the end of the year, a balance sheet for each employee is created to find how well the employee has performed and what further training is needed

5. Psychometric tests

These are standardized and scientific tools used to assess the mental capacities and behavioral styles of employees in an organization. In case of Competency Mapping, the most commonly used psychometric assessments are aptitude, reasoning, achievement, and personality testing. Aptitude tests help to determine the capacity of the individual to acquire particular type of skill or knowledge. Reasoning tests help to determine the critical and analytical thinking of the individual. Achievement tests help to determine the level of proficiency an individual has achieved in a given area and personality testing gives a description of the unique traits and characteristics that drive the employee's behavior. Apart from these, competency mapping rating scale may also be used as a part of assessment.

a) Aptitude Tests: They refer to the potentiality that a person has to profit from training. It predicts how well a person would be able to perform after training and not what he has done in the past. They are developed to identify individuals with special inclinations in given abilities. Hence they cover more concrete, clearly defined or practical abilities like mechanical aptitude, clinical aptitude and artistic aptitude etc.

b) Achievement Tests: These tests measure the level of proficiency that a person has been able to achieve. They measure what a person has done. Most of these tests measure such things as language usage, arithmetic computation and reasoning etc.

9. Competency-Based Employee Recruitment and Selection

How does an organization go about implementing a competency-based recruitment and selection system? The main difference between the traditional and the competency-based approach is largely one of emphasis. The competency-driven system naturally is weighted toward competencies that can be documented, discussed during formal interviews, and demonstrated on a job. The model portrayed in below Figure can be applied to implementing competency-based recruitment and selection for an entire organization or for only select portions of it. In an ideal world, we would be able to implement the model organization wide, but finite resources often dictate more limited use.

Implementing the Model

Steps 1 through 4 describe competency-based recruitment. Competency-based selection is explained in Steps 5 through 11.

Step 1: Identify HR and job recruitment needs

Every recruitment action should be an outcome of a larger, competency based HR planning process. Therefore, the first step of this model requires the organization's leaders to return to their HR system plans and account for their recruitment need in strategic terms. As a result of this inquiry, they should be able to answer the following kinds of questions. What outputs or results will the recruited employee produce? How will those outputs or results contribute to the strategic success of the organization? Could the organization continue to meet its strategic business objectives without filling this job? When is the best time to implement this job? Demonstration of what key competencies will enable the successful candidate to produce the expected outputs or results? What are the best sources of those competencies?

After decision makers have determined that embarking on the recruitment process will serve the best interests of the organization, the HR practitioner can proceed to the next stage of the recruitment effort.

Step 2: Complete job or position documentation

With recruitment activities commencing, the HR department begins documenting the job and work to be completed in the forms of a job description and a job specification. In doing so, HR practitioners must keep in mind that competency-based job or position documentation must embody the premise that competencies are the foundation for all performance. If job information has not yet been assembled, the HR practitioner must complete the work, since the analyzed data will be part of the job documentation. The following job analysis information must be researched:

- Work outputs or results
- Work activities
- Work tasks
- Competencies and associated behavioral indicators
- Competency model

In addition, the functional manager for the job must identify any of the following that are appropriate:

- Educational requirements or qualifications
- Work samples of successful outputs
- Experience with the same or related work, including possibly the length of time spent performing the work
- License or certification requirements from government, academic professional, or other organizations Other requirements related to the employee's ability and capability to complete the work

Step 3: Identify recruitment sources

At this stage of the process, the HR practitioner, usually with suggestions from the functional manager for the position, who is responsible for the work to be performed, will identify sources for recruiting high-potential candidates. In a competency-based environment, the recruitment process requires a focus on competency sources or pools of recognized effectiveness in the area of the recruitment. The HR specialist must work with the manager and others in the functional area to identify traditional and nontraditional sources of talent so that information on the position can be made available to them. It may be worth analyzing sources of exemplary performers and targeting recruitment to historical sources for the best talent.

Step 4: Create recruitment materials and implement the recruitment process

The major objective in this step is to encourage only the most highly qualified candidates (i.e., exemplary performers) to express their interest in the job. Remember: Competencies and their availability in the Applicant pool drives this type of recruitment effort! The content of recruitment materials is a critical element at this stage of the process. It should communicate the values, vision, core competencies, and industry status of the organization with the intent of encouraging exemplary applicants to want to work for the organization and thereby share its vision, values, and intentions. The expected work outputs or results and general requirements and conditions of the job should also be made very clear in recruitment materials. In addition, the minimum and preferred educational, age, and other requirements (for example, certifications) must be mentioned in recruitment materials. The competencies needed for successful performance must be described in plain language that can be understood by any person who can read at the intermediate-school level. Written applications should give specific information on what the HR department needs from applicants in order to determine their viability as job candidates. An organization that is serious about hiring for competencies should be able to screen applicants on competency. Certificates, Licenses, Ratings from peers, immediate supervisors, or direct reports, including competency assessment data from a multilayer competency assessment process Assessment center data, if available

Since every selection situation has its own unique set of competency requirements, it would not be appropriate for us to suggest a formula or weighting method for general application. Decision makers must specify the required versus the preferred competencies before reviewing candidates' qualifications. Next, a qualified HR practitioner or other qualified professional should construct a one-to-one or one to- several correspondences between the job competency requirements and the qualifications data submitted by the candidate as documentation for each of the competencies.

Step 6: Screen the applicants

Typically, the number of responses an employer receives for an advertised position far exceeds the number of job openings. Consequently, only the most promising among the pool of candidates will be selected for a formal interview or otherwise continue to participate in the selection process. Although screening will never be an entirely scientific procedure, it certainly must be systematically completed. The process must give equal weight to all candidates when competency profiles are assessed and the first pool of finalists is chosen. The HR professional must have a clear understanding of the minimum requirements for competency, experience, education, and other credentials and apply them equitably to each profile. When there is doubt regarding a candidate's qualifications, the organization should err on the side of having too many candidates and include the person in question in the pool. A two-level screening process may be

completed for candidates whose qualifications are still unclear. Sometimes a simple telephone call to the candidate will clarify the situation so that a decision can be made. When the paper screening is complete, the functional manager will review the list of the most qualified candidates. The HR representative might want to review some of the findings from the screening process in order to obtain guidance on the customer's preferences for formal interviews or other interventions. Formal interviews with the leading candidates make up the next stage in the screening process. With a competency-based interviewing process, we suggest that only the top five candidates be included in the first interview pool. Ideally, competency-based interviews should be completed by an interview panel, and competency assessments by the panel should follow completion of the interviews. Each candidate, all members of the panel, and possibly a recorder must participate in both the interviews and the assessment sessions. This presents quite a challenge in today's business world, in which staff resources are stretched so thin. If the process is to be completed virtually, the logistics become even more labor-intensive. After the interviews and assessment sessions, the panel must meet and reach agreement on the competency assessments for each person interviewed. This requires more logistics. We don't want to discourage you from using these processes. It can be done if they are well planned.

Step 7: Train the interviewers and conduct behavioral event interviews with the leading candidates

What is wrong with traditional job interviewing questions and techniques? The answer to this question could consume many pages in this book, but we will keep our answer brief. First, traditional interview questions such as "Tell me about you" tend to provide little or no information about the candidate's qualifications for the job. When a systematic, planned, and disciplined competency-based interview process has been used, all of these criticisms vanish. The interview process focuses only on the work to be performed by the successful applicant, the relationship of his or her experience to that work, and the competencies presented by the candidate to be used in producing the expected outputs or results. The process alone is sound, but it is made even more so because interviewers are trained, were certified by their trainers, and have practiced the use of the behavioral event interview technique for selection purposes.

Step 8: Complete competency assessments, prepare the selection recommendation list, and select the candidate

After the interview panel has completed its competency assessments and selection recommendations, a selection can be made. Typically, although not always, the interview panel sends a report on the candidates' competency ratings to the decision maker. Panel members usually complete further analyses of the competency strengths of the candidates relative to work demands, and they will often call special situations to the attention of leaders in charge of selection. The report must be objective, fair, and free of bias. The panel must never attempt to subvert or undermine the selecting manager's authority to recommend or make a decision. More often than not, a decision maker who was not a member of the interview panel will want to interview at least the leading candidate for the position and come to his or her own conclusions on the candidate's qualifications and fit in the work environment. The manager might decide to interview additional candidates or even all the candidates who were interviewed by the panel. This is his or her right and it must be honored. HR practitioners might need to provide guidance on the details of a competency-based approach to recruitment and selection, and they should speak frankly about the professional aspects of the processes and the outcomes to date. In some situations, selection decisions must be supported by higher management. Interview panel data on competency strengths can be highly useful for making a final decision.

Step 9: Verify the selected candidate's qualifications

Before an employment offer is made, it is essential to verify the preferred candidate's qualifications as they were presented in the application materials and during the interview process. Organizations of all types and sizes must complete thorough due diligence investigations in human resource matters. In some circumstances, an organization could put the lives or wellbeing of others at risk by hiring an unqualified person. For example, a medical doctor without a verified M.D. degree or a license to practice medicine in the proper jurisdiction could cause injury and possibly death to patients. The same cautions apply to other areas of expertise, such as, for example, building engineering staff. Having less than a fully skilled and licensed boiler engineer in charge of an office tower heating system would be irresponsible. Never neglect due diligence responsibilities, especially when making a selection decision.

Step 10: Negotiate a compensation and benefits package with the successful candidate and extend an employment offer after the package has been accepted, first by the organization and then by the

This step proceeds as it typically would in a traditional hiring situation, but one suggestion seems appropriate for a competency-based environment. Representatives of the organization who handle this step of the process must remember that the organization is negotiating to purchase a highly valuable commodity: human competence. This means that the process and the candidate must be treated with a high degree of respect and consideration. It is important also for the representatives to remember that many person-hours have been invested in the competency investigations and the dividends on this investment must be captured through a successful and reasonable outcome to the negotiations.

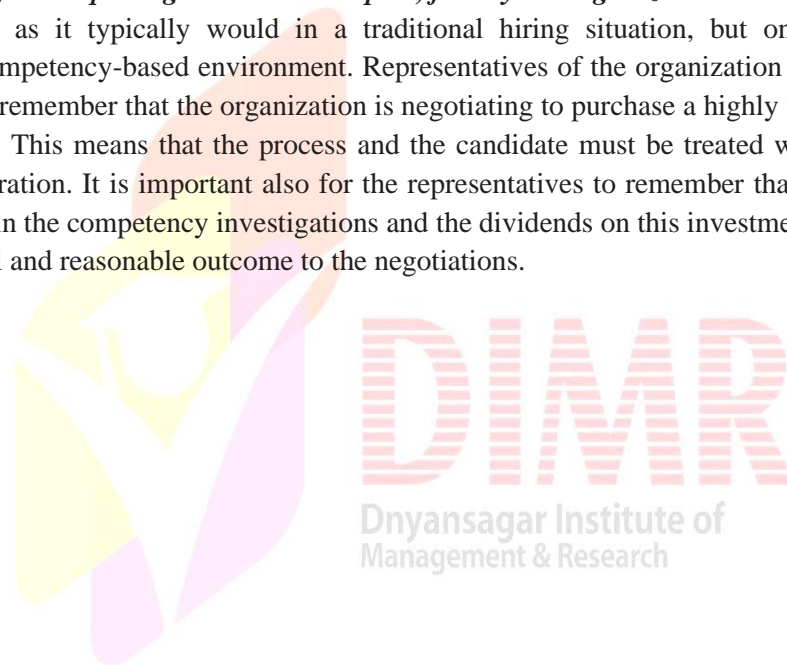
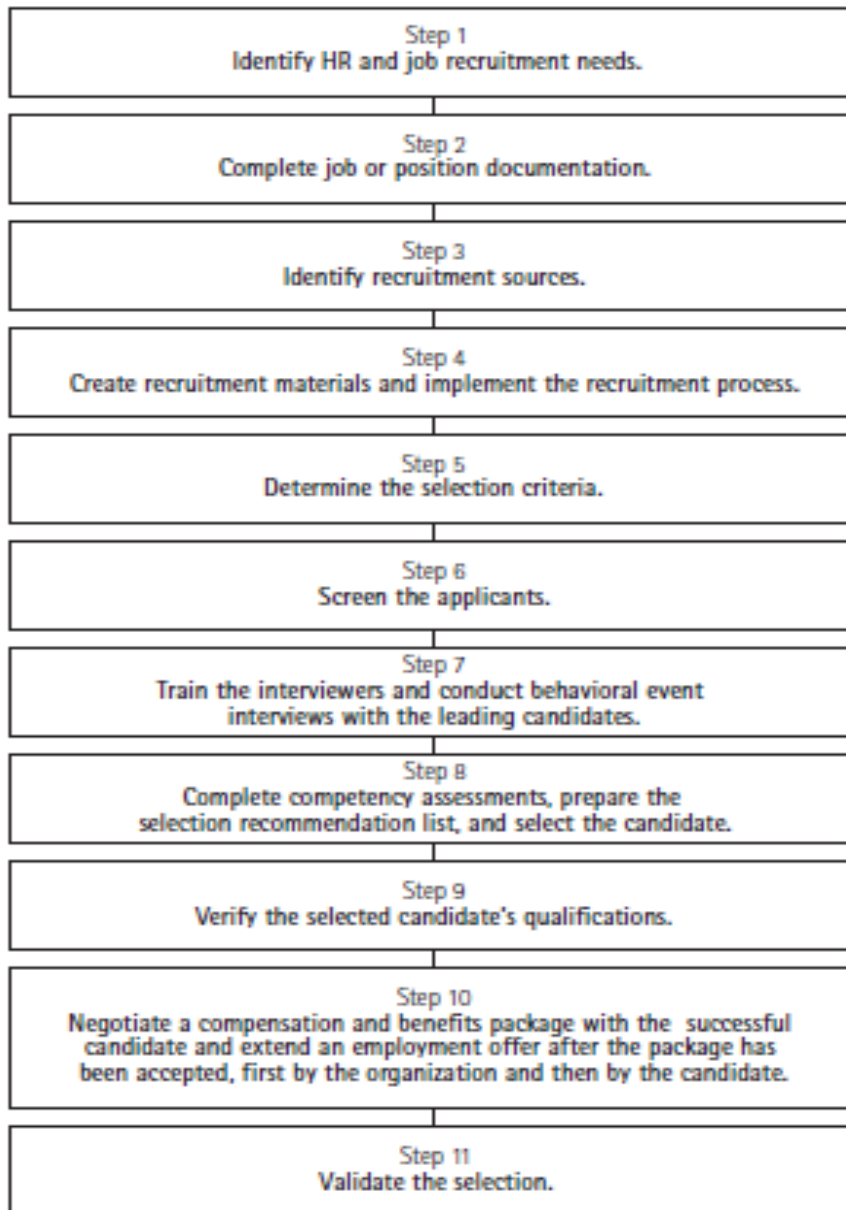


Figure 8: Competency-Based Employee Recruitment and Selection



Step 11: Validate the selection

Now that the employee is on the job, one final question remains: Was this a valid selection? If the use of a competency-based recruitment and selection process resulted in an organizationally useful selection, then we are satisfied that the approach is working. In this step, we are not presenting a method of determining whether the best selection was made, nor are we attempting to determine the future use of the process based solely on the outcomes of one selection. Research needed to answer those questions must be more rigorously designed and controlled. The most direct method of validating the selection is to examine the new employee's performance at key points during his or her employment history. Always keep in mind when reviewing performance that persons are employed by organizations to produce outputs or results

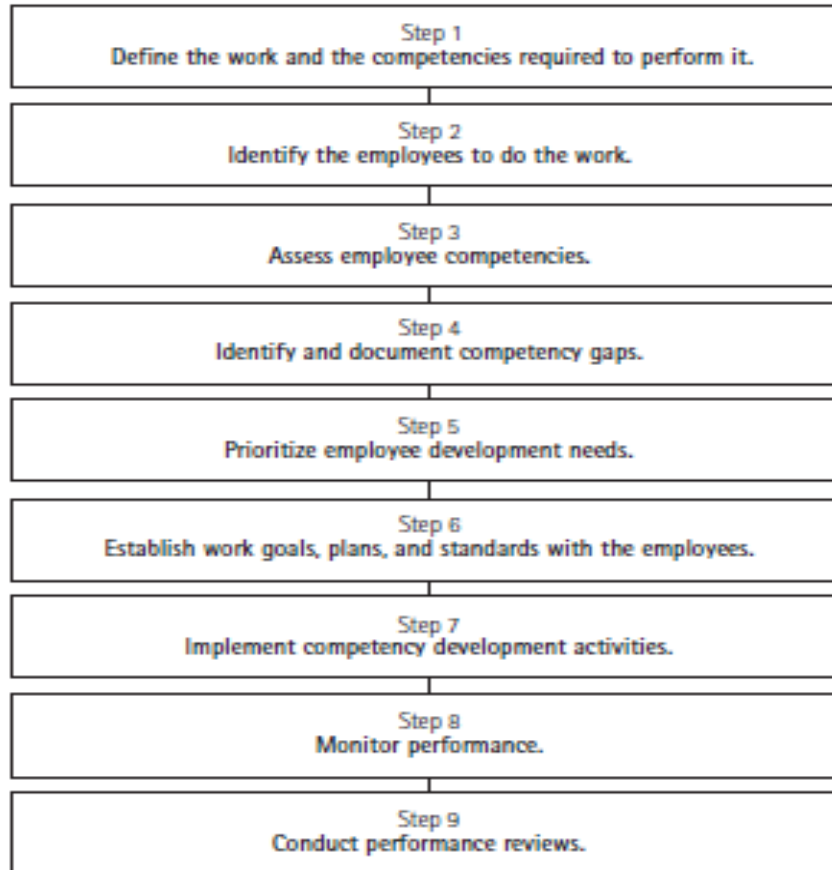
that are valued by the organization, its customers or clients, or both. The new employee must have been on the job and had sufficient time to begin producing the expected outputs or results. This consideration affects the timing and circumstances of data collection. In our experience, an individual must be on the job and fully immersed in the work culture and external environment of the organization for 12 to 18 months before useful data can be collected. Except for low-skilled or unskilled jobs, a 6-month probationary period is not sufficient to allow the employee to become fully integrated with and productive in an organization. Others might disagree with this position. They might argue that their organizations have highly structured and competency-based performance management systems in place that support new-hire performance at every step during the first 6 months of employment and that reliable and valid conclusions can indeed be drawn after only 6 months on the job. We accept that possibility. However, our experience with a wider variety of organizations indicates that our caution is reasonable. Allow time and provide performance support before making decisions

10 Competency-Based Training and Development

A competency-based model for self-directed training and development emphasizes the individual's increased responsibility for his or her own learning. In the first step of the model, individuals decide to take more responsibility for their own learning and competency development. In the second and third steps, they access existing competency models and compare themselves to those models with input from organizational superiors or work experts. In the fourth step, they create individual development plans (IDPs) to close the gap between their perceived competencies and the competencies required for work success or exemplary performance. The fifth step is to implement the plan by participating in training and other developmental experiences designed to build the competencies specified in the IDPs. In the sixth step, they periodically compare their competency development to the models and consult knowledgeable performers and mentors. In the seventh step, they modify their IDPs as necessary in order to ensure that they are building competence and possibly to do further planning. The individual learner evaluates the results of this approach in cooperation with mentors, peers, immediate organizational superiors, coworkers, and particularly with exemplary performers. A key concern throughout the process is to determine whether the individual produces at or near the level of an exemplary performer when the objectives of the IDP have been met.

11.Competency based Performance

Figure 9: Competency-Based Performance Management



Step 1: Define the work and the competencies required to perform it

The first step in competency-based performance management is to define the employees' work by means of effective work analysis. In most cases, this includes naming the specific outputs or results that employees are expected to produce. These outputs or results must align with the organization's strategic goals or objectives, and the relationship must be made very clear to the operating manager and the employee. If the work is not considered strategic—meaning that the outputs or results do not contribute directly and overtly to the organization's success—then there is little justification for completing it, and it should be eliminated from the employee's list of required tasks. After this process of elimination is completed, the work that remains is therefore strategic to the organization's success. Employees who are performing unnecessary tasks can be reassigned to activities that are meaningful both to them and to the organization.

Process improvement alone is a significant reason for undertaking work analysis. Also key to our approach to performance management is the identification of the competencies employees must have and use in appropriate ways to produce the expected measurable outputs or results.

Steps 2 and 3: Identify the employees to do the work and assess employee competencies

Next, employees are identified to perform the work, generally using selection methods. The degree to which they possess and can consistently demonstrate the key competencies required for successful performance is determined through the application of competency assessment methods.

Step 4: Identify and document competency gaps

Competency gaps for which development is needed are identified and documented.

Step 5: Prioritize employee development needs

Priorities for developing employee competencies are determined, and a plan for developing the competencies is prepared.

Step 6: Establish work goals, plans, and standards with the employees

After reviewing the plans, operating managers and employees establish goals, plans, and standards to which both parties agree. Standards set a minimum expectation for measurable results. Goals establish desirable targets.

Step 7: Implement competency development activities

Employees begin training or engaging in other learning activities to acquire or build the competencies identified in Step 1 and work toward accomplishing work goals or objectives.

Step 8: Monitor performance

As employees proceed to accomplish their work goals or objectives over the performance period, operating managers monitor their performance and provide feedback. Work goals and plans are formally reviewed according to schedule and are modified as warranted. To be most effective, these reviews should include discussion of how employees use their competencies to achieve the expected work results as agreed in Step 6. This approach to performance management builds and enhances the organization's competency bench strength—its competency pool. The competency development plan may be modified as necessary.

Step 9: Conduct performance reviews

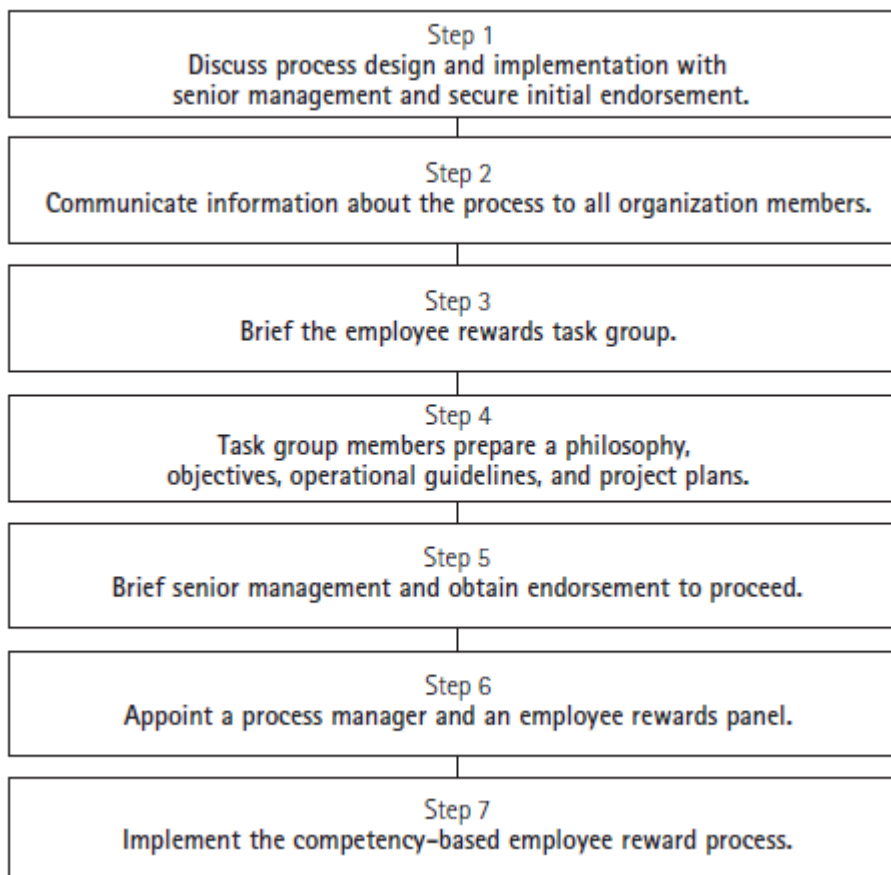
Competency-based performance management utilizes both interim reviews and performance period reviews. Planned interim reviews enable both employees and managers to address issues that could affect successful performance. This type of review can be an advantage for employees, providing scheduled opportunities to inform managers of roadblocks to performance that could affect their ability to produce the expected outputs or results. Use of interim reviews eliminates surprises for employees and their organizations. When the performance period ends, managers and employees meet to review employee performance over the entire period and complete a performance appraisal. It is interesting to note that many employees and managers find a high degree of agreement regarding their ratings of employee performance.

12. Competency based compensation:

Step 1: Discuss process design and implementation with senior management and secure initial endorsement

Typically, the organization’s HR director or manager initiates this discussion as a strategic partner on the senior management leadership team. Discussions could also begin informally and evolve to a more formal basis if a manager or other respected person is willing to be a change champion. For example, an operating manager who has experienced the benefits of using competency-based HR practices to manage a work unit or division might initiate the discussion. The point is to communicate the possibilities of a competency-based approach to the organization’s decision makers.

Figure 11: Competency-Based Employee Reward Process



Step 2: Communicate information about the process to all organization members

In this step, the HR practitioner communicates senior management’s endorsement to those who will be affected by the decision. The person who prepares this information should define the implementation environment well. Introducing competency-based employee reward processes is a major undertaking for some organizations and must be handled with care. Task group members should be identified to the organization at an early stage of the project.

Step 3: Brief the employee rewards task group

Next, the HR practitioner briefs task group members on the discussion with senior managers (Step 1) and describe the group’s mission. Since task group members, with extensive support from the process manager, will be responsible for completing the work described in Step 4 of this model, they should learn about the tasks they are expected to complete. The HR practitioner should present and discuss timelines for the reward processes and completion of a draft work plan with task group members.

Step 4: Task group members prepare a philosophy, objectives, operational guidelines, and project plan

The first step toward formulating a philosophy is to state the business case for having a competency-based employee reward process. Why does the organization need an employee reward process, and why must that process be based on competencies and their appropriate use in the performance environment? The objectives for any employee reward process must align with the organization's strategic plans and support achievement of its business objectives. This alignment fosters a vision of the employee reward process, its mode of operation, and the returns the organization will realize by investing in it.

Next, task group members must identify the objectives for the employee reward process and articulate these outcomes so that they can be understood clearly, especially by the organization's management. For example, objectives could be stated as strategic or tactical results, high value-added tasks needed for improved business performance, or employee competencies that must be appropriately applied in order to achieve critical business results. At this point, some managers may want to request information from other organizations about the costs and benefits of competency-related reward programs, but such information is not readily available and the efforts to gather such information may cause substantial delays in implementation.

Step 5: Brief senior management and obtain endorsement to proceed

Along with the endorsement of senior management, the purpose of this briefing is to obtain commitment of resources for implementing the process. Senior managers must be given every opportunity during the Briefing to clarify any of the information presented or modifies the plan to meet their requirements. Maybe more so than any other HR management process, an employee reward program clearly belongs to the organization's senior managers and their buy-in is critical because of the sizable financial investment that is involved.

Step 6: Appoint a process manager and an employee rewards panel

If a decision is made to proceed, senior managers should name a person to spearhead the effort. They should also appoint three to five exemplary performers to serve on an employee rewards panel. Panel members will represent senior managers in making decisions on rewards for exemplary Performance. They will also set the standards for each employee reward and ensure that sufficient evidence to support reward decisions has been presented by the process manager.

Step 7: Implement the competency-based employee reward process

This stage will go smoothly if the process manager has developed and communicated a project plan and timetable to those individuals who will be affected by the process. At this point, the process manager acts on agreements that have been made with senior managers and confirms completion of the following major tasks:

- An employee reward decision-making process has been formulated and agreed upon.
- Work results and responsible employees have been identified.
- The employee rewards panel has established its responsibilities and duties and formulated guidelines for fulfilling them.
- Rewards panel members have been briefed and have developed the necessary operating plans.
- Work analysis data for key results have been produced and will be available when needed.
- Competency assessment procedures are in place and working effectively.

- The rewards panel has developed a nomination process that is ready to be implemented.
- A process for collecting, analyzing, and transmitting data on reward nominees to rewards panel members is ready for implementation.
- Other managers have been briefed on the implementation plan.
- A reward communication process has been reviewed by key managers and implemented across the organization.
- A calendar of reward events has been planned and integrated with the organization's major business initiatives and events calendar.
- Rewards and processes are available for immediate use. After the process has been operating for 6 to 12 months, its internal and external workings should be evaluated.

Unit no.5. Competency Driven Career and Culture

- Role of Competency in Career Progression – Transactional Competency,
- Transactional Competency and Transformational Competency,
- Tradition Vs Transformation leadership competency
- Evaluation of Career through KSA (Knowledge, Skill and Attitude)
- Competency based Succession and Career planning,
- Corporate Competency driven Culture.

Introduction:

Organizations should be aware of their employees' skills, talents, and abilities to move toward a satisfactory job. To attain it, career competencies are introduced. Many studies conform to adaptation between career and individual skills and capabilities as a successful factor. It is important to employees choose the right career and their career competencies should be considered. Career competencies define as personal competencies that an individual puts at the disposal of the employing organization. Career competencies include the knowledge, skills and attitudes by which individual act successfully in the organization. At newest model, there are three career competencies: knowing-why competencies (why do we do a job); knowing-how competencies (how do we do a job); and knowing-whom competencies (with whom do we work). Career competencies applied to key roles to encourage career planning and long term development in critical roles. Therefore, Career competencies provide a possibility to achieve organizational success. It is suggested that the career competencies and skills can produce reciprocal benefits between individual and organizations. In this case, understanding which career competencies and skills are instrumental in a successful career becomes critically important for organizations.

1.Role of Competency in Career Progression

The general approach is to use competencies as a basis of career-related processes, such as promotion interviews, career workshops, or development centers. Craig's (1992) chapter on the use of competencies in career development specifies three ways in which competencies can positively contribute to these career-related processes. First, they enable focus on aspirations and

expectations. Reviewing what competencies are required in the desired role, individuals can make informed decisions about their ability to achieve the requisite skill level and design their development plan accordingly. Second, competencies enable individuals to assess their strengths and development needs, thereby individualizing the process and making it purposeful to them. Third, if handled well, the output of the assessment provides valuable information for developing a realistic and timed personal development plan. This should advance specific development, with positive outcomes for the individual, as well as for the organization.

Career Competencies

Career competencies are underpinned by the traditional idea of competencies, as behaviors instrumental in the delivery of desired results or outcomes. Competency based career development practice is defined as the extent of development template is used to enhance the employee performance in their jobs or to prepare improvements in their future tasks. Career competence as a special ability which is characterized by demonstrating, at society defined level, the ability to behave adequately and to take responsibility for one's behavior. Competence allows not only to assess and reflect upon one's work in an efficient way but also to take responsibility for the results of the work. Career competencies include the knowledge, skills and attitudes by which individual act successfully in the organization. It must be emphasized that career competencies do not focus on personality, i.e. they do not include characteristics such as motives, traits and aspects of one's self-image, nor designate individuals' potential to become skilled at career management. Rather, they focus on how much potential a person actually realizes, describing existing behaviors and knowledge. Career competencies are those behavioral competencies that are common to the all jobs, and combined with the organization wide (core) competencies, make up the suite of behavioral competencies necessary for success. Career competencies could be seen as a person's self-management of his or her working and learning experiences in order to achieve desired career progress

In general, a Career Competencies Indicator is developed measuring seven areas of career competence:

- Goal setting and career planning,
- Self-knowledge,
- Job-related performance effectiveness,
 - Career-related skills,
- Knowledge of (office) politics,
- Networking and mentoring, and
- Feedback seeking and self-presentation

2. Transactional vs. Transformational competency:

The transactional business capabilities are usually operation driven, to keep the lights on and improve business efficiency. Where transactional or operational capability usually makes only minor adjustments in the organization's, structure, and management, etc., it often takes the linear

step for tuning the enterprise machine and ensure it keeps spinning. On the other hand, the transformational capability can often make of leap of business transformation; they also evoke fundamental evolutions in the basic political and cultural systems of the organization for achieving the high -performance business results. Transformational capability creates something new out of something old, reach the new horizon out of an old vision. Transaction-driven operational management may be viewing things from a single side (internally) and transformation-driven strategic management takes a holistic view of things (both internally and externally) as the way of coming up with actions that will improve organizational performance and conformance in order to achieve the set goals. In the digital era, we will be confronting a number of high-complex problems in the hyper-connected world, the business solutions will require an integration of different sets of knowledge and digital fluency across multiple disciplines. So the transformational capability is the ability to work across disciplines to solve complex problems with contextual understanding and systematic approach. It helps to expand the organization's horizon and elevate the business up to the next level of maturity.

Traditional vs Transformational IT Leadership Competency:

	Traditional IT Leaders	Transformational IT Leaders
Identifiers	IT-focused, technically experienced, low risk tolerance	Broad business orientation, strategic, high risk tolerance
Closest associates	Fellow IT organization members	Peers in the business, external customers
Definition of success	Optimal processes and continuous improvements	Adoption of new processes, top-line and bottom-line financial goals
Preferred environment	A culture of excellence	A culture of innovation
Catch phrase	"No surprises."	"Fail fast."
Impact on peers	Keeps them out of trouble	Keeps them on their toes

3.Competency-based Career Planning

Career pathing involves making a series of job-person matches, based on the demands of the job system in the organization, that enable the person to grow into greater levels of responsibility, thus providing the organization with the talent that it requires to meet goals. This should involve the careful assignment of an individual to positions that provide her or him with opportunities for deploying the competencies needed for a more challenging position.

Best approaches to career pathing combine an analysis of positions in terms of both the tasks and the organizational behaviors needed for superior performance. The combined approach is essential for each of the jobs in the chain, because there may be marked differences between the characteristics demanded in one job and those needed in another in the same career path.

Steps to Implement the Competency-based Career Path

The major steps in developing a competency-based career pathing system are:

1. Put together a resource panel of experts on the target and feeder jobs who will set direction and specify the expected job performance criteria.
2. Define tasks and characteristics, through the resource panel, and survey job incumbents to obtain their perceptions of which job tasks and personal characteristics contribute to success in the target and feeder jobs.
3. Identify top performers in the target and feeder jobs, using performance criteria specified by the panel.
4. Conduct in-depth interviews with both superior and average incumbents in the target and feeder jobs to find out what they do and how they do it.
5. Based on the outcome of stage 4, develop a competency model of people in the target and feeder jobs by identifying those competencies that make the biggest contribution to outstanding performance as opposed to the competencies that all job holders need.
6. Analyze career paths by combining the survey (stage 2) and the interview (stage 3) results for target and feeder jobs.
7. Implement the career pathing system through a number of options:
 - computer-based tasks and competency inventories
 - performance and potential assessment linked to new job opportunities;
 - systematic counseling
 - career development and related training programs.

4. Competency based Succession Planning

Competency-based succession planning enables an organization to determine the critical current competencies necessary for success in key jobs and the strategic competencies necessary for future success. Once this has determined the 'best fit' people, specific developmental plans can then be formulated that build upon these competency requirements to allow the individual's abilities to meet the strategic business needs of the organization.

Steps to implement Competency-based Succession Planning

For the competency-based succession planning to be complete, a logical process consisting of a certain number of steps must be followed. These key steps are as follows:

1. Identify critical jobs that the organization needs to fill
2. Develop a competency model from critical jobs, determining the competencies needed at each step of the job family ladder

3. Develop the most appropriate assessment methods (assessment centre, screening, interviewing, etc) and assess people against the competency model of the job

4. Make the decision whether to:

- promote from inside
- now or after competencies x, y, z have been developed
- not promote but consider
- possible lateral transfer
- recruit from outside if no one in the organization is ready or can be developed in time

5. Feed the human resource management information system to track:

- promotable employees, for future competencies monitoring
- competency requirements of target jobs.

5. Corporate Competency driven Culture- Transforming the HR Department:

A competency-based approach reinvents HR departments and functions, making them more organizationally responsive and aligned with strategic objectives.¹ It can help to leverage the strengths of individuals and unleash their potential in a way that is less likely to occur in a work based system. Traditional approaches to HR management do not seem to be effective anymore. Using activities or jobs as the foundation for work design is increasingly out of touch with the competitive needs of organizations. In contrast, competency-based HR management can focus attention on discovering, applying, and making use of the differences between exemplary and fully successful performers. That can possibly lead to quantum leaps in productivity improvement. Our approach is based on the principle that organizations should match people to work rather than vice versa. But no change of this magnitude can be made without effort. Organizations need a plan.

There are two key issues to keep in mind during early discussions on transforming the HR function. First, HR practitioners themselves are often the most vocal opponents of changing the systems in their own organization. That should not be too surprising. They have learned what to do and how to do it in a certain way. Challenging the status quo is not easy. Second, transforming HR from a work-based to a competency based approach does not have to be an all-or-nothing proposition. HR practitioners may need to consider which functional areas will benefit most from the use of competency-based practices. Those areas should be chosen according to their strategic significance for the organization's success. It is also worth emphasizing that changing the entire HR function is much more difficult than focusing on one or two HR components, or specific job categories, work areas, or company sites. Often the most effective approach is to start small, achieve a quick success, and then leverage the credibility and measurable benefits gained from that success to demonstrate the value of the effort.

Step 1: Build awareness

Most HR practitioners are familiar with the traditional work-based approach to HR management. They know that work analysis, which leads to such products as job descriptions and job specifications, is the foundation for all HR efforts. From work analysis and its products, they

derive recruitment and selection strategies, training needs, career paths, employee performance management systems, compensation and reward systems, and other HR efforts. But fewer practitioners are familiar with the history and techniques of competency identification, modeling, and assessment. Consequently, an important starting point is to build awareness. HR practitioners should attend workshops, classes, or conferences on competency modeling or invite external consultants to discuss competency-based HR management in the organization. They can circulate white papers, explore the topic in department staff meetings, collect information about the benefits realized by other organizations from using a competency-based approach to HR, and encourage other stakeholders to read about competency modeling. Taking these actions does much to cast HR practitioners as true leaders for human capital in their organization.

After this step is completed, meaningful discussions can begin on the possible value of a competency-based approach to HR management.

Step 2: Make the business case and align HR objectives with the organization's strategic objectives

Before decision makers can be convinced to invest sizable amounts of time, money, and effort in adopting (or even experimenting with) competency-based HR management, they must see its value. It is easier to understand the business case when they see evidence of what is going well—and not going well—with the organization's approach to managing human resources. One way to do that is to ask managers and employees about the HR function.

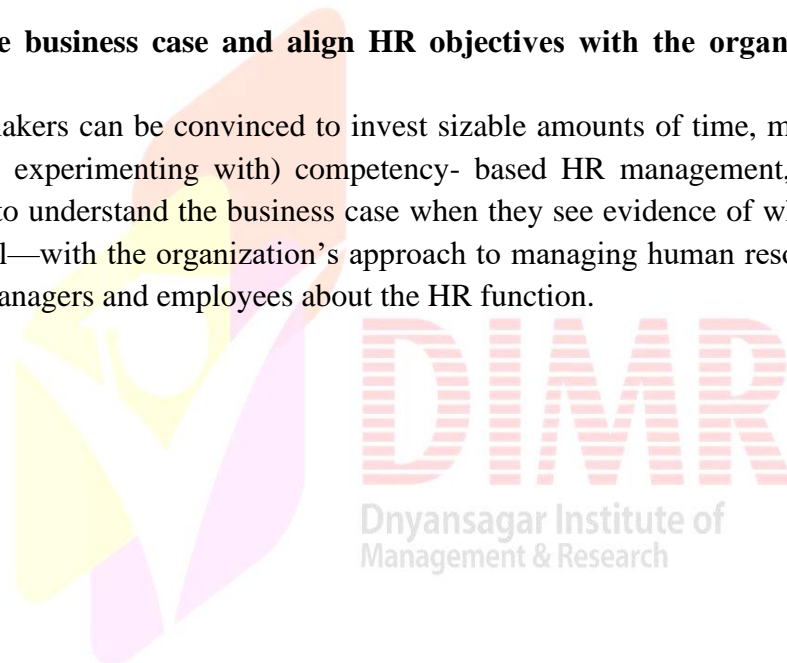
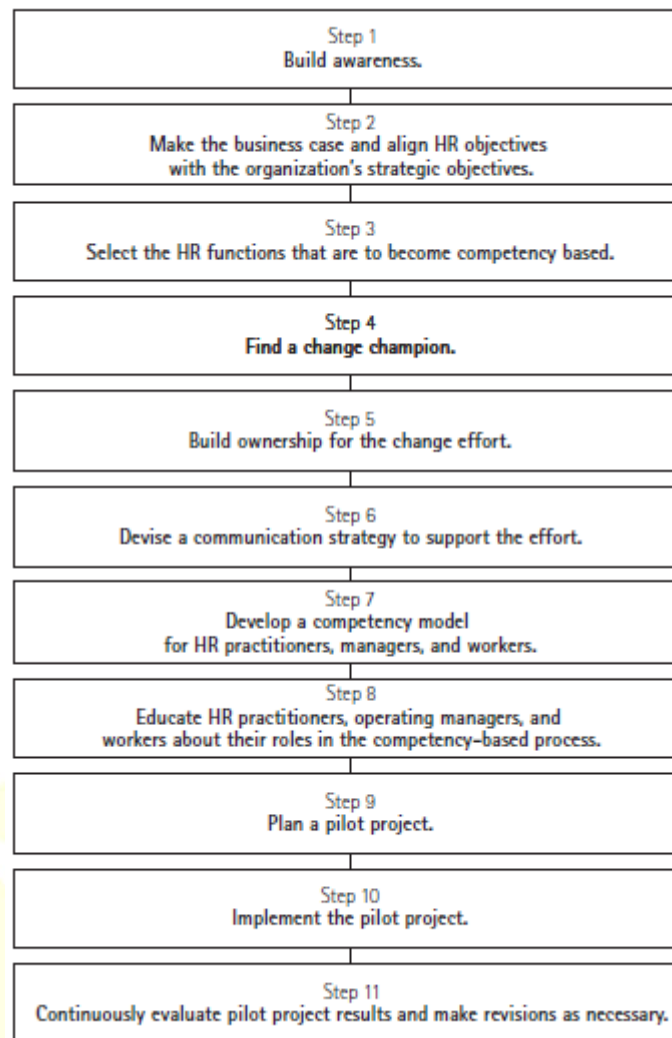


Figure 14: A Model for Transforming the HR Function



Step 3: Select the HR functions that are to become competency based

Large, complex organizations are usually unable to implement competency-based HR management in every HR function. It is essential to be selective and apply change efforts on a smaller scale. For example, planning, selection, training, or development—would realize the greatest benefits from a competency-based approach.

Step 4: Find a change champion

Although the support of senior executives is important, HR practitioners should seize the initiative in reinventing their own function. They are perhaps the ones most able to recognize the signs that a department needs to be revitalized. For example, do managers complain that the HR function is not responsive to their needs? Are HR directors frequently replaced? Do employees give each other knowing glances when someone brings up the topic of HR? If resources are not available in the HR department, however, senior leaders or operating managers can also champion the initiative.

Step 5: Build ownership for the change effort

Transforming HR management to a competency-based approach requires the support of many people. Senior executives, HR practitioners, operating managers, and workers must all feel that they own the effort. The Whole Systems Transformation Conference is one method of developing ownership. The conference can last several days and involves a cross section of people from the organization. After a review of internal and external trends as they affect the workforce, participants form small groups, consider external trends and their organizational impact, evaluate the existing HR function, and identify the challenges involved in aligning HR practices with the organization's strategic objectives. They then prepare a written report for management in which they specify which HR components should be reinvented, explain the reasons for their choices, and clarify the role of competency-based HR management in achieving strategic objectives. HR practitioners can maintain the momentum generated at the conference by setting up electronic bulletin boards and commissioning task forces to investigate best practices, and their costs and benefits, in other organizations.

Step 6: Devise a communication strategy to support the effort

A major undertaking such as this requires constant communication. Stakeholders must be informed about what is happening, why it is important, what it means, how it will affect them, and what the organization will gain from it. Ongoing communication ensures continued involvement and develops ownership in the change effort.

Step 7: Develop a competency model for HR practitioners, managers, and workers

Many competency studies address HR management, operating management, and various employee job categories. The goal in this step is to ask all key stakeholders to consider the effects of a competency-based approach on the roles, competencies, and work outputs or results expected of HR practitioners, operating managers, and workers.

Step 8: Educate HR practitioners, operating managers, and workers about their roles in the competency-based process. People cannot be expected to change their performance if they do not have the knowledge, skills, or attitudes to do so. Employee education is a necessary part of the move from a work-based to a competency-based approach.

Step 9: Plan a pilot project

Plan to pilot test the competency-based approach in one or two HR functions. Executive or management development is a good area in which to begin, for several reasons. Conducting competency modeling with managers introduces an important stakeholder group to competency based HR management, and their support is essential to extending competency-based practices to other HR efforts. Another option for pilot testing is the employee recruitment and selection function. This is a major, highly visible area of HR practice and is familiar to almost everyone in

the organization. Actions taken here can be widely communicated. Developing awareness across the organization is an important part of the pilot project.

The pilot project plan should specify the following:

- What will happen
- Who will be involved and what they will do
- The timeline for accomplishing the project outputs or results
- The method of assessing the results
- The means of communicating the results to others in the organization

At this point, you should also think ahead to evaluating the pilot project. For example, what kind of information would be most persuasive to decision makers, and how should it be collected? What HR problems will be addressed by a competency-based approach? Begin collecting metrics for measuring the impact of each problem and establish a means of tracking improvements.

Step 10: Implement the pilot project

Actual implementation requires the involvement of a full-time manager who will oversee the pilot effort on a daily basis, tracking outcomes against project objectives and ensuring that the initiative stays on course. Failure with a pilot project will probably mean the end of the proposed competency-based effort. Therefore, the manager assigned to the project should have the credibility to command support and be given the resources needed to achieve success. The project manager should keep key stakeholders informed of measurable project results as pilot implementation proceeds and take steps to publicize the effort, within and, possibly, outside the organization.

Step 11: Continuously evaluate pilot project results and make revisions as necessary

It is not enough simply to manage the pilot project. Information about its results must be collected. Decision makers will be reluctant to devote additional resources to broad scale implementation without seeing major benefits that outweigh the costs of implementing the project. For instance, can it be shown that a pilot effort directed toward recruitment and hiring actually led to successful hiring or raised the retention rate among staff? If directed toward executive and management development, did it improve performance or increase the organization's bench strength? Be sure to keep decision makers regularly informed by using a variety of means, such as a standing committee, listserv, or Website. Success has little impact if it is not demonstrated or publicized. Continuing evaluation is also helpful in keeping the project on track. As implementation continues, the project manager should make any midcourse corrections necessary to maintain alignment with the desired objectives and goal

Reference Books:

1. Human Resources Management – Dr.P.C.Pardeshi.
2. Performance Management- Cadwell Charels M
3. The handbook of competency Mapping- Seema Sanghi
4. Competency based human resource management- Davia D.Dubois,William J.Rothwell

