

Differentiating and Comparing "Skills" and "Competencies"

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Nearly every day, we hear business people discuss the "skills" and "competencies" their employees need to succeed. The two terms are used together so often that many people think of them as synonyms.

Are they the same? Should they be used interchangeably? The short answer is "no." They are certainly related, but they are not identical. Learn more about the difference between skills and competencies – and how they can work together to strengthen workforce performance.

The Differences

In the workplace, both terms refer to the abilities of employees. Both are important to individual and company performance. And every employee needs both relevant skills and relevant competencies to do their job well. Here's how they differ:

Skills:

Skills are specific learned abilities. They are what a person can (or cannot) do. Writing a blog is a skill. So is computer programming, data entry, oral communication, and truck driving. Skills describe what activities employees are trained to perform.

Competencies:

Competencies encompass skills, along with knowledge and behavior. They are *how* a person performs on the job. Someone can be competent at managing customer relationships, building teams and facilitating meetings. Welldefined competencies get to proficiency, describing cumulative knowledge, abilities, behavior, and expertise.



A Comparison

At first glance, the distinction between skills and competencies can be subtle. What can make it more complex is that skills come in two forms: soft skills and hard skills.

"Soft" skills are universal and not associated with a particular job or industry. Soft skills are abilities such as written communications and collaboration. **"Hard"** skills refer to technical abilities that are typically learned through formal education or additional learning. Coding and operating a forklift are two examples.

Still, it can help to realize that learning any of those soft or hard skills will generally be faster than mastering a competency. Competencies are broader than skills and they are developed through practice and real-world experience.

Competencies put skills, knowledge, and behaviors in context. This allows individuals and managers to assess how well someone can advance a corporate agenda, or bring about the desired outcome in their role. Here are a few examples of skills vs. competencies to bring the difference to light:

Skills	Competencies
Creative thinking	Leading a team
Active listening	Conflict management
Oral Communications	Meeting facilitation
Data entry	Financial forecasting
Java coding	Product strategy development
Time management	Change management

A Matrix View of Skills and Competencies

One reason skills and competencies come up in so many business conversations is that management wants to understand which employees have the skills or competencies they need to succeed – and for the company to succeed.

An employee skill matrix or employee competency matrix can help to pinpoint where individuals or teams have the skills or competencies that management desires. This <u>AIHR article</u> describes a skills matrix or competency matrix as, "A tool to map required and desired skills for a team or project. It is a grid that visualizes the required and available skills and competencies in a team."

Where there are important skills gaps, you may want to provide training opportunities to introduce or shore up those skills. Competency gaps generally require a longer-term approach to close them. That's because, in part, most competency-driven organizations measure competencies by levels. Someone can have a beginner, intermediate or advanced level of proficiency for the desired competency. Moving to the next level may require a series of experiences designed to give employees a chance to take on increasing levels of responsibility or visibility in their jobs over time.

Of course, you can create your own employee skill matrix or employee competency matrix. But it's a tough tool to keep updated on your own. For a ready snapshot of which skills and competencies your employees have (or need), you're best off to use technology.

A competency management system, such as <u>Avilar's WebMentor Skills</u>™, will centralize your data. It will also produce reports at a push of a button to provide the visibility you need, whenever you need it.

Are you ready to get started?

If you're ready to build and assess the skills and competencies of your workforce, reading our Unleash the Power of Competencies white paper is a great place to start. Or contact us to learn how our <u>WebMentor[™] Skills</u> competency management system can support your next steps.

About Avilar

Avilar – The Competency Company[™] is a leader in web-based competency management and learning solutions for corporations, government, and non-profit organizations.

Formed in 1997, Avilar was a pioneer with its award-winning WebMentor[™] product line and has built itself on the basis of superior customer service and highly adaptable product design.

Avilar consultants are recognized as industry thought leaders and have decades of experience in implementation and analysis. Let Avilar help you transform your organization from ordinary to extraordinary. You can be confident that we will listen to your organization's specific needs.



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