Competency inventory

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Functional Competency Inventory and Design by Jai Cortes I. Title of the Diagnostic Tool: Functional Competency Inventory and Design II. Overview of the Diagnostic Tool a. Definition In a nutshell, functional competency inventory and design, is a tool which aims to measure the competencies of functional groups of organizations, which are affected by their respective core objectives.

In 1973, McClelland supported “ testing for competence, rather than intelligence. ” By definition, competencies are “ general descriptions of the abilities necessary to perform successfully in areas specified. Competency profiles synthesize skills, knowledge, attributes and values, and express performance requirements in behavioral terms. The review of competency profiles helps managers and employees to continually reassess the skills and knowledge needed for effective performance.

Competencies, however, only provide a foundation for these purposes. They are building blocks which must be assembled and used in a variety of combinations and in a variety of circumstances to determine the skill sets needed within a given function or field of expertise. ” There are four basic components of competency and they are as follows: 1. Skill – refers to abilities which are acquired through practice.

These are abilities, which don’t have to be inherent in the person, but through much practice and use, allows the person to get better in doing it. For example, a certain girl applied as a secretary, but her average words-per-minute is about 20 wpm. While 20 wpm is already a manifestation of her skills in typing, due to her daily interaction with the computer, and due to

much practice, with prior knowledge that typing skills is critical for her position, she managed to increase her wpm to 85 wpm. It may or may not be aligned with the goal for her of her superior or the organization, but evidently her typing is a skill. 2.

Knowledge – understanding acquired through learning. Educational background plays a major role in knowledge formation. While learning is often conceived to be intertwined with schools and universities, it should be understood that other experiences could add to knowledge as well, such as training. For example, the secretary who was hired happened to be a graduate of a 2-year secretarial course. Her academic experience is actually enough for her to do the menial tasks required from a secretary. However, her superior, who works for a multi-national firm handling the French Account, realized that he needs her to not simply take down English and Filipino notes from minutes of meetings, but also take down French as well and so decided to get her to enroll in a Foreign Language Night School.

After finishing French 101, she became equipped with the basics of the French Language, allowing her to take down some basic points from the meetings. Her grasp of the French language may not be enough meet the goals of her superior or organization, but apparently learning French adds to her knowledge as an important member of the workforce. 3. Personal Attributes – inherent characteristics which are brought to the job.

These attributes are already inherent in the person like her manner of doing things, her attitude, her beliefs, her principles, and other attributes, which is a product of the upbringing of the person and her cultural environment.

Unlike the first two, it is harder to measure and change personal attributes, unless the person himself decides to change it. 4. Behavior – the observable demonstration of some competency, skill, knowledge, attributes attributed to excellent performance.

Whilst behavior was not in the roster of competency components before, it was seen to have been participating now in the level of competence of the person and plays a major part in his development. There are 4 basic types of Competency, and they are: 1. Employee Core Competency 2. Managerial Competency 3. Technical / Functional Competency 4.

Personal Attribute While Employee Core Competency and Personal Attribute are equally as important as Managerial Competency and Technical/ Functional Competency, this research would not delve so much on them, but would however from time to time discuss about Managerial Competency or the Core Competency of the Company. Unlike Core Competency Inventory and Design, Functional Competency Inventory and Design focuses on and measures the competency (knowledge, skills, personal attributes, and behavior) of functional groups. These groups are based on organization’s structure and are the formal groups on organizational charts. These groups have their tasks and leaders chosen by higher management.

Functional groups usually have specific rules of operation and clearly defined superior-subordinate relationships. ” For example, in the school setting, the Head Registrar is the designated leader of a functional group of subordinates that includes a number of assistant registrars, liaison officer, and secretaries. What Functional Competency Inventory and Design does is that it measures

the competency required for each functional area, as like in the above mentioned example, the Registrar’s office, and checks whether the members of the group has the competency required for the functional area. Another way of seeing functional groups would be to see that these functional groups are equivalent to departments in companies.

So Finance, Marketing, Operations, Research and Development, and other departments of the corporation are all functional groups, whose competency can be measured through this tool. b. Purpose The purpose of the Functional Competency Inventory and Design is to align the competencies of members of the department with that of the department head. It is deemed useful by most organizations incorporating several Organizational Development tools in their company as it seeks to equalize or standardize the competencies in the organization. The objective of this study is to identify the process by which the functional competency inventory and design operates.

In addition another goal of this study is to show the different levels of competency and how to differentiate them from functional competency, and also to help the researcher to, by the end of the study, be able to conduct the diagnostic tool and come up with a competency framework for the functional group of his chosen company. III. Frameworks a. Theoretical Frameworks i. The first theoretical framework which would be discussed would be The Framework of Competencies by the Advanced Manufacturing Industry Although it focuses on the Manufacturing industry, it would be a good framework for understanding, as it gives an idea as to how different levels of competency affect the functional competency of the organization. The framework shows he tiers of competency measured.

It starts from assessment of Personal Effectiveness Competencies down to Occupation – Specific Requirements and Management Competencies. Further discussed in this Framework would be how the Tiers work, however, as it is a Generalized Framework, only Tiers 1 to 4 were given details. To summarize what each Tier is for, the researcher created the following table: Summary of Tiers Tier NumberSummary : Personal Effectiveness CompetenciesTier 1 is divided into 4, Integrity (Displaying accepted social and work behaviors), Motivation (Demonstrating a willingness to work), Dependability/Reliability (Displaying responsible behaviors at work), and Willingness to Learn (Understanding the importance of learning new information for both current and future problem-solving and decision-making. Tier 1 is all about the individual and the competencies that he possesses that would enable him to not just compete in the industry, but also be of a substantial value to the workforce. : Foundation Academic CompetenciesTier 2 is divided into 8, and they are Applied Science(Using scientific rules and methods to solve problems), Basic Computer Skills (Using a personal computer and related applications to convey and retrieve information), Applied Mathematics/Measurement (Using mathematics to solve problems), Reading for Information (Understanding written sentences and paragraphs in work-related documents), Business Writing (Using standard business English, defined as writing that is direct, courteous, grammatically correct, and not overly casual.

The main requirement of workplace is clarity), Listening to and Following Directions (Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and

not interrupting at inappropriate times), Locating and Using Information (Knowing how to find information and identifying essential information), and Speaking/Presentation (Speaking so others can understand. Communicate in spoken English well enough to make oneself understood by supervisors and co-workers). Tier 2 is all about Foundation Academic Competencies, and basically assesses the knowledge possessed by the individual and how the individual conveys his knowledge. No matter how intelligent the person is, if he cannot express himself in any manner possible, his knowledge will not materialize and would be impossible to assess.

3: Workplace CompetenciesTier 3 is divided into 7, Business Fundamentals (How an economy functions as a whole), Teamwork (Developed capacities used to work with people to achieve goals. Includes social perceptiveness, coordination, persuasion, negotiation, instructing, and service orientation), Adaptability/Flexibility(Being open to change and to considerable variety in the workplace), Marketing and Customer Focus (Actively looking for ways to identify market demands and meet the customer or client need), Planning/Organizing (Identifying complex problems and reviewing related information to develop and evaluate options and implement solutions), Problem Solving/Decision-making (Considering the relative costs and benefits of potential actions to choose the most appropriate one), and Applied Technology (Developed capacities used to design, set-up, operate, and correct malfunctions involving application of machines or technological systems). Tier 3 defines the basic competencies that would make any member of the workforce marketable in the industry. These tier identify the basic business skills and abilities 4: Industry-wide Technical

CompetenciesTier 4 is divided into 6, Manufacturing Process Design/Development (Research, design, implement, and continuously improve the manufacturing process to ensure product meets customer needs), Production (Set-up, operate, monitor, control and improve manufacturing processes and schedules to meet customer requirements), Maintenance, Installation, and Repair (Maintain and optimize manufacturing equipment and systems), Health and Safety (Maintain a safe, healthy work environment), Supply-Chain Logistics (Plan and monitor the movement and storage of materials and products in coordination with suppliers, internal systems and customers), and Quality Assurance and Continuous Improvement (Ensure product and process meets quality system requirements as defined by customer specifications). While the first three tiers focused on general competencies needed, Tier 4 onwards, narrows down the competencies until Tier 8, which has 2 levels in it, Occupation-Specific Requirements and Management Competencies.

ii. The second theoretical framework that would be used would be An Approach to Managing Technical Competencies This framework is based on works of Diggins et. Al 2003 and Waterfall et. Al 2006, this framework shows the process by how technical competencies should be measured and what is to be done to them.

It starts with Managers creating a tailored map by selecting the skills necessary from comprehensive competency maps. The tailored map is defined as a list of only those skills needed for a specific role, and may include specific local requirements. In some organizations using this approach, job functions are fairly nonspecific, while in other organizations

they are specific for each job role. In a tailored functional competency map, for each job family, the pertinent generic competency maps are chosen and used as a guide to create a set of skills necessary for that family. For example, accounting people also needs to have communication skills, which is very evident in the marketing people, while marketing people needs to have quantitative knowledge as well. Although the level of the skills needed is different for each functional area, the skills need to be present.

On the other hand, skills needed by marketing people to conduct UAI surveys and FGDs doesn’t necessarily have to be present in accounting people, while the skill needed to understand different method for auditing cashflow is certainly not needed by marketing people as well. With a tailored competency map defined for key job roles as a foundation, individuals then can inventory competency levels for each skill. The idea is to allow individuals to create skill inventories and skill gaps, and then the employee and a supervisor/mentor can have a productive discussion about those competencies, room for improvement, and opportunities for future job roles. Competency inventory tools permit improvement activities to be connected with specific skills, which enables individuals to readily spot the development options that exist (both formal training and work experience) and how they may be used to close the competency gap.

iii. The third theoretical Framework would be Contingency Theory of Action and Job Performance The contents of the table tell what is under each of the spherical figures that would create the best fit. Organizational EnvironmentJob DemandsIndividual •Culture and Climate •Structure and systems •Maturity of the industry and strategic position of the organization

•The Larger context•Tasks •Functions •Roles•Vision •Values •Philosophy (valuing) •Knowledge •Abilities (competency) •Life and Career Stages, Cycles, or Modes •Style •InterestsAs it has been recognized that most of the above average performers in the corporations have one thing in common, which is to make their organizational environment, the demands of the job, and their own personal attributes, This theoretical framework shows how it looks like, the conglomeration of the three as they create the best fit Best Fit (Intersection of all the three) = Area of Maximum Stimulation, Challenge and Performance iv. The fourth framework would be the Competency Flow Model The competency flow Model simply shows the movement from Job Competency to Performance. v. The Final Theoretical Framework would be the Competency Model Framework b.

Operational FrameworkThe Functional Competency Inventory and Design Framework that researcher created would be an amalgamation of several elements of the theoretical frameworks discussed previously together with the components of competency. As seen, the framework is divided into three parts: Part 1 talks about how the competency model is formed from the Vision and Mission of the Company, Their Core Capabilities, The requirements of the stakeholders, Down to the Business Strategy, Creating the Competency Requirements which helps in formulating the Competency Model. It can be seen that beside the first flow-chart is the Contingency Theory of Action and Performance, which shows the best fit created by the incorporation of Job Demands, Individual Attributes, and Organizational Environment. This model also shows that the first three stages prior to the creation of a competency model have their own equivalent spheres in the

Contingency Theory of Action and Performance. This simply means that the best fit among the first three stages, allowing the creation of the competency model would enable employees to have above average competencies.

Part 1 ends with listing best fit competencies in the competency model draft and categorizing them under either, Success Factor Behavior and Skills, Attributes, Knowledge. Part 2 Starts with the Competencies in the Competency Model Draft, which would pass through the hierarchy of competencies which goes from the broadest to the narrowest. The list of competencies in the competency model would be altered by addition of competencies from each tier or deduction from each tier due to their incoherency with the core competencies of the company. Part 2 ends with the core competencies of the company, which dictates what is expected of all the members of the company no matter what functional group.

Part 3 Starts with the Functional Competency Inventory and Design. It shows around it 5 steps in measuring and aligning functional competency of the employees with that of the Head of the Department. After all the steps are done, and the gap between the management’s required competencies and the competencies that should be seen in employees is minimized if not eradicated. After Diagnostic tool is performed, the end goal would be to have a final Competency Model which could be used by the functional group, and would serve as a stepping stone to further enhance what the functional group already has.

IV. Mechanics of the Execution a. Guidelines of the Execution The head of the functional groups should use this diagnostic tool, as well as his subordinates. It would also be good to understand first the nature of business of the company. If possible, the core competency could be checked first before moving on to the checking functional competencies, so as to also check if the core competency is present as well in the perceived competencies of the members of the functional groups. b.

Procedural Narrative Although the first two steps are not required, they might be helpful in creating the Competency Model, required by the diagnostic tool. The procedures would start with the researcher identifying the Core Business of the Company and how it operates. He could ask the Top Management about it and at the same time start creating his Questionnaire for the Core Competency Inventory and Design. Once the core competency is understood, the researcher could identify the Functional Groups of the Company (Departments), and then select which functional group to focus on.

Once that is done, the researcher must collect or get a copy of the job description of al the different levels of that functional group. Researcher must create a list of possible competencies if the organization and of the Functional Group, so as to make the life of the Head of the functional group easier. The list of possible competencies, as well as the job descriptions, should be given to the Head of the Department. Researcher starts conducting Functional Competency Survey (A) to the Head of the Department, and only to him.

The results should be assessed right away, as they would be the basis for Functional Competency Survey (B). Researcher should change the Competency letters to terminologies in Functional competency Survey (B), before conducting the survey. After the answer sheets are collected, assess the check, using the calibration guidelines in Part V of this paper, whether the competencies are aligned or not. After such, report the results to the Head of the functional group so that he could create measures for improvement. After such, Competency Model should be created.

c. Procedural Illustrative Documents NeededResponsibleProcedureInterface - ResearcherIdentify the Nature of Business of the CompanyTop Management *Core Competency Inventory and Design Diagnostic Tool KitResearcherPerform the ToolkitTop Management and Department Heads ResearcherIdentify the Functional Groups of the Company Researcher ResearcherSelect a functional groupHead of the Functional Group *Job Description *Job DataResearcherGet a copy of the job description of all the different members of the functional groupHR personnel *Competency Dictionary *Nature of Business of the Company *Job DescriptionsResearcherCreate a List of Possible Competencies of the Organization and of the Functional GroupResearcher *List of Possible competencies * Job DescriptionsResearcherGive List of Possible Competencies, together with the copy of all the job descriptions to the Head of the Department Head of the Functional Group/ Department *Functional Competency Survey (A) ResearcherConduct Functional Competency Survey (A) Head of the Functional Group/ Department *Functional Competency Survey (A) ResearcherAssess the Results of Functional Competency Survey

(A) Researcher *Functional Competency Survey (A) *Functional Competency Survey (B) ResearcherChange Competency letter to terminologies in Functional Competency Survey (B) Researcher *Functional Competency Survey (B)ResearcherConduct Functional Competency Survey (B) Subordinates of the Head of the Functional Group *Functional Competency Survey (B)ResearcherCollect Answer Sheets Researcher *Functional Competency Survey (A) *Functional Competency Survey (B)ResearcherCheck whether competencies are aligned Researcher Results of the checking for alignmentResearcherReport the results to the Head of the Functional GroupResearcher Head of the Functional GroupCreate Measures for Improvement Members of the Functional Group ResearcherCreate Competency ModelHead of the Functional Group V. Instruments and Exhibits There are two instruments that would be used: 1. Functional Competency Survey (A) – This instrument would be used by the Department Head, in order to set the parameters for aligning properly the functional competency. 2. Functional Competency Survey (B) – Before Functional Competency Survey (B) would be used, the answers to Functional Competency Survey should be already at hand, so as to replace the Competency Letters with the real terminologies of each.

VI. Calibration of Grades a. Presentation of grades being used As seen in the instruments, a grading of 1-10 would be used. The reason why the grading is from 1-10 is simply for ease of use.

While a question of why use (1) as minimum and not (0) might be likely to arise, well to answer that, it is simply because the Head themselves were the ones who chose the competencies, and by doing so, it means that the

competencies would be of some importance. A grading system lower than 10 would limit the interpretations, while although higher than 10 will give more room for the surveyed to express himself, by adding more choices for the grading, it ould be harder for the researcher to record them all later, and in addition, it is harder to pinpoint competency in a 1-100 grading system than in a 1-10 grading system. If the diagnostic tool would opt for 1-100 as opposed to 1-10, the surveyed would not just have to pinpoint the what level it is, (the 10’s, 20’s, 30’s – 90’s), he is also obliged to accurately put a more precise value to it which would make it (11 instead of 10, 27 instead of 20 or 30, and so on) In addition, the narrative behind the grades does would rarely change just because of a slight addition or subtraction to the number, like for example 21 and not 22. The following table would show the value (1 – 10) and their corresponding descriptions, so as to further understand what is being said about grading. ScoreNeedMeaning 0Critical If the competency is not present then it would be detrimental to the health of the functional group 9High(2)The department would find it hard, if not impossible, to function without it 8High(1)About 90% of the functions of the department would not be able to function without it 7Above Average(2)About 75% of the functions of the department would not be able to function without it 6Above Average (1)About 50% of the functions of the department would not be able to function without it 5Average (2)About 25% of the functions of the department would not be able to function without it 4Average (1)About 10% of the functions of the department would not be able to function without it 3Low Average (3)Functional group would still be able to make do with other competencies, so as to continue to function without it 2Low Average (2)Functional group would still be able to function without it 1Low Average

(1)Competency is either not understood or not appreciated Once the results of the survey are gathered, competencies needed by the department according to the Head of the Department, which is in Question 2 of Functional Competency Survey A, and answered in 1. A in Functional Competency Survey B, will be measured so as to see if there are any gaps between the level of competency required of the Department Head in his department, and the level of competency that the members of the department thinks the department should have or currently has.

The score of the Head of the Department should be deducted from the score of the member of the department, the following would be the end value’s meaning ScoreWhat should be done 9 to 5Assess why the competency is not given the importance that it should be getting. 4 to 2Assess department objectives and see if competency is aligned with it, if it is, then conduct TNA to see if training is necessary for the people to see its importance. 1 to (-1)The competency is in the safe zone no need for training (-2) to(-4)Ask why the people thinks the competency is needed. -5) to (-9)Assess why the competency should be given more importance, it might be helpful to the department. Once the results of the survey are gathered, competencies required in every level according to the Head of the Department, which is in Question 3 of Functional Competency Survey A, and answered in 1. B in Functional Competency Survey B, will be measured so as to see if there are any gaps between the level of competency required of the Department Head from his people, and the level of competency that the members of the department thinks he should have or currently has.

The score of the Head of the Department should be deducted from the score of the member of the department, the following would be the end value’s meaningScoreWhat should be done 9 to 5Assess why the competency is not given the importance that it should be getting, and whether the employee is actually competent to be in his level. 4 to 2Assess department objectives and see if the employee could meet the objectives even if he seems to lack or does not care about the competency, if he could, then a little training would be helpful. 1 to (-1)The competency is in the safe zone no need for training (-2) to(-4)Assess why the employee thinks the competency is needed? (-5) to (-9)Assess why the competency should be given more importance. It might actually be helpful to the department. VII.

Management of ResultsResults should be presented in tabular form, when they are tallied already, make sure to have the results of each employee in the table as well, and not just the over-all rating. The reason for doing so, is for the head of the functional group, not just to have an idea of what competencies have problem with alignment, but also to see who are the people who either doesn’t know that such competencies are needed for the job, or simply has no idea of the competency. •Narejo, N. 2007. Building Competency Models for Performance Effectiveness. NHR Private Limited.

Retrieved from www. narejohr. com retrieved on August 25, 2008. The presentation shows how to build a competency model. In addition, it also gives a brief introduction as to what competency is, what it is all about and the different aspects of competency.

•Smither, R. , Houston, J. , and Mcintire, S. (1996). Chapter 10: Team Development Interventions in Organizational Development. Harper Colins College.

Page 311. Talks about functional groups and what they are all about. It gives the definition of Functional group and even provided an example as to how it works. •Kierstead, H. 1998.

Competencies and KSAO’s. This dissertation discussed competency in terms of four elements, Knowledge, Skills, Abilities, and Others. In this paper, the author was able to differentiate what those four are and how indifferent they are from McClelland’s views.