



**Head
Light**

Competency Frameworks: 10 Lessons Learned

part of our Practical Steps series

The Talent Cloud Platform

Developing Skills. Encouraging Performance. Boosting Recognition.



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Introduction

An effective talent management strategy is built on the strong foundation of a robust and valid Competency Framework and research has shown that there is a direct correlation between business outcomes, such as high growth and above-average profitability, and the competencies used in performance management.

Best practice tells us that successful organisations regularly review the competency models they use, keep them simple and focus on a few key competencies. You may already have a framework in place but when was the last time it was reviewed? Does it meet both the current and future needs of your organisation? Does it allow you to assess potential for more complex or more senior roles? And how widely and consistently is it used?

It may be that you are looking at introducing a new framework for the first time. Where to start? There are generally two approaches to developing a competency framework; either licence an 'off-the-shelf' framework or develop one from scratch. Both approaches have their pros and cons - this Guide shares with you ten of the lessons we have learned from our work with customers both in designing competency frameworks from scratch and from improving models already in place.

The ten lessons learnt

Lesson 1 – Do it back to front!

The evaluation of a competency framework and how well it supports the organisation is something that happens typically (if it happens at all) after the model has been introduced and has been applied to assessment, appraisal or 360-degree feedback. But at this time, some fairly radical amendments can emerge, and it can then be hard to implement these changes once the framework has become embedded within processes.

We have found that investing in an evaluation **before** the framework is fully incorporated into the HR toolkit offers two key benefits:

1. Increased buy-in through involvement of staff in the evaluation or trialling process.
2. Time and cost savings by introducing the finished framework into HR processes, rather than having to make changes further down the line.

Lesson 2 – It's a competency framework, not a job description....

Going through a recent evaluation process with a customer, we found that a number of items used within the customer's 360-degree questionnaire did not fit within the factor structure of the underlying competency framework. These items pertained to things such as applying environmentally-sound working practices, adhering to relevant legal structures, practising effective financial management and implementing health and safety standards rigorously.

When developing a competency framework, it is worth considering the value of including statements referring to requirements of the job (for example, "*Manages the environmental impact of their work*"). Are these better treated as performance objectives or standards through appraisal? Or are they just part of the job description, code of conduct or company standards?

Competency frameworks tend to work more effectively, and tend to be less complicated, when they:

1. Focus on the behaviours that set apart the most effective people from the less effective ones, and
2. Don't comprise of a mix of personal qualities, behaviours, job requirements, 'nice to haves' and 'must haves'.

Lesson 3 – Is that a good thing, or a bad thing?

It is obvious that statements or indicators which can be misconstrued, or are ambiguous, will work less well as part of an assessment process. A common difficulty arises when you have statements that are meant to represent positive behaviours, but which some people might interpret negatively.

Examples of this might be “*Takes calculated risks*”, “*Makes decisions using incomplete information when necessary*” or “*Actively promotes own skills and strengths*”. All of these could be effective behaviours in the right circumstances and in certain cultures but could be a ‘no-no’ in others.

When developing your competency model, test all indicators and behaviours out with representative groups, and remove or clarify any that might cause confusion.

Also consider how they might be rated (e.g. using a Frequency or an Effectiveness scale) – what does the use of the scale add or take away from the meaning or interpretation?

Lesson 4 – ‘Yes’ to one thing, but not the other...

We often find that the longer and more complex behavioural statements (e.g., those that contain a number of conditions, such as “*Uses a range of managerial styles, adapted to suit the situation in order to get the best out of people*”) are less likely to fit within the competency structure. This may be because people are misunderstanding or misconstruing the statement or are focusing on one part of the sentence over another.

- Wherever possible, keep your behaviour statements short, clear and focused on only a single behaviour.
- Look out for more than one verb or adjective and the use of ‘and’



Lesson 5 – From 7 to 11

There is a temptation to create competency models that are perfectly balanced – a nice even number of competencies, each with the same number of indicators or behavioural statements. However, real life doesn't usually work that way and accepting that some of your competencies may be more complex and comprise of more indicators than others can be a positive move.

Be aware that each competency needs a reasonable amount of detail in order for it to be assessed consistently and accurately.

Typically 7 to 11 indicators or statements prove to be sufficient.

Lesson 6 – It's supposed to change....

If you aren't planning on piloting your new competency framework before launch (but are planning to do this further down the line) – you will no doubt need to make and embrace many of the changes suggested from this 'live' use.

The data from an evaluation or live use often suggests that the behaviours are related to each other in quite a different way from the one envisaged by those who created it, who would probably (perhaps unconsciously) have applied their own behavioural constructs and mental models or using competency themes from models they've worked with before.

Quite aside from this, the markets in which we all operate are continuously changing and 'what got us to where we are today', is not necessarily 'what we need to get us to where we're going'.

Take the evaluation and 'live' use information and make the adaptations needed.

Position the framework as an enabler of planned change to meet uncertainty and not a 'cast in stone' relic of the past.

Lesson 7 – I dare you to ask them!

When carrying out the research for your competency framework, ensure you canvass the views of a wide range of people in different functions. It's easy to draw on sympathetic networks (such as Learning & Development representatives from across the business, or people in corporate centre roles) when setting up focus groups and expert panels, but this may narrow the focus or result in a framework that is skewed towards a particular type of job.

By making an effort to reach out to unfamiliar groups early certainly eases implementation later and can create advocates in the business.

Lesson 8 – Can you see what it is yet?

If you are applying your competency framework to assessment processes such as 360-degree appraisal or selection, ensure that your competencies are defined in terms of what is clearly observable and measurable. If the underlying attitudes, motivations and values of people are also critically important, you need to identify how these would be translated into behaviours that others can observe.

Understand how you (and others) would measure these and therefore make judgements on an individual's performance or strength in this area.

By making an effort to reach out to unfamiliar groups early certainly eases implementation later and can create advocates in the business.

Lesson 9 – “If only you knew the power of the Dark Side, Luke”

Some competencies are more easily observed when the person lacks strength or ability in a particular area (for example, ‘*Self Control*’ and ‘*Respects Diversity*’ can be more obvious by their absence!). In these cases, it can be difficult to express positive behaviours in a meaningful and observable manner.

Consider including contra-indicators which will help people determine what a development need in a particular competency might look like, in behavioural terms.

This reflects Peter Drucker's observation that half the leaders he has met “*don't need to learn anything new, they just need to learn what to stop doing*”.

Lesson 10 – Position Vacant: Only Super Man or Wonder Woman need apply

Finally, there is always a temptation to include a whole gamut of competencies within a model – once you start researching it can be easy to identify with the importance and value of dozens of competencies and behaviours, but a common mistake is to try to encompass too much in your framework.

We've seen frameworks with more than 25 competencies, which can be unwieldy, overly complex and confusing so focus on just those things that really make a difference, and which are really critical, within your business.

If you want people to use a competency framework effectively and consistently, make it concise, user friendly and not a description of an unattainable ideal!



Summing up

There have been challenges in the past to the competency-based approach when looking at talent management, but it's hard to see how effective talent management processes can work in the absence of a tailored competency framework.

Recruitment, development, training, reward and performance management are all activities concerned with the match between individuals and the requirements of the job and common sense tells us that the better our understanding of the demands of the role, the culture in which people have to operate and the qualities that lead to higher performance, the more we will get out of our investment in our people.

But a common language is needed which allows for a shared understanding of what makes for superior performance in your organisation: this can be achieved through a thorough, clear and evidence-based competency framework which then underpins all your activity.

We explore how to define the competencies which are right for your organisation and weigh up the pros and cons of developing your own bespoke model vs adapting or tailoring a generic competency framework in Part Two of our White Paper series – *Developing your Talent Management Strategy* – which is available on request from us.

For those who need a quick start, we have a library of competencies and behaviours that many of our customers draw from and make their own, and we provide it to them for free!

Next steps

If you are just starting out on the road to developing a Competency Framework for your organisation, a conversation with us may help you make sure you are on the right track and we can talk about how we could work together to design a framework which works for your business.

If you already have a framework in place and want to see if it can work better for you or needs an update given changes in the business, we can work with you to evaluate your current model and make any tweaks or adaptations which are then thought to be needed.

As well as our consulting services with our Business Psychology team, our integrated, on-line and award-winning Talent® platform may help you to then implement this framework into your talent management activities.

For more information or to see how Talent® could be used in your organisation, please get in touch.

About Head Light

Head Light is an award-winning talent management and talent retention software and consulting firm that works with clients to define and implement impactful talent management strategies.

Talent Cloud® is our cloud-based portfolio of integrated talent management platform tools designed for those who expect the maximum return from talent management processes. Our training and consulting services uniquely complement our platform that engages employees, managers and senior leaders in the selection, development and progression of people in their businesses.

Companies in the FTSE 350, public sector, large and small, from retailers to high tech innovators have all benefitted from our tools, techniques and expertise. Founded in 2004, we are headquartered in the UK.

Head Light has attained the ISO27001 standard for Information Security.
Certificate No 217613.





How do I...

transition to Continuous Performance Management

How do I...

introduce robust Succession Planning

How do I...

spot High Potentials and Future Leaders

How do I...

boost Recognition

How do I...

drive Engagement through Career Conversations and Development

How do I...

embed new values and improve culture

How do I...

develop Skills of the Future

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