

Insight

Who Forgot Skills and
Knowledge

Richard Hodge

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Organisational Capability and the difference between competence and Competencies – R. Hodge

It's More than Semantics

These days if you want to succeed in HR you'll need to possess more than a vague understanding of competencies.

If you aspire to be an L&D Manager, OD practitioner, or even head up an HR function, you'll have your own view on what constitutes an effective competency framework and how to bring it to life in your organisation.

However, organisations spend too much time and resources debating the semantics of whether a competency heading should read "Financial Awareness" or "Financial Capability". They argue – for hours - over whether a particular statement reflects a value, a competence or a behaviour, or whether it's just a skill.

Competencies have become the Emperor who left his clothes at home, and no one has the temerity to tell him.

One of HR's challenges today is to call the Emperor out and to see whether we can't get him some overalls that are fit for purpose in the modern, purposeful results-orientated world.

How it all Started

David McLelland, the Famous 20th century Harvard academic, is generally credited with being the founding father of Competencies as we know them.

In 1975, he published a paper in the "American Psychologist" in which he claimed that competence was a better predictor of performance than IQ in any given position.

Competence was defined as an underlying trait or characteristic, which had some causal link to good performance. In simple terms, it was the "doing" of something, and especially the "how" of doing things, as opposed to the "possessing" of a thing such as IQ. In other words the application of IQ is more important determiner of performance than the simple possessing of IQ.

A Money-Spinner

Since then, this credible, relatively simple proposition has sprouted wings.

Comp & Job Evaluation specialists have seen the opportunity to develop multi-point approaches to competency definitions, which take an organisation from establishing performance criteria to "designing applications".

Psychometrics companies see themselves as natural fits for co-opting McLelland's idea into their own competency offerings based around their "measurable" traits/attributes/factors solutions.

Even new HR Outsourcing providers offer open training courses on building and using competency frameworks.

From small acorns, it seems that large, gold-encrusted oaks tend to grow.

Everyone draws the same conclusions

What amazes me is that, given the number of independently developed, apparently “best-practice” offerings out there, the actual competency frameworks themselves turn out to be very similar.

Take two frameworks in two different sectors: Halfords (Retail) and HBOS (Financial).

Halfords clustered their competencies into 3 broad chunks ... Thought Leadership, Task Leadership and People Leadership. HBOS carried out the same clustering exercise and came up with 4 ... Lead, Build, Deliver and Shape.

Both frameworks were designed to differentiate the organisation through its leadership behaviour. However, even just a cursory review of descriptors shows that Halfords’ “People” factor pretty much equates to HBOS’ “Lead” and “Build”, the “Task” factor in Halfords is the same as “Deliver” in HBOS, and “Thought” is the same as “Shape”.

In Halfords, Middle Managers “coach people to take ownership for achieving their objectives”. In HBOS, Middle Managers “Stretch others by giving the personal guidance and coaching they need to optimise their contribution”

We could get pedantic around the words, but for all practical purposes they are saying pretty much the same thing.

Getting Back to the Emperor’s Clothes

It’s important that, when building their competency framework, each organisation personalises it so that the language has a cultural fit and the organisation feels “bought in” rather than having a framework dumped on them.

Leaving this to one side, however, there are some generic and very common themes that thread themselves through all competency frameworks, both at the level of behavioural “clusters” and individual competency statements.

Things like: Leads Change, Builds Teams, Manages Performance, Develops People, Plans & Organises, Commercially Aware, Communicates Effectively ... and so on.

These themes are, for all practical purposes, self-evident in most cases, which should not come as a surprise. Competencies are, at their heart, definitions of what people need to be doing to perform effectively. And, what people need to be doing to perform effectively is essentially a management decision, not a scientific research study.

Organisations don’t need to buy in consultancies to complete 200 behavioural event interviews, or consult the psychometrics industry to identify that “Planning & Organising” or “Communicating Effectively” probably influences manager performance.

Competencies are not the same as Competence?

Now, as if that’s not enough, for me, there’s still a huge, ivory-tusked mammal in the room that us OD practitioners aren’t prepared to acknowledge. It’s usually pointed out by somebody from an operational background who says something like;

“These competencies are great and all, but technical and operational capability is critical to my function’s ability to deliver great performance.”

We respond by mumbling something like: “Isn’t it already covered in your technical training programmes?” or “That’s what we’ve always focused on; it isn’t going to differentiate us”.

But this is not true, is it.

We, and the industry that supports Competencies, prattle on and on about behaviours impacting performance whilst ignoring that the bulk of how we perform is determined by our professional competence.

Some sectors haven't forgotten this; critical sectors like healthcare, the military, airlines, the legal profession. It's an old, well-worn adage, but worth repeating – competence becomes all of a sudden much more important than psychometrics and behavioural attributes when talking about pilots, submarine captains, doctors, aircraft engineers and defence lawyers.

We'd all take a "competent" surgeon over one whose behavioural attributes align with descriptions decided by consultant-led committees any day of the week.

Organisation Capability

Us OD types – and in case it has not been clear, I am one – enjoy leadership values and organisation behaviour stuff.

The standard behavioural competency sets that turn up in Competency Frameworks consist of factors that we can include in Performance Reviews and 360 manager assessments. We like, in other words, to pretend that we can measure them.

The functional competence that Operations Directors talk about is a whole different animal and something we don't naturally warm to. The sub text here goes something like;

“Jeez, I haven't got a clue where to start, it sounds like excruciatingly tough work and it bores me.”

We don't say this, of course. What we say is that technical skills and knowledge is the Line's responsibility.

In one sense it is, and always will be, but, if we are really going to drive organisation performance, we must develop organisation capability in the round, rather than limit it to our own narrow take on "Talent".

HR has to bite the bullet and acknowledge that technical skills, professional competence, knowledge or standards – call them what you will – require identification, structure and development and the people who know how to do this best are HR people.

Red Herrings

So, is it behavioural competencies or professional skills that matter?

Who cares? Take any factor you like, I'll guarantee that nearly all can be expressed as a type of knowledge, a skill, a behaviour and a competency? The only difference will be in the words chosen for the description. The "thing" being described will remain, essentially, the same.

The question is a Red Herring. The crucial take-away for organisations is that there are actions we need people to perform well in order for them to succeed. Therefore, we need to describe to people what those actions are.

However, the range of actions that impact their performance cannot be credible if it excludes professional competence.

Crossroads

A more pertinent challenge for HR is whether a narrow definition of competencies as something exclusively behavioural and managerial is enough to drive organisation performance. Or, whether a pragmatic definition of Organisational Capability, which links behavioural and professional competence together for rounded individual development, would be better.

The other choice for HR is to decide how much fuss to make over the pseudo-scientific roots of the behavioural factors in their framework. Crudely put: is it worth investing piles of time and treasure to come up with something not a lot different from what you could have done in an afternoon of frank and common sense discussion?

Or does the organisation get more bang for buck out of a “pick ‘n’ mix” approach, whereby an organisation selects it’s behavioural competency framework from a generic collection of – let’s face it, – blindingly obvious factors, thus significantly reducing development cost.

Now, clearly this wouldn’t be for everybody. There will be organisations out there that need the face validity that only spending millions of pounds can bring. There will be others convinced of the predictive reliability and validity of behavioural attributes.

But I seriously challenge the paradigm that holds that a pseudo-scientifically researched approach to behavioural competency development is the only way forward. There is enough work out there now, done by enough psychologists, in enough organisations for this to be unnecessary.