

Design and Implementation of a Competency Framework

Applied project assignment for Human
Capital Strategist Certification

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Business Drivers

- High pressure to perform, due to outside owners' goals
- High turnover in account management function
- Lack of strong pipeline in leadership succession
- Minimal training available outside of sales roles
- Economic conditions which call for a forward-looking approach
- Unprecedented opportunity to upgrade talent

Project Goals and Measures

Knit together disparate human resource functions

Measurement: One competency framework incorporated into talent management (talent acquisition, succession planning, performance management, career planning)

Clarify and focus the interviewing approach

Metric: Increase the quality of new hires identified by 12 month follow up on performance

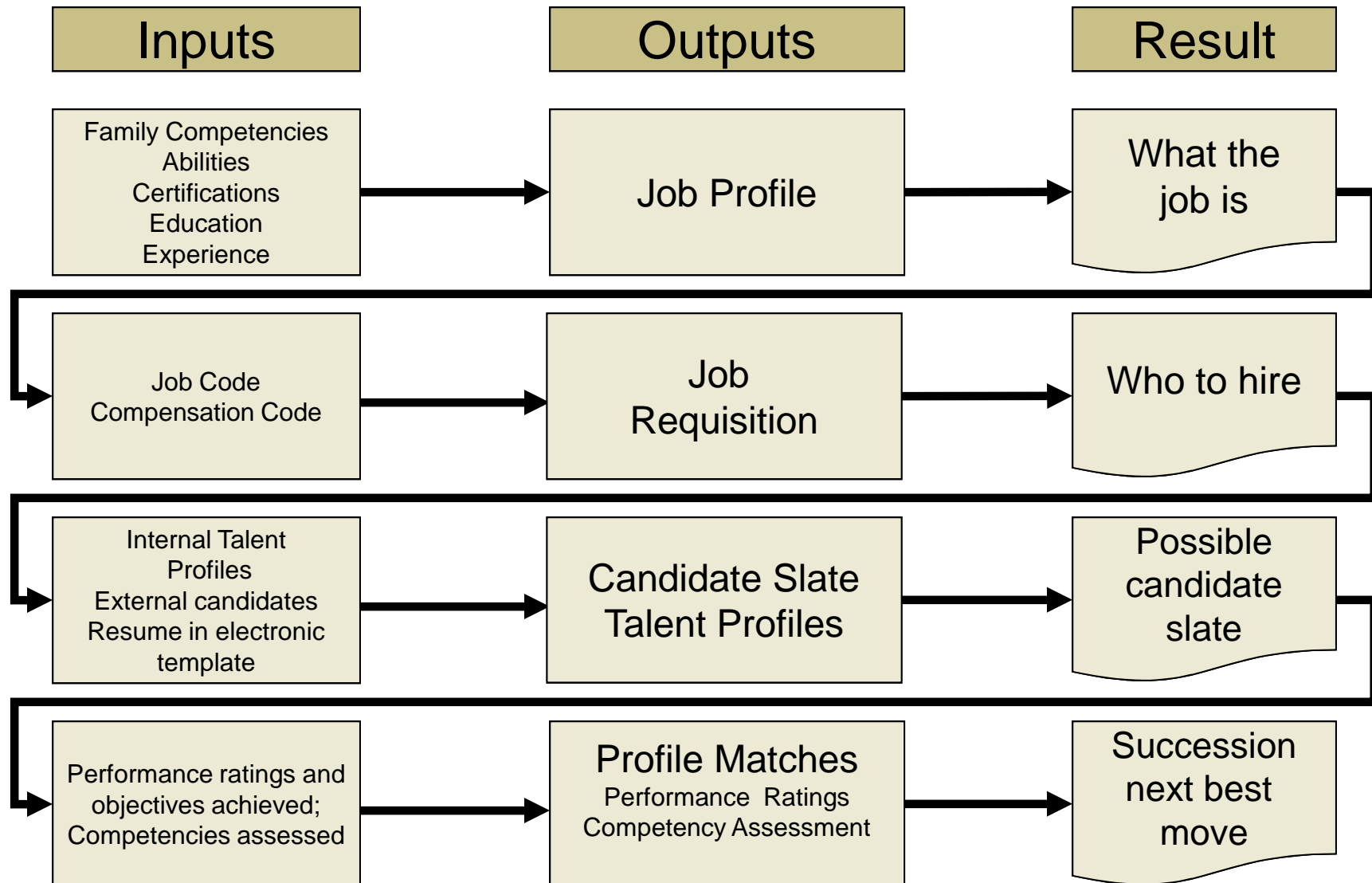
Define the competencies of most importance for performance and development by job family

Metric: Performance assessments address important competencies for position; Promotions and opportunities correlate to high performance and competencies

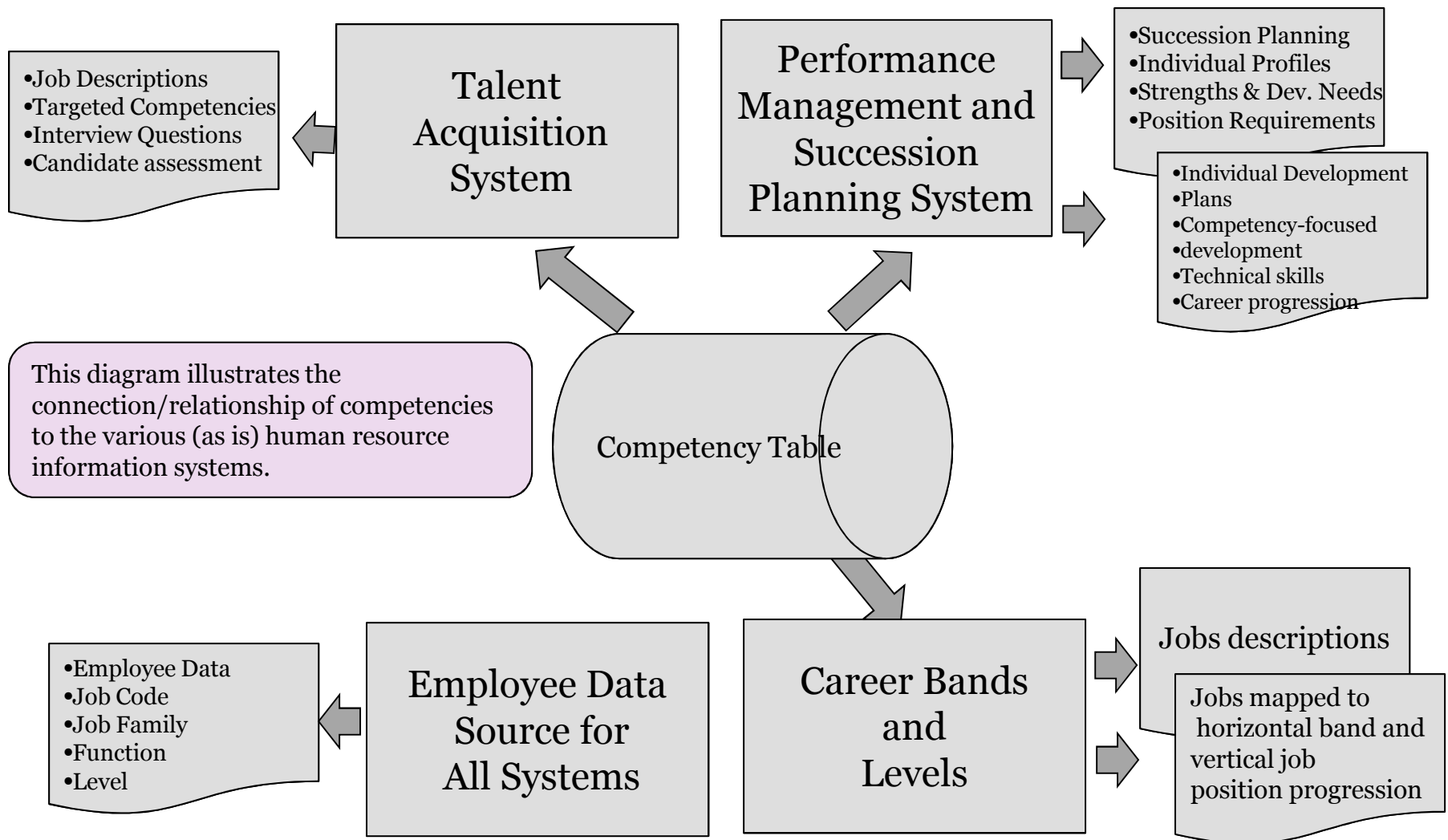
Create visibility into competency requirements for next step career move

Measurement: Career paths identify critical competencies by job family and function

Proposed TM Data Flow



Leveraged in Enabling Systems



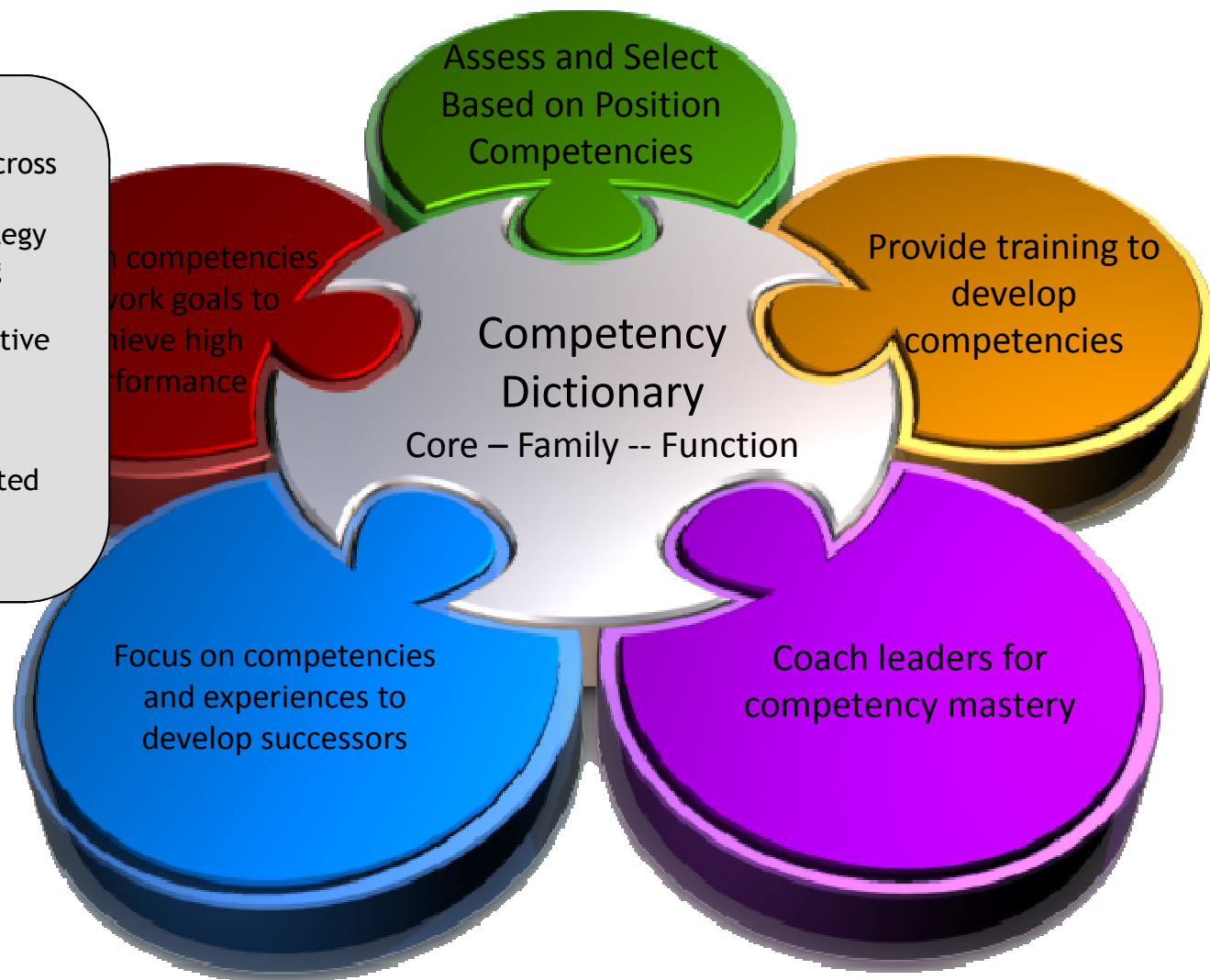
Role of Competencies in TM

Phase I

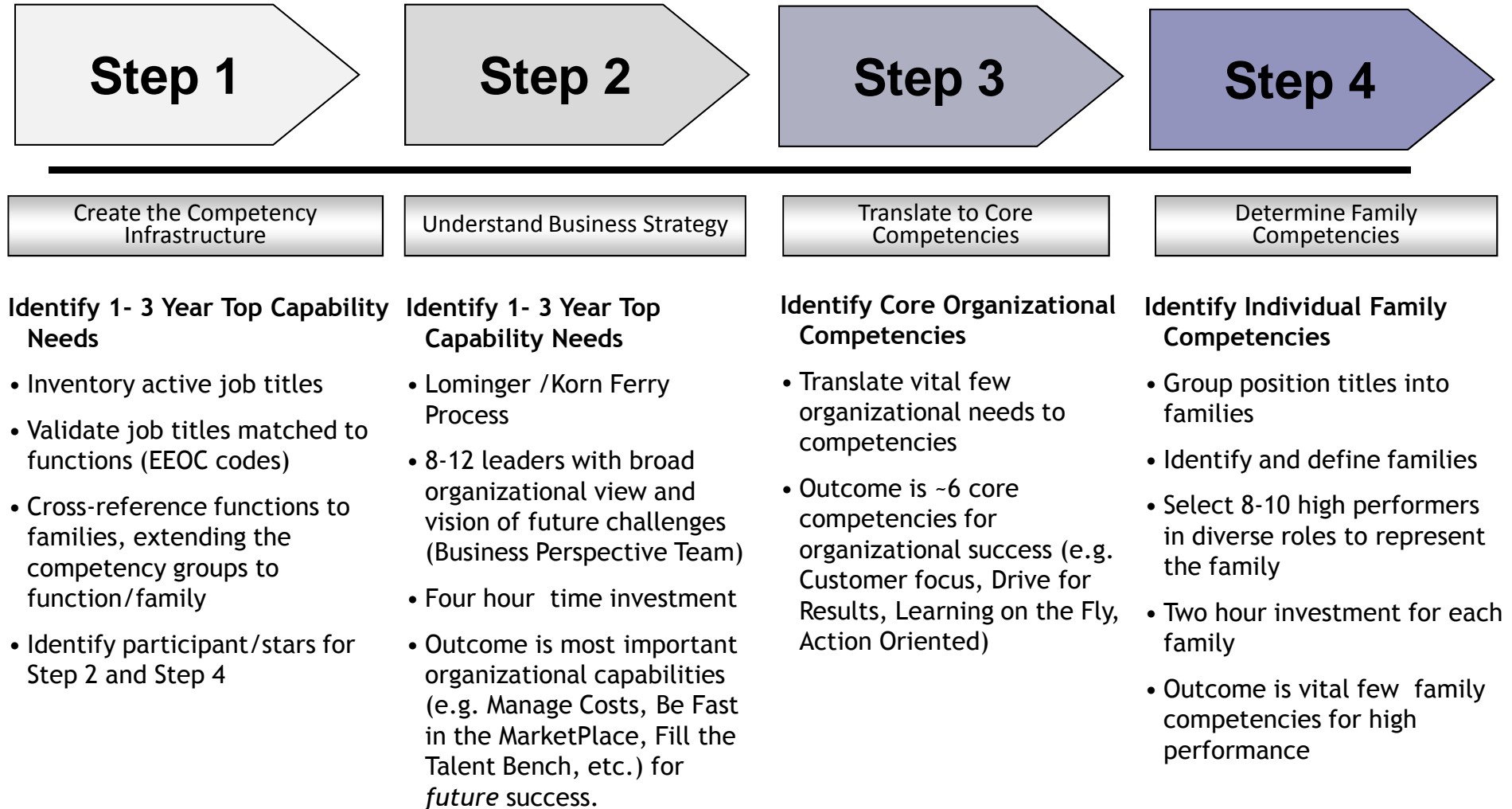
- Linked to and balanced across key result areas
- Aligned with current strategy
- Leveraged in the enabling systems
- Aligned with senior executive beliefs and behaviors

Phase II

- Competencies differentiated by job level (anchors)



Competency Identification Process



Project Roles and Responsibilities

Steering Committee

- Five members of the senior management team representing key business areas (sales, human resources, business development, talent acquisition)
- The steering committee meets periodically to validate approach, advocate for the project, advise, and validate outcomes

Family Competency Teams

- Participants are high performers (stars) representing diverse demographics within the function.
- Each team (10 per family/function) meets once for two hours to complete competency selection exercise.

Business Perspective Team

- Ten members of senior management (director and above) who have broad knowledge of the business across functions. This group needs intimate knowledge of the business challenges to grow and become more profitable.
- This group meets once for a half day to articulate the future business needs and challenges and participate in the exercise to identify organization-wide competencies.

Summary of Future View

1

Results of the leadership exercise, which we called “Future View,” resulted in a list of current future business challenges.

These were organized into three business categories:

1. Sales and Services Model
2. Talent
3. Customers

Challenges for the Sales and Services Model

- Differentiated treatment for customer segments
- Need both channel and field capability with vendors
- More skill at adapting solutions for customers
- Brand equating to solutions, instead of just lots of choices
- Affordable services
- Locally available services
- Stronger consultative approach

Summary of Future View

2

Challenges Around Talent

- Employees will need to adapt quickly to different communication styles and needs
- Generation Y will challenge traditional recruiting methods and company brand
- There will be more pressure for creative and innovative solutions and problem solving
- Decision making will increasingly be shifted down the chain
- Increasing ability to conduct financial analysis at all levels of the organization
- Greater ability to change
- Increased individual responsibility
- Less patience to take time to develop skills

Customer Challenges

3

- Will be looking for more value
- Will buy in more diverse ways and methods
- Will use social media
- Will require easier ways to interface with their vendors
- Will want to do business with stable companies with clear vision
- Will be attracted to companies in the forefront of things, rather than reactive, playing catch-up
- Will be attracted to partners with a national presence
- Social media will have a significant impact on how employees communicate with customers. Phone calls will not have the reach of Facebook, Twitter, etc.
- Building and sustaining long-term customer relationships will be even more critical to business success

Identify Job Families

All positions are mapped to a job family and coded accordingly in the HRIS. Beginning with the EEOC job code definitions and refining for our application, the following definitions define the job families:

Executive - Officers of the company

Director - Senior Directors and Directors

Manager - Supervisors, Managers, and Senior Managers

Professional - Individual contributors who are expected to work with a high degree of autonomy and focus on:

- applying specific technical (technical in this instance refers to the body of knowledge and skills unique to the role), expertise, and accountability
- coordinating people and process resources

Outside of Technology Services, the use of technology is used as a productivity tool and not the focus of the role. Within Technology Services, technology is considered both a productivity tool and a solution that is delivered to clients.

Technical - an individual contributor whose focus is using and applying technology or applied scientific skills to processes and people.

Administrative - an office based individual contributor whose focus is providing administrative, operational, clerical, service and maintenance support to other coworkers and/or customers.

Operational - a non-office based individual contributor whose focus is on performing one or more of the following types of tasks - physical, operational, maintenance, safety-related.

Sales - an individual contributor whose focus is selling products and services to customers.

Family/Function Competencies

Core CDW Competencies:			
	1. Customer Focus	2. Drive for Results	3. Perseverance
Families >>>	Professional	Technical	Adaptability
Functions			
Sales	X	1. Business Acumen 2. Priority Setting 3. Technical Learning 4. Presentation Skills	
Marketing	1. Business Acumen 2. Priority Setting 3. Creativity 4. Informing	X	
Product Management	1. Business Acumen 2. Priority Setting 3. Creativity 4. Informing	X	
Technology Services & Consulting	1. Business Acumen 2. Priority Setting 3. Process Mgmt 4. Innovation Mgmt	1. Business Acumen 2. Priority Setting 3. Technical Learning 4. Process Mgmt.	
Operations	1. Business Acumen 2. Priority Setting 3. Time Mgmt 4. Process Mgmt	1. Business Acumen 2. Priority Setting 3. Conflict Mgmt 4. Planning	
	1. Business Acumen	X	

Example Family/Function Matrix

- Cross references job families with the functions
- A professional may require different competencies in each function because of the nature of the function's work.
- In Phase II, we will anchor the competency definitions for each family/function.

Functional/Technical Skills
 2. Time Management
 3. Comfort Around Higher Mgmt
 4. Informing
 5. Dealing with Paradox

Competencies in Practice

Example



This is an example of the intersection of job description and competencies. Phase II will anchor the competency definitions.

Families that cross over multiple functions will have an entry, mid, and senior level definition at each family/function level.

Intersection of Job Description and Competency Model

Job Title: Manager, Help Desk
Job Family: Management
Level: Entry Level
Skills/Experience: 5 years customer service, 3 years supervisory.
Competencies: (Core) Customer Focus, Drive for Results, Learning on the Fly, Planning, Process Management, Priority Setting, (Plus Family/Function) Developing Direct Reports and Coaching and Developing Others



Behaviors Differentiating Levels

Expectations by Job Level					
	Scope of Responsibility		Business Impact		
8	<i>Consistently works with abstract ideas or situations across functional areas of the business. Works on complex issues where analysis of situations or data requires an in-depth knowledge of the company. Decisions affect the financial and business success of the organization led and possibly the entire organization.</i>	<i>Proven industry knowledge and leadership expertise. College or advanced degree is required. 15-20 years of related or professional experience is typically required.</i>	<i>Decisions impact organization's achievement of major goals/objectives and are visible to external interests as well as broadly across internal functions.</i>	<i>Decision will have a long-term effect on the company's success and health.</i>	<i>Sets priorities and capital/resource req.</i>
7	<i>Works on complex issues where the analysis of situations or data requires an in-depth knowledge of the company, as well as a deep knowledge of function led. Decisions affect the financial and business success of the function led.</i>	<i>Extensive industry knowledge and leadership expertise. College or advanced degree is essential. 10-15 years of related or professional experience is typically required.</i>	<i>Decisions impact critical enterprise initiatives, or function's achievement of major goals/objectives and is highly visible internally and possibly externally.</i>	<i>Decisions have a long-term effect on the overall success of their function and may impact sales or backbone functions.</i>	<i>Focuses on setting human capital reqs, results</i>
6	<i>Works on issues of diverse scope where the analysis of a situation and/or data requires evaluation of a variety of factors, including an understanding of current business trends. Decisions impact the financial and business success of the department led and influences broader function.</i>	<i>Subject matter expert of a specific field of knowledge. College or advanced degree is a minimum criteria. 10 years of related or professional experience is typically required.</i>	<i>Decisions impact the function's objectives or operations in terms of time, resources, costs, revenue, funds and achievement of</i>	<i>Erroneous decisions result in critical delays in schedules and/or unit operations and may jeopardize overall function activities.</i>	<i>Implements human resources plans.</i>
5	<i>Works on issues where the analysis of a situation and/or data requires an in-depth knowledge of departmental objectives. Contributes to the financial and business success of the group led and influences broader department and function.</i>	<i>Subject matter expert with specialty knowledge. College or advanced degree typical. May also require 5 or more related experience.</i>			
4	<i>Works on issues where the analysis of a situation and/or data requires evaluation of a variety of factors. May act as a resource to peers and subordinate level positions.</i>	<i>Advanced technical or specialty knowledge is required. For college degree is preferred. Multiple years experience in field.</i>			

This is an example of defining the expectations and behaviors horizontally for a job level and vertically through career levels in terms of job scope, business impact, autonomy, and interaction.

This is a supplementary tool to complement the competencies.

Critical Organizational Capabilities

Be the Preferred Employer

1. Retain the best
2. Loyal employees

Manage Costs

3. Improve profitability

Manage the Strategic Vision

4. Strategic vision

Manage Stakeholders

5. Service leaders

Reward for Performance

6. Accountabilities/consequences
7. Compensation and performance

From the Future View challenges, the group sorted 80 organizational capabilities into three groups:

- Most Critical for Success
- Nice to Have
- Less Important.

The group identified with overwhelming agreement seven critical capabilities in five areas, for future success.

Translation of Capabilities to Competencies

1. Priority Setting
2. Drive for Results
3. Sizing Up People
4. Informing
5. Managing and Measuring Work
6. Managing Vision and Purpose

Six competencies have strong correlation to the seven critical capabilities.

1. Motivating Others
2. Listening
3. Customer Focus
4. Problem Solving

Four additional competencies correlate but not to the same degree as the initial six. They will likely be identified as the additional critical competencies for some of the specific family/functions.

Next Steps

- Customize the competency definitions for specific organizational nuances and application
- Integrate competency “dictionary” into HR Systems through application consolidation project
 - Core ERP System (competencies tied to family/function)
 - Talent Management System (talent acquisition, performance management, development, succession)
- Train hiring managers and team members on the use of competencies in interviewing and selection as well as the interview debrief
- Implement competencies into job descriptions for job postings
- Create standard interview questions and “what to look for” in interviewing tool kits (transition off of automated interview system)

Primary Influencing Resources

A Strategic Forward-Looking Approach to Competency Modeling

Gregory P. Prastacos, Klas Eric Soderquist and Maria Valoka, Athen University of Economics and Business
Business Leadership Review, April 2005, Vol 2 Issue 2

Leveraging Leadership Competencies to Produce Leadership Brand: Creating Distinctiveness by Focusing on Strategy and Results

Jim Intagliata, The NorthStart Group; Dave Ulrich, University of Michigan; Norm Smallwood, Results-Based Leadership Group, Inc.
Originally published in Human Resource Planning, 2002

Competencies & Values are the Foundation for Talent Management

E.L. Goldberg and Associates and PMI Presentation in Leadership Development Roundtable (Corporate)webinar

Strategy-Driven Competency Model Development

TD Bank Financial Group: Learning and Development Roundtable research, a sub-group of the Corporate Executive Board

Job-Specific Competency Priorities

John Deere: Learning and Development Roundtable research, a sub-group of the Corporate Executive Board

The Role of Competencies in Driving Financial Performance, White Paper, Josh Bersin, January 2007

Building Competency Models: Approaches for HR Professionals, *Human Resource Management*, Spring 1996, Vol. 35, Number 1, Pp. 7-18, John Wiley and Sons, Inc.

Competencies and Values are the Foundation for Talent Management, E.L. Goldberg and Associates and PMI presentation

Phone interview with David Bruce, HR Manager at Volkswagen America. Project with The Newman Group