



HRSG

Competencies 101

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The ABC's of competencies

Competency-based management is a strategic talent management approach that defines the competencies required for successfully delivering an organization's business strategy. It is at the heart of a variety of facets of talent management, including recruitment and selection, learning and assessment, performance management, career development and succession planning, and workforce planning. By using competencies as building blocks, you will be able to create an integrated talent management network within your organization, to ensure you are hiring, developing, and promoting the right people into the right positions.

According to a 2016 study by Brandon Hall Group, 72% of organizations cite competencies as critical to their talent strategy, and there's a reason for that. Competencies allow you to acquire and retain top talent, develop your employees and optimize strengths, create better alignment between employee skills and business goals, and more.



So what exactly are competencies?

Competencies can come in different forms, but typically, they define the observable abilities, skills, knowledge, motivations, and traits, articulated in terms of the behaviors needed for successful job performance.

Referring to the sample HRSG competency in Figure 1, you can see that each competency has a name and short description. Research has shown that competencies are most effective when defined in multiple levels. In this example, the Client Focus competency is divided into five levels to indicate the incremental degrees of proficiency. Each level has a summary, and examples of the behaviors critical for Client Focus at each proficiency level. The higher the proficiency level, the more sophisticated the behaviors and responsibilities become. This is important in ensuring that employees not only have the competencies they need for success, but at the right level to perform optimally in their job.

Legend

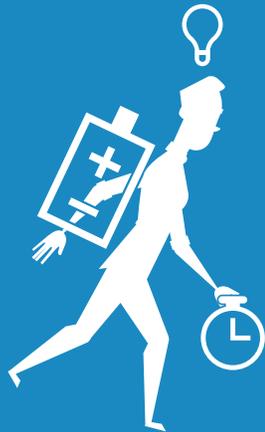
- 1 – Competency name and description
- 2 – Competency levels
- 3 – Competency level summary
- 4 – Behavioral indicators

Figure 1

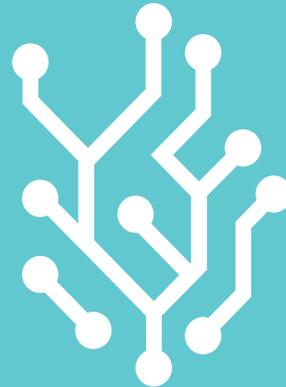
← Client Focus ▾					
1	Providing service excellence to internal and/or external clients.				
2	Level 1	Level 2	Level 3	Level 4	Level 5
3	Responds to immediate client needs	Maintains client contact	Provides added value	Provides seasoned advice	Ensures continued service excellence
4	Responds to client needs in a timely, professional, helpful, and courteous manner, regardless of client attitude.	Follows up with clients during and after delivery of services to ensure that their needs have been met.	Looks for ways to add value beyond clients' immediate requests.	Acts as a seasoned adviser, providing independent opinion on complex client problems and novel initiatives, and assisting with decision-making.	Formulates strategies and processes to evaluate emerging and longer-term opportunities and threats to meeting clients' needs.
	Shows clients that their perspectives are valued.	Maintains service to clients during critical periods.	Addresses the unidentified, underlying and long-term client needs.	Pushes client to consider difficult issues that are in their best interests.	Determines strategic business direction to best meet clients' evolving needs.
	Strives to meet service standards in all circumstances.	Addresses clients' issues in order of priority.	Enhances client service delivery systems and processes.	Advocates on behalf of clients to more senior management, identifying approaches that meet clients' needs as well as those of the organization.	Evaluates the client service model and service standards to identify areas for improvement.
		Keeps clients up-to-date on the progress of the service they are receiving and changes that affect them.	Anticipates clients' upcoming needs and concerns.		

So what exactly are competencies?

There are a variety of types of competencies.



Behavioral competencies articulate natural or inherent behaviors that are difficult to measure, such as analytical thinking, interpersonal ability, and initiative.



Technical competencies describe the application of knowledge and skills needed for success in specialized fields.

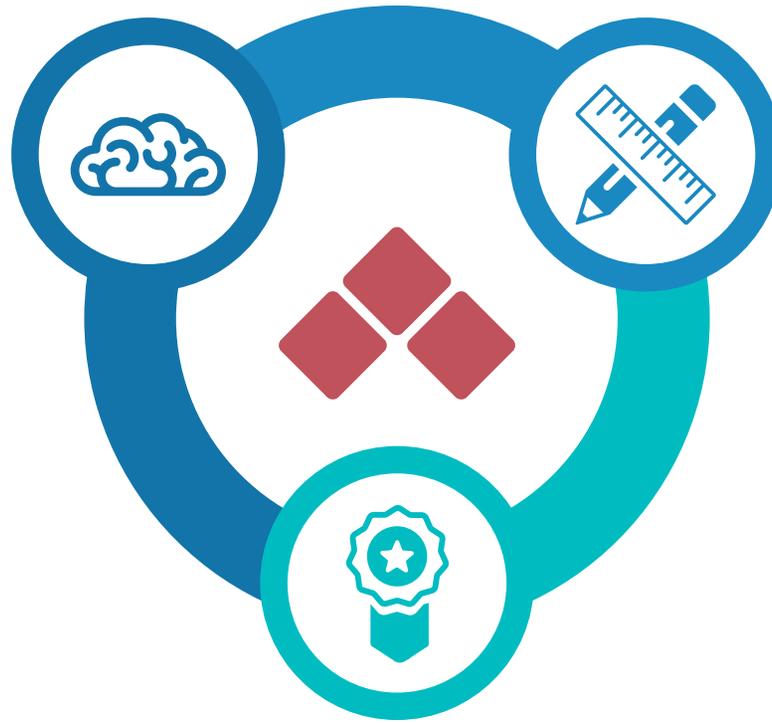


Leadership competencies capture the essence of effective leaders and translate it into measurable behaviors.

Enhancing job descriptions with competencies

The quality of your job descriptions can have an impact on nearly every part of your talent management process, from recruitment to development. But too often, they're lacking. More and more, organizations are incorporating competencies as part of their job descriptions, as they provide an objective summary of the knowledge, skills, and abilities needed to succeed in a job.

We define the set of business-critical competencies identified at the required proficiency levels needed for successful job performance as a Competency Profile. By incorporating the Competency Profile as part of the job description, you can transform them into a powerful talent management tool that fuels every part of your talent management programs.



Competencies are a multi-purpose talent management solution

There are many reasons why an organization of any size should use competencies in some capacity. We'll go into some of the most prominent reasons here, but you can always find more information in our [resource hub](#) or by contacting one of our [representatives](#).



1. Define Employee Competencies

By defining the skills, behaviors, knowledge, and abilities required for success in each job you are setting employees and your organization up for success. Whether you're using behavioral, technical, leadership, or a combination thereof, competencies set a standard that you can use to improve and bring together every aspect of the talent lifecycle. By defining employee competencies, you can:

- Communicate job expectations in behavioral terms that are easily understood by employees.
- Ensure employees are a good fit both for their position, and with your organization's core values.
- Set a benchmark for progress and assessment.

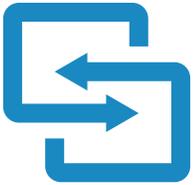


2. Select Top Talent

Competency-based interviewing allows you to base hiring decisions on objective and validated criteria. By defining your selection criteria for performance success based on required competencies, you can ensure a consistent and transparent interview process. Competencies help you select top talent because they:

- Ensure you are hiring employees with the highest likelihood to succeed in a particular job.
- Create efficiency by providing re-usable competency-based interview guides and questions that lead interviewers through the process.
- Provide standards for evaluating the success of the selection process.

Competencies are a multi-purpose talent management solution



3. Engage and Retain

Research has shown that employees who understand what is required of them and have the tools to succeed in their job will be more engaged and have a higher likelihood of staying with your organization. Competencies are your first step on the path to improved engagement because they provide standards for measuring employee strength and skill gaps, and improve employees' understanding of expected behaviors. When used with Career Pathing, competencies allow employees to plot a course of career transitions based on the competencies they need for success. Competencies also help you engage and retain employees because they:

- Enable employees to see where they fit and how they can grow within the organization.
- Focus learning and assessment on the critical competencies needed for success.
- Implement standards to determine how well learning has occurred.



4. Improve Employee Effectiveness Using Competency-based Assessments

Organizations who use assessments through their talent management processes have better visibility into the capabilities of their workforce. Competencies focus assessments on helping employees develop the skills and knowledge most needed in their jobs. Once you've established an employee's understanding of expected behaviors, you can provide direction and a clear set of progressions to help them grow their careers. Competency-based assessments help improve employee effectiveness because they:

- Can be tailored to support the employee throughout the entire talent lifecycle.
- Are a structured and objective basis for constructive feedback.
- Facilitate a developmental approach to performance management.

Competencies are a multi-purpose talent management solution



5. Build a Talent Pipeline

For continued organizational success, it is essential to have the proper workforce and succession planning in place. With ongoing changes in the makeup of the workforce, it is important for organizations to focus on developing effective leaders. By using competencies, you can take stock of your organization's vision and values, identify high potential employees, and keep potential successors engaged. Flexible, multi-level competencies also create an enhanced talent pipeline by:

- Creating an atmosphere in which employees understand the organizational vision and feel prepared for upcoming opportunities.
- Giving you confidence in knowing you have prepared employees to step into key roles and carry on the organizational vision.
- Be better prepared by using competencies to assess each job's bench strength score. The lower the score, the more difficult it will be to fill an empty position from within your organization. Competencies allow you to look at the commonalities between jobs in different departments, letting you see which positions are vulnerable in terms of available talent.

Using software to your advantage

Competencies are not a tool to be used in isolation. When integrated with software solutions organizations get decisively better results from their competency projects. This is because it can be difficult to manage all the aspects of competencies, from job descriptions, to competency profiles, assessments, training, and more. Organizations that use software have the infrastructure to facilitate full and effective implementation.

HRSG's CompetencyCore software allows you to put competencies at the core of your talent management lifecycle, and build the foundation to engage, develop, and retain top quality employees. By bringing together job descriptions and competencies, CompetencyCore gives you the hub you need to define your jobs in behavioral terms and set measurable benchmarks for success. In addition to the competency management capabilities, modules such as a competency-based interview guide builder, assessment and development, testing, career pathing, and more can be added to suit your organizational needs.

The screenshot displays the CompetencyCore software interface. On the left is a navigation sidebar with the following items: CompetencyCore, Dashboard, Profile, Tasks, Libraries (highlighted), Jobs, Surveys, Interview Guides, Assessments, Development, Learning Resources, and Performance. The main content area shows a competency profile for 'Client Focus' under the 'General' tab. The profile title is 'Client Focus' with a dropdown arrow. Below the title is the description 'Providing service excellence to internal and/or external clients.' and three icons (download, edit, share). The core of the profile is a table with five levels of competency, each with a specific behavioral description.

Level 1	Level 2	Level 3	Level 4	Level 5
Responds to immediate client needs	Maintains client contact	Provides added value	Provides seasoned advice	Ensures continued service excellence
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The Research

The following research, curated by experts, demonstrates that competencies are crucial for success in all aspects of talent management. By using competencies organizations are better prepared to tackle evolving job markets, develop effective leadership, hire the best people, and improve employee performance. Regardless of your industry or organizational size, competencies are a customizable solution that will have you seeing benefits for your organization and each of your employees.



When making effective workforce decisions and organizational changes, organizations that use competencies have a:

- 92% greater ability to respond to changing economic conditions.
- 144% greater ability to plan for future workforce needs.
- 156% greater ability to develop great leaders.



When increasing retention and hiring the right people, organizations that use competencies have a:

- 40% lower turnover among high performers.
- 17% lower overall voluntary turnover.
- 87% greater ability to hire the best people.



When maximizing productivity and employee engagement, organizations that use competencies have a:

- 26% higher revenue per employee.
- 19% improvement in employee performance.
- 89% of best-in-class organizations had core competencies defined for all roles (versus 48% for all other companies).

Source: Sherman Garr, S., (2012) Integrated Talent Management: A Roadmap for Success. Bersin and Associates

Want to learn more?

Talk to our team today, or check out more learning resources in our resource hub!

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About HRSG

HRSG provides cutting-edge software and professional services. Since 1989, we have worked with a range of industries to define talent needs, address skill deficiencies, and improve individual and organizational performance. We are a recognized leader in the field of competency-based talent management, and our flagship software, CompetencyCore™, is used by organizations around the world, to integrate competencies across the talent management lifecycle. For more information, please visit www.hrsg.ca.

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