

Managerial Competencies: A Tool for Job Performance

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Abstract: Competence is the catchword of the day and will be in vogue in the future days also. With increasing competition in the market it is only those organizations, which can acquire an edge over their competitors, who have more competent manpower or at least those who know the competencies required for will only be successful. It is very difficult to prescribe a uniform competency model applicable for all the organizations or all the departments in the same organization. The organization has to very clearly identify the future challenges of business and identify the required competencies to meet those challenges. Depending upon the changing business environment some competencies can be taken as individual entities and a few may be clubbed under some specific competencies.

Key words: Competency, Performance, Competition, Business environment.

Introduction

A skill is different from a competency. A skill is an ability to accomplish assigned tasks flawlessly. It can be acquired or developed through training and development. Whereas competencies are a set of skills which make a person proficient to do a particular job at an individual level and capacity to perform in a socially heterogeneous group. Most organizations fail to achieve its goals due to scanty of skills and competencies among work force. The economic turmoil has changed the fate of many entities and compelled them to cut costs and fire out staff and enhance overall productivity. Hence, most

organizations in search of smart hires for low salaries and selecting new hires with multi-tasking skills. Human competence is the most important element for the success of business. Sometimes, it may not be possible to buy talents externally. Hence, organizations need to develop talents internally by ensuring that an employee is fully equipped with the right kind of skills to accomplish his tasks.

Why some people are more successful than others?

The competency is understood as ability to put skills and knowledge into action. Since the assessment of competence is undertaken in the work context, and the standards expected be those expected in employment, the issue of transfer of the workplace should not be problematic.

In recent years a number of studies have been carried out to understand why some people are successful in life and others are not. Psychologists have probed in to the relationship between IQ and success of work, IQ and personal relationships. They found no positive correlation between the two. The brightest and best do not always succeed, so how do we predict who will succeed and make the best choices about people and jobs?

Organizations are changing and the pace of change is perceived to be accelerating. Whether this is true or not, the perceptions create problems for both organizations and individuals within them. But problems as the English writer, G.K.Chesterton put it, are only adventures wrongly construed. We shall look at how Hay / McBer have turned the problem of how to get the right match between people and jobs into an

adventure with a happy and productive-ending.

David McClelland published an article in 1973 entitled “Testing for competence rather than for intelligence”. In this paper McClelland summarized a number of studies, which showed that aptitude tests which had traditionally been used by psychologists to predict performance did not work.

- They were not predictive of job performance.
- Tests were often culturally biased and therefore prone to bias.
- Other measures such as examination results and references were equally poor at predicted successes.

We have probably known someone at work, an excellent performer in his or her present role, who is promoted and does not succeed in the new job. They have not lost their expertise or their wits, something else have happened or we may know people who could do an excellent job but are not considered because they have no normal qualifications. Prejudices may be racial, give poor results for one gender or another or act against minority groups or certain socio-economic groups. These biases are not just unfair to the people affected; they are also bad for the organizations. They may rule out people who would be able to do the job well had they been selected. People within the organizations could leave because they were not considered for promotion. This is real loss both in terms of the talent walking out of the door and because of the impression given out by the organization to other employees.

McClelland set out to find an alternative to the traditional aptitude and intelligence testing, and it was these alternative variables that he labeled as competency. McClelland's approach to finding competencies, which would predict performance, includes two methods:

- The use of criterion samples.
- The use of what is now called a behavioral event interview to identify the thought and behavior patterns of people who are successful in the jobs being studied.

These methods, which proved to be highly successful in predicting future success of individuals,

are the foundations of the Hay/McBer methodology. They are elegant in their conceptual simplicity. The basis of the method is to know what creates success in a job. Then one needs to make a comparison of what the best performers are doing in comparison with average performers-criterion groups. To understand what makes the people successful we need to understand not just what they do, but the thoughts and actions, which generate their actions. Doing this gives access to what would otherwise be hidden characteristics, which are important drivers of behavioral event interview (BEI). This is a structured form of critical incident interview, which focuses on the characteristics of the person being interviewed rather than on the work content. This also provides the basic information on competencies, which differentiates a performer from rest of his counter parts.

Evolution of Competency Theory: Historical Awareness Regarding Competency Identification

In 1920's F.W.Taylor, the father of scientific management proposed that a management scientist should break down a skill into its component parts. This was probably one of the formal attempts to define competencies.

John Flanagan, a psychologist developed the critical incidents method interview, which tried to identify crucial traits and skills required for successful performance. He did this based on the data gathered by observing the behavior of people during a variety of work activities and in special situations such as crises.

This approach confined itself primarily to observe behavior and ignored interviewees feeling, patterns and thinking.

Later David McClelland developed a set of personality tests to identify the attitudes, habits shared by high achievers. This behavioral approach, which expanded the focus to include individual experience and perceptions of events, became an important basis for the later development of competency models.

In 1973, McClelland and fellow psychologists David Berlew started an organization to put their

ideas on competency testing into practice. Over the next decade competency modeling became wide spread.

Acknowledgement of Competency Identification and its Importance

Early management theorists like Fayol (1949) and Barnard (1938) criticized the lack of management education, the absence of management theory and the inadequate understanding of management practice. In Taylor's (1911) approach, management was portrayed in terms of rational, systematic scientific process like planning, co-ordination and control. The recognition of a gap between Rhetoric of academic management thought and the reality of management practice is relatively recent- (Ashen 1975, Mumford 1988) When Mintz Berg (1989) described what managers actually do, the role was seen to be far removed from rational actions in a predictive environment. Others have equally emphasized the complexities and contradictions of managerial work, and the economic variations in the tasks, role and contexts of management, which make generalization of the management role so elusive- (Hales and Bevan 1988, Whitley 1989, Knight 1992). Nevertheless it is necessary to identify the skills and competencies, which are required of managers before attempting to assess skill shortages and skill gaps.

An Understanding of the Word Competence

Competence seems to be a complicated word when we see it literally, but when we see it from its depth, it is a simple word. As soon as we hear the word competence, there is a common understanding regarding its meaning i.e., competition. That is what generally people tend to analyze about the word competence. Yes, surely competence has something to do with competition but competence is not competition. The actual meaning of competence is "the knowledge, skills, abilities and attributes that are required for a person to excel".

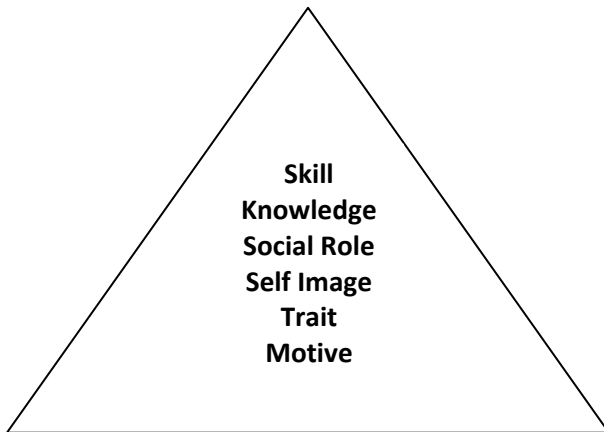
So competence is a prerequisite for any

individual to get into competition. Without the required competencies one can never enter into competition, even if one tries to get into it one can never succeed. Thus, in the present running business scenario where the number of competitors prevailing in the race, it is a compulsion that one should have the required competencies in his profession or in the field where he is trying to survive to finish up his job with flying colors.

What is a Competency?

Competency is the capacity of an individual to meet job demands. It is inner potential of an employee to accomplish a given task flawlessly. Competencies enable individuals to identify and articulate their potential job skills and groom themselves fit for the future assignments. **Competency is concerned with the effect rather than effort and with output rather than input.** It is a capacity of an individual that leads to behavior which meets the job demands within the parameters of the organizational environment and assures expected results. **Competency comprises of knowledge, skills and attitudes. Competence is a standardized requirement for an individual to properly perform a specific job.** It encompasses a combination of knowledge, skills and behavior utilized to improve performance. More generally, competence is the state or well qualified having the ability to perform a specific role. For instance, management competency includes the traits of decision making, leadership skills, emotional intelligence, problem solving and negotiation skills etc. A person equips with necessary job skills and competencies enable him to accomplish tasks efficaciously. **People with required competencies can influence peers and workplace environment.** Therefore, work force should Endeavour to enhance their present skills and knowledge to perform a job flawlessly.

A competency is an underlying characteristic of a person which enables him to deliver superior performance in a given job, role or situation. The iceberg model, as shown in the diagram below, shows different levels of competency.



Skills are things that people can do well, ex: programming knowledge is what person knows about a specific topic, ex: a computer language.

Social role is the image that an individual displays in public; it represents what he or she thinks is important it reflects the values of a person, ex: a good employee or leader self-image is the people have of themselves, it reflects their identity, ex: seeing oneself as an expert.

Traits are enduring characteristics of people ex: he is reliable or adaptable. These characteristics are habitual Behavior by which we recognize people.

Motives are unconscious thoughts and preferences, which drive Behavior because behaviors are a source of satisfaction.

Ex: achievement drives, wanting to do better.

Competency:

A combination of knowledge, skills and abilities in a particular career field which when acquired allows a person to perform a task or function at a specifically defined level or proficiency.

Essential Competencies:

A competency that forms part of the vital knowledge, skills and abilities for an individual career field: an essential competency is critical for an employee to perform effectively at his or her level in career field.

Universal Competencies:

An essential competency that is a requisite for

all employees in the organization

Shared Competency:

An essential competency is inherent to one career field that crosses into another career field.

Common Competency:

An essential competency that describes the knowledge, skills and abilities found within a family or related jobs.

Some organizations, which undertake competency studies, stop at the level of describing behavior. This does not give the full picture and can be misleading .For the behavior to be truly a competency it needs to be associated with intent, i.e., the intentional use of behavior in delivering a performance outcome. Behaviors may include thoughts, where the thoughts lead to behavior, which in turn delivers, desired outcomes. For understanding competency we need to look at two major concepts.

- **Threshold Competencies**

Threshold competencies are the characteristics, which any jobholder needs to have to do that job effectively-but do not distinguish the average from superior performer. Ex: product knowledge or computational skill in an insurance sales person.

- **Differentiating Competencies**

Differentiating competencies are those characteristics, which superior performers have but are not present in average performers .Ex: an insurance sales person may be customer service orientation.

HIRSH and **STEBLE** identified 3 recurring features in the notion of competencies.

A competence is seen in the context of a particular job or job role and the organization in which the job exists.

- Competencies are positively associated with superior performance.
- Competencies can be described in terms of specific behaviors, which can be observed in

the job.

Characteristics of Competencies

Competencies have different characteristics. They are:

1. Behaviorally anchored-look at how people perform tasks.
2. Manageable-too many competencies often become unwieldy.
3. Observable and measurable-performance of individuals can be recorded and evaluated.
4. Discrete-allocate behavior to different competencies is less likely to be inaccurate.
5. Future oriented – include a degree of projection as to how the roles and subsequent person qualities are likely to change in the future.
6. Corporately anchored – reinforce the vision, goals and values of the organization.
7. Comprehensive for the job – cover all the key areas.

Definition of a Competency Model

A competency model is a concise picture of an organizations most critical competencies i.e., knowledge, skills and attitudes.

Competencies are of two folds:

1. **Professional competencies.**
2. **Personal competencies.**

Professional Competencies

- Has expert knowledge of information resources.
- Has specialized subject knowledge.
- Develops and manages convenient, accessible and cost effective services.
- Provides information and support for information services.
- Assess information needs, and designs services to meet these needs.
- Uses appropriate information technology.
- Uses appropriate business and management approaches.
- Develops specialized information products.
- Evaluates the outcomes of information use.
- Continually improves information services.
- Is effective member of management team?

Personal Competencies

- Is committed to service excellence.
- Seeks out challenges and opportunities
- Sees the big picture.
- Looks for partnerships and alliances.
- Creates an environment of mutual confidence and trust.
- Have effective communication skills.
- Work well with others and recognizes the value of networking
- Provides leadership
- Plans, priorities and focuses on what is critical
- Is committed to lifelong learning.
- Has personal business skills and is flexible

Role of HR Department

It can be clearly said that one of the main objectives to be displayed by the HR department is to assess the competency level of each and every individual.

Secondly, give necessary counseling, motivation and training to the individuals in whom the current competencies do not match with the required competencies to do his job.

Thirdly, try to keep pace with the changing scenario by conducting necessary programs and schedules .By doing the above the HR department can run with a confidence by snatching the required work to be done efficiently, perfectly and in a most prominent way.

Building on Competence: The Effective Use of Managerial Talent

The efficient and effective use of most of organizations resources depends on the actions, decisions and thoughts of its managers .The managers that are as vital to organizational performance as it products and process, capital and plant. As managerial talent is a pre-requisite for organizational improvement, managers are considered to be as vital resource. Effort is on strategy, structure, systems, culture, procedures or whatever. That is an attempt to know the competency models of managers and a model of effective performance. These models and concept of competence is used as a skeletal structure for an integrated human resource system within an organization. Effective performance of a job is the attainment of specific results (that is outcomes) required by the job through the specific actions while maintaining or being consistent with policies, procedures and conditions of the organizational environment.

To develop competencies for strategic

implementation and cultural change. The most effective frame works are those, which are developed through careful consideration of what the organization needs for the future.

Many competency development models start by asking what people do. Or how do people behave? “This can be a big mistake! An effective competence framework is

- **Business-led**
- **Future focused**
- **Measurable**
- **Fit for purpose**

This can be best achieved by starting with the question: „what does the organization need for future success? “Use of the best tools of analysis can then reveal the key components of competence.

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