



ESSENTIAL GUIDE TO COMPETENCY MODELS



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■ ■ ■ Essential Guide to Competency Models



Successful organizations understand and emphasize the importance of putting processes in place for recruitment, training, and career path planning for their employees.

Not only do planned and maintained processes make the hiring process easier and more efficient for those in your HR department, these processes also make it easy for current employees to gain the skills they need to be successful in their current and future roles.

That's why implementing a competency model is so important for your organization's success and advancement.

What is a Competency Model?

According to Training Industry, a competency model is a framework for defining the skill and knowledge requirements of a job. It's a collection of competencies that jointly define successful job performance.

A competency model starts with a collection of data, usually including the skills, abilities and requirements needed for an employee to successfully perform any given work position. The skill sets an employee or potential hire has are considered competencies, and those also get added into the competency model. Companies use competency models to make decisions during the hiring process, to decide what training initiatives to implement and to make decisions regarding succession planning.

Types of Competency Models

There are several different types of competency models. How do you know what kind is right for you? Understanding what each competency model does and which model best aligns with your company's goals can help you decide which competency model(s) to implement within your organization.

1. Organizational Core Competency Model

Most organizations have a baseline set of skills that they require all employees to have. With an organizational competency model, you can understand and keep track of these essential core competencies and strive toward a workforce that has each of those abilities.

One example of a company-wide core competency might be that all members of your workforce must have foundational communication skills. This competency would specify what is expected in terms of communication skills and would also give learning objectives in order to master that skill set.

2. Functional Competency Model

In addition to company-wide competency expectations, there are also functional competencies that are needed for an employee to perform positively within a function. These function-specific competencies are often technical.

A few examples of functional competencies might be knowing certain programming languages, data analysis skills, record keeping skills, grant writing skills, and more. The skills within a functional competency model might be needed within a specific department of your company.

3. Job Competency Model

Unlike a functional competency model, the job competency model includes skill sets that are specifically needed within a job or role.

This competency model zeros in on clearly defined needs within a role so that each employee can perform to the best of their ability.

The skill sets chosen are usually based on the skills that someone performing well within that role is already demonstrating. The job competencies of one person within a department may differ greatly from another within that same department.

4. Leadership Competency Model

When hiring for leadership roles within your organization, there are typically some key competencies which are absolutely essential. Skills such as self-management and development, coaching and mentoring or understanding and enforcing ethics are examples of skills anyone in a leadership position would need to be effective in their role.

To promote the advancement of your company, leaders need to be a step above and constantly working to hone valuable leadership skills. With a leadership competency model implemented, your organization can be sure that these key competencies are both attained and maintained.

5. A Custom Competency Model

Each organization is different. Depending on your company, it may be pertinent to tailor various models to create your own custom competency model. No matter which type(s) you choose to implement, it's important that your competency model(s) are aligned with your organization's goals and core competencies.

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■ ■ ■ Why Use Competency Models?

There are several reasons for using competency models within your organization. Successful companies strive for a sustainable solution for hiring, training, succession planning, and simply adding value to their workforce wherever possible. Here are just a few reasons why implementing a competency model is essential for your growing business:

Better Hires

With the data gathered and analyzed through competency models, your HR department will thank you. Not only will your job descriptions be more detailed and easier for recruiters to work with, recruiters will also be able to distinguish between which skills are requested and which are absolutely essential, allowing them to choose the best candidates for interviewing.

A streamlined HR department means increased efficiency for recruiters as well as less time spent by upper management digging through resumes and conducting futile interviews.

Diversity and Inclusion

There are so many reasons to actively aim for diversity and inclusion within your workforce. Studies show that companies who have men and women more evenly represented in their teams [earned 41% more revenue](#). Not only do diversified teams earn more revenue, they also think differently. With varied backgrounds, a diverse workforce is more likely to approach a problem from several angles instead of just one.

Having a competency model in place can help management build a more diverse workforce by clarifying several key factors, including: cultural sensitivity, negotiation and facilitation, continuous learning, complex group dynamics and more.

Organizational Goals and Objectives

After your competency model is in place, progress toward organizational goals and objectives becomes a painless process. Competency models can help everyone within the company get on the same page and gain access to valuable data used to make decisions on a daily basis.

The Pros and Cons of Six Different Competency Models

Can't decide which competency model to use? It's not always easy to choose.

When it comes to deciding how to incorporate competencies into your employee performance management process, you will need to consider how these competencies will be defined, assessed, and rated. For this, there are a variety of models that can be used, each bringing its own unique benefits and disadvantages for you to evaluate.

Here are the pros and cons of 6 different competency models to help you make an informed decision when it comes to deciding what's best for your organization.



I. Externally-Developed Models

The numerous competency models available online and/or through consultants, professional organizations, and government entities are an excellent starting point for organizations building a competency management program from scratch. The templates typically need to be customized and validated in order to be of value to the organization; obtaining input from Subject Matter Experts (SMEs) here will be invaluable.

PROS

- Provides a quick start to the process
- Can expedite model creation
- Input from SMEs is often based on best practices
- Lends an overview to the numerous competencies to consider, which may not be apparent otherwise

CONS

- Often, templates are not an ideal fit for certain organizations
- Requires customization

2. Behavioral Event Interviews

One of the best ways to obtain information about what people do in their job and how they go about their work is through Behavioral Event Interviews (BEI). By asking questions which require an open or descriptive response, insights can be gathered beyond a simple yes-or-no, true-or-false type of response.

PROS

- Provides a more objective set of facts for decision-making than other interviewing methods⁷
- Gathers information from employees about their actual behavior during past experiences, which can demonstrate various competencies needed in the current role and other roles⁷
- Often uncovers new competencies which can be more widely implemented in the organization
- Results in a collection of highly specific descriptions that can be used when applying the model (e.g., selection tools, training design, skills inventories)
- Significantly reduces bias
- Reduces reliance on experts' assumptions about actual competence

CONS

- Can be time-consuming to implement
- Interviewers must be trained
- The questioning techniques must be standardized across all interviewers
- Less critical competencies may be overlooked or missed
- Is impractical for widespread use in large organizations

3. Expert Panel Discussions

This method consists of convening groups of experts who know a job role particularly well and who excel at it. Through objective questioning and facilitation, discussions can yield insights into the competencies that are at the heart of success for a particular role. Panel participants can include supervisors for the position, SMEs who perform the role in the organization as well as those from outside the organization, and other individuals who perform in that role at a superior level.

PROS

- Are a quick and efficient method for collecting data
- Have the effect of creating buy-in with key individuals for using competency management in the organization

CONS

- Occasionally brings out “folklore” competencies in addition to true performance differentiators
- Panel members may overlook – and therefore not discuss – competencies that are unfamiliar to them

4. Workforce Surveys

Surveying large numbers of employees helps expedite the collection of competency information in a relatively short amount of time. Surveys can be administered to employees at every level, or targeted to specific employees at the manager, supervisor, or employee levels.

However, care should be taken to effectively create an objective and comprehensively designed survey. In order for the results to be meaningful and usable, the questions asked must have both reliability and validity. Surveys with leading questions will ultimately produce predictable insights that are of little use to the organization.

PROS

- Are a fast, affordable method for collecting detailed information from large numbers of employees and/or large quantities of job roles
- Can educate employees at all levels about what the competency management program entails
- Has the effect of creating buy-in with employees at all levels about using competency management in the organization
- Collects highly valid and reliable data when designed correctly

CONS

- If not specifically listed in the questionnaire, important competencies can be missed
- If administered via pen-and-paper (instead of online), employees may have to waste time sorting through numerous competencies that are not applicable to their jobs

5. Job Task Analysis

Job Task Analysis is typically used to develop job descriptions and perform compensation analysis; however, it also can be a beneficial activity for analyzing highly-specialized positions and focused roles that demand high-level skill sets or expertise, for example, scientific researchers or mechanical concept designers. In addition to Expert Panel Discussions and Workforce Surveys, creators of the competency management program can evaluate certain employees' time records or calendars, conduct one-on-one interviews, or directly observe the employees in these specialized roles.

PROS

- Produces comprehensive and detailed job descriptions
- Can validate or expand upon data collected via other methods, especially if observation is used
- Helps to collect data on routine or repetitive jobs

CONS

- The focus is on job tasks instead of on the competencies needed by the employee performing the job
- May result in too much detail
- Does not delineate between important tasks and routine or administrative activities
- Can be expensive and inefficient to implement, since critical incidents are rare and may be difficult to capture when observation is taking place

6. Organizational Documents Review

The review of existing documents in an organization can provide unique insights to competency information. Often, department heads will create best practices or task guidelines, which can provide a view to the inner workings of how a team is expected to perform. Reviews of documents such as formal job descriptions, individual and departmental performance appraisals, and training curricula that pair learning objectives with competencies can be particularly insightful.

PROS

- Are a relatively fast and affordable method
- Generally results in valuable information that has been collected and considered from multiple points of view

CONS

- Can be based on outdated information and/or erroneous assumptions
- Leaves no room for the latest best practices, ideas, processes, or competencies
- Provides no opportunities for employee buy-in or ownership of the competency management program at the departmental level

Regardless of the model(s) used, input should always be sought from SMEs and high performers in each functional area, and departmental coordinators can be utilized to expedite development and validation of a competency model.

■ ■ ■ Competency Models for a Sustainable Future

As the backbone to performance management, competency models can help organizations gain alignment on what defines success for individuals, teams, departments, and the company as a whole. While they may require a considerable time and resource commitment to implement effectively, they provide huge returns to companies wanting to improve their workforce management programs.

If you're still unsure about using competency models, or which one to choose in order to advance your organization, consider scheduling a free demo. [The Avilar Competency Model](#) can help your organization better identify core competencies, understand your employees' skill sets and build a valuable and sustainable workforce.



■ ■ ■ About Avilar

What's Next?

Implementing a competency management method with Avilar – The Competency Company – can help move your organization from ordinary to extraordinary. Contact us today at info@avilar.com for a complimentary consultation or visit our website www.avilar.com to schedule a demo. You can be confident that we will listen to your organization's specific needs and help you find the best solutions to the competency management challenges you're facing.

About Avilar

Founded in 1997, Avilar is a leader in competency management and workforce optimization. We believe that a competency management method is one of the most effective ways to develop a workforce and deliver results in an organization. Our flagship WebMentor product line, introduced in 1998, includes a complete suite of affordable, easy-to-use, and full-featured competency development and management tools. Avilar is a recipient of the Excellence in E-Learning for Customer Satisfaction Award from Brandon Hall Group and eLearning Magazine, and has been cited by Training Magazine as a top "price-to-value" provider. Avilar blends leading human capital management and business intelligence professionals with our state-of-the-art workforce management system to solve the complex issues facing managers in the globalized business arena.