



Competency Based Human Resources Management

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Competence & Competency

- A Person ability and willingness to perform a task. It encompasses knowledge, skill, understanding & will
- An underlying characteristic of a person which results in effective and/or superior performance in a job
- Competency: Much more than knowledge and skills. Includes attitudes, knowledge, values, behavioral styles etc.

It is a combination of knowledge, skill and abilities in a particular career field, which, when acquired, allows a person to perform a task or function at a specifically defined level of proficiency



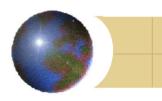
Various Competencies (Definitions)

- Essential competency: A competency that forms part of the vital knowledge skill, an abilities for an individual career field; an essential competency is critical for an employee to perform effectively at his or her level in a career field.
- Universal Competency: An essential competency that is requisite for all employees
- Shared Competency: An essential competency inherent to one career fields that crosses over into another career field
- Common Competency: An essential competency that describe the knowledge, skills, and abilities found within a family of related job.



Knowledge Levels

- Basic Knowledge: Has a rudimentary/elementary understanding of the concept/tasks entailed in the competency; can do the work with assistance/guidance/close supervision of more experienced
- Working Knowledge: Has a through understanding of the concepts/tasks entailed in the competency; can do the work with minimal assistance/guidance/supervision
- Advanced Knowledge:Is very accomplished/a recognized information source in that competency; can teach/guide/lead others in the competency



Competence Building

Unconscious Competence Experience, Repetition

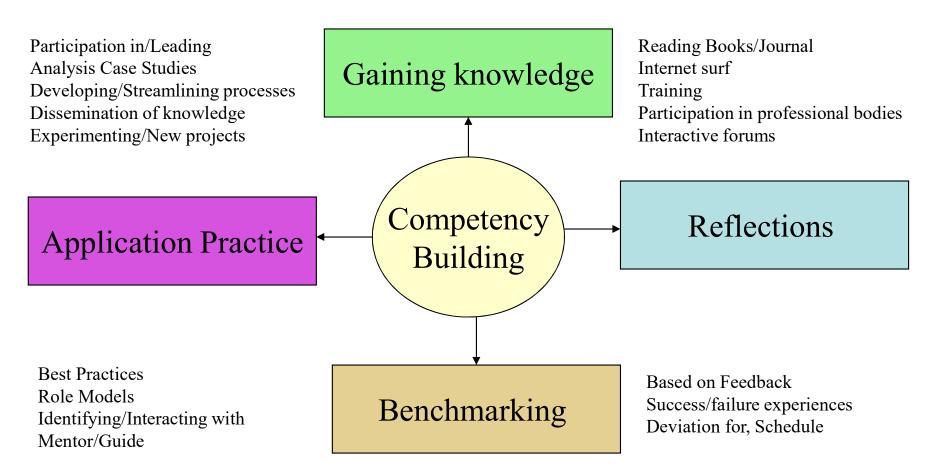
Conscious Competence Doing

Conscious Incompetence Learning

Unconscious Incompetence



Competence Development





Rationale & Definition

Competency based recruitment is a standardized, focused method of identifying, evaluating & selecting candidates based on pre defined competency framework. It helps in:

- Accuracy in assessing people suitability
- Prevents interviewers and assessors from making judgments on characteristics
- Provides a structure which facilitate usage of various assessment & development techniques
- It is a tool based approach
- Methodology used by several progressive HR organization



Key Elements of a Competency Model

- Organization Value
- Core Strategy / Critical Success Factors
- Competency Directory
- Assessment Set i.e. CEO,CHRO,COO,CFO,MH & AISH
- Mapping Band Matrix Concept, Style & Skills
- Short Term Development Plan
- Long term Career Plan
- Assessment Technique used at the Assessment Center i.e. 360 degree feedback, In depth testing
- In Basket Exercises/Simulations/Interviews/Team Discussions
- Targeted Selection



Value is being created

In a fundamentally...

New Ways....New assets



Value adding Assets are changing

- Unique Assets: No other firm has exactly the same set of knowledge, skills, abilities, innovations, codified knowledge, patents, trademarks, copy rights, and trade secrets. They are unique and difficult to duplicate and may require considerable time & resources to do so
- Differentiable Assets: Includes assets such as manufacturing, distribution which while similar are different in some ways from those of competitors. They differ in size, shape, complexity, production rate and cost structure. Complimentary business assets (innovations) are important to knowledge firms for generating & maintaining profits
- Generic Assets: Includes those not differentiable, such as cash, fixed assets, fixed capital and tangible assets. All of the assets are found in the balance sheet.



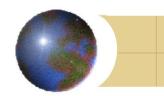
Business Need

- Competencies have been defined as the foundation of key people processes
- Need to hire the relevant competency fit with minimal/no cost overruns
- Enhance the employee value add/people equity of the practice
- Facilitate alignment to the overall BC strategy
- Identify/determine the individual competency set at hiring stage such that the performance & learning curve can be mapped effectively
- Align the competency requirements of the recruits to key processes such as resource planning, training and learning & career planning
- Strengthen the vendor (consultant) Management Process

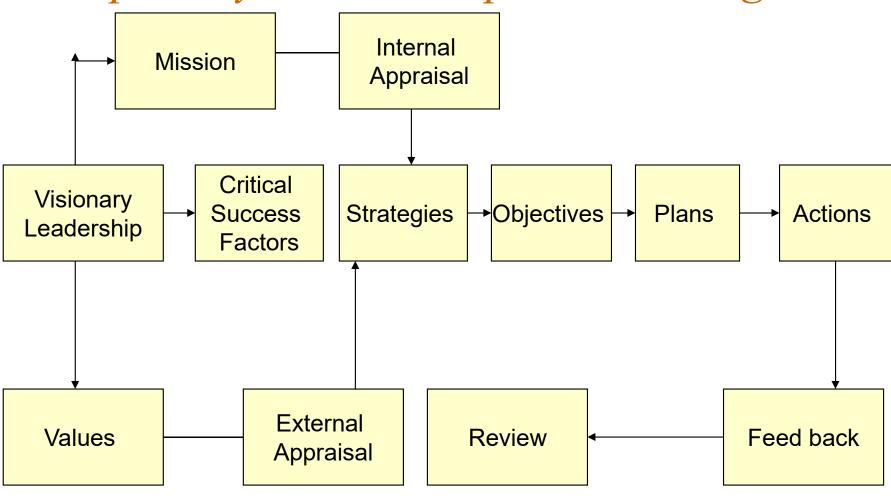


Drivers of Business

- Business Strategy
- Organization Design
- Core Competencies
- Performance Matrix
- Processes Design
- HR Strategy



Competency – Business process linkages





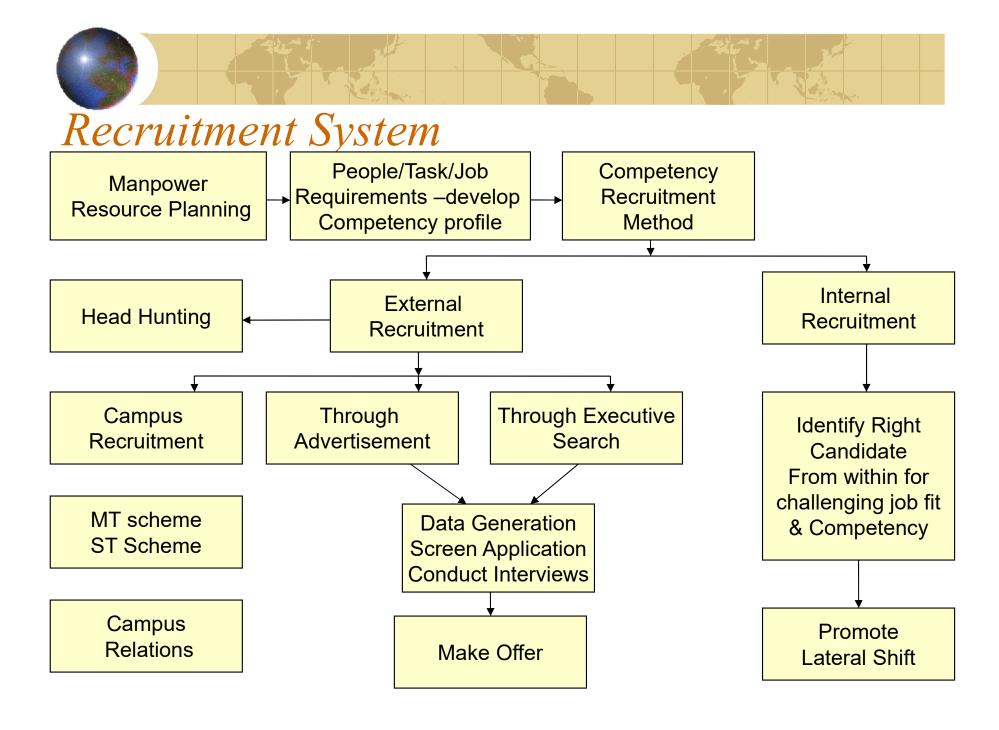
Core Competence Agenda

- Identifying Core Competencies
- Establishing a competence acquisition agenda
- Building Core Competence
- Deploying Core Competencies
- Protecting and defending Core Competencies



Competency Based Recruitment – Basics

- O for objective- to be clear about what you need from the interviews
- P for preparation- plenty of it for both interviews and interviewees
- Q for questioning open questions preferred and careful probing
- R rapport without it you won't get the best out of the interviewees
- S structure you must have an interview plan, and you must follow it
- T- for taking notes absolutely essential. Don't rely on your memory you will remember less than 10% what you hear.





Competencies & Core Competence

- "Competencies" aim at linking the human resource system of an organization to its purpose.
- The competency focus gives insights into the process of aligning the human resources of an organization with the vision & mission of the same.
- It tries to chart out the differences between the core competencies of an organization and the individual competencies of an employees.
- This may seem to be a trivial issue, but for many it is very difficult to recognize the difference.



Core Competency –Way forward

- There has to be clear position taken in terms of a current & desired state that we would like the organization to be in going forward
- The organization has to define & redefine at periodic intervals its critical success factors
- The organization should have adequately researched to understand & specify specific value drivers, This may mean differentiating tangible and intangibles assets including demarcating those that influence critical success factors & those that help enhance long term realizable value
- The business strategy closely aligns with the HR strategy and design of the firm. This is to ensure that organizational architecture, processes are not in isolation of the core strategy of the firm
- The model provide for design and redesign space while competencies are constructed



Template: Job Enrichment

Name of Manager	
Designation	
Grade	
Immediate Supervisor	
Current Role & Responsibilities	Key Accountabilities
Enrich Role –Purpose	
Additional Responsibilities	
Responsibilities/Activities delegated	
Key Performance Indicators	



Competencies Defined

Competencies are the combination of knowledge, abilities, personal attributes and skills that contribute to individual and organization performance

- Knowledge: information that is organized, learned and applied through experience, study or investigation
- Ability: Innate potential to perform mental & physical actions or tasks
- Personal Attributes: Individual traits, values, motives and attitudes that indicate an employee's probable behaviour
- Skills: Result of repeatedly applying knowledge or an ability

Template: Core Competence

Function/ Department	Production	Sales	Support	R&D
Generic				
Differentiated				
Unique				



Types of Competency Building

- Business Competency Building
- Organization Competency Building
- People Competency Building
- Performance Competency Building
- Career Competency Building
- Potential Competency Building
- Technical Competency Building Hard Skills
- Non Technical Competency Building Soft Skills



List of Typical Competencies

- Achieving Results
- Improving Standards
- Striving for Excellence
- Monitoring Performance
- Imitating Change
- Decision Making
- Meeting Customer Need
- Exercising Judgment
- Understanding issues
- Briefing for Change
- Managing Resources
- Adapting to opportunities
- Influencing
- Being open

- Planning
- Managing Budget
- Managing Project
- Conceptual Thinking
- Generating Ideas
- Applying Business knowledge
- Delegating
- Developing others
- Walking the job
- Managing feedback
- Motivating
- Team working
- Communicating
- Involving Others

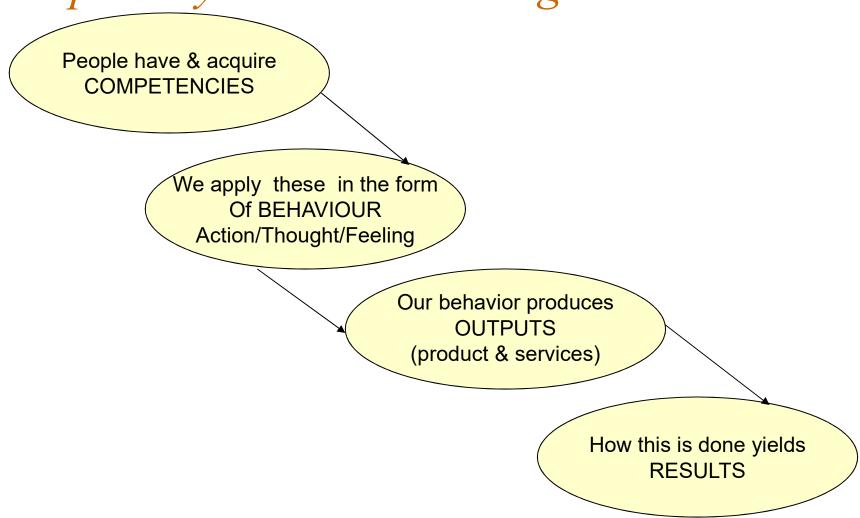


Template – Meta- Competencies could overlap with the core values

Values		



Competency Model at the Organization Level





Behavioral Indicators

- Describe directly observable behavior or a specific evidence of an Individual Competency
- Describe just one piece of behavior or evidence
- Not be duplicated under two or more competencies
- Include a verb or phrase, describe action
- Include enough contextual information to make action meaningful
- Learning to understand behaviors



Demonstration of Competencies - Behavioural Indicators

- Competencies are demonstrated through discrete & observable behaviours that an individual needs to display
- BI's can change across levels because responsibilities & the context in which they are exercised change at successive level
- Higher levels would be characterized by increased scope, complexity or ambiguity as the focus is on shaping the strategic direction of the company
- For certain competencies, the behavioral expression also may not vary, only the job context differs



Approach to Definitions

- Definitions should indicate the difference between technical, enabling and managerial competency
- The competency should be initially described for its conceptual meaning
- It should cover the basic application of that concept to the job role
- It should state the exception from the role player
- Such an expectation should be stated in behavioral terms
- It should involve action verb that indicates the need to act upon the competency to realize its value to a job
- It should form a sub set of the Meta competency and demonstrate relevance to the Meta competency under which it is being defined



Developing Definitions

- The behavior should be implemented in a job role situation
- The sub competency should flow, through logically from one to another
- Definitions should not be another reproduction of the job descriptions. It is essential that competency, distinguish the behaviors necessary to achieve tasks or perform roles as against defining role themselves.
- Competency definitions should stand the test of scrutiny in achieving a common understanding of each of the definition
- It is best written keeping skill levels, benchmarks proficiency & standards in perspective to enable fundamental differentiation from one level to another



Parameters for Setting Benchmark

- Depth of knowledge
- Breadth of Knowledge
- Quality of Output
- Guidance/supervision to ensure required quality of output
- Time to deliver in a given situation/ environment
- Thought leadership
- Innovation



Building Meta Competency or Cluster

- Define core competency at all levels of roles
- Enables creation of subset competencies that can have logical connection to the core competency
- Provides for brevity & ease of understanding at the senior management level when reviewing or evaluating competencies across the organization level job families.
- Facilitate Individual commutation to be at both conceptual level and at the eye for detail level when required or necessary
- Predominantly used while defining proficiency levels when comparing across benchmark jobs, peer incumbents and at senior management position



Building Meta Competency or Cluster

- Useful when there is no need to drill it further into sub set competencies
- Meta competency has to be defined at a strategic level with the adequate scope for its drill down
- In situations where the need is to simplify the competency to its very basic level Meta competency approach is not desirable
- Meta competency mapping without recourse to sub set competency for untrained competency mapping profession is not recommended given serious possibility of errors in defining proficiency level



Competency Levels

- Level 1: Knowing, Awareness & Acquisition
- Level 2: Application & Relevance Checking
- Level 3: Reflection on action and outcome
- Level 4:Individual & Collective Transformation
- Level 5: Asking for More learning

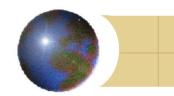


Stages of Competency

- Stage 1: Develop an Idea, Concept, Insight
- Stage 2: Investigate the Idea, Collect Data
- Stage 3: Figure, Analyze & Decide
- Stage 4: Plan For Action Set time
- Stage 5: Act upon the Idea Plan Apply
- Stage 6: Transfer the learning's to other

Template – Managerial Competence – Map to roles

Roles	CEO	COO	CFO	CHRO	СТО	AISH
Competency						



Select the repository of Assessment Technique

- Assessment Center
- Battery of various testing evaluating multiple competencies administered & evaluated by multiple independent observers
- Expert Panel Interviews
- Interview based assessments by a panel of experts in relation to the competence to be assessed
- 360 degree & 180 degree assessments
 Assessment by superiors, peers and/or subordinates

The assessment center technique provides several advantage over other techniques given the use of battery of tests and independent assessors



Prepare Assessment Worksheets for function/role

- The Band Matrix provides cues on the nature of competencies required at relevant bands
- The competency dictionary details out each competency in terms of description, behavioral traits & skill level rating scale
- The assessment worksheets provides a detailed profile of the position to be assessed, the enabling & technical competencies requires, behavioral indicators for theses competencies and the desired proficiency level w.r.t each competency.



Behavioral Event Interviewing (BEI)

- The BEI technique is typically used to build the competency dictionary.
- The BEI technique involves interviewing high performing incumbents in order to identify and explain competencies required for their positions.
- Standard templates of Competency Descriptions (with behavioral indicators and rating scales) can be used in order to provide a starting point for the BEI's

Template – Competence, task, behavior & rating

Key Tasks	Competencies	Behaviors	Rating Scale	
(What is it)	(What does it takes to do it)	(What Is observable)	(Low 1 2 3 4 5 High)	



Template – Meta- Competency Strategic Thinking

Competency Define:	Positive Indicators	Negative Indicators
Vision		
Forecasting		
Environment scanning & trend analysis		



Competency Define:	Positive Indicators	Negative Indicators
Target Conscious		
Business Development		
Problem Solving & Creative Thinking		
Customer Loyalty		



Competency Negative Indicators Positive Indicators Define: Established aggressive target Pro Active Thinking & Doing Networking to get things done **Customer Loyalty**



Competency Define:	Positive Indicators	Negative Indicators
Believes and Communicates his vision and values		
Champion Change		
Practice what he preaches		
Managing Growth		
Communication		



Competency Define:	Positive Indicators	Negative Indicators
Long terms performance focused		
Manages Conflicts		
Group Effectiveness Focused		
Build Capability		
Sets a Personal example		



Competency for Sales/Marketing Manager

Meta Competencies	Level
Customer Orientation	5
Result Orientation	5
Commercial Acumen	4
Team work & Net working	4
Planning & Organizing	4
Decision Making	4
Interpersonal Effectiveness	4
Brand Management	3
Leadership	3



Competency for HR Manager

Meta Competencies	Level
Interpersonal Effectiveness	5
Communication	5
Customer Orientation	5
Team work & Net working	4
Leadership	4
Commercial Acumen	3
Decision Making	3



Competency for Production Manager

Meta Competencies	Level
Result/Process Orientation	5
Interpersonal Effectiveness	5
Communication	4
Time Management	4
Team work & Net working	4
Leadership	4
Commercial Acumen	4
Decision Making	3



Assessment Center

An Assessment Center is a procedure that uses multiple assessment technique to evaluate employees for a variety of manpower purposes and decisions



Essence of Assessment Center

- To provide information on the individuals current & potential competence to perform a job successfully
- Squarely focused on the behavior that an individual demonstrates and should ideally demonstrate
- To elicit personal & capability information & data on people to help make more informed decision
- To encourage greater objectivity in decision pertaining, particularly to career, potential and succession planning



Principles for Assessment Center

- Job Candidates usually participate for a few days rather than a few hours
- May be used for promotion, transfer or training evaluation of employees (usually management level personnel)
- Participants take part in exercises (e.g. work samples or simulations) or are assessed with interviews and bio data information sheets
- Assessee is evaluated in groups ranging in size and may be divided into smaller groups forms various exercises. Basic ideas is to appraise individuals against the performance of other in the group.
- Several trained assessors evaluate performance in the exercises.



Definitions

- An Assessment center consists of a standardized evaluation of behavior based on multiple inputs obtained through tools & techniques. several trained observers and techniques are used
- Judgment about behavior are made in major part, from specifically developed assessment simulations.



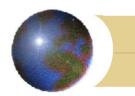
Process

- Confidentially of Design & structure
- Duration normally1-3 days
- Number of candidates typically around 12
- Types of exercise 5 to about 15 exercise.
- No disturbance/Interruptions
- Behave naturally, participate spontaneously
- Respect the time limit for each activity
- Seek help of the facilitators in case of difficulty
- Utilize the time effectively
- Develop Orientation



Selection Validities

*	Targeted Selection	1.00
0	Assessment Center	0.65
0	Ability test/job samples	0.45
0	Group Exercise/ personality interviews	0.40
0	Structured interviews/ in tray exercise bio data	0.35
*	Bio Data	0.30
*	Interviews/single personality scales	0.15
0	Education Qualification	0.10
*	Random Selection/Graphology/Astrology/phrenology	0.00



Design Principles – Choosing Assessors

- Assessors should participate first
- Familiarity with tests & exercises
- Classroom experience
- Operational experience
- Select assessors carefully- trained & qualified to evaluate
- Assessors attitude needs to be worked upon' some assessors simply do not have an open mind- reject them
- Assessor who do not follow AC instructions should also be kept away for example BEI using ones own questions as against the template:
- 1. Not following time
- 2. Not allowing assesses to talk
- 3. Seeking identical profiles
- 4. Assessors who bring their own point of view to the process are avoidable



Training Assessors

- Some of the qualities required to be an effective assessor:
- 1. Knowledge
- 2. Observation
- 3. Assessment
- 4. Integration
- 5. Judgment
- 6. Communication
- 7. Team Work
- 8. Discipline
- 9. Overall Capability
- 10. Baggage
- 11. Writing Skills



Review of Assessment Techniques

- Appraisal
- Downward & upward
- Peer & Self
- Bio Data
- Interviews
- Background Interview
- Criterion Based Interviews
- Psychometric Tests
- Ability tests
- Interest/Personality tests
- Contrived Exercises
- Trained Assessors
- Integration of observation



Review of Assessment Techniques

- Case study
- Planning situation
- In Tray Basket exercise
- Individual Situation Analysis
- Leaderless Activity
- Group Discussion
- Presentation
- Role Play
- Workplace assessment
- Skill Inventory
- Situation exercise
- Behavioral Response
- Behavioral Observation
- Multiple Assessor



Assessment Result

- Perhaps the most important feature of the assessment center method is that it relates not to current job performance but to future potential performance??
- By observing how a participant handles the problems and challenges of the target job or job levels. You get to know the profile behavioral pattern



Assessment Center Features

- Have a pass/fail criterion
- Are geared towards filling job vacancies or selection
- Address an immediate organization needs
- Tend to be used with external and /or internal candidates
- May have fewer assessors and more participants
- Involve line manager as assessors
- Place less emphasis on self assessment
- Focus on what the individual can do now
- Are geared to meet the needs of the organization
- Assign the role of judge to assessors
- May give no feedback to individual
- Refrain ownership of the outcome/feedback within the organization
- Hold very little pre event briefing



Development Center Features

- Do not have a pass/fail criteria
- Are geared towards developing the individual
- Address a longer term organization need
- Tend to be used with internal candidates
- Can have 1:1 ratio of assessment to participant
- May not involve line manager as assessors (possibly all external)
- Focus on Individual potential
- Are geared to meet needs of the individual as well as the organization
- Holds a detailed pre-event briefing
- Pass to or share ownership of outcome/feedback with the individual
- Assign the role of a facilitators to assessors
- Place more emphasis on self assessment
- Always give detailed feed back to the individual



Draw backs in Assessment

- The halo/horns effect
- Stereo Typing
- Similar to me
- Give more weight to positive than to negatives
- Prejudices



Organizational HRD Strategy

- Clear Vision & Mission
- Top Management Commitment
- Drive a competency focused organization
- Sharing the vision
- Employee involvement & commitment
- Communicating the purpose of change
- An effective communication network
- Understanding the contribution required
- Project management of change
- Ongoing management education & development program



Targeted Selection

Situation/Task = Why?

Action = What done and how done?

Result = Effect of Action?





WHAT IS TARGETED SELECTION (T.S.)?

- Behavior Based Selection System
- Determines Match Between
 - The Requirements of the Position
 - What Candidate Has to Offer



WHAT IS TARGETED SELECTION(T.S.)?

- Systematic Process That Leads to Better Selection Decisions By:
 - Focusing on Job-Related Information
 - Job Analysis and Behavior Dimensions (Competencies)
 - Organizing the Elements of a Selection Process into an Efficient System
 - Obtaining Past Behavioral Examples that Can be Used to Predict Future Behavior
 - Applying Effective Interviewing Techniques
 - Post Interview "Data Exchange" Discussion



HOW DOES T.S. PROCESS WORK?

- * Targeted Selection Process (Step by Step):
 - Establish Job Required Dimensions (Competencies)
 - Create Structured Interview Guides Based on Dimensions
 - Behavior Based, In-Depth Interview By Interviewers
 - Group Discussion and Rating Consensus on Candidates
 - Final Selection of Candidate by Hiring Manager
 - Feedback to Internal Candidates only
 - Selection Decision/Areas For Development



BENEFITS OF TARGETED SELECTION

What are the Benefits of *Targeted Selection*?

- Best Method Among Existing Selection Devices
- Provides a Common, Consistent Methodology
- Systematic Approach, Fair, Legally Appealing
- Provides a Map for Keeping on Track, Probing and Asking Meaningful Questions
- Provides Linkage Between Job Description and Employee Performance within Defined Dimensions
- Interview Process Provides Prescriptive Information Valuable for Future Development



CURRENT SELECTION DEVICES

Selection Devices	<u>Validity</u>
Behavior Based Interview - Ta	argeted Selection 0.54
Cognitive Ability Test - Νυ	umerical Test 0.53
Assessment Center - D.D.I A	Assessment Center 0.44
Work Sample Test	0.44
Background Check	0.26
Personality Test	0.15
Interest Inventory	0.10
Standard Interview	0.07
Handwriting Analysis	0.00
Polygraph Test	0.00



TARGETED SELECTION STEPS

Group Consensus on Candidates' Rating Make Decision Notify Candidates of Results

Selection Decision

Weigh Each Competency Integrate Data for Each Candidate on Each Competency (Group Discussion)

Data Integration

Prepare Interviewers for the Interview Communicate Process to Candidates Conduct *T.S.* Interviews Rate Interviewee on Each Competency

Interview Process

Determine Priority of Competencies
Develop Interview Team
Develop Interview Guides/Questions

Job Requirements



T.S. INTERVIEW SKILLS

- Use STAR to Obtain Completed Behavioral Examples
 - S/T: The Situation or Task Facing the Candidate
 - A: The Actions the Candidates <u>Took</u>
 - R: The Results or Changes Caused by these Actions
- Past Behavior Predicts Future Behavior



T.S. INTERVIEW SKILLS -- STAR

- Situation/Task is the Background or Context in Which the Candidates Took Action (Examples:)
- Actions are What the Candidates <u>Said</u> or <u>Did</u> in Response to a Situation or Task Results are the Effects of the Candidate's Actions



TRUE STAR VS. FALSE STAR

- True *STAR*: Completed Behavioral Examples Include Situation/Task, Actions, and Results of the Actions
- False *STAR*: Candidate's Statements with Lots of Glitter but no Substance.
 - Vague Statements
 - Opinions
 - Theoretical or Future Oriented Statements



COMPLETED STAR VS. PARTIAL STAR

- Completed STAR: Completed Behavioral Examples Include Situation/Task, Actions, and Results of the Actions
- Partial STAR:





FOLLOW-UP QUESTIONS

It is Not Unusual to Ask Several Follow-up Questions to Get One Complete *STAR*

ASK BEHAVIORAL QUESTIONS

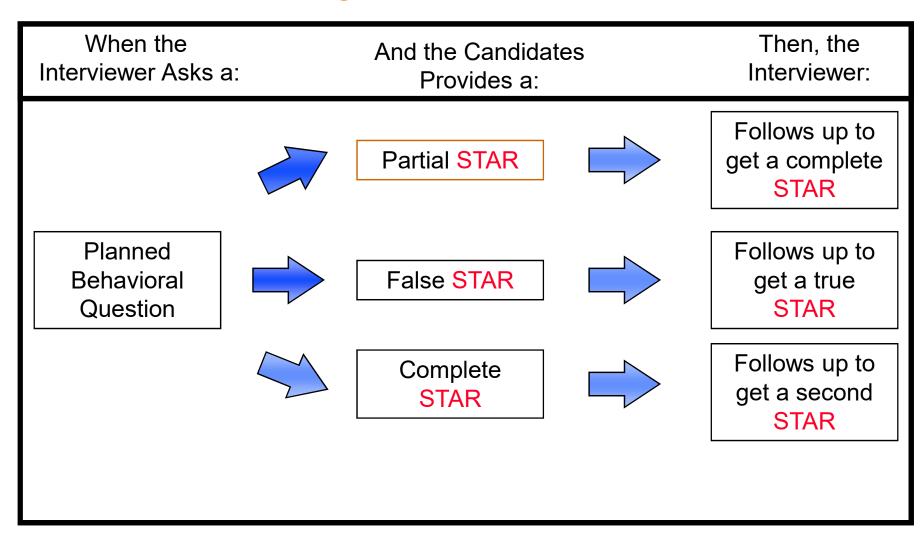
Behavioral: Asks Candidates to Provide Specific Information About Parts of a *STAR* (Examples:)

AVOID THEORETICAL/LEADING QUESTIONS

- Theoretical: Asks Candidates for Theories, Opinions, or General Actions (Examples:)
- Leading: Asks Questions That Prompt Candidates to Give the Answer They Think You Want To Hear



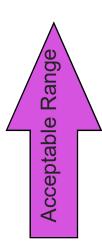
SITUATIONS REQUIRING FOLLOW-UP





DATA INTEGRATION

- Identify Complete STARs
- Categorize STARs
- Rate Candidates Based on the STARs You Obtained
 - 5 Much More Than Acceptable
 - 4 More Than Acceptable
 - 3 Acceptable (I will accept this candidate)
 - 2 Less Than Acceptable
 - 1 Much Less Than Acceptable





DATA INTEGRATIONOther Rating of STARs

- N No Opportunity To Observe or Demonstrate
- W Weak/Need More information or Opinion from Other Interviewers
- H Candidate is Too High in This Dimension

Weight Your *STAR*s Based On:

- ☆ Recency



DATA INTEGRATION

Candidate #1	Interviewer #1	Interviewer #2	Interviewer #3	Consensus
Coaching	3	2W	4	4
Initiative	2	3	2W	2
Promoting Teamwork	3W	3	4	4
Decision Making	2	2	4	2
Customer Focus	2	2	N	2



