

## Transforming traditional competency models

FOR OVER THREE decades, competencies have played a crucial role in the way talent is recruited, deployed and developed by organisations.

McClelland's seminal paper in the *American Psychologist* in 1973 started a powerful 'competency movement' in the US, which quickly spread to the UK and other industrialised nations.

McClelland argued that traditional academic exams and IQ tests were ineffective measures for predicting effective job performance. As an alternative, he proposed that organisations should assess underlying characteristics of an individual such as motives, traits, skills, and knowledge to determine job success.

At the time of McClelland's groundbreaking work, most organisations were looking to standardise and structure work processes and jobs to drive productivity gains, ensure higher product quality and build constructive relationships with organised labour and unions. Order, formalisation and consistency were key imperatives to create and protect elaborate hierarchies inspired by scientific management ideals and aspirations. The prevailing assumption was that in order to grow a successful business, one needed to ensure good employee-job fit, even if this meant compelling employees to undertake tasks and responsibilities they didn't enjoy. There was very little, if any, room for individual differences in strength, style and motivation.

This organisational mindset led to the huge popularity of the competency movement, which appeared to offer a panacea to guide all crucial human resources activities. Large employers and multinationals took the lead in introducing elaborate competency frameworks within their organisations. Codifying and prescribing desirable behaviours and qualities required for excellent performance in particular jobs and job categories appeared to provide organisations with an ideal basis to recruit, train, promote and manage the performance of their employees.

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However, evidence that competencies deliver improved business results and competitive advantage is scant at best. A look at the recent research in this area suggests that whilst around 73 per cent of large companies use competency frameworks (Hewitt Associates, 2005) many organisations feel that they fail to deliver their objectives. Reported problems include overly complicated frameworks that overwhelm employees, a failure to take into account future organisational requirements and abstract competencies that are non-actionable (Corporate Leadership Council, 2005).

However, in order to fully understand why competency systems have fallen short of delivering their full promise, we need to explore some of the problematic assumptions underpinning such approaches.

Firstly, the prevailing thinking in most organisations today is that a high performance culture is created by identifying competency 'gaps' against mandatory competency requirements and then closing these as quickly and cost-effectively as possible. HR processes and activities from selection processes through training and development, to managing performance conversations, are all designed to identify and 'weed out' employee weaknesses. However, compelling research in recent years shows that weakness-fixing does not lead to outstanding performance, but only prevents failure (Buckingham & Clifton, 2001).

Secondly, the emphasis of the traditional competency movement has been more individual in focus, based on the assumption that by helping individuals overcome their weaknesses and behaviours, the team will ultimately become stronger. However, this is flawed thinking, as it

ignores powerful interaction effects that occur between individuals in a team when complementary strengths and capabilities are harnessed. What organisations need to better understand is why it is that some individuals appear to benefit from each others' strengths in a team environment while other combinations seem to undermine the energy, strengths and motivation of team members. It is only through understanding these interaction effects that we can build engaged and productive workforces.

Finally, traditional approaches assume that jobs are relatively static and employees benefit from having a prescribed set of competencies for their training and career progression. Detailed career paths are often mapped out for employees, with elaborate competency development directories and training programmes targeted at 'grooming' employees in skills and behavioural areas where they are assessed to be 'falling short'. Euphemisms for employee weaknesses such as 'development opportunities' and 'improvement areas' abound in such environments. However, the operating environment and employee expectations in most organisations have changed beyond recognition. Most employees no longer prioritise job security and steady career progression in exchange for their services. Rather, they want to be recognised as individuals with unique skills, behaviours and other qualities they bring to the organisation. They also want interesting and challenging work which allows them to use these skills and qualities as frequently as possible. In short, they want to use their distinctive strengths and feel a sense of fulfilment when they leave the office at the end of each day.

What we now need is different set of assumptions, tools and practices from management and human resources. Recruitment activities need to focus on attracting and identifying people with distinctive strengths that will help challenge the status quo and create lasting value. This goes way beyond 'shoehorning' people neatly into jobs, providing them with skills training and rewarding them for doing a good job. Talent development and deployment systems need to be designed to help people optimise their strengths through building awareness of which activities they find energising and have a natural talent for and how they can deploy these strengths more fully at work.

Performance conversations need to be refocused around employees' strengths rather than on their weaknesses. This doesn't mean ignoring weaknesses, as this would be just as detrimental and demotivating to employees as only focusing on shortcomings. It simply means putting a great deal more emphasis on strengths and achievements and helping individuals understand how they can deploy their strengths more effectively to achieve desired outcomes. It is also important that these conversations help employees make their weaknesses less relevant by finding creative ways to manage around or mitigate these. This lends itself to constructive dialogue between the manager and their employees around creative approaches for managing weaknesses including complementary co-worker partnering, delegation, reframing, employing new technologies, bringing in resource support from outside the team or organisation, etc.

We are not suggesting that organisations with well-established competency frameworks should abandon these. If appropriately used, competencies can provide a strong foundation for effective human resources decisions and practices. However, this will require a much more flexible and realistic application of competencies which recognises that like professional athletes, most individuals possess only a few distinctive strengths. They cannot be equally good at the long 'wish list' of behaviours and skills typically demanded by organisations.

Changing assumptions about how people are managed needs to start at the top, with courageous and decisive leaders who are prepared to challenge their own people management assumptions and approaches based on many years of experience and conditioning. In order to bring about an environment where authentic expression and strengths can be optimised, leaders need to model the way, promoting a challenging and appreciative work environment that encourages strengths deployment, creativity, open-mindedness and risk-taking in line with the organisation's overall purpose and goals. To do this, they need to move beyond traditional personnel management principles of consistency, compliance, risk-aversion and order, hallmarks of a bygone era.

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