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Implementing Competencies: A Best Practices Approach

by Dr. Stephen C. Schoonover
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Background

Competencies are context bound. They answer the question 'What does a superior performer look like in a specific setting?' In other words, effective competencies are linked to a particular organizational target or goal. Therefore, depending on the context, models may be geared toward:

- the total organization (e.g., core competencies or values)
- an entire function (e.g., finance, human resources)
- a career level or band (e.g., individual contributor, team leader, mid-level manager, strategist, or executive)
- a specific role (e.g., HR generalist)
- a specific job (e.g., compensation analyst)

While the focus of a competency model is one critical element in building a framework, another is the level of future orientation. The degree of future orientation depends on how the organization plans to apply the model and the pace and nature of changes occurring within the organization. In most instances, organizations currently try to develop models with factors that will produce success for several years.

Traditional competency methods provided clear success

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measures for individuals in "current" work settings. This can actually limit their impact. For example, behavioral event interviewing focuses on historical data of excellent performers and, sometimes, matching control groups. Implicit in this classical methodology is that how top performers succeeded in the recent past will provide behavioral evidence relevant to future success.

In settings that change slowly, this presumption is generally correct. In today's rapidly changing work settings, this assumption is often not true. To match the needs of today's environment, we almost always modify classical data gathering approaches to include benchmarking data and interview modifications. For example, practitioners frequently need to balance the focus of interviews between past performance (i.e., behavioral events), future performance needs (i.e., critical incidents) and other validation and refinement techniques, such as surveys or focus groups.

Competencies may also be structured in different ways. Sometimes for simplicity and brevity, each competency in a profile is presented as a singular concept or definition. In other settings, profiles are framed as groupings of related behaviors. This latter form works best for assessment and development interventions. In contrast, models using scaled competencies and a range of descriptors of baseline to excellent performance are best suited for pay applications.

Two other critical factors should be considered in developing competencies — the length of models and the degree of complexity and detail described in behavioral indicators. Frequently, competency initiatives fail because models are too long and too detailed or because organizations spend too much time and too many resources researching and editing behaviors.

Consequently, organizations fail to provide a simple framework to users in a timely manner. Models that work best follow the 80-20 rule. They provide the 20% of behaviors that drive 80% of excellent performance.

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The Study and Implementation Process

In general, we follow the implementation process outlined below. (See Figure 1, next page) Initially, we spend time with key stakeholders to define needs, outcomes, expected impact, and cultural issues and organization context. During this initial project phase, we also determine "design criteria" for the competencies:

- is the focus on the level, function, or specific roles?
- what is the level of validity required for desired applications (e.g., reduction-in-force, succession planning, or selection applications require more rigor and legal defensibility than development applications)?

After this initial framing of the project, we use existing models within the company and our own extensive database of models to produce a "strawman" model or models as a starting point of the study. With most of our current clients, this application of existing excellence profiles along with additional data gathering decreases cost, improves the quality of the models, saves time, and is just as valid and legally defensible as model-building from "scratch".

For most specific projects, we would probably advocate for semi-structured interviews of a selected group of top performers. Typically, we thematically analyze the interviews and then hold a data integration session or sessions to generate initial models. If appropriate for the organization, we often have project leaders participate in the interviewing and the data analysis. This increases clarity about and buy-in for the model-building process with internal staff.

Next, we test the models. Usually, this is done through a validation survey and/or focus groups/feedback sessions. To generate an initial approved version of models, we most often present profiles to a stakeholder group for review and "sign off".

After approval, models are then framed into specific applications or tools. During this phase of tool development, we would collaborate in designing methods for measuring impact, and for refining and updating models over time. No matter what

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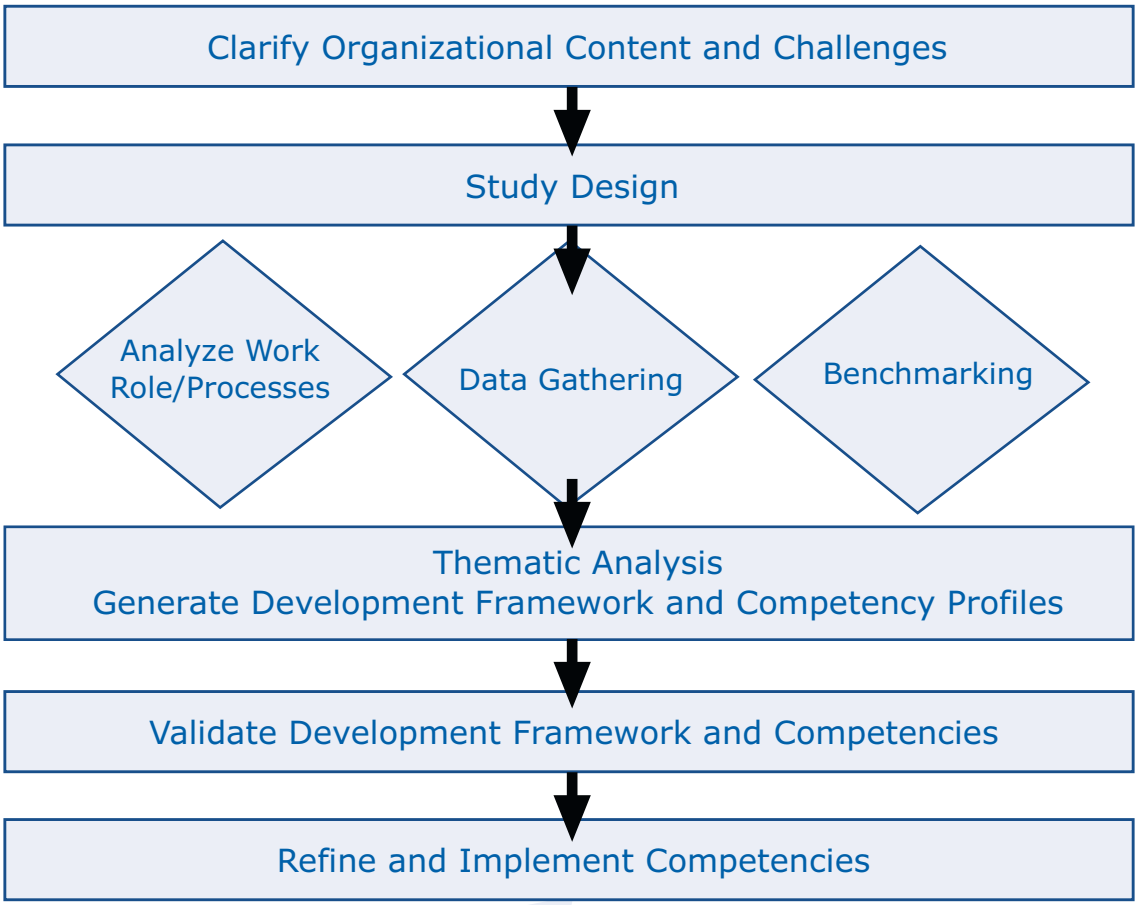
techniques are applied, we strongly recommend systematic tool application and planned updating of models and tools, and formal measurement of program impact over time.

Figure 1: The Study and Implementation Process



Applying competencies properly provides an excellent engine for raising the bar, promoting common standards, and integrating HR processes. However, competencies should be coupled with other interventions such as curriculum offerings and setting objective performance goals to make the fullest impact. Misapplying competencies can actually have a deleterious effect. Too often, models are communicated as cure-alls for a range of performance problems and organizational needs which competencies are not designed

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to address. In addition, the behavioral approach upon which competencies are based can be too reductionistic, too limited or too superficial, sometimes cloaking a set of deeper needs. In many situations, organizations should address culture, strategy, and process issues instead of, before, or in parallel with implementing competencies.

Making Change Happen

While the content of competencies has received significant attention in recent years, information on the extent and type of applications has been limited. A recent study by the American Compensation Association focusing on this topic highlights that competency applications vary widely. They generally start with developmental interventions and progress toward more formal, systemic efforts such as performance management and compensation (ACA, 1996).

Our own studies of competency initiatives indicate that successful programs use more integrated approaches to competency implementation, provide tools and job aids to managers and team members and apply change management principles during roll-out. (Schoonover, 1986, 1988, 1996). Others, such as Dubois (1993), also advocate for more systemic, comprehensive approaches to competency implementation. Indeed, one of the most common problems with implementing competency-based systems is the lack of a plan and commitment to large-scale change.

Clearly an individual practitioner can take the initiative to adapt existing competencies as their own standards for assessment and development. However, implementing competencies in multiple applications across an entire organization constitutes a large-scale change and requires significant resources and time. In other words, clarifying the critical success factors or competencies required for the success of future professionals is a necessary, but not sufficient aspect of functional transformation.

All too often individuals and organizations focus on defining the specific behaviors that support excellence, neglecting deterrents to change such as culture, structural, process and learning systems. In practice, six key characteristics consistently ensured the success of the long-term implementation of

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competencies in organizations studied:

Relevance: Approaches that work answer specific, well articulated, highly felt needs of users, employing tools and approaches that have practical, day-to-day impact on performance development applications. In other words, lasting implementations are market-driven.

Alignment: Competencies impact systems that actively support the organization's vision, strategy, and key capabilities. Therefore, they can help individuals understand how their own behavior can support these strategies.

Integration: Competency initiatives that produce the most significant change are applied systemically across a range of HR development processes.

·Distribution: Competency standards alone produce little effect. They must be actively and relentlessly communicated and installed with users.

Self-Directed Application: Competency systems frequently fail because they are too complex or require an unsustainable level of sponsorship or program support. Implementations that work best focus on the development of "tools" that can produce results for users with relatively little ongoing support.

Acculturation: Installing competencies should result in a significant, lasting organizational change. Too often organizations define and introduce new standards without a plan for sustainability. In competency systems that work, they become part of the culture and the mindset of leaders through repeated application and refinement over a significant period of time. In other words, competencies become a philosophy for raising the bar, producing accountability and empowerment and ensuring continuous feedback and development.

Another perspective that can help practitioners implement competency-based approaches is presented in Figure 2 - next page.

This picture highlights how the various components of an integrated approach fit together. Competencies as the linchpin of such a system articulate how individual behavior supports a team's best practices, core processes, vision and strategy. They also serve as the common language and standards embedded in the entire range of performance development processes and tools.

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Figure 2: A Systems Approach to Competency-Based Development

As with all large-scale change initiatives, successful implementation of competencies depends primarily on designing and sustaining a consistent process over a significant period of time. Failure to make a major impact is frequent, usually stemming from a typical set of derailment factors (see Figure 3).

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Figure 3: Derailment Factors in Implementing Change

- Lack of long-term commitment and persistence
- Lack of vision and early planning
- Lack of commitment, resources or sponsorship
- Lack of an overall systems perspective
- Failure to confront cultural readiness up front
- Lack of milestones and celebrated successes
- Lack of communication across organization boundaries
- Unrealistic expectations about the change process and resources required
- Failure to confront retrenchments

In contrast, initiatives that work consistently include a series of stages and typical activities (see Figure 4, next page).

In practice, even effective implementations are never a linear process marked by steady progress. Rather, most competency programs encounter typical stumbling blocks during rollout. Often, initial optimism is followed by sagging commitment in the face of competing priorities or "fad of the month" syndrome. If early adopters are identified and enlisted to apply competencies and if early successes are communicated widely, programs commonly make significant impact. Wider affects generally require change team and "field" sponsors who bridge inevitable setbacks in competency application.

Finally, the culture and mindset change generally requires sustained application over a period of years and integration of competency standards into normative practices.

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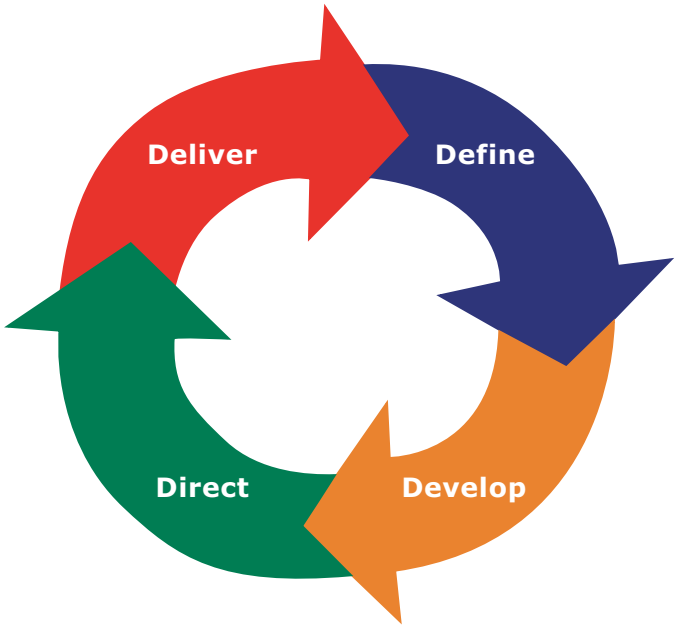
Figure 4: Change Leadership Model



Step 1
Define the Change

- Create a vision for change
- Ensure change compatibility with the organization culture
- Develop end-user relevance and buy-in early in the process
- Generate key stakeholder support and sponsorship

Step 2
Develop Strategies and Plans

- Build a change team comprised of key implementers
- Generate a network for change
- Clarify change strategies and plans
- Contract for responsibilities and accountabilities

Step 3
Direct the Implementation

- Generate and monitor change plans
- Pilot and prototype the change
- Maintain change momentum
- Ensure feedback

Step 4
Deliver to End-Users

- Produce continuous improvement
- Institutionalize new practices and mindset
- Maximize end-user utility
  Produce a culture of change

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