

## COMPETENCY MAPPING: A MULTIDIMENSIONAL COMPETENCY BASED PERFORMANCE ANALYSIS FRAMEWORK

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**Abstract:** *Despite the growing level of awareness, competency-based Human Resource (HR) still remains an unexplored process in many organizations. The underlying principle of competency mapping is not just about finding the right people for the right job. The issue is much more complex than it appears, and most HR departments have been struggling to formulate the right framework for their organizations. Currently, human resources management has been viewed as a key strategy to low the cost of human capital and improve an organization's economic growth. The term of "competency" plays the important role in improving job performance and in turn qualifies human resources. Especially, under the climate of globalization, the workplace requires business practitioners to acquire a new set of knowledge, skills, and attitudes to face the diversity and complication of the new business environment successfully.*

**Key words:** *Competency, performance analysis, Skill assessment, competency models*

A Competency is an underlying characteristic of a person, which enables him to deliver superior performance in a given job, role or a situation. This characteristic may be called an attribute bundle, consisting of knowledge, skills, traits, social role, self image and motive. The underlying characteristic manifests itself in the form of behavior, which helps identification and measurement of the competency.

The performance of companies depends mostly on the quality of their human resource. For obvious economic and business reasons, organizations have always been concerned about the competence of its people. This paper seeks to delve deeper into the concept of competency, tracing its history and its role in the present context. It explains how the concept has constantly evolved over the years, its applications in human resource management, and development in the present scenario.

### BACKGROUND OF COMPETENCY:

In the last century, business has come full circle in its attitudes towards workplace competencies. In the beginning of 20<sup>th</sup> 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. Later in the mid-century, World War II enforced management centric views where officers gave orders to subordinates who obeyed the commands without questions. After the war, they still lived under the command and control hierarchy. The turnaround came when in the early 1960s, when 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 people based upon competencies rather than test scores.

Later McClelland, founder of McBer, a consulting company, was asked by the US Information Agency (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 turning point of competency movement is the article published American Psychologist in 1973 by McClelland, he presented data that traditional achievement and intelligence score may not able to predict job success and what is required is to profile the exact competencies requires to perform a given job effectively and measure them using a variety of jobs. This research laid the foundation for popularization of competency movement.

#### **COMPETENCY MAPPING PROCESS:**

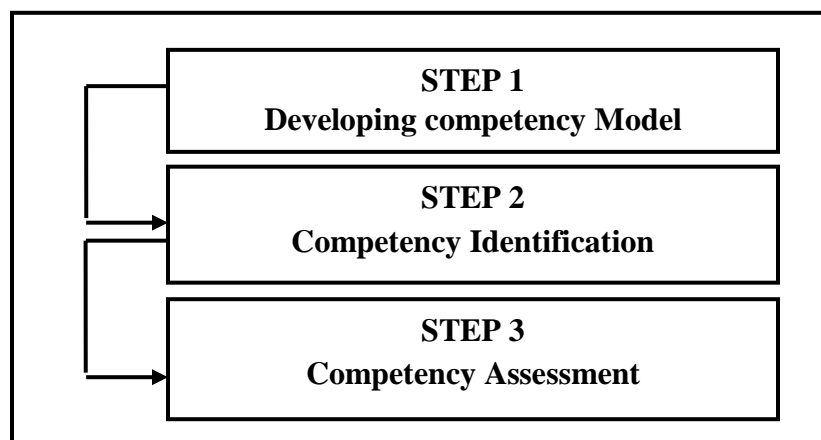
Competence is of fundamental importance to every company and institution to cope with new markets and new requirements from the customers and clients. It is important to have an understanding of the fact that the knowledge of each worker and a common knowledge for the whole company are of greatest importance to reach the strategic goals and to carry out the strategic plans.

Competency Mapping is the process of designing a framework (competency model) to identify competencies, using that framework to identify competencies required for a job /role (competency identification), and to measure the competency deficiency of an individual or a group of individuals (Competency Assessment) in relation to existing or expected job requirements.

Competency Mapping is the process, which involves the following three steps:

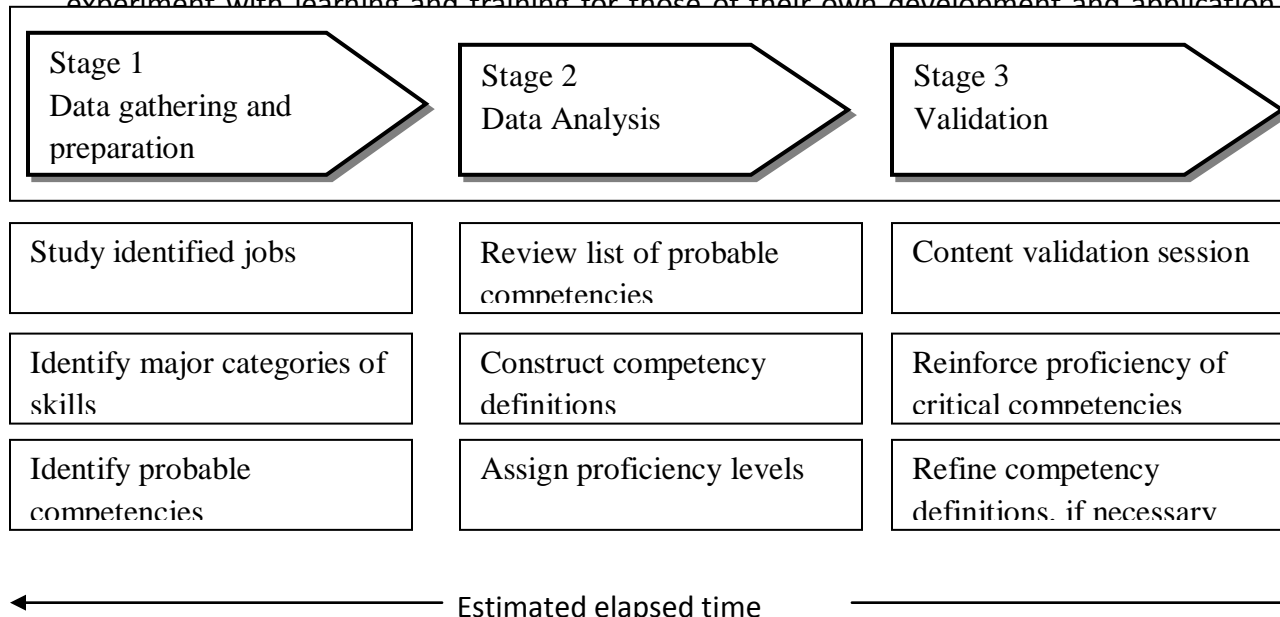
1. Developing competency models to facilitate competency profiling for each job role.
2. Identification of competencies required to perform successfully a given job/role or a set of tasks at a given point of time.
3. Assessing competency to measure the extent to which a given individual or a group of individuals possess these competencies required for a given role or a set of set of roles.

This can be diagrammatically represented as:



### The competency Development Process:

The competency development processes are quite well known and industries have begun to show considerable interest in the field. Competency development should consider a context, and activities that the managers receive in time to reflect on past experiences and experiment with learning and training for those of their own development and application of



### Competency identification:

It is the process of identification of the competencies required to perform successfully a given job/role or a set of tasks at a given point of time. There are various practices and tools for identification of competencies, some of the tried and tested methods are given below:

1. One of the methods is to simply ask each person who is currently performing the role to list the tasks to be performed by him one by one, and identify the knowledge, attitudes and skills required to perform each of these.
2. Alternately, one can appoint task force for each role. The task force must consist of at least one or more members who have some understanding of the competencies and the nature of competencies.
3. Pick up a job or a role that is relatively well understood by all individuals in the company. Work out for this role and give it as illustration. Circulate these to others and ask various departments to do it on their own.

The above methods may be used alone or in combination. The result of competency identification by combining various methods as per need would be more authentic and relevant.

### Competency Assessment:

It is the process of measuring the competency deficiency of an individual or group of individuals against the required competencies in relation to existing or expected job requirements or superior performance.

Competency assessment process can be explained simply as follows:

Step1- Identify competency required for job/role

Step 2 – Select individuals for competency assessment

Step 3- Design Competency Assessment Tool

Step 4- Apply Competency Assessment Tool

Step 5- Identify competency Gaps or Deficiencies

Step 6- Post competency assessment Applications (Recruitment, Reward, job design etc...)

### **FORMATION OF A COMPETENCY FRAMEWORK**

In order to assess the effectiveness of competency based recruitment and the productivity of an individual it becomes indispensable to assess the competencies of the individual periodically. But the competencies are nothing but the skills and qualities of an individual. Thus cannot be assessed easily due to their subjective nature. However, efforts have been made to assess these qualities using various tools.

There are a number of ways to assess competencies. Assessment methods vary in degrees of precision, complexity, and time and effort to administer. Though there are many assessment tools, among them Assessment centre and 360° Feedback system are most popular and widely adopted.

#### **1. Assessment & Development Centers (ADC)**

An Assessment centre (AC) is a comprehensive, standardized procedure in which multiple assessment techniques such as situational exercises and job simulation (business games, discussions, reports, and presentations) are used to evaluate the employees for a variety of manpower decisions. An assessment centre consists of a standardized evaluation of behavior based on multiple inputs. Several trained observers and techniques are used. These specially trained observers make judgments about behavior. At the end of the assessment the assessors get together to share their data which is scientifically recorded on a set of evaluation forms. They come to a consensus on the assessments of each candidate. Most frequently, the approach has been applied to individuals being considered for selection, promotion, placement, or special training and development in management.

Thus, Assessment centre is the method of evaluating an individual based on his performance in various business simulation exercises (Group discussion, case study, Analytical Thinking, psychometric tests, Business games, etc...) and other personality tests. Through this various inert skills and competencies of an individual like communication skills,

emotional quotient (EQ), intelligence quotient(IQ), decision making, planning, leadership, group behavior, time management and academics and many more.

However, recently we have seen a definite shift in thinking away from this traditional view of an assessment centre to one, which stresses the developmental aspect of assessment. A consequence of this is that today it is very rare to come across an assessment centre which does not have at least some developmental aspect to it, increasingly assessment centers are stressing a collaborative approach which involves the individual actively participating in the process rather than being a passive recipient of it. In some cases we can even find assessment centers that are so developmental in their approach that most of the assessment work done is carried out by the participants themselves and the major function of the centre is to provide the participants with feedback that is as much developmental as judgmental in nature.

## **2. 360° Feedback System**

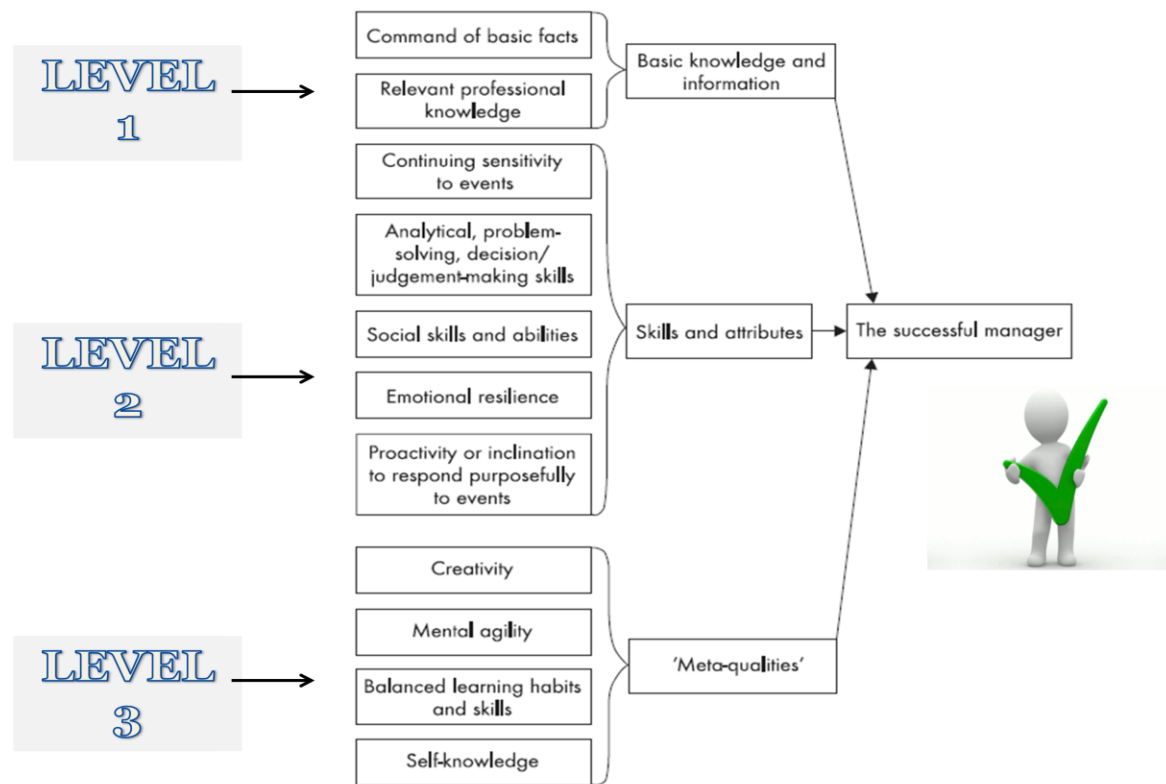
The (360°) feedback process involves collecting perceptions about a person's behavior and the impact of that behavior from the person's boss or bosses, direct reports, colleagues, fellow members of project teams, internal and external customers, and suppliers. The 360° Feedback system is also known as Multi-Rater Assessment And Feedback System (MAFS), Multi-Source Feedback System, Full-Circle Appraisal, and Group Performance Review.

In other words, 360° system involves evaluation of an individual by everyone above, alongside and below him. Structured questionnaires are used to collect responses about the individual from his bosses, peers and subordinates. Several parameters relating to performance and behavior are used in the questionnaires. The components of 360°, in order to make it effective, must include external as well as internal persons. As depicted in the figure, the employee is the core of the system and on the four corners are the different entities that play important role in the employees work namely his superior, subordinate peers both from within the department as well as from other department.

## **COMPETENCY MAPPING AT DIFFERENT LEVELS**

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 figure below, 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.

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### The Lancaster (Burgoyne) Model of Managerial Competencies [Burgoyne and Stuart (1976)]

#### 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: Pro-activity 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*



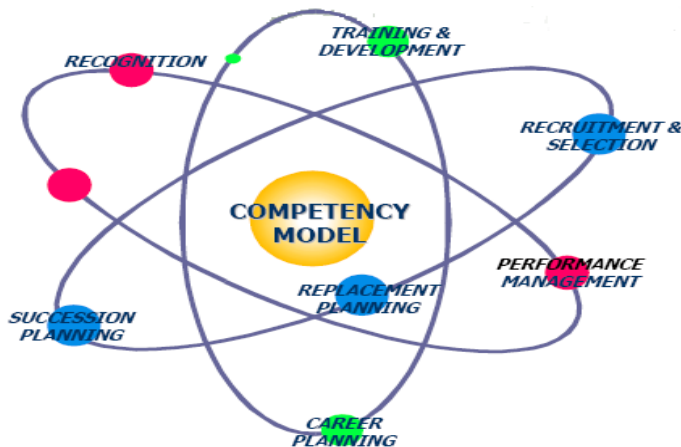
Successful managers according to Burgoyne et al. exhibit independence as learners rather than depending on an authority figure capable of abstract thinking. Such managers have the ability to use a range of learning processes including use of inputs like teaching, discovery from one's personal experiences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

### **AREAS OF COMPETENCY IMPLEMENTATION:**

The competency mapping can be applied to the areas depicted in the following diagram:



**Figure: Areas of Implementation of Competency Mapping**

#### **1. Recruitment and selection**

Competencies can be used to construct a template for use in recruitment and selection. Information on the level of a competency required for effective performance would be used to determine the competency levels that new hires should possess. Depending upon the accepted definition, competency data may take the form of behaviors, skills, abilities and other characteristics.

Competency based selection can be a way to gain competitive advantage. Some of these advantages are listed below:

- A firm that knows how to assess competencies can effectively hire the best at a reasonable price, for example hire under priced but highly entrepreneurial MBA's from lesser-known business schools.



- There is high turnover due to high failure rate among new hires. The organization needs to identify new hires with the potential to become future managers or leaders.
- A gap between the competencies needed and what the organization can hire for indicates the training new hires will need.
- A lengthy training period may transpire before new hires become productive. New hires with the competencies to do a job become fully productive faster.

## **2. Training and Development**

It involves identifying gaps and helping employees develop in the right direction. Knowing the competency profile for a position allows individuals to compare their own competencies to those required by the position or the career path. Training or development plans could focus on those competencies needing improvement.

If the training programs can be aligned to the development needs emerging out of the appraisal system and to the market led training needs they can contribute better to both individual and business objectives. This can be achieved in the following manner:

- Firstly determine the competencies for a particular position
- Secondly identify the competencies of the person holding that position
- By mapping the competencies, identify gaps in terms of the competencies for that role and the competencies of the person doing that role to diagnose the training and development needs.
- Identify the most appropriate training and development methodology for each trainable competency

Accordingly, the person can be trained on those competencies only.

Competency based training programs clearly tell what should be the competency level of the person entering the program. This would drastically reduce the training cost for the organization.

## **3. Career and succession planning**

It involves assessing employees' readiness or potential to take on new challenges. Determining a person job fit can be based on matching the competency profile of an individual to the set of competencies required for excellence within a profession. Individuals would know the competencies required for a particular position and therefore would have an opportunity to decide if they have the potential to pursue that position or not.

## **4. Rewards and Recognition**

Competency based pay is compensation for individual characteristics for skills and competencies over and above the pay a job or organizational role itself commands. One way of improving employee performance is by recognizing and rewarding effort. Competency pay is the best way to do so. Rewarding employees for their ability to make the best use of their skills

and competencies in accordance with the organization's needs was the logic behind this once popular HR tool.

Various elements are considered for arriving at compensation increase. Enhancement in competencies has to be one of them. There is a need for competency based compensation system

- To attract more competent than average employees
- To reward for results and competencies developed
- To motivate employees to maintain and enhance their skills and competencies regularly

By rewarding employees who develop relevant competencies the organization can benefit by improving its own capability to face the future

### **5. Performance Management System**

Performance has two dimensions

- Achieving business results
- Developing individual competencies

These days performance appraisal is seen by managers and employees as a bureaucratic "paperwork" exercises that they do not take seriously because it has little impact on employee development. Performance appraisals do not address the employees' questions about skill development or career advancement. Competency based performance management would:

- Focus on "HOW" of performance and not on "WHAT" of performance i.e. not on results but how the results are achieved
- Link to development of the individual and not just rewards

Competency based PMS shift the emphasis of appraisal from organization results to employee behaviors and competencies demonstrated and hence help identify development gaps.

### **CONCLUSION**

Competency mapping is a novel technique, and much work needs to be done if it is used to achieve its full potential as an assessment evaluation tool. A lot is going on in recent times on the issue of competency mapping. A lot of resources are spent and consultants are being invited to do competency mapping. Increased manpower costs, need for ensuring that competent people man critical positions, and the need to be competitive and recognition of the strategic advantages of having good human resources have compelled firms to be more competency driven. Here we have discussed how competent employees have become need of the hour in every organization and it is now essential that they undertake competency mapping, identify models, gaps and imbibe this as an everyday practice in an organization.

Often competency mapping runs the risk of being just another new-fangled process that happens to be the flavor of the season. Such a powerful organizational tool is often resorted just because rival organizations have implemented it and not because there is genuine

appreciation of its benefits. Competency mapping should not be seen as just another means to apportion and dispense rewards. In simple words it not only ensures the best person is recruited and placed in the best job suitable to the person, but also through training and appraisal It makes the less competent person into more proficient.

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