

Analysing Competency Based Assessment, Framework and its Benefits

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Abstract

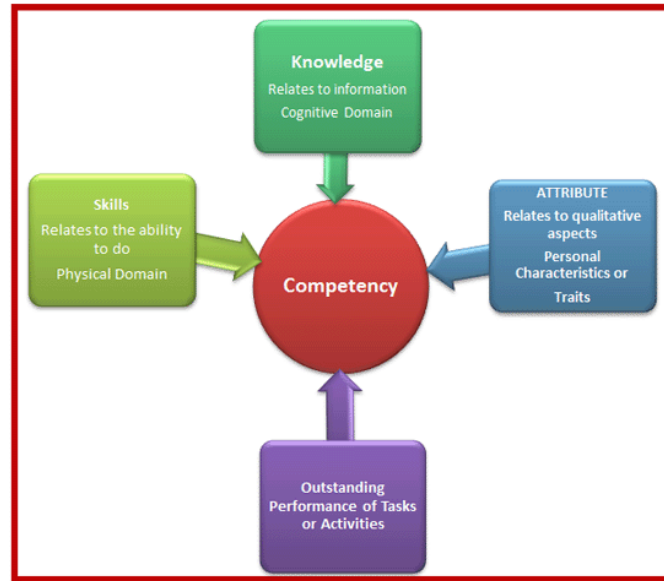
With the ever evolving and diversifying business challenges, the approach to the management of human resources has also undergone a paradigm shift. The competitive advantage achieved through technology, new products and information is short lived and vastly evaporating. The only distinguishing feature from the competition which remains, are the skills and contribution from the employees. The organizational leadership therefore plays an important part as they directly influence the performance and the people of the organization. A well-defined and uniform competency framework is the first step towards an organized approach to the human resource management of the organization. There is a constant need to increase efficiency and create and deliver value in each transaction. Therefore, it is imperative that a more scientific approach like competencies be used to define and understand the knowledge, skills and attitude required to perform a job effectively. Evaluating an employee's performance based on pre-defined competencies and their behavioural indicators, in turn is called competency based assessment. The preliminary condition for a competency based assessment is a well-defined competency framework of the organization. Ideally, the competency framework needs to be in alignment with the long term organizational goals and its vision and mission. These competencies then need to be interpreted in the context of the tasks performed by employees at different levels, so a competency like fosters teamwork will be defined differently for a senior leader like COO and would further have to be contextualized for a junior manager.

Keywords: Competency Based Assessment, Competency Framework and Competency Assessment Benefits

1.0 INTRODUCTION

Competence has been long understood as a person's ability or capacity to do a job. It was devised in the 1970s by the US Company McBer to identify the specific personal characteristics which resulted in effective and/or superior performance. Every job has a requirement of specific set of competencies to undertake it efficiently, and the individuals who would perform the job need to be laced with those competencies. One of the interesting and worth mentioning aspect of this term is that it focuses not on what a person can do but on what a person can learn.

This forward looking approach makes it quite popular amongst training providers and recruitment experts. Competencies with their specific behavioral indicators facilitate the demonstration of appropriate skills and behaviors, it is not a set of tasks performed like a robot neither it is an underlying capacity which is never demonstrated. Competency also includes motivation and self-knowledge, a desire and willingness to demonstrate effective performance. So, with this information we can proceed to defining Competency: A set of individual performance behaviors which are observable, measurable and critical to successful individual and company performance Individual characteristics of a person which result in an effective and superior performance in a job. Competency includes the following elements:



There has been a lot of debate on the aspect that whether competencies are unique to a particular job or they are generic in nature. A little example would help the understanding, does 'Management' require the same set of behaviors to be demonstrated across the organization, job function, location etc by the managers or they differ across organizations, cultures, functions and settings.

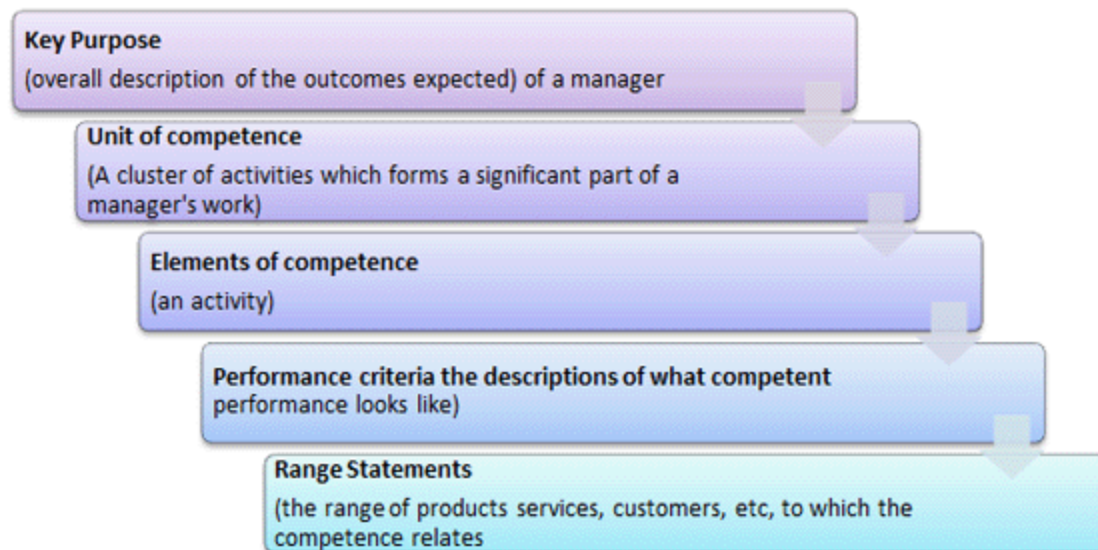
According to the MCBer research apart from identifying 12 characteristics related to managerial effectiveness, seven were found to be threshold competencies. It is worth to spare a few minutes understanding what a threshold competency is: It is summarized as a quality that a person needs in order to do a job; it might be as simple as being able to speak in the native language. It is different from the competency in a manner that it does not offer any aid in distinguishing superior performance from average and poor performance. So, every job at any level in the organization would have a threshold competency, the bare minimum required to perform the job. To gather a better understanding of competencies, it would be interesting to have a look at the work of some of the pioneers of the field. To begin one can always resort to the exemplary work done by McBer and the competency dictionary developed by him. Some of the generic competencies that were included in the list were:

- Achievement Orientation
- Analytical Thinking
- Conceptual Thinking
- Customer Service Orientation
- Developing Others
- Defectiveness
- Flexibility
- Impact and Influence
- Information Seeking
- Initiative Integrity
- Interpersonal Understanding

There are several more, but looking at the above list, one can notice that these competencies are applicable across businesses and functions and hence called generic competencies. The above leads to an obvious conclusion that there might be specific types of competencies as well, and surely competencies are also categorized into:

- Leadership Competencies: Are managerial and cognitive competencies. E.g. analysis and problem solving, managing execution, adapt and learn etc.
- Functional Competencies: Are those which are required within specific functions. E.g. knowledge of products, labor laws, inventory distribution systems, local food safety and handling regulations

The development of a competence is quite a comprehensive job involving several steps. It would be interesting to have a look at the basic structure regarding the development of a competence as given by Training Enterprise and Education Directorate of the UK Employment Department



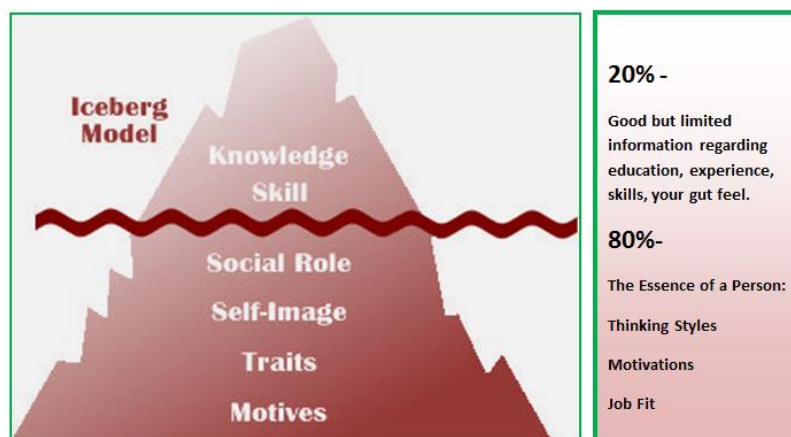
So, with competencies becoming an integral part of Human Resource Management, it has helped the HR practitioners to create and share the understanding of factors leading to superior performance at the workplace. For the job incumbents, it creates a better understanding of their own roles and desired performance which in turn helps them to plan their own learning and growth.

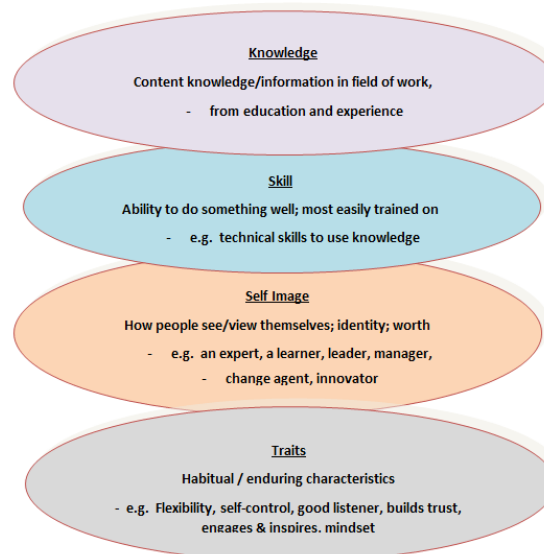
2.0 COMPETENCY ICE-BERG MODEL

The iceberg model for competencies takes the help of an iceberg to explain the concept of competency. An iceberg which has just one-ninth of its volume above water and the rest remains beneath the surface in the sea. Similarly, a competency has some components which are visible like knowledge and skills but other behavioural components like attitude, traits, thinking styles, self-image, organizational fit etc are hidden or beneath the surface.

Ice-Berg Model

The pictorial representation of the model is as below:





So, is there a relation between the competencies which are above the surface and those which lie beneath? In the book *Competence at Work Models for Superior Performance*, the authors Lyle M. Spencer and Signe M. Spencer explain that a Behaviour is incompletely defined without intent.

The aspects of competencies which lie below the surface like attitude, traits, thinking styles etc directly influence the usage of knowledge and skills to complete a job effectively. Let us try to understand it through an example. Suppose an organization is promoting an open door policy which literally means that a manager or supervisor would keep the doors of his/her chamber open to become accessible to their subordinates and encourage sharing of opinions and feedback. A manager sitting at the farthest corner of the office keeps his door open all the time, how does one evaluate whether it is for fresh air, claustrophobia or an indication that his subordinates are invited to reach out to him anytime. Therefore, intent behind a displayed action is necessary to understand the action and its implication fully.

In more complex jobs, these behavioural aspects, motives and traits become more important than the skills and knowledge required to do the job. Think of a soldier at the war front, he knows how to use the weapon he is holding, but thinks that the war is unjust and refuses to fire. In organizations, senior level hiring is therefore a time consuming and elaborate affair as it becomes necessary to establish the alignment between the organizational and individual motivation and aspirations. Developing the two levels of competencies also takes different routes. The visible competencies like knowledge and skills can be easily developed through training and skill building exercises however the behavioural competencies are rather difficult to assess and develop. It takes more time and effort intensive exercises, like psychotherapy, counseling, coaching and mentoring, developmental experiences etc.

In the traditional method of hiring, most of the organizations looked at just the visible components of competencies; the knowledge and skills, believing that the behavioural aspects can be developed through proper guidance and good management. However, with major shifts in the conventional methods of people management, the hiring process has also undergone a change therefore a lot of emphasis is being put on the hidden behavioural aspects as well to make a sound decision. Hence, a complete picture regarding the competence of a person consists of both visible and hidden aspects and it becomes necessary to understand both to arrive at identifying the best man for a job.

2.1 Competency Framework and its Benefits

A competency framework is a comprehensive structure which describes different competencies with its specific set of behavioral indicators and measurement criteria. Most of the organizations have their own distinct set of competency framework which is in alignment to their visions and mission and long and short term organizational goals. There are certain clear benefits of the competency framework for the organizations: A common understanding of critical success factors and desired behaviors within

the organization. Integration of organizational process to competencies helps the interpretation of big picture concerns in day to day working [e.g. Situation of a new product launch and the competency Customer Focus valued by the organization]. Better management and effective decisions regarding cost intensive processes like selection, hiring and promotions. Assessment, feedback and communication regarding performance becomes standardized thus facilitating a common culture. Generally, competencies have behavioral indicators as their building blocks, related behaviors are grouped under a competency and similar theme of competencies are further grouped together to form clusters. Ideally, a cluster of 8-12 competencies are found to be sufficient but one can also come across frameworks containing more than 15 competencies. Key points to consider while developing a competency framework:

- The description should be as specific as possible to remove any traces of ambiguity
- The language needs to be simple to make it comprehensible by the larger audience
- The structure has to be simple and logical
- The framework should be relevant for all the people using it and being affected by it
- The framework should take into account unexpected changes that might affect organizational transactions, which means that it should clearly outline the behaviors that describe the manner in which the job incumbents are to perform in immediate and midterm future
- There should be no duplication or repetition of behaviors in the framework
- The behaviors should be distinct and describe just one aspect or one behavior, combination of two aspects may lead to a situation where an individual might be good at the first but poor at the second aspect

Do you observe the rating scale in the above diagram? It transcends from a behavior displayed which is ineffective or needs development to a behavior which is highly effective. The above way of measuring competency is called Behaviorally Anchored Rating Scale or BARS. BARS is nothing but the description of the behaviors for ineffective and effective performance as shown above which when displayed by the participant or the person under observation in exercises like role plays, presentations or structured interview; is then anchored or placed at the appropriate point on the scale. The measures and descriptions of the scales are developed through a comprehensive process of job analysis using methods like critical incident technique, structured interviews etc. The scale usually ranges from 3-5 but in rare cases can go up-to 7 which becomes complex and difficult to use and therefore avoidable.

A competency framework might be developed from the scratch in a place where it does not exist or an existing framework can be expanded to make it more useful. Whatever might be the case but it would be useful to consider the following: Involvement of people in developing the framework, which creates a buy-in and an ownership. Keeping people well informed about the developments while also explaining the objectives and reasons behind them. Identifying and creating competencies which are relevant to the organization. With a robust competency framework and HR processes in alignment to the framework gives an organization a competitive edge in the dynamic labor market and facilitates the brand of the organization as an employer.

2.2 Assessment: Definition, Objective and Principles

Assessment itself can be defined and interpreted in several ways like financial, educational or even psychological assessment however, for the sake of the current discussion we shall stick to the context of HR and define assessments within it. Assessments are systematic methods of gathering data under standardized conditions and reaching a conclusion regarding the knowledge, qualification and potential of an employee. The objective is to further use the data to take certain strategic decisions like selection and hiring, promotions and appraisals and also to give feedback for development. Structured assessments carried out for a well-defined and specific objective for e.g. promotion or role change provides crucial information regarding not just the knowledge and skills of a participant but also about his behavioral attitude and motivation.

The history of assessments can be traced back to the German army which after the Second World War adopted methods developed by their psychologists that used tests, simulations and several exercises to evaluate the potential of the officers for hiring and promotion in the army. AT&T was the first company which used this method to select candidates to fill its managerial positions and brought the practice from the army to the corporate world. Since then assessments have become a vital constituent of several HR

practices. Understandably, when competencies were introduced by McBer and other behavioral scientists, it was hardly a surprise that assessing these competencies through structured processes became imperative.

So, generally assessments are done using several tools like simulation exercises which include case studies, role plays, in-baskets etc and psychometric tests like MBTI (Myers Briggs Type Indicator), 16PF, learning style inventories etc and games like team building exercises. These assessments are carried out by trained assessor or assessors who observe the assessee in the simulation exercises or games and rate them on pre-defined criteria. For the organizations assessments give information regarding the current skills sets of the employees and an understanding of the gaps and the development needs while on the other hand for the employees it becomes an opportunity to understand their own strengths and development areas. It is interesting to note that sometimes it may happen so, that what the assessee considers to be a negative area turns out to be his forte and his assumed strengths may actually be his development area. Assessments in any form, act as an eye opener, for both the organization and the employee giving them an objective and complete picture for both long term and short term planning.

Since, assessments use pre-defined criteria and tools which are based on extensive job analysis their validity turns out to be quite high as well. Ideally the process of tool development for the assessment exercises should be done by individuals [within the organization or external consultants] who spend considerable time in understanding the value chain of the organization, its vision, mission, ethos and operating philosophy. Having contextualized assessment tools like case studies and role plays as per the organization ensures a better buy in by the different stakeholders of the assessment processes. This in turn appeals to the logic of the people participating in the assessments and help them get a clear understanding of their improvement areas. The feedback provided after assessments help the participants in self-reflection, thus initiating the learning process. A few principles that should be followed while conducting assessment exercises are:

- Clearly defining the objective of the assessments
- Identifying the criteria and sharing it with the assessee in a transparent manner
- Feedback to the assessee on his/her performance
- The nature of records made and data collected needs to be shared with the assessee
- If the data is to be used for purposes other than what defined before the assessment, the assessee needs to be informed regarding the same

3.0 EVOLUTION OF COMPETENCY BASED ASSESSMENT

Competency based assessment owes its genesis to the traditional method of Job analysis where a detailed description explored how a job is done. It was used as a decision tool for a number of HR processes like hiring, promotions etc. Job Analysis however had minimal or no reference to the knowledge, skills and attitudes required for doing a job. To respond to the changing business needs and to enhance the performance of the Human Resources, the concept of competencies came into existence and over the years encompassed almost all aspects of HR processes. Hence, assessments processes used in organizations to take critical decisions were also influenced and integrated with the competencies. The obvious benefits being, a very specific and objective evaluation of employees for purposes like selection and hiring, performance and potential appraisal, role change and succession planning etc.

Since, job analysis provided very limited and restricted information regarding one particular job, with the changing times its usage for strategic decisions started becoming more and more obsolete. The new trend was to select and hire job incumbents who possessed more than one skill and would be able to flow in the organization both horizontally and vertically as and when required. To achieve it, assessing the competencies identified as critical for the organization, became the preferred choice. Competency based assessment emerged as a tool which streamlined and integrated the HR processes of the organization to yield tangible and long term benefits. Some critical and cost intensive processes like Recruitment benefitted hugely from this approach. Along-with understanding the technical knowhow a job incumbent possessed for a given role, it also provided helpful insights into the organizational fit of the prospective role holder. This in turn goes a long way in managing the attrition level in the organization which emerged as the single biggest problem in certain sectors like IT and Retail.

It also revolutionized the trends in talent management and capability building of the employees. With clearly defined competencies and unanimous understanding of desired behaviors to be displayed within the organizations, the management had a clear perspective regarding the skill gaps and measures to identify and leverage the strengths. For the employees, it provided an opportunity to direct and redirect their self-learning appropriately to achieve tangible results desired by the organization. A clear interpretation of organizational goals in one's day to day working became possible because of the core competencies and frameworks adopted by the organization while competency based assessment paved the road for charting out one's own career track for the employees in the organization.

The other important role that the competency based assessment has taken up is that of pay based on competencies, replacing the old ladder growth concept which depended on experience gained over long years. The competency based assessment works fine for the labor force which comprises mainly of a generation of workers who have grown up on a diet of instant coffee, noodles and fast food and want quick results. The competency based assessment promises fair evaluation of workers based on their value to the organization. The more competencies one acquires which contribute to the organizational values, the more rewarding is the pay for such an employee. This provides greater flexibility to the employees to plan their growth in the organization at their own pace.

The competency based assessment has found quite an acceptance in the corporate world however it also requires certain careful considerations before it is implemented. While opting for a competency based assessment all the stakeholders of the organization need to be in complete synchrony with the objectives, methods and desired results of such a system. Any method created for competency based assessment has to be relevant to the short and long term organizational goals and business objectives. Like any other change, this also has to follow a path of confusion, reluctance and suspicion from the employees before it is understood and embraced by them to become a high performing organization.

3.1 The Process of Competency Based Assessment

The increasing competition and changing business needs demand that the HR professionals responsible for the management of human resources of an organization upgrade and modify their roles and become strategic business partner and an important stakeholder in the growth of the organization. This further translates into the fact that, all the HR strategies, processes and policies need to support the interim and future business objectives of an organization. Therefore, competency based human resource management was accepted and implemented by a large number of organizations. It addressed, this need of changing times where the technical know-how and expertise of one job was replaced by competencies which were more flexible, forward looking and developable to be used across the organization for more than one role.

When competency based assessment is adopted as a central strategy it is then further linked to the other HR processes of the organization like selection and hiring, performance management and learning and development. But, before implementing competency based assessment in the organization, it becomes important that the HR department does a comprehensive groundwork. Let us explore what are the critical considerations for the same:

- Assessing the feasibility of the process is important as it depends on the buy in and involvement of a large number of people and critical resources
- It is also important to assess the extent of desirability of people to be open and accepting to a new strategy or approach. It becomes all the more important when the organizational culture has not been very performance oriented
- The exact goals to be achieved by the strategy needs to be clearly understood and shared with all the people who would be affected by it
- An elaborate plan of how these goals shall be achieved and what role would the competency based assessment would play with a special emphasis on how people would be affected also needs to be shared

While these may be a few important points, however, introducing a new strategy or approach in the organization which has a lasting impact on a large number of people is never easy. Once the premise for

competency based assessment is clearly established it becomes comparatively easier to initiate the change in other HR processes.

The next step of the process then becomes identifying critical organization competencies, developing a framework and cascading the framework in the organization. This is to ensure, that the employees are well aware of the competencies for different level with a clear understanding of desired behaviors to be displayed in their specific job roles. The cascading of the competency framework can be done internally by the HR team members or external consultants can be called in to conduct workshops and seminars to introduce and promulgate the competency framework within the organization. Once the competency framework becomes known and is accepted by the employees, the next step becomes integrating it with the assessment processes used in the organization.

The assessment processes then have to realign to evaluate the specific competencies, some examples will help in understanding how this process happens:

1. The interview with the prospective job incumbent will now have to be a competency based structured interview where not just past experiences and technical knowhow will be evaluated but the versatility of the skills, organizational fit and personal motivations will also be explored
2. The performance appraisal system of the organization would now rely on ratings received by employees on competencies relevant to their roles making the process transparent and objective for both the managers and employees
3. The reward system of the organization would consider competencies to decide compensation and benefits for the employees
4. The skill gaps and training need assessment will now refer to competency framework to understand the developmental needs of the employees

Constant review of the process would further help in improving, strengthening and reinforcing the culture of assessments based on competencies.

3.2 Critical Features of Competency Based Assessment

When the competency based assessment has been chosen to introduce in the organization, it is worth spending some time in understanding the critical features of the process so that it is used appropriately to achieve the results it intends to achieve. Once, critical competencies are identified and the assessment is to take place for any given process in the organization, (for convenience sake we assume its assessment for promotion) it becomes important that the objective of the assessment at a given step is shared with the assessee. So, the assessee needs to understand the reason why he/she is being put through assessments and what would be the data used for.

The next step becomes outlining the performance criteria. Especially for internal processes like Performance Appraisal or assessment of potential for future roles, it is imperative that both the assessor and the assessee have a clear understanding of the performance criteria which needs to be specific and well defined. Each role has a specific set of performance criteria which might be unique to it however, it is important to consider that not just quantity but quality is also important. It becomes all the more important when potential is appraised for future leadership roles as understanding the how and why of decisions provide critical information regarding the competencies. After establishing the performance criteria, the next critical step becomes choosing the appropriate assessment tools. It depends on the assessee as well as the competencies to be assessed. For example, for a front line sales person working in a retail outlet, it is easier to observe the person on the job dealing with a customer to assess his competency of customer focus while it may not always be suitable for a senior manager. For a senior manager a complex case study may be appropriate to understand the level of customer focus he/she exhibits.

Once the assessment methodology has been decided, how it would be used to gather data points will also have to be identified. For example, a role play situation being used for assessment needs to clearly outline what kind of answer would be considered as needs development and which can be categorized as highly effective. A certain level of assessor discretion always creeps in but that does not influence the assessment negatively till the time assessors are trained. So, assessor selection definitely has to be a robust process as they have to take huge responsibility which has a bearing on somebody's career. The assessor's role is not restricted to just observing, evaluating, classifying and reporting but

also providing feedback to the assessee and facilitating their learning. They need to create an open, supportive and a non-threatening environment so that assessee can display the behaviors to be assessed. When line managers are involved in assessment they need to be provided with extensive training before they take up assessment. Also, the spirit of assessment should be objective and fair. And lastly, it would be interesting to know how even the most seasoned assessors sometimes fall into the trap of common biases. Some of those biases are:

- The hallow effect: In this case, one or two characteristics decide the entire perception about a person. So, it might be a good behavior displayed during one assessment exercise or a negative behavior displayed which may then keep influencing other assessments as well.
- Contrast Errors: It happens so when assessor starts contrasting the performance of one assessee with another instead of referring to the competencies and defined performance criteria.
- Recency Bias: The assessor considers the most recent performance to rate the assessee.
- Leniency and Severity Bias: This happens when the assessor refrains from objectively evaluating and giving an honest rating and instead gets generous in scoring. Severity is exactly opposite, where the assessor restrains from scoring a behavior displayed as highly effective despite of concrete examples.

4.0 ASSESSMENT AND DEVELOPMENT CENTERS

4.1 Assessment Center

An assessment center is basically a series of assessments carried out using several techniques like simulation, psychometric test and exercises to take critical decisions like selective or rejecting a candidate for recruitment, for promotions and appraisals etc. There are some basic considerations for running an assessment centers which is again the corporate adaptation of an army process. Assessment centers need to have clearly defined competencies with behavioral indicators and scales for evaluation and the techniques used for assessment should assess these very competencies and behaviors. No other competency or behavior apart from the one identified earlier, however profound, is evaluated. There are several techniques used and multiple assessors are involved to assess candidates in different simulation and exercises.

Simulations exercises are an integral part of both assessment and development centers. They basically are situations, exercises and conditions which imitate the real life working scenario of the assessee. They find a special place in assessments because they allow opportunities to observe and assess the assessee's behavior pertaining to each job related competency. Examples of simulations include group exercises, in-basket exercises, structured interviews, presentations, and fact-finding exercises.

4.1 Development Center

Development Centers and assessment centers are often confused as being the same as they use the same techniques to evaluate employees. But there are certain clear differences between them. A development center like an assessment center uses assessment techniques like simulation, psychometrics etc, but the purpose of it is totally different. A development center as the name suggests is conducted only for the developmental purposes of the employees. It is conducted to assess potential, to identify strengths and development needs and the end result is a well-documented individual development plan for each participant. The Development Center can be as long as 3 days where each day the participants undergo simulation exercises. It also, has a pre-defined competencies and behaviors as reference point which are assessed during assessments but unlike assessment centers feedback is an important component of development centers. During assessment centers it is only the decision that is shared with the candidates but in the development center, the candidate is provided feedback after every exercise and towards the closing of the development center an elaborate feedback session may be conducted which lays the foundation for the development of an individual development plan for the participant. As the spirit of a development center is to create an open and transparent atmosphere for learning, mistakes are not treated negatively but are looked upon as learning opportunities by both assessors and assessee. The role of the assessors in the development center also becomes larger as they now have to also play

the part of learning partner with the assessee. They are more open to hear the assessee and help them realize and explore their areas of strengths and development. A development center when used in the organization has a greater acceptability amongst the employees as it is seen as a non-threatening and objective assessment of development areas. Involvement and buy in of line managers can be beautifully integrated in the development center process by sharing information with them regarding the performance of their subordinates or team members and seeking their feedback about the participants on them on the job performance. This creates a partnership which is crucial for the individual development plan created after development center to be acted out and the goals outlined, achieved.

4.3 Assessment Methodologies to Evaluate Competencies

Both assessment and development centers use a number of simulation techniques to evaluate competencies however any other effort for competency assessment can also use same methods or look for other appropriate ways to evaluate behaviors. It would be interesting to explore a little about some of the most used methods and best practices for assessments in organizations across the world. The first and the simplest method is that of observing the candidate at his/her work. The natural work environment makes the candidates much relaxed and they display their job related competencies at ease without the usual anxiety that accompanies assessment. This makes the job of the observers easy as well as they get concrete and relevant examples of behaviors to be assessed simultaneously, as they can see them in action.

Structured Interviews are another popular method which are open ended questions asked to the candidate which help explore a particular job related competency better. It happens by asking very specific questions regarding a past performance, cited as example for a competency by the candidate and the observer tries to establish the competency by asking questions about it. The next assessment methodology worth exploring is simulation exercises. As these exercises represent situations from the work life of the candidate, they can easily relate to it and therefore job related relevant behaviors are exhibited. Some of the important tools used under simulation exercises are:

- Role Play- Using role play in simulation exercises reveal a great deal of information regarding the behaviors. The role play may have a little situation described which is given to the participant and similar information is provided to the observer however the observers are provided with certain leading questions which help to elicit the behaviors to be observed. It is also a good idea to video record the role play which can be played later during washouts with other observers to clearly identify specific behaviors. In some conservative organizations, instead of role plays verbatim are written which also serve the similar purpose of recording the behaviors for later reference.
- In Basket- It basically contains some mails, memos and other information on which the candidate has to take decisions after appropriate prioritization. It is a time bound exercise and if it is conducted as a detailed written exercise, the candidates also have to explain the reason behind their decisions.
- Case Study- A case studies for the assessment sake can be defined as detailed information regarding the different aspects of an organization, person or situation depending upon the competencies to be judged and has some problem themes running through it. The candidate is required to carefully analyze various relevant aspects of the problems and issues and reach a conclusion regarding the same with a logical reason to support his/her decisions.

Psychometric assessments/Aptitude Tests are another popular method for not just assessing the competencies but also understanding the strengths, personality types and motivation of the candidates. There are psychometric tests which measure specific competencies like teamwork, sales orientation, emotional quotient etc. Cognitive ability tests provide great information regarding the aspects like conceptual problem solving, business and financial acumen etc.

As the approach to competencies are changing, the way it can be assessed is also undergoing a few changes, new methodologies like Appreciative Inquiry and Development Dialogue with the candidate are also being adopted to understand and evaluate their strengths and weaknesses and also as methods to address performance issues and give feedback. Let us understand the concepts behind these two

terms. As one can figure out from the term Appreciative Inquiry, it basically is a process which sticks to focusing on the positives or strengths of a person. The idea is that if the positive experiences are focused on it is easier to figure out the strengths of people which then makes it easier to talk about weaknesses and development areas subsequently.

A Development Dialogue is a one-on-one discussion between a senior and a subordinate or can even take place between an observer and a candidate. It covers areas like career goals, motivations an aspiration, development needs etc.

5.0 CONCLUSION

I have explored quite comprehensively the objective and process of competency based, now we come to the point where it would be interesting to explore how competency based assessment can be linked to organizational process and how it can influence the traditional methods. Let me begin with the starting step of the employee's life cycle in an organization, the selection and hiring process. Competency based assessment of a candidate for a particular job profile leads to an objective decision rather than one based on gut feeling or instincts. Competencies also provide information regarding the organizational fit of the candidate and also about the diversity of skills, knowledge and aptitude he/she possesses which can be used diversely by the organization.

Taking up, performance appraisal next which is another important process for an organization, competency based assessment lends transparency and credibility to the process. In absence of clearly defined criteria on which the performance is evaluated, the entire appraisal process is treated as unfair and opaque by employees. Competencies and subsequently assessments based on them ensure that an employee is being evaluated on criteria which are relevant and applicable to his/her job and he/she is aware of those criteria, which gives them not just a sense of transparency but empowerment as well.

Training and development initiatives of the organization also get realigned to address strategic business needs with the implementation of competencies and assessments based on them. Competencies provide a clear picture of the organizational requirement of the level of skills and expertise required by a particular cadre of management and assessments give information regarding what are the gaps. This information further helps in understanding the talent pool the organization has and what are the areas where the skills and expertise need to be enhanced. Training and developmental programs can thus be aimed at focus areas and yield tangible results for the organization rather than conducting initiative which have little or no relevance.

A comprehensive competency framework provides direction to the senior management team of the organization as well. The processes of succession planning and leadership development find a solid foundation in competency frameworks to build and strengthen the second line of the organization. With a clearly defined competencies required at senior level and the assessments done to find out the current level provide information regarding the nature of coaching, guiding and mentoring required to create a leadership pipeline. This pipeline created out of the existing employees ensures their alignment to the organizational values, culture and processes thus creating acceptance within the organization. It also helps when external people are hired at senior levels as the guidelines and requisites are already there in the form of competency frameworks.

Competency based assessments and their reviews also accredit prior learning through work experience or educational qualification etc. It helps motivate people when, what they know and can do, is acknowledged by the competency based assessment. Competence based assessment also help in evaluating the training and other development initiatives conducted for the employees. It helps create a detailed before and after picture to be compared based on displayed behaviors and examples. It also gives information whether training provided is relevant for a particular role or level or not as well as helps create such programs which actually address the core issue rather than beat around the bush.

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